



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

UTILISATION OF NET PROCEEDS FROM RIGHTS ISSUE

Unless otherwise defined in this Announcement, capitalised terms used herein shall have the same meaning ascribed to them in the offer information statement of Chip Eng Seng Corporation Ltd. (the “Company”) dated 23 September 2019 (the “Offer Information Statement”) in relation to the Rights Issue and lodged with the Monetary Authority of Singapore on 23 September 2019.

The Board of Directors of the Company wishes to update that the Company has utilised the remaining S\$14.1 million of the Net Proceeds for its general corporate purposes as follows:

Utilisation	Amount
Payment of interest amounts due on bank borrowings	S\$0.7 million
Payment of interest amounts due on notes issued pursuant to the Company's S\$750 million Debt Issuance Programme	S\$4.0 million
Other working capital expenditure such as payment of salaries and bonuses	S\$9.4 million

The above utilisation is in accordance with the intended use stated in the Offer Information Statement, except for the increased allocation for the Group's general corporate purposes. The Group has been selective with respect to its expansion plans to cope with the impact of the COVID-19 pandemic. By increasing the allocation of the Net Proceeds towards the Group's general corporate purposes, the Company is able to tap on its available funds, thereby easing the constraints on its cashflow.

As at the date of this announcement, the Company has fully utilised the Net Proceeds.

By Order of the Board

Chia Lee Meng Raymond
Executive Director and Group Chief Executive Officer
1 February 2021