



PROPOSED RENOUNCEABLE UNDERWRITTEN RIGHTS ISSUE OF 156,503,515 RIGHTS SHARES

RESULTS OF THE RIGHTS ISSUE

Introduction

The Board of Directors (the “**Board**”) of Chip Eng Seng Corporation Ltd. (the “**Company**”) refers to the Company’s announcements dated 22 August 2019, 13 September 2019 and 23 September 2019, and the offer information statement dated 23 September 2019 (the “**Offer Information Statement**”) in relation to the proposed renounceable underwritten rights issue (the “**Rights Issue**”) of 156,503,515 new ordinary shares in the capital of the Company (the “**Rights Shares**”) lodged with the Monetary Authority of Singapore on 23 September 2019.

Capitalised terms used herein, unless otherwise defined, shall bear the same meanings given to them in the Offer Information Statement.

Results of the Rights Issue

(A) Level of Subscription

The Board wishes to announce that as at the close of the Rights Issue on 10 October 2019 (the “**Closing Date**”), valid acceptances and excess applications were received for a total of 83,182,362 Rights Shares, representing approximately 53.15 per cent. of the 156,503,515 Rights Shares available for subscription under the Rights Issue. This includes the 49,307,500 Rights Shares accepted by the Undertaking Shareholders pursuant to the Irrevocable Undertakings.

Details of the valid acceptances and excess applications for the Rights Shares received are as follows:

	Number of Rights Shares	As a percentage of the total number of Rights Shares available for subscription under the Rights Issue (%)
Valid acceptances ⁽¹⁾	79,881,117	51.04
Excess applications ⁽²⁾	3,301,245	2.11

Total ⁽³⁾	83,182,362	53.15
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Notes:

- (1) Includes the 49,307,500 Rights Shares accepted by the Undertaking Shareholders pursuant to the Irrevocable Undertakings.
- (2) Applications for Excess Rights Shares were received in relation to 3,301,245 Rights Shares from the Shareholders (other than the Undertaking Shareholders) (such Shareholders, the “**Non-Undertaking Shareholders**”).
- (3) Valid acceptances for the Rights Shares and applications for Excess Rights Shares were received in relation to 33,874,862 Rights Shares from the Non-Undertaking Shareholders, representing 31.60 per cent. of the Non-Undertaking Shareholders’ total *pro-rata* entitlements under the Rights Issue in relation to their Shares (being 107,196,015 Rights Shares).

A total of 3,301,245 Rights Shares, including fractional entitlements which were disregarded in arriving at the Entitled Shareholders’ entitlements to the Rights Shares and Rights Shares which were not subscribed by the Entitled Shareholders, renounees of the Entitled Shareholders or purchasers of Nil-Paid Rights traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system during the Nil-Paid Rights trading period (the “**Purchasers**”), will be allotted to satisfy applications for Excess Rights Shares. In the allotment of Excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

The balance 73,321,153 Rights Shares, representing approximately 46.85 per cent. of the total number of Rights Shares available for subscription under the Rights Issue, will be subscribed by the Controlling Shareholders on the terms and subject to the conditions of the Sub-underwriting Agreement.

(B) Resultant Shareholding of the Undertaking Shareholders and Senz

Based on the final results of the Rights Issue and following the allotment and issue of the Rights Shares, the resultant shareholding of the Undertaking Shareholders and Senz will be as follows:

Name	Nil-Paid Rights (including Nil-Paid Rights acquired during the Nil-Paid Rights trading period (if applicable))	Excess Rights Shares	Subscription of Underwritten Rights Shares	Resultant Shareholding⁽¹⁾ (%)
Undertaking Shareholders				
Celine Tang @ Chen Huaidan @ Celine Tang and Gordon Tang @ Tang Yigang @ Gordon Tang	42,226,750	-	73,321,153	36.35
Chia Lee Meng Raymond	2,781,250	-	-	1.78
Senz				
Senz Holdings Limited ⁽²⁾	4,299,500	-	-	2.75

Notes:

- (1) Approximate percentage based on the issued share capital of the Company immediately following the allotment and issue of the Rights Shares, comprising 782,517,576 Shares (excluding treasury shares).
- (2) Celine Tang has procured the subscription and payment in full for Senz's entire *pro-rata* entitlement to the Rights Shares under the Rights Issue pursuant to the Irrevocable Undertakings. Celine Tang is deemed interested in the Shares held by Senz, a company in which Celine Tang is a director. Accordingly, Celine Tang will have a resultant total interest in approximately 39.10 per cent. of the issued share capital of the Company immediately following the allotment and issue of the Rights Shares.

(C) Net Proceeds from the Rights Issue

The Company has raised net proceeds of approximately S\$96.3 million (after deducting estimated costs, expenses and commissions of approximately S\$2.3 million incurred in connection with the Rights Issue) from the Rights Issue (the “**Net Proceeds**”). In line with the information disclosed in the Offer Information Statement, the Company intends to utilise the Net Proceeds as follows:

Use of Net Proceeds	Allocation of Net Proceeds (S\$ million)
To finance the possible expansion of the property development segment of the Group’s business in Singapore and overseas	50.0
To finance the Group’s possible strategic investments and/or acquisitions in the education segment of its business, which is in line with the Group’s recent diversification into the education sector	20.0
To finance the growth and operations of the hospitality segment of the Group’s business	10.0
For general corporate purposes including general and working capital requirements of the Group	16.3

Pending the deployment of the Net Proceeds, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments and/or marketable securities or used for any other purposes on a short-term basis as the Directors may in their absolute discretion deem appropriate in the interests of the Group.

(D) Allotment and Issue of the Rights Shares

In the case of Entitled Scripholders and their renounees with valid acceptances of Rights Shares and/or (if applicable) successful applications for Excess Rights Shares and who have, *inter alia*, failed to furnish or furnished incorrect or invalid Securities Account numbers in the relevant form in the PAL, share certificate(s) representing such number of Rights Shares will be sent by ordinary post, at their own risk, to their mailing addresses in Singapore as maintained in the records of the Share Registrar within 10 Market Days after the Closing Date.

In the case of Entitled Depositors, Purchasers, Entitled Scripholders and their renounees with valid acceptances of Rights Shares and/or (if applicable) successful applications for Excess Rights Shares and who have furnished valid Securities Account numbers in the relevant form in the PAL, share certificate(s) representing such number of Rights Shares will be sent to CDP within 10 Market Days after the Closing Date and CDP will thereafter credit such number of Rights Shares to their

relevant Securities Accounts. CDP will then send a notification letter to the relevant subscribers stating the number of Rights Shares credited to their Securities Accounts.

(E) Sale of Nil-Paid Rights of Ineligible Shareholders

Nil-Paid Rights in respect of a total of 260,100 Rights Shares which would otherwise have been provisionally allotted to Ineligible Shareholders were sold “nil-paid” on the Main Board of the SGX-ST during the Nil-Paid Rights trading period as provided in the Offer Information Statement.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Ineligible Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares standing to the credit of their respective Securities Accounts as at the Books Closure Date and sent to them by ordinary post at their own risk, provided that where the amount of net proceeds to be distributed to any single Ineligible Shareholder or persons acting to the account or benefit of any such persons is less than S\$10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit in the interest of the Company and no Ineligible Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Directors, the Manager and Underwriter, CDP, CPF Board, the Share Registrar and/or their respective officers in connection therewith.

(F) Refund for Invalid/Unsuccessful Acceptances and/or Excess Applications

If any acceptance of and/or excess application for the Rights Shares is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within three (3) business days after the commencement of trading of the Rights Shares at their own risk by any one or a combination of the following:

- (i) where the acceptance and/or application had been made through CDP, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses in Singapore as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distribution or in the case where refunds are to be made to Depository Agents, by means of telegraphic transfer;
- (ii) where the acceptance and/or application has been made through the Share Registrar, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses in Singapore as maintained in the records of the Share Registrar; or
- (iii) where the acceptance and/or application has been made by way of an Electronic Application through an ATM of a Participating Bank, by crediting their bank accounts with the relevant Participating Banks at their own risk, the receipt by such bank being a good discharge to the Company, the Manager and Underwriter and CDP of their obligations, if any, thereunder.

Issuance and Listing of the Rights Shares

The Company expects that 156,503,515 Rights Shares will be allotted and issued on or about 18 October 2019.

The 156,503,515 Rights Shares are expected to be listed and quoted on the Main Board of the SGX-ST with effect from 9.00 a.m. on or about 18 October 2019. The Company will release an announcement to advise the Shareholders on the date for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST in due course. The SGX-ST's approval in-principle is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company and/or its subsidiaries.

The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing issued Shares, except that they will not rank for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Rights Shares.

General

Further announcements. Where appropriate, further details will be disclosed in subsequent announcements.

By Order of the Board

Chia Lee Meng Raymond
Executive Director and Group Chief Executive Officer
14 October 2019