



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

ANNOUNCEMENT PURSUANT TO RULE 706A OF THE LISTING MANUAL

The Board of Directors of Chip Eng Seng Corporation Ltd. (the “**Company**”) wishes to announce the following changes that occurred during the 6-month financial period ended 30 June 2021:

(A) Incorporation of Joint Venture Companies

As announced by the Company on 19 May 2021, the Company’s wholly-owned subsidiary, CEL Development Pte. Ltd. (“**CEL**”) and its joint venture partners, SingHaiyi Investments Pte. Ltd. (“**SHIPL**”) and Chuan Investments Pte. Ltd. (“**CIPL**”), incorporated two joint venture companies, Maxwell Residential Pte. Ltd. and Maxwell Commercial Pte. Ltd (collectively, the “**JV Companies**”, and each, a “**JV Company**”).

Each JV Company has an issued and paid-up share capital of S\$10.00. As at the date of this announcement, CEL, SHIPL and CIPL hold 40%, 30% and 30% respectively in the share capital of each JV Company.

The JV Companies are incorporated to jointly undertake the acquisition and redevelopment of the property in Singapore known as Maxwell House. Please refer to the said announcement (*Acquisition of Maxwell House; Interested Person Transactions – Incorporation of Joint Venture Companies and Provision of Shareholders’ Loans to Joint Venture Companies*) for further details.

(B) Changes in Shareholding

1. Cybint International Pte. Ltd. (“**Cybint**”)

On 4 February 2021, the Company announced that its wholly-owned subsidiary, CES Edutech Pte. Ltd. (“**CES Edutech**”) had on the same day subscribed for 1,990,000 new ordinary shares in the capital of Cybint. Following such subscription, CES Edutech’s interest in Cybint increased from 33.33% to 41.14%. Please refer to the said announcement (*Further Investment in Cybint International Pte. Ltd.*) for further details.

As further announced by the Company on 7 July 2021, CES Edutech has entered into a sale and purchase agreement to sell all its shares held in Cybint. Completion of the sale will take place no later than the date falling 45 days from the date of the sale and purchase agreement. Please refer to the said announcement (*Entry into Sale and Purchase Agreement in relation to the Proposed Disposal of Shares in Cybint International Pte. Ltd.*) for further details.

2. Eura Construction Supply Pte. Ltd. (“**Eura**”) (formerly known as CEL Property (M) Pte. Ltd.)

On 21 April 2021, the Company announced that its wholly-owned subsidiary, Chip Eng Seng Construction Pte. Ltd. (“**CES Construction**”) entered into a joint venture with Inception Materials Pte. Ltd. (“**IM**”) for the procurement of construction-related supplies and materials (*Joint Venture with Inception Materials Pte. Ltd.*).

As of the date of the formation of the joint venture, Eura (the joint venture company) was a wholly-owned subsidiary of the Company. On 23 April 2021, CES Construction and IM collectively provided capital

contribution of S\$1.0 million to Eura for new shares in Eura. Following the allotment and issue of the new shares in Eura on 23 April 2021, CES Construction holds 55% of the issued and paid-up share capital in Eura, while IM holds the remaining 45%.

3. Guangzhou Yuanda Information Development Co., Ltd.

The Company refers to its announcements released on 18 April 2019 (*Proposed Investment in Guangzhou Yuan Information Development Co., Ltd*) (the “**18 April 2019 Announcement**”) and on 9 July 2019 (*First Closing for the Investment in Guangzhou Yuanda Information Development Co., Ltd.*).

Unless otherwise defined, all capitalised terms in this paragraph 3 shall have the same definition ascribed to it in the 18 April 2019 Announcement.

On 21 April 2021, CES Edutech completed the Second Closing for a subscription price of approximately US\$2.3 million for 1,111 CES Subscription Shares. Following the Second Closing, CES Edutech’s shareholding in Yuanda Cayman has increased from 34.93% to 34.97%.

(C) Cessation as Subsidiary

1. CES MAIC Management (Vietnam) Co., Ltd. (“CES MAIC”)

In January 2021, the Company’s wholly-owned subsidiary, CES Management (Vietnam) Pte. Ltd. (“**CESM (Vietnam)**”), disposed all of its 70% interest in the capital of CES MAIC, a company incorporated in Vietnam. CES MAIC has therefore ceased to be a subsidiary of the Company.

CES MAIC was incorporated in 2016 as a joint venture company between CESM (Vietnam) and MAIC International Investment Management Consulting Company Limited (a company incorporated in Vietnam) (“**MAIC**”) to provide real estate management and consultancy services in Vietnam relating to property development. CES MAIC has been mainly dormant since its establishment.

The purchaser is Mr Mai Duc Bao, who is the majority shareholder of MAIC. The consideration is approximately VND1.25 billion (approximately SGD 70,700), satisfied in cash. The consideration was arrived at on a willing seller willing buyer basis, taking into account, amongst others, CESM (Vietnam)’s 70% share of the cash balance in CES MAIC. Based on the unaudited management accounts of CES MAIC as at 31 December 2020, the net asset value represented by CESM (Vietnam)’s 70% interest in the capital of CES MAIC is approximately VND1.33 billion (approximately SGD78,390).

2. CES Glenelg Pty Ltd (“CES Glenelg”)

On 14 April 2021, CES Glenelg (the Company’s wholly-owned subsidiary in Australia) applied for a voluntary deregistration. Following such application, CES Glenelg has been deregistered with effect from 16 June 2021.

CES Glenelg was the developer of the residential development in Doncaster, Australia, known as “The Willows”, and has been dormant since the completion and sale of all the residential units in the development.

3. Boustead Salcon Processes Private Limited and Salcon-Thai Company Limited

On 30 December 2020, the Company announced its acquisition of 100% of the issued and paid-up share capital of Boustead Salcon Water Solutions Pte. Ltd. (now known as CES_Salcon Pte. Ltd. (“**CES_Salcon**”)) from Boustead Singapore Limited (“**BSL**”). As part of the acquisition, BSL agreed to buy back from CES_Salcon the following foreign subsidiaries then held by CES_Salcon:

- (a) Boustead Salcon Processes Private Limited (a company incorporated in India); and

(b) Salcon-Thai Company Limited (a company incorporated in Thailand).

The transfer of shares in Boustead Salcon Processes Private Limited took effect on 22 January 2021 while the transfer of shares in Salcon-Thai Company Limited took effect on 10 March 2021.

(D) Others

In April 2021, Pasir Ris EC Pte. Ltd. ("**Pasir Ris EC**"), in which the Company has a 40% shareholding interest, commenced voluntary liquidation and appointed a liquidator for such purpose.

Pasir Ris EC was the developer of the executive condominium project in Singapore known as "Belysa", and has been dormant since the completion and sale of all the residential units in the project.

Submitted by Chia Lee Meng Raymond, Executive Director and Group Chief Executive Officer, on 5 August 2021 to SGX