

## ANNOUNCEMENT

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### ADOPTION OF SCRIP DIVIDEND SCHEME AND APPLICATION OF SCRIP DIVIDEND SCHEME TO FY2023 FINAL DIVIDEND

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#### 1. INTRODUCTION

The board of directors (the "**Board**" or "**Directors**") of CSE Global Limited (the "**Company**") wishes to announce the adoption of CSE Global Limited Scrip Dividend Scheme (the "**Scrip Dividend Scheme**").

Under the Scrip Dividend Scheme, if the Directors determine that the Scrip Dividend Scheme will apply to any particular cash dividend (including any interim, final, special or other dividend), persons registered in the Register of Members of the Company (the "**Register of Members**") or, as the case may be, the Depository Register (as defined in the Securities and Futures Act 2001 (the "**SFA**")) as holders of fully paid ordinary shares ("**Shares**") of the Company ("**Shareholders**") may elect to receive fully paid new Shares ("**New Shares**") in lieu of the cash amount of that dividend which is declared on the Shares held by them, subject to the Terms and Conditions of the Scrip Dividend Scheme (the "**Terms and Conditions**").

General information about the Scrip Dividend Scheme is set out in paragraph 4 below. For Overseas Shareholders (as defined below), attention is drawn in particular to paragraph 4.2, which describes the restrictions applicable to Overseas Shareholders.

The Scrip Dividend Scheme will be applicable to the proposed final one-tier tax-exempt dividend of S\$0.015 per Share in respect of the financial year ended 31 December 2023 (the "**FY2023 Final Dividend**"). More information is set out in paragraph 5 below.

The Company will, in compliance with Rule 863 of the Listing Manual of the Singapore Exchange Securities Trading Limited (respectively, the "**Listing Manual**" and the "**SGX-ST**"), announce whether the Scrip Dividend Scheme is to apply to a particular dividend promptly after the decision is taken, and in any event no later than the market day<sup>1</sup> following the record date for that particular dividend.

#### 2. RATIONALE AND PURPOSE OF THE SCRIP DIVIDEND SCHEME

The Scrip Dividend Scheme, if and when applied to any particular dividend, will provide eligible Shareholders with the opportunity to elect to receive the dividend in the form of New Shares, credited as fully paid, instead of cash. The Scrip Dividend Scheme will enable eligible Shareholders to reinvest in the Company and further their participation in the equity capital of the Company by receiving dividends in the form of New Shares (credited as fully paid) without incurring brokerage fees, transaction or other related costs.

The Board believes that the Scrip Dividend Scheme will create long term sustainable value for Shareholders. In addition, the Company will benefit from the implementation of the Scrip Dividend Scheme to the extent that eligible Shareholders elect to receive dividends in the form of New Shares, as cash that would otherwise have been paid out as dividends may be retained to fund the growth and expansion of the Company and/or its subsidiaries (the "**Group**"). The retention of cash would also help to strengthen the working capital position and enhance the financial flexibility of the Company.

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<sup>1</sup> "**Market day**" means a day on which the SGX-ST is open for securities trading.

### 3. TERMS AND CONDITIONS OF THE SCRIP DIVIDEND SCHEME

The Terms and Conditions are set out in the Scrip Dividend Scheme Statement, a copy of which is attached at **Annex A**.

### 4. GENERAL INFORMATION ABOUT THE SCRIP DIVIDEND SCHEME

#### 4.1 Eligibility

All Shareholders are eligible to participate in the Scrip Dividend Scheme, subject to the restrictions on Overseas Shareholders (as defined below) more particularly described in paragraph 4.2 below, and except for the following:

- (a) such other Shareholders or class of Shareholders as the Directors may in their absolute discretion determine; and
- (b) such Shareholders whose participation in the Scrip Dividend Scheme or receipt of New Shares under the Scrip Dividend Scheme will result in a breach of any other restriction on such Shareholder's holding of Shares which may be imposed by any statute, law or regulation in force in Singapore or any other relevant jurisdiction, as the case may be, or prescribed by the constitution of the Company (the "**Constitution**").

#### 4.2 Overseas Shareholders

For the purposes of this announcement, "**Overseas Shareholder**" means a Shareholder with a registered mailing address outside Singapore and who has not provided to the Company or, where the Shareholder is a Depositor (as defined in the SFA), the Central Depository (Pte) Limited ("**CDP**"), at least three (3) market days prior to the record date (or such other period as the Directors may determine in their absolute discretion), mailing addresses in Singapore for the service of notices and documents.

The circulation of this announcement and the Scrip Dividend Scheme Statement, and the distribution of New Shares under the Scrip Dividend Scheme, may be prohibited or restricted (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. Overseas Shareholders are required to inform themselves of and to observe any such prohibition or restriction at their own expense and without any liability of the Company. It is the responsibility of Overseas Shareholders in such jurisdictions to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities which are required to be observed and/or payment of any issue, transfer or other taxes due in such jurisdiction.

For practical reasons and to avoid any violation of securities laws applicable in countries outside Singapore where Shareholders may have their registered mailing addresses, and for reasons referred to elsewhere in these Terms and Conditions, the Scrip Dividend Scheme may, at the absolute discretion of the Board, not be offered to Overseas Shareholders. No Overseas Shareholder shall have any claim whatsoever against the Company, the Company's Share Registrar (as defined below), CDP or any of their respective agents in connection with the Scrip Dividend Scheme not being offered to such Overseas Shareholder.

Overseas Shareholders who may not participate in the Scrip Dividend Scheme and who receive or come to have in their possession a notice of election or any other document in connection with the Scrip Dividend Scheme may not treat the same as an invitation or offer of any securities to them, and are advised to inform themselves of, and to observe, any prohibitions and restrictions, and to comply with any applicable laws and regulations relating to the Scrip Dividend Scheme.

Without prejudice to the foregoing, the receipt of a notice of election or any other document in connection with the Scrip Dividend Scheme, the crediting of New Shares to any securities

account and/or the receipt of New Shares howsoever by an Overseas Shareholder, will not constitute an offer or sale of Shares in those jurisdictions in which it will be illegal to make such offer or sale, or where such offer or sale will otherwise violate the securities laws of such jurisdictions or be restricted or prohibited.

The Company reserves the right, but shall not be obliged, in its absolute discretion, to treat as invalid any notice of election which appears to the Company or its agents to have been submitted in violation of any applicable legislation of any jurisdiction, and further reserves the right, in its absolute discretion, to reject the submission of any notice of election where it believes, or has reason to believe, that such submission may violate any applicable legislation of any jurisdiction.

Overseas Shareholders who wish to be eligible to participate in the Scrip Dividend Scheme may change their registered mailing address maintained with the Company, or in the case of Overseas Shareholders who are Depositors, their registered mailing address maintained with CDP, to a Singapore mailing address in substitution thereof, may do so by sending a notice in writing to the Company c/o the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 1 Harbourfront Avenue #14-07 Keppel Bay Tower, Singapore 098632 (or such other address as may be announced by the Company), or, if the Overseas Shareholder is a Depositor, to CDP via email at [asksgx@sgx.com](mailto:asksgx@sgx.com) or via telephone at +65 6535 7511<sup>2</sup> (or such other email address or telephone number as may be announced by the Company), at least three (3) market days prior to the record date (or such other period as the Directors may determine in their absolute discretion). Such Overseas Shareholders should note that all correspondence, notices and documents will be sent to their last registered mailing address in Singapore maintained with the Company or, in the case of such Overseas Shareholders who are Depositors, their last registered mailing address in Singapore maintained with CDP.

#### 4.3 No Known Tax Advantage for Participating in the Scrip Dividend Scheme

The Company takes no responsibility for the taxation liabilities of participating Shareholders or the tax consequences of any election made by Shareholders. As individual circumstances and laws vary considerably, specific taxation advice should be obtained by Shareholders if they are in any doubt or if they otherwise require.

The Company takes no responsibility for the correctness or accuracy of any information as to the taxation liability set out in this announcement or in the Scrip Dividend Scheme Statement.

As a general indication, however, it is understood that as at the date of this announcement, under tax legislation in Singapore, a Shareholder's Singapore tax liability in relation to the dividends received will not be altered, nor is there any tax advantage to be gained by a Shareholder, by reason of such Shareholder having elected to participate in the Scrip Dividend Scheme.

#### 4.4 No Partial or Permanent Election

Partial election<sup>3</sup> and permanent election will not be available under the Scrip Dividend Scheme.

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<sup>2</sup> As at the date of this Announcement, the operating hours for CDP's Contact Centre are as follows: Mondays to Fridays: 8.30 a.m. to 5.00 p.m.; closed on Saturdays, Sundays and public holidays.

<sup>3</sup> A Shareholder who is a "**relevant intermediary**" (as described in the Companies Act 1967) will, however, be allowed to make an election to participate in the Scrip Dividend Scheme in respect of part only of its holding of Shares.

#### 4.5 Participating Shareholders May Receive Odd Lots

As the Shares are presently traded in board lots of 100 Shares each, an eligible Shareholder who elects to receive New Shares in lieu of the cash amount of any dividend to which the Scrip Dividend Scheme applies may receive such New Shares in odd lots. Shareholders who receive odd lots of Shares and who wish to trade such odd lots on the SGX-ST should do so on the Unit Share Market of the SGX-ST, which allows for trading of odd lots with a minimum of one share.

#### 4.6 Fractional Entitlements

The Directors, in their absolute discretion, shall make such provisions as they deem fit in respect of fractional entitlements to the New Shares, including provisions as to rounding, or whereby fractional entitlements are otherwise dealt with in such manner as the Directors may deem fit in the interests of the Company and the Group, subject to the Constitution.

#### 4.7 Issue Price

The issue price of the New Shares will be set at an amount no more than 10% discount to the average of the daily volume weighted average prices of the Shares during the Price Determination Period (as defined in the Terms and Conditions), or such other discount as may be permitted by the SGX-ST.

#### 4.8 Obligations under the Take-over Code

The attention of Shareholders is drawn to Rule 14 of The Singapore Code on Takeovers and Mergers (the "**Take-over Code**"). In particular, a Shareholder should note that he may be under an obligation to extend a take-over for the Company if:

- (a) he, by participating in the Scrip Dividend Scheme in relation to any dividend to which the Scrip Dividend Scheme applies, acquires, whether by a series of transactions over a period of time or otherwise, New Shares which (together with Shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights of the Company; or
- (b) he, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights of the Company, and he or any person acting in concert with him, by participating in the Scrip Dividend Scheme in relation to any dividend to which the Scrip Dividend Scheme applies, acquires in any period of six (6) months additional Shares carrying more than 1% of the voting rights of the Company

The statements above do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all implications that may arise under, the Take-over Code. Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer under the Take-over Code as a result of any acquisition of New Shares through their participation in the Scrip Dividend Scheme are advised to consult their professional advisers and/or the Securities Industry Council of Singapore at the earliest opportunity.

## 5. APPLICATION OF SCRIP DIVIDEND SCHEME TO FY2023 FINAL DIVIDEND

Subject to the relevant approval as elaborated in paragraphs 6.1 and 6.1 below being obtained, the Scrip Dividend Scheme will be applicable to the FY2023 Final Dividend, pursuant to Regulation 132 of the Constitution. Shareholders who are entitled to the FY2023 Final Dividend will be eligible to participate in the Scrip Dividend Scheme, subject to the Terms and Conditions. Entitlements to the FY2023 Final Dividend will be based on the Shares held by Shareholders as at 5.00 p.m. on 10 May 2024 (the “**Record Date**”).

**Participation in the Scrip Dividend Scheme is optional. Eligible Shareholders who wish to receive the FY2023 Final Dividend in cash need not take any action.**

### 5.1 Eligibility

All Shareholders entitled to the FY2023 Final Dividend will be eligible to participate in the Scrip Dividend Scheme subject to the restrictions on Overseas Shareholders, as described in paragraph 4 above.

Participation in the Scrip Dividend Scheme is also subject to the requirement that such participation by a Shareholder will not result in a breach of any other restriction on such Shareholder’s holding of Shares which may be imposed by any statute, law or regulation in force in Singapore or any other relevant jurisdiction, or by the Constitution.

Overseas Shareholders who have not provided the Company’s Share Registrar or, if the Shareholder is a Depositor, CDP with addresses in Singapore for the service of notices and documents latest by 5.00 p.m. on 7 May 2024 (being not later than three (3) market days prior to the Record Date) will not be eligible to participate in the Scrip Dividend Scheme.

Overseas Shareholders who wish to be eligible to participate in the Scrip Dividend Scheme should provide a mailing address in Singapore for the service of notices and documents, to the Company c/o the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 1 Harbourfront Avenue #14-07 Keppel Bay Tower, Singapore 098632 or, if the Overseas Shareholder is a Depositor, contact CDP at least three (3) market days prior to the Record Date (or such other period as the Directors may determine in their absolute discretion). CDP can be contacted via the following means: (i) via e-mail at [asksgx@sgx.com](mailto:asksgx@sgx.com); or (ii) via their Contact Centre at +65 6535 7511. CDP’s operating hours are as follows: Monday to Friday: 8.30am to 5.00pm and Saturday: 8.30am to 12.00pm.

### 5.2 Election Notices

Notices of election (“**Election Notices**”) are proposed to be despatched to eligible Shareholders on or about 20 May 2024.

Eligible Shareholders may elect to participate in the Scrip Dividend Scheme in relation to the FY2023 Final Dividend.

Eligible Shareholders may elect to participate in the Scrip Dividend Scheme in respect of all, and not part only, of their holdings of Shares as at the Record Date (except in the case of a Shareholder who is a relevant intermediary, who may be allowed to make an election to participate in the Scrip Dividend Scheme in respect of part only of the Shares to which each Notice of Election issued to it relates).

### 5.3 Issue Price

In accordance with the Scrip Dividend Scheme to the FY2023 Final Dividend, the New Shares will to be issued at an issue price (the “**Issue Price**”) which shall not be set at more than 10% discount to the average of the daily volume weighted average prices of the Shares during the price determination period between 9 May 2024 and 10 May 2024 (both dates inclusive) (being

the period commencing on the date on which the Shares are first traded on an ex-basis and ending on the Record Date).

The Company will announce the Issue Price on 10 May 2024.

#### 5.4 Fractional Entitlements

Where the number of New Shares to be issued to a Shareholder pursuant to the Scrip Dividend Scheme is not less than one (1) and includes a fraction, the number of New Shares which will be issued to such Shareholder will be rounded down to the nearest whole number and the fraction will be disregarded. No cash will be paid on such disregarded fraction of a New Share.

Where the number of New Shares to be issued to a Shareholder pursuant to the Scrip Dividend Scheme is less than one (1), the dividend will be paid in cash. No New Shares will be issued to such Shareholder regardless of the election submitted.

#### 5.5 Notice of Record Date and Dividend Payment

Notice of the Record Date for the FY2023 Final Dividend is contained in a separate announcement titled “Notice of Record Date” released by the Company today.

The FY2023 Final Dividend will be paid on or about 26 June 2024 (the “**Dividend Payment Date**”), and the New Shares are expected to be listed and credited on or about 26 June 2024.

#### 5.6 Important Indicative Dates and Events

<b>Indicative Date</b>	<b>Event</b>
7 May 2024 (Tuesday)	Last day for Overseas Shareholder to provide Singapore addresses
8 May 2024 (Wednesday)	Last day on which Shares quoted cum dividend
9 May 2024 (Thursday)	Shares quoted ex-dividend
Between 9 May 2024 (Thursday) to 10 May 2024 (Friday)	Period for determining the Issue Price
10 May 2024 (Friday)	Record Date
10 May 2024 (Friday)	Announcement of Issue Price
On or about 20 May 2024 (Monday)	Despatch of Election Notices
31 May 2024 (Friday) at 5.00 p.m.	Last day for eligible Shareholders to submit Election Notice <sup>4</sup>
On or about 26 June 2024 (Wednesday)	Dividend Payment Date
On or about 26 June 2024 (Wednesday)	Listing and crediting of New Shares

<sup>4</sup> An eligible Shareholder who is a Depositor with an individual account or a joint alternate-signatory account may only submit this election online via investors.sgx.com.

## 6. APPROVALS REQUIRED FOR IMPLEMENTING THE SCRIP DIVIDEND SCHEME

### 6.1 Shareholders' Approval for Issuance of New Shares

Pursuant to Rule 862(1) of the Listing Manual, an announcement must be made by an issuer if it wishes to implement a scrip dividend scheme which enables shareholders to elect to receive shares in lieu of the cash amount of any dividend.

While there is no requirement under the Listing Manual for Shareholders' approval for the implementation of the Scrip Dividend Scheme, the allotment and issuance of New Shares pursuant to the Scrip Dividend Scheme is subject to the approval of the Shareholders under the Companies Act 1967 of Singapore, the Constitution and the Listing Manual. The authority to issue New Shares under the Scrip Dividend Scheme may be in the form of specific Shareholders' approval in compliance with Regulation 132 of the Constitution and Rule 805 of the Listing Manual, or the Company may otherwise rely on a valid general mandate granted by the Shareholders to the Directors pursuant to Regulation 4(A) of the Constitution and Rule 806 of the Listing Manual. In this regard, the Company intends to seek specific Shareholders' approval for the issuance of New Shares under the Scrip Dividend Scheme at the Annual General Meeting of the Company to be held on 29 April 2024.

### 6.2 SGX-ST's Approval for Listing and Quotation of New Shares

In compliance with Appendix 8.4.4 of the Listing Manual, application will be made by the Company for the admission to the Official List of the SGX-ST of the New Shares as may, from time to time, be issued by the Company pursuant to the Scrip Dividend Scheme, and for the listing and quotation of such New Shares on the Main Board of the SGX-ST.

Any approval of the SGX-ST for listing of such New Shares is not to be taken as an indication of the merits of the Scrip Dividend Scheme, the Shares, the New Shares, the Company or the Group.

## 7. ENQUIRIES

Enquiries about the Scrip Dividend Scheme should be directed to the Company c/o the Company's Share Registrar:

**Boardroom Corporate & Advisory Services Pte. Ltd.**

1 Harbourfront Avenue  
#14-07 Keppel Bay Tower  
Singapore 098632

or such other entity and/or address as may be announced by the Company from time to time.

By Order of the Board

Lim Boon Kheng  
**Group Managing Director**

**CSE Global Limited**

12 April 2024

This Announcement will be available at the Company's website at <https://cseglobal.listedcompany.com/newsroom.html>