



3rd Quarter 2014 Results Briefing

CSE Global Limited

Fullerton Hotel
12 November 2014

1. Business Overview and Outlook
2. 3Q/9M 2014 Financial Results
3. Q&A

- Good order intake
- Cash generation positive
- ROS remains above 8%

- Operating environment remains challenging and competitive.
- Weaker oil and commodity prices could soften demand.

Outlook

Continuing Operations

- Cautiously optimistic that its performance in FY14 would be better than FY13
 - an outstanding order book of S\$201.7 million
 - strong growth in order intake
 - continue to focus on small greenfield and brownfield projects
- Strong financial position
 - Improved Net Cash position of S\$12.0 million after making interim dividend
- Continue to focus on operational efficiency improvements and effectiveness



3Q/ 9M 2014 Review Continuing Operations

3Q 2014 Financial Overview

Continuing Operations

- Revenue increased by 15.2%, as compared to 3Q13
- PATMI of S\$9.4m compared to S\$6.7m in 3Q13
- PATMI up 39.6%, as compared to 3Q13
- Operating cash inflow of S\$8.8m in 3Q14
- New orders in 3Q14 totalling S\$119.3m, +29.1% vs in 3Q13
- Return on Equity 19.2% annualised
- Net Cash of S\$12.0m at the end of 3Q14, as compared to Net Cash of S\$11.4m at the end of 2Q14

9M 2014 Financial Overview

Continuing Operations

- Revenue increased by 9.2%, as compared to 9M13
- PATMI of S\$25.0m compared to S\$23.9m in 9M13
- PATMI up 4.7%, as compared to 9M13
- Operating cash outflow of S\$1.2m in 9M14
- New orders in 9M14 totalling S\$288.1m
- Return on Equity 17.0% annualised
- Net Cash of S\$12.0m at the end of 9M14, as compared to Net Cash of S\$11.4m at the end of 1H14

Summary Financials 3Q/9M 2014

Continuing Operations

S\$m	3Q 2014	3Q 2013	Change	9M 2014	9M 2013	Change
Revenue	112.3	97.5	15.2%	313.6	287.0	9.2%
Gross Profit	31.5	27.4	15.1%	88.7	83.1	6.6%
Profit before tax (continuing operations)	13.8	10.2	35.6%	36.4	33.6	8.4%
PATMI (continuing operations)	9.4	6.7	39.6%	25.0	23.9	4.7%
Gross margin (%)	28.0%	28.1%	-0.1%	28.3%	29.0%	-2.4%
Net margin (%)	8.4%	6.9%	21.2%	8.0%	8.3%	-4.2%
Operating cash flow	8.8	18.5	-52.5%	-1.2	65.7	-101.8%
Net Cash/(loan)	12.0	-17.4		12.0	-17.4	
Net gearing (%)	-	7.1%		-	6.2%	
Order intake	119.3	92.4	29.1%	288.1	271.0	6.3%
Order book/backlog	201.7	262.9	-23.3%	201.7	262.9	-23.3%

3Q 2014 Overview

Continuing Operations

- **Revenue**

- 15.2% growth in revenue mainly from US and Australia
- Continual growth in offshore work in US, secured all major projects in GoM
- Growth in sales activities in Australia

- **Net Profit**

- Gross Profit grew 15.1% yoy, gross margins relatively stable around 28%
- Operating costs efficiency – SGA % of sales reduce from 17.2% to 15.6%
- PATMI for 3Q14 up by 39.6% yoy to S\$9.4m

- **Order intake**

- Orders trending up compared to last few quarters, due to increased sales activities
- Order intake grew by 29.1% yoy to S\$119.3m in 3Q14
- Mainly from more offshore I&E work in GoM and new supply and installation orders in M/E

3Q 2014 FX Movement

	3Q 2014	3Q 2013	Variance (%)	9M 2014	9M 2013	Variance (%)
USD/SGD:	1.2530	1.2640	-0.87%	1.2593	1.2533	0.48%
GBP/SGD:	2.0934	1.9756	5.96%	2.1049	1.9368	8.68%
AUD/SGD:	1.1531	1.1634	-0.88%	1.1535	1.2262	-5.93%

3Q 2014 Constant Currency Continuing Operations

S\$M	3Q 2014	3Q 2013	Variance (%)	3Q 2014 Constant Currency	Variance (%)
Revenue (continuing ops):	112.3	97.5	15.2%	112.9	15.8%
PATMI (continuing ops):	9.4	6.7	39.6%	9.4	39.6%

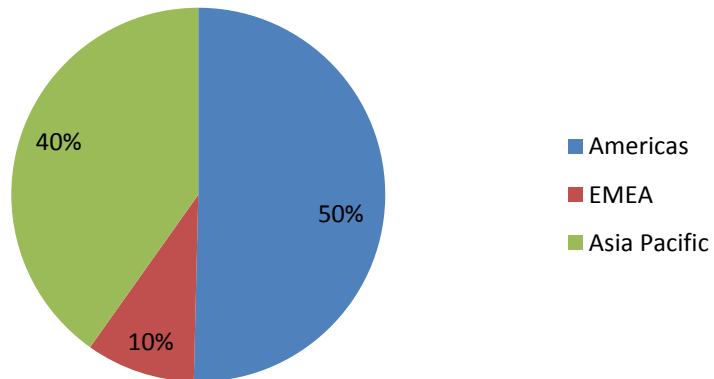
S\$M	9M 2014	9M 2013	Variance (%)	9M 2014 Constant Currency	Variance (%)
Revenue (continuing ops):	313.6	287.0	9.2%	315.7	10.0%
PATMI (continuing ops):	25.0	23.9	4.7%	25.0	4.8%



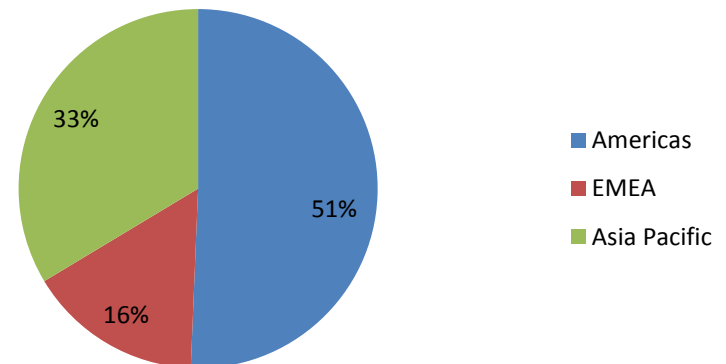
Revenue by Geographical Region Continuing Operations

S\$m	9M 2014	9M 2013
Americas	158.0	145.4
EMEA	29.6	45.1
Asia Pacific	126.0	96.5
Total	313.6	287.0

9M 2014



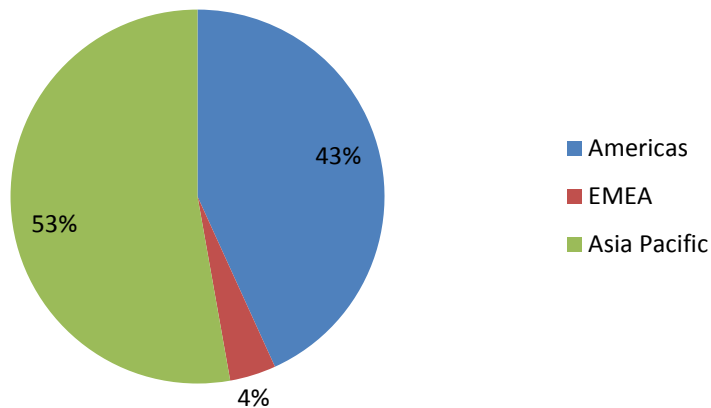
9M 2013



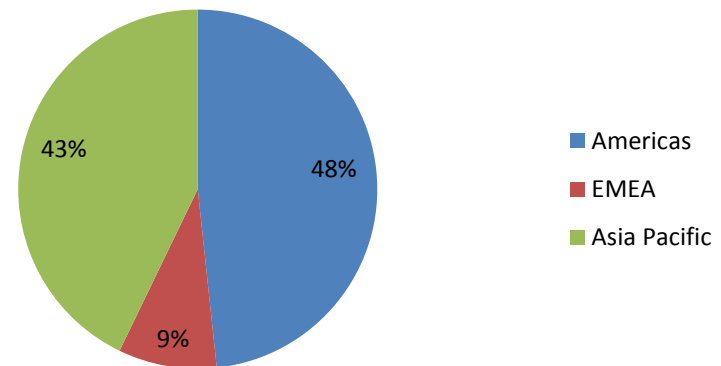
PAT by Geographical Region Continuing Operations

S\$m	9M 2014	9M 2013
Americas	10.8	11.5
EMEA	1.0	2.1
Asia Pacific	13.2	10.2
Total	25.0	23.9

9M 2014



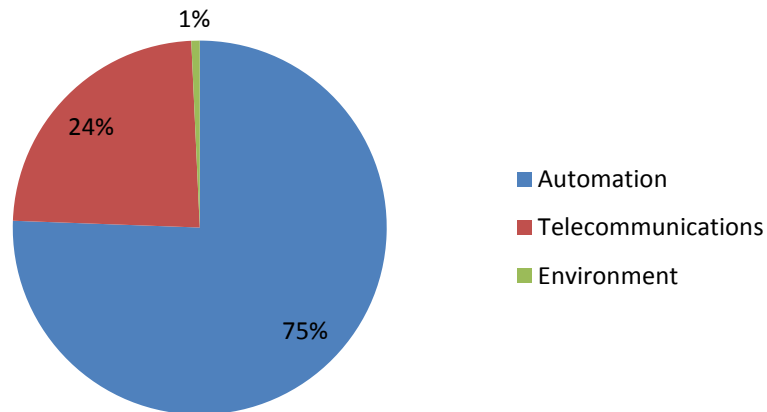
9M 2013



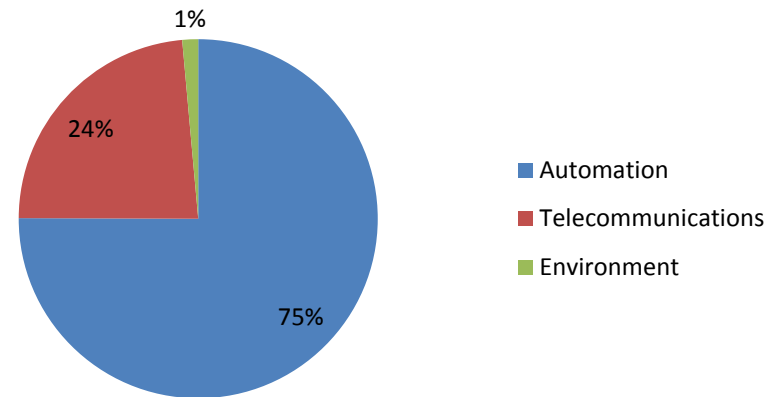
Revenue by Business Solutions Continuing Operations

S\$m	9M 2014	9M 2013
Automation	237.0	215.4
Telecommunications	74.3	67.5
Environment	2.3	4.1
Total	313.6	287.0

9M 2014



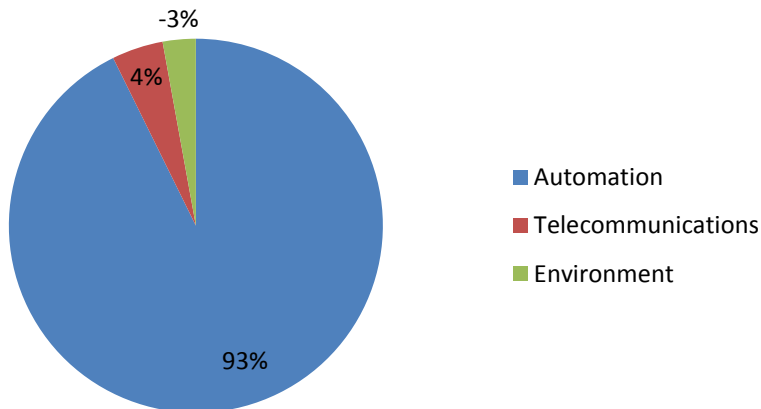
9M 2013



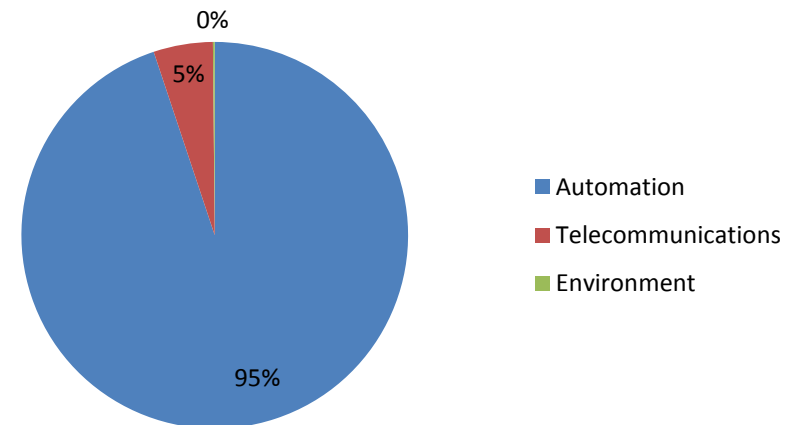
PAT by Business Solutions Continuing Operations

S\$m	9M 2014	9M 2013
Automation	24.6	22.6
Telecommunications	1.2	1.2
Environment	(0.8)	0.0
Total	25.0	23.8

9M 2014



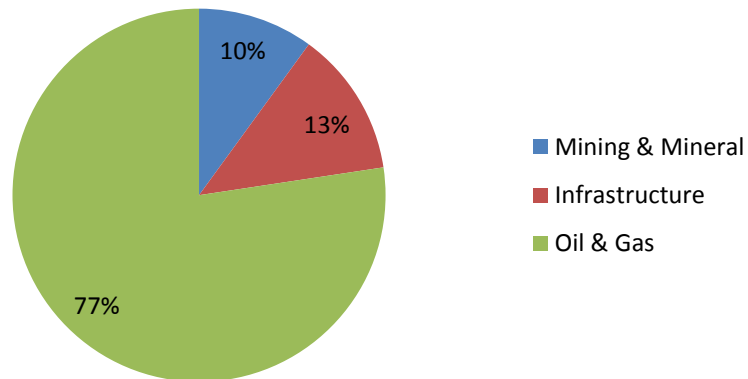
9M 2013



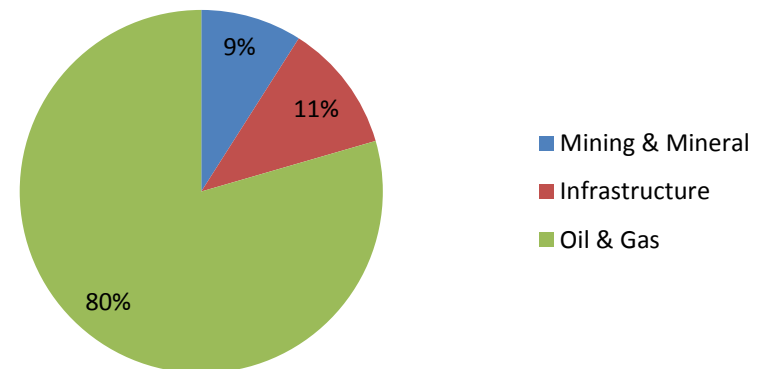
Revenue by Industry Continuing Operations

S\$m	9M 2014	9M 2013
Mining & Mineral	31.4	24.6
Infrastructure	39.5	31.3
Oil & Gas	242.7	216.8
Total	313.6	272.8

9M 2014



9M 2013



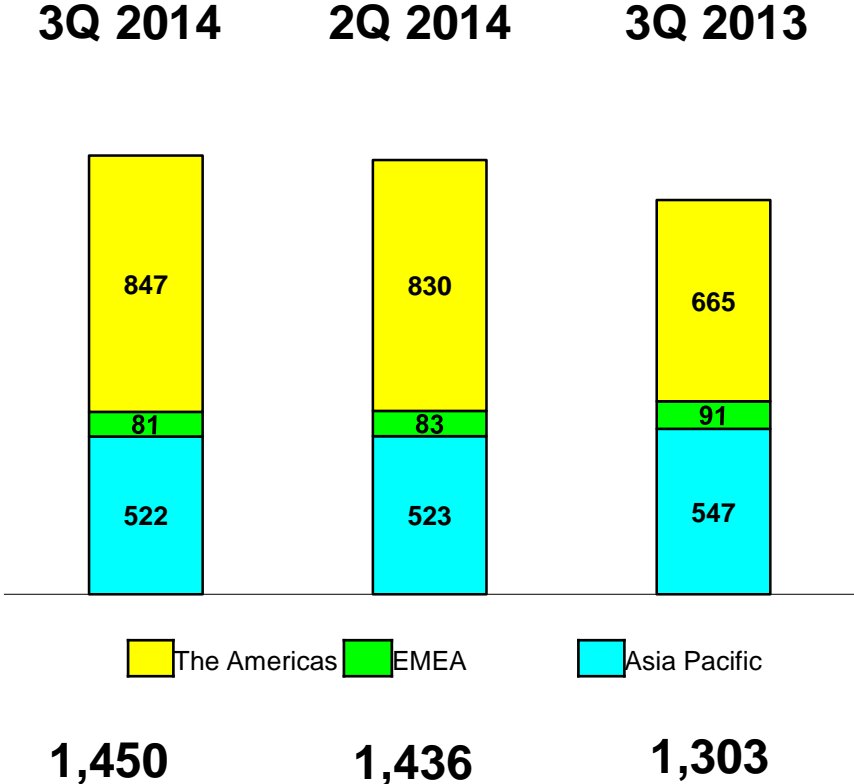
3Q 2014 Group Balance Sheet

S\$M	30-Sep-14	30-Jun-14	31-Mar-14	31-Dec-13
Cash at Hand & Bank	53.4	46.2	63.8	186.6
Work in Progress (Net)	57.0	53.0	37.8	35.8
Inventories	10.0	14.6	11.3	15.3
Trade Receivable	106.9	107.1	115.4	112.7
Trade Payable	56.9	59.4	69.6	72.5
Dividend Payable	-	-	-	144.5
Net Current Assets	125.9	123.9	134.9	126.6
Loan	41.4	34.9	19.5	2.7
Net Cash/(loan)	12.0	11.4	44.2	183.9
Shareholder Fund	195.7	192.2	203.1	193.1

3Q 2014 Group Cashflow

S\$m	3Q 2014	3Q 2013	9M 2014	9M 2013
As at beginning of the period	46.2	90.9	186.6	74.2
Net Operations	8.8	18.5	(1.2)	65.7
Capital Expenditure (Net)	(1.7)	(0.6)	(3.8)	(0.7)
Net additional investment in Subsidiaries & Associates	-	(12.2)	(0.5)	(15.6)
Bank Loans	6.5	(7.7)	38.7	(20.4)
Subsidiary dividend payout to NCI	-	-		
Dividends	(6.5)	(7.7)	(166.4)	(22.7)
Net effect of FX on cash	0.1	(0.3)		0.4
As at end of period	53.4	80.9	53.4	80.9

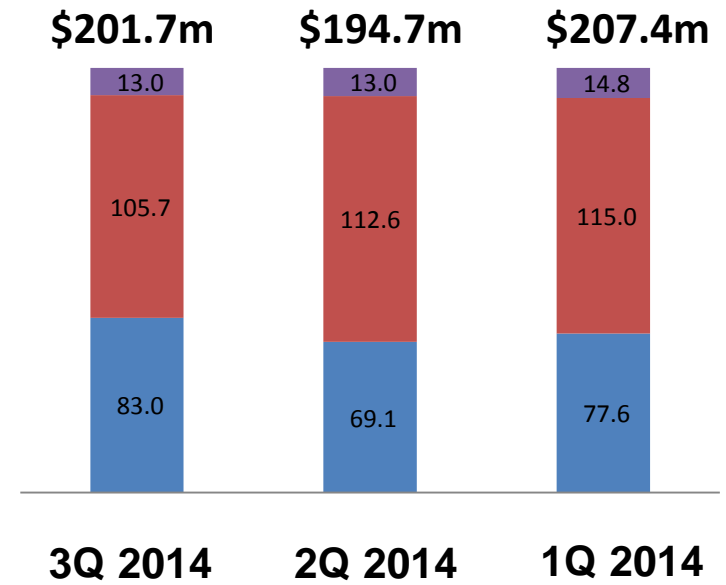
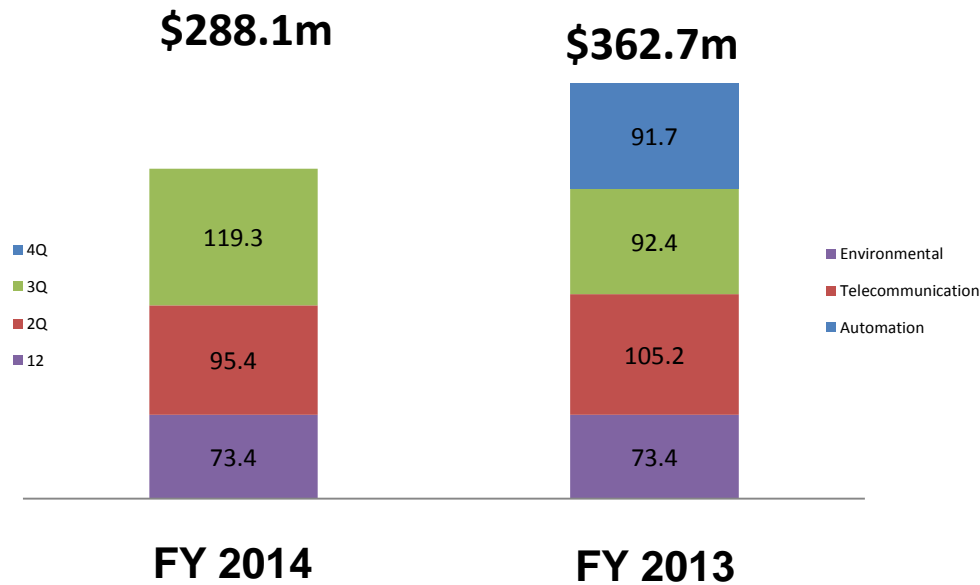
Human Resource Growth



3Q 2014 Orders

New orders

Outstanding orders



Questions & Answers

Thank You