



CHIP ENG SENG CORPORATION LTD

Co. Reg. No. 199805196H

ISSUE OF S\$100,000,000 6 PER CENT. NOTES DUE 2022 BY CTPL (AS DEFINED BELOW) PURSUANT TO THE S\$750,000,000 MULTICURRENCY DEBT ISSUANCE PROGRAMME (THE “PROGRAMME”) OF THE COMPANY (AS DEFINED BELOW) AND CTPL AND (IN THE CASE OF SECURITIES ISSUED BY CTPL) UNCONDITIONALLY AND IRREVOCABLY GUARANTEED BY THE COMPANY

Further to the announcement dated 6 March 2019, the board of directors (the “**Board**”) of Chip Eng Seng Corporation Ltd. (the “**Company**”) is pleased to announce that its wholly-owned subsidiary, CES Treasury Pte. Ltd. (“**CTPL**” or the “**Issuer**”), has today issued S\$100,000,000 6 per cent. notes due 2022 (the “**Series 004 Notes**”) pursuant to the Programme. The Series 004 Notes are unconditionally and irrevocably guaranteed by the Company (the “**Guarantee**”). Terms defined in the most recent information memorandum dated 4 March 2019 in relation to the Programme (the “**2019 IM**”) shall have the same meaning in this announcement unless otherwise defined herein.

In relation to the Series 004 Notes, DBS Bank Ltd. acted as the sole global coordinator, sole bookrunner and lead manager. Haitong International Securities (Singapore) Pte. Ltd. also acted as an additional lead manager in respect of the Series 004 Notes.

The Series 004 Notes were issued at an issue price of 100 per cent. of their principal amount and in denominations of S\$250,000. The Series 004 Notes will bear interest at a fixed rate of 6 per cent. per annum payable semi-annually in arrear and will mature on 15 March 2022.

The Series 004 Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.

The obligations of the Company under the Guarantee constitute direct, unconditional, unsubordinated and unsecured obligations of the Company and shall at all times rank *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Company.

The net proceeds arising from the issue of the Series 004 Notes (after deducting issue expenses) will be used for general corporate purposes of the Group, including refinancing the existing borrowings, financing the investments and for the general working capital purposes of the Group.

Pursuant to Condition 6(e)(ii) of the terms and conditions of the Notes, a “**Change of Control**” means (1) a change in shareholding of the Company on any date which results in Mr Gordon Tang @ Tang Yigang @ Gordon Tang and Mrs Celine Tang @ Chen Huaidan @ Celine Tang and their respective Immediate Family Members (as defined in Condition 6(e)(ii) of the terms and conditions of the Notes and together, the “**Controlling Shareholders**”) ceasing to collectively own in aggregate direct or deemed interest of at least 20 per cent. of the issued share capital for the time being of the Company, and/or (2) any person or persons acting in concert (other than the Controlling Shareholders) acquiring ownership of direct or deemed interest of 30 per cent. or more in aggregate of the issued share capital for the time being of the Company. Upon the occurrence of a Change of Control, each holder of the Series 004 Notes has an option to require the Issuer to redeem the Series 004 Notes of such holder (subject to the terms and conditions of the Notes).

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing and quotation of the Series 004 Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and the listing and

quotation of the Series 004 Notes on, the SGX-ST are not to be taken as an indication of the merits of the Company, CTPL, their respective subsidiaries (if any), their respective associated companies (if any), the Programme or the Series 004 Notes. The Series 004 Notes are expected to be listed on the SGX-ST on 18 March 2019.

Certain controlling shareholders and directors of the Issuer and/or the Company and their family members have been allocated approximately 32 per cent. of the entire issue of the Series 004 Notes, giving substantial holding to such controlling shareholders, entities and/or persons. In particular, please refer to the risk factor entitled "The Securities may not be liquid and an active market for the Securities may not develop." at page 167 of the 2019 IM for further information.

BY ORDER OF THE BOARD

Chia Lee Meng Raymond
Executive Director and Group Chief Executive Officer
15 March 2019