

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 changes that occurred during the six months ended 30 June 2021:

ACQUISITION OF SHARES RESULTING IN COMPANY BECOMING A SUSIDIARY

1. Acquisition of EPIC Engineering, LLC and EPIC Automation, LLC

CSE W-Industries Inc. (“**CSEW**”), an indirect wholly-owned subsidiary of the Company, has acquired 100% of the membership interest of EPIC Engineering, LLC and EPIC Automation, LLC (collectively referred as “**EPIC**”) from an unrelated third party (“**the Acquisition**”) on 1st April 2021. EPIC was established in 2012 as an Electrical Engineering firm which provides a wide range of services to customers in the midstream, downstream and public sectors including project management, engineered design packages, field services, panel fabrication, networking, and automation. Following the Acquisition, EPIC has become an indirect wholly-owned subsidiary of the Company.

The aggregate consideration paid by CSEW for the membership interest is US\$2.3 million (approximately S\$3.0 million). The 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 EPIC. The consideration was satisfied wholly in cash through internal resources. The net tangible asset value of EPIC being acquired is US\$0.4 million (approximately S\$0.6 million).

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.

2. Acquisition of Gambier Electronics Pty Ltd

CSE Crosscom Pty Ltd. (“**Crosscom**”), an indirect wholly-owned subsidiary of the Company, has acquired 100% of the issued share capital in Gambier Electronics Pty Ltd (referred as “**Gambier**”) from an unrelated third party (“**the Acquisition**”) on 1st April 2021. Gambier is a privately owned business located in Mount Gambier, South Australia providing radio communication sales, services and installation. Following the Acquisition, Gambier has become an indirect wholly-owned subsidiary of the Company.

The aggregate consideration paid by Crosscom is AUD\$1.0 million (approximately S\$1.0 million). The 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 Gambier. The consideration was satisfied wholly in cash through internal resources. The net tangible asset value of Gambier being acquired is AUD\$0.6 million (approximately S\$0.6 million).

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.

INCREASE IN SHAREHOLDING IN SUBSIDIARY

3. Increase in the capital of CSE Hankin (Taiwan) Ltd.

CSE-Hankin (Singapore) Pte. Ltd., an indirect wholly-owned subsidiary of the Company, has increased its investment in its 90% owned subsidiary, CSE Hankin (Taiwan) Ltd. ("**Hankin(T)**") by subscribing for 900,000 shares at a total cash consideration of TWD9,000,000 in the capital of Hankin(T).

The other two shareholders of Hankin(T), namely, Messrs Chen Chih Wei, David and Liu Nien Hua have also subscribed for additional shares according to their respective equity interest in Hankin(T).

Consequent to the above subscriptions, the issued and paid-up capital of Hankin(T) stands at TWD12,000,000 comprising 1,200,000 shares and the equity interest in Hankin(T) held by the respective shareholders are as follows:

<u>Name</u>	<u>Equity Interest</u>
CSE-Hankin (Singapore) Pte. Ltd.	90% (TWD10,800,000 comprising of 1,080,000 shares)
Chen Chih Wei, David	5% (TWD600,000 comprising of 60,000 shares)
Liu Nien Hua	5% (TWD600,000 comprising of 60,000 shares)

4. Increase in the capital of CSE Hankin (China) Co., Ltd.

CSE Global (Asia) Pte. Ltd., a wholly-owned subsidiary of the Company has injected a capital of US\$250,000 by way of cash into its wholly-owned subsidiary, CSE Hankin (China) Co., Ltd. ("**CSE Beijing**").

Consequent to the above, the total issued and paid-up capital of CSE Beijing has increased from US\$2,800,000 to US\$3,050,000.

The aforementioned transactions were funded through internal resources and are not expected to have any material impact on the consolidated net tangible assets per share and consolidated earnings per share of the Company for the current financial year ending 31 December 2021.

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

By Order Of The Board

Chester Leong
Company Secretary
11 August 2021