

RESPONSE TO THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED'S QUERY ON ANNUAL REPORT FY2011

The Board of Directors of CSE Global Limited ("the Company") and its subsidiaries (collectively, the "Group") wishes to provide the following information in response to the query from the Singapore Exchange Securities Trading Limited ("SGX-ST") on 4 May 2012 in respect of the Company's Annual Report FY2011: -

SGX-ST's Query:

For the purpose of complying with the Listing Rule 1207(10), please note that:

- a) "Absence of evidence to the contrary" disclaimer is not allowed in the opinion;*
- b) The Board and the Audit Committee must opine whether the internal controls are adequate to address all 3 areas of risks (i.e. financial, operational and compliance risks). "In its current business environment", "business operations" without mention of all the 3 risks areas are not acceptable; and*
- c) Both the Board and the AC must provide the opinion; "The Board and the AC believes" is not acceptable.*

We note that the confirmation provided in your annual report is not consistent with some of the guidelines stated above. Hence, please announce a clean opinion that is in compliance with Listing Rule 1207(10).

Company's response to Query:

The Board of Directors and the Audit Committee have reviewed the adequacy of the Group's internal controls to address the Group's financial, operational and compliance risks. Based on the review conducted, the Board of Directors and the Audit Committee are of the opinion that the system of internal controls in place are adequate to address the Group's financial, operational and compliance risks and meet the current scope of the Group's business operations.

By Order Of The Board

Tan San-Ju
Company Secretary
8 May 2012