

CSE GLOBAL LIMITED

(Company Registration No. 198703851D)

(Incorporated in Singapore)

ANNOUNCEMENT PURSUANT TO RULE 706A OF THE LISTING MANUAL

Pursuant to Rule 706A of the Listing Manual of Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Board of Directors of CSE Global Limited (the “**Company**”) wishes to announce the following acquisition that occurred during the six months ended 31 December 2020:

1. Acquisition of Select Building Controls, LLC

CSE W-Industries Inc. (“**CSEW**”), an indirect wholly-owned subsidiary of the Company, has acquired 100% of the issued and paid-up capital of Select Building Controls, LLC (“**SBC**”) from an unrelated third party (“**the Acquisition**”) in December 2020. SBC is a family-run HVAC and Building Controls business based in Louisiana, focusing on large scale commercial building controls and automation, serving industries in the healthcare, government, and private sectors. Following the Acquisition, Select Building Controls, LLC has become an indirect wholly-owned subsidiary of the Company.

The aggregate purchase consideration is US\$2.19 million (approximately S\$2.9 million). The purchase consideration was arrived at on a willing- buyer, willing-seller basis, taking into account various factors such as the existing assets, intellectual property, goodwill, and business prospects of SBC. The purchase consideration was satisfied wholly in cash through internal resources. The net tangible asset value of SBC being acquired is US\$191,000 (approximately S\$253,000).

As none of the relative figures computed on the applicable bases under Rule 1006 of the Listing Manual exceeds 5%, the Acquisition is a non-discloseable transaction under Chapter 10 of the Listing Manual.

The above transaction was funded through internal resources and does not have any material impact on the Group’s earnings per share or net tangible assets per share for the financial year ended 31 December 2020.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the aforesaid transaction other than through their respective shareholding interests, if any, in the Company.

2. **Acquisition of Zycomm Electronics Limited**

CSE Crosscom UK Ltd (“**CSE Crosscom UK**”), an indirect wholly-owned subsidiary of the Company, has acquired 100% of the issued and paid-up capital of Zycomm Electronics Limited (“**Zycomm**”) from an unrelated third party (“**the Acquisition**”) in December 2020 at a purchase consideration of GBP800,000 (approximately S\$1,434,000), providing super-fast broadband to rural customers using microwave systems over Zycomm network in Derbyshire, United Kingdom. Following the Acquisition, Zycomm has become an indirect wholly-owned subsidiary of the Company.

The purchase consideration was arrived at on a willing- buyer, willing-seller basis, taking into account various factors such as the existing assets, intellectual property, goodwill, and business prospects of Zycomm. The purchase consideration was satisfied wholly in cash through internal resources. The net tangible asset value of Zycomm being acquired is GBP468,000 (approximately S\$839,000).

As none of the relative figures computed on the applicable bases under Rule 1006 of the Listing Manual exceeds 5%, the Acquisition is a non-discloseable transaction under Chapter 10 of the Listing Manual.

The above transaction was funded through internal resources and does not have any material impact on the Group’s earnings per share or net tangible assets per share for the financial year ended 31 December 2020.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the aforesaid transaction other than through their respective shareholding interests, if any, in the Company.

By Order Of The Board

Chester Leong
Company Secretary
23 February 2021