

CSE GLOBAL LIMITED

(Company Registration No. 198703851D)

(Incorporated in Singapore)

RESPONSE TO SGX-ST'S QUERY

The Board of Directors ("**Board**" or "**Directors**") of CSE Global Limited (the "**Company**") wishes announce the following in response to the SGX-ST's queries regarding the Raffles Education Corporation Limited's ("**Raffles Education**") announcement dated 22 February 2022 titled "Update to investigations", where it was disclosed that Mr Lim How Teck was formally arrested by the Commercial Affairs Department ("**CAD**") and released on bail in connection with investigations into a potential offence under the Securities and Futures Act 2001 ("**SFA**") relating to disclosures made by Raffles Education on claims by Affin Bank against certain subsidiaries of Raffles Education ("**Investigations**"):

SGX-ST's Query 1

Please clarify whether the Company was informed by Mr Lim How Teck of his involvement in the Investigations. If so, please clarify why the Company has not made any announcement on the matter.

Company's Response

As stated in the Raffles Education Announcement, Mr. Lim How Teck together with certain individuals including current directors of Raffles Education are being investigated for a potential offence under the Securities and Futures Act 2001. Investigations are currently ongoing and the current directors including Mr Lim How Teck have been notified to attend the CAD's offices for the purposes of effecting their formal arrest and posting and release of bail.

The Company was informed by Mr Lim How Teck of his involvement in the Investigations on 23 February 2022. Given the short notice, the Company needed time to gather the information from various parties to understand the situation and convene a Nominating Committee meeting at the earliest possible opportunity. The Company then held a Nominating Committee meeting on 24 February 2022 to discuss the matter with a view to release an announcement once the course of action is recommended by the Nominating Committee and approved by the Board.

SGX-ST's Query 2

Please clarify what is the nature of the potential offence that Mr Lim How Teck is being investigated for as well as which specific section of the SFA it pertains to.

Company's Response

The Company is not aware of the specific nature of the potential offence that Mr Lim How Teck is being investigated for, except for what has been publicly disclosed.

SGX-ST's Query 3

Referring to our communication in the SGX Regulator's Column dated 13 December 2021 titled "What Nominating Committees should consider for disclosures on investigations" ("**Regulator's Column**") and paragraph 5.12 of Practice Note 7.1, please provide the following information:

- (i) The Nominating Committee's views on the suitability of Mr Lim How Teck to continue as a Director of the Company as well as his character and integrity in accordance with Listing Rule 210(5) given his involvement in the Investigations. Please substantiate the basis of forming such views, taking into consideration the questions for the Nominating Committee in Scenario 3 of the Regulator's Column; and
- (ii) Advise as to whether any measures have been put in place to safeguard against the risks associated with Mr Lim How Teck's continued appointment as a Director in the Company. If no measures are considered necessary by the Board, please explain why.

Company's Response

The Company understands that the Investigations are still ongoing and Mr Lim How Teck has not been formally charged for any offence.

Until Mr Lim How Teck has been formally charged and tried, it would be difficult for the Nominating Committee to form a view at this point in time to ascertain his suitability to act as director of the company and his character and integrity as a person.

Nevertheless, Mr Lim How Teck has offered, and the Board has agreed, that it would be in the best interests of the Company for him to take a leave of absence from his duties as a director for an initial period of 6 months until such time the final verdict is made known.

During Mr Lim's absence, he will not participate in the meetings of the Board and abstain from making any decisions on behalf of the Board/Company.

The Board is of the view that the current Board composition maintains sufficient diversity in skills, experience and knowledge to oversee the Company and Group's business affairs and to provide leadership and guidance to the Company, supported by a strong element of independent directors on the Board.

By Order Of The Board

Chester Leong
Company Secretary
25 February 2022