



**CHIP ENG SENG CORPORATION LTD**

**Co. Reg. No. 199805196H**

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**DISPOSAL OF A FREEHOLD PROPERTY AT 420 ST KILDA ROAD, MELBOURNE**

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The Board of Directors of Chip Eng Seng Corporation Ltd (the “Company”) is pleased to announce that its wholly owned subsidiary, CES Properties (Aus) Pty Limited (“CES Properties”) in Australia has entered into an agreement to sell a tenanted freehold office building located at 420 St Kilda Road, Melbourne with a land area of 2,286 square metres (the “Property”). The Property has a total net lettable area of 10,459 square metres and 134 car parking lots. The sale price is A\$68,840,000 (the “Disposal Price”) and the legal completion for the sales is on 31 August 2017.

The Disposal Price for the Property was arrived at after arms’ length negotiations between CES Properties and the purchaser, and on a ‘willing-buyer, willing-seller’ basis, taking into account various commercial factors including the location of the Property, the investment yield and the recent transacted prices for the properties in the vicinity.

The transaction is expected to contribute positively to the Company’s consolidated net tangible assets and earnings per share for the financial year ending 31 December 2017.

None of the Directors and, to the best knowledge of the Directors, none of the controlling and substantial shareholders of the Company, has any direct or indirect interest in the transaction.

Submitted by Hoon Tai Meng, Executive Director on 11 August 2017 to the SGX