



CHIP ENG SENG CORPORATION LTD.
Co. Reg. No. 199805196H

**MANDATORY UNCONDITIONAL CASH OFFER BY UNITED OVERSEAS BANK LIMITED
FOR AND ON BEHALF OF TANG DYNASTY TREASURE PTE. LTD.
FOR ALL THE SHARES IN THE CAPITAL OF CHIP ENG SENG CORPORATION LTD.**

COMPULSORY ACQUISITION AND LOSS OF FREE FLOAT

1. Introduction

1.1 The board of directors (the “**Board**”) of Chip Eng Seng Corporation Ltd. (the “**Company**”) wishes to refer shareholders of the Company (the “**Shareholders**”) to:

1.1.1 the announcement (the “**Offer Announcement**”) made by United Overseas Bank Limited (“**UOB**”), for and on behalf of Tang Dynasty Treasure Pte. Ltd. (the “**Offeror**”), on 24 November 2022 in relation to the voluntary conditional cash offer for all the issued and paid-up ordinary shares in the share capital of the Company (the “**Shares**”), other than those Shares held by the Company as treasury shares (the “**Offer Shares**”), in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers (the “**Code**”);

1.1.2 the announcement made by UOB, for and on behalf of the Offeror, on 25 November 2022 in relation to, *inter alia*, the Offeror having incurred an obligation to make a mandatory general offer for all the Offer Shares in accordance with Rule 14 of the Code and the conversion of the voluntary conditional cash offer by the Offeror to a mandatory conditional cash offer (such offer, the “**Offer**”) (the “**MGO Conversion Announcement**”);

1.1.3 the announcement made by UOB, for and on behalf of the Offeror, on 2 December 2022 in relation to, *inter alia*, the revision of the consideration for the Offer Shares (the “**Price Revision Announcement**”);

1.1.4 the offer document dated 8 December 2022 and related documents in connection with the Offer issued by UOB, for and on behalf of the Offeror (the “**Offer Document**”);

1.1.5 the announcement made by UOB, for and on behalf of the Offeror, on 14 December 2022 in relation to, *inter alia*, the Offer being declared unconditional in all respects (the “**Offer Unconditional Announcement**”);

1.1.6 the offeree circular dated 22 December 2022 (the “**Offeree Circular**”) issued by the Company in connection with the Offer;

1.1.7 the announcement made by UOB, for and on behalf of the Offeror, on 19 January 2023 in relation to the extension of the Closing Date of the Offer till 2 February 2023 (the “**First Extension Announcement**”);

- 1.1.8** the announcement made by UOB, for and on behalf of the Offeror, on 2 February 2023 in relation to the extension of the Closing Date of the Offer till 16 February 2023 (the “**Second Extension Announcement**”); and
- 1.1.9** the announcement made by UOB, for and on behalf of the Offeror, on 14 February 2023 in relation to, *inter alia*, the level of acceptances of the Offer (the “**Level of Acceptances Announcement**”).
- 1.2** Unless otherwise defined, all capitalised terms not defined herein shall have the same meanings ascribed to them in the Offeree Circular.
- 2. Loss of Public Float, Trading Suspension, Listing Status and Compulsory Acquisition**
- 2.1** Under Rule 723 of the Listing Manual (the “**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the Company must ensure that at least 10% of the total number of issued Shares (excluding any Shares held in treasury) is at all times held in the public hands (the “**Free Float Requirement**”).
- 2.2** Pursuant to Rule 1105 of the Listing Manual, upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that bring the holdings owned by the Offeror and the Offeror Concert Parties to above 90% of the total number of issued Shares (excluding any Shares held in treasury), the SGX-ST may suspend the trading of the Shares in the Ready and Unit Share markets until it is satisfied that at least 10% of the total number of issued Shares (excluding any Shares held in treasury) are held by at least 500 Shareholders who are members of the public.
- 2.3** Rule 1303(1) of the Listing Manual provides that if the Offeror succeeds in garnering acceptances exceeding 90% of the total number of issued Shares (excluding any Shares held in treasury), thus causing the percentage of the total number of issued Shares (excluding any Shares held in treasury) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the close of the Offer.
- 2.4** In addition, under Rule 724(1) of the Listing Manual, if the Free Float Requirement is not satisfied, the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend trading of all the Shares. Rule 724(2) of the Listing Manual states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of the Shares (excluding any Shares held in treasury) held in public hands to at least 10%, failing which the Company may be removed from the Official List of the SGX-ST.
- 2.5** In accordance with Rule 724(1) of the Listing Manual, the Company wishes to announce that based on the information in the Level of Acceptances Announcement, as at 6.00 p.m. (Singapore time) on 14 February 2023:
- 2.5.1** the total number of (a) Shares owned, controlled or agreed to be acquired by the Offeror and the Offeror Concert Parties; and (b) valid acceptances of the Offer, amount to an aggregate of 708,267,205 Shares, representing approximately 90.19% of the total number of Shares; and
- 2.5.2** the percentage of Shares held by the public is approximately 9.81% and is therefore less than the requisite 10% under the Free Float Requirement.

- 2.6** As stated in the Offer Document and the Level of Acceptances Announcement, the Offeror intends to make the Company its wholly-owned subsidiary and does not intend to preserve the listing status of the Company. The Offeror has also stated that, the Offeror, if and when entitled, intends to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act and does not intend to support or take any step (including the placing out of Shares by the Offeror) for the public float to be restored and/or for any trading suspension of the Shares by the SGX-ST to be lifted in the event that, *inter alia*, the Free Float Requirement is not satisfied.
- 2.7** As stated in the Level of Acceptances Announcement, as at 6.00 p.m. (Singapore time) on 14 February 2023, the total number of (a) Shares acquired by the Offeror after the despatch of the Offer Document; and (b) valid acceptances of the Offer is not less than 90% of the total number of Shares as at the date of the Offer (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding, for the avoidance of doubt, any Shares held in treasury). **Accordingly, the Offeror is entitled to, and will in due course, exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act to compulsorily acquire all Shares of Shareholders who have not accepted the Offer at a price equal to the Final Offer Consideration. Pursuant to Rule 1303(1) of the Listing Manual, the SGX-ST will suspend trading of the Shares at the close of the Offer.** Please refer to the Level of Acceptances Announcement for more information on the Offeror's rights of compulsory acquisition under Section 215 of the Companies Act.

3. Reminder of Closing Date

Shareholders should note that, as stated in the Second Extension Announcement, the Offer will close at **5.30 P.M. (Singapore time) on 16 February 2023** (or such later date(s) as may be announced from time to time by or on behalf of the Offeror).

4. Responsibility Statement

- 4.1** The directors of the Company (the "**Directors**") (including those who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this announcement are fair and accurate and that there are no other material facts not contained in this announcement, the omission of which would make any statement in this announcement misleading. The Directors jointly and severally accept responsibility accordingly.
- 4.2** Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror (including, without limitation, the Offer Announcement, the MGO Conversion Announcement, the Price Revision Announcement, the Offer Document, the Offer Unconditional Announcement, the First Extension Announcement, the Second Extension Announcement and the Level of Acceptances Announcement), the sole responsibility of the Directors has been to ensure, through reasonable enquiries, that such information is accurately extracted from such sources or, as the case may be, accurately reflected or reproduced herein.

BY ORDER OF THE BOARD

Chia Lee Meng Raymond
Executive Director and Group Chief Executive Officer
for and on behalf of
CHIP ENG SENG CORPORATION LTD.

15 February 2023