

CSE GLOBAL LIMITED

(Company Registration No. 198703851D)
(Incorporated in Singapore)

DIVESTMENT OF 80% SHAREHOLDING IN THE ISSUED SHARE CAPITAL OF S3 ID PTE LTD (“S3ID”)

1. Introduction

- 1.1 The Board of Directors of CSE Global Ltd (“**CSE**” or “**Company**”) wishes to announce that CSE has divested its shares (the “**Sale Shares**”) representing 80% of the issued share capital of S3 ID Pte Ltd (the “**Divestment**”) to Tan Mok Koon (“**Purchaser**”).
- 1.2 The remaining 20% shares in S3ID were held by the Purchaser.
- 1.3 S3 ID Pte Ltd holds, directly, 75% of the shareholding interest in S3 ID Group Ltd which is incorporated and registered in England and Wales, and 100% of the shareholding interest in S3 ID (Malaysia) Sdn Bhd which is incorporated and registered in Malaysia.

2. Information of S3ID

S3 ID Pte Ltd is a private limited company incorporated in Singapore on 8 July 2013 and is the holding company of a group of companies. The S3ID group (“**S3ID Group**”) comprises the holding company S3 ID Pte Ltd together with operating companies in UK, Norway and Malaysia, which are in the business of designing and manufacturing of computer programmable safety systems for electronic mustering.

3. Consideration

- 3.1 The consideration payable by the Purchaser for the Sale Shares (“**Sale Consideration**”) shall be S\$3.84 million, to be paid in two tranches. The first tranche of S\$2.74 million was paid on at 30 August 2019 (“**Completion Date**”). The remaining tranche of S\$1.1 million will be paid within 30 days from Completion Date after certain documentation has been delivered to the Purchaser.

CSE intends to use the proceeds for general working capital purposes and reduce its bank borrowings.

- 3.2 The Sale Consideration was arrived at on a willing-buyer and willing-seller basis, and having taken into account the audited net book value of the Sale Shares as at 31 December 2018 of approximately S\$3.8 million and the business prospects of S3ID Group.
4. Following the Divestment, S3ID has ceased to be a subsidiary of CSE on 30 August 2019. As such, this announcement is made pursuant to Rule 704 (18) (c) of the SGX-ST Listing Manual.
5. The Divestment is not expected to have a material impact on the consolidated net tangible assets and earnings per share of the Company for the financial year ending 31 December 2019.

6. None of the Directors or Controlling Shareholders of CSE has an interest, direct or indirect, in the Divestment other than through their respective shareholding interests, if any, in CSE.

By Order of the Board

Tan Lay Hong
Company Secretary
30 August 2019