

Press Release – 4th Quarter/ FY2018 Results

CSE’s net profit jumps 50.8% to S\$20.1 million

Key Highlights:

- Revenue grew 4% to S\$376.8 million while gross profit margin increased 1.9 percentage points to 27.9% driven by the Americas market
- Strong cash inflow from operations of S\$56.3 million more than doubled net cash position to S\$37.9 million
- Proposed final dividend of 1.5 Singapore cents per share
- Group expects improvement in financial performance for FY2019 while continuing to explore M&A opportunities

Singapore, 20 February 2019 – CSE Global Limited (“CSE” or the “Group”) announced today its financial results for the full year ended 31 December 2018 (“FY2018”).

Financial Highlights

S\$'000	4Q2018	4Q2017	Change (%)	FY2018	FY2017	Change (%)
Revenue	100,102	116,727	(14.2)	376,787	362,352	4.0
Gross profit	30,243	28,942	4.5	105,161	94,137	11.7
Net profit	5,064	4,322*	17.1%	20,105	13,329*	50.8
Gross profit margin (%)	30.2	24.8	+540 bps	27.9	26.0	+190 bps
Net profit margin (%)	5.1	3.7	+140 bps	5.3	3.7	+160 bps

*Excluding exceptional items incurred in 2017

The Group’s net profit surged 50.8% year-on-year (“yoy”) to S\$20.1 million, on the back of a 4% growth in revenue and 1.9 percentage points improvement in gross margins, driven mainly by the improvement in oil and gas sector revenues in the Americas region.

Net profit rose by 50.8% yoy to S\$20.1 million in FY2018 from S\$13.3 million in FY2017, translating into an earnings per ordinary share of 3.95 Singapore cents for FY2018.

In FY2018, the Group generated a strong cash inflow from operations of S\$56.3 million, through better working capital management of projects. As at 31 December 2018, the Group’s balance sheet remained healthy with a net cash position of S\$37.9 million.

Commenting on the Group’s results, Mr. Lim Boon Kheng, Group Managing Director of CSE, said, **“The Group’s performance remains stable. Based on the current market momentum and order book in hand, we expect improvement in financial performance for 2019. Meanwhile, CSE will continue to explore value accretive and strategic acquisition opportunities to deliver sustainable growth.”**

The Board of Directors has recommended a final one-tier tax-exempt dividend of 1.5 Singapore cents per share. This represents a dividend payout of 70.4% of the Group’s FY2018 net profit, after taking into account the interim dividend of 1.25 Singapore cents per



share given in 1H2018. The book closure date is on 6 May 2019 and the dividend will be paid on 17 May 2019.

###end of release###



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About CSE Global Limited (“CSE”):

Listed on Singapore Exchange since 1999, CSE Global Limited is a global technologies company with an international presence spanning the Americas, Asia Pacific, Europe, Middle East and Africa. The Group has now more than 1,000 employees worldwide, and operates a network of 39 offices across the globe, generating more than 95 percent of its revenues outside its home market. In line with global ambitions, the Group has adopted the ISO 9001 Quality Management System as certified by Lloyd’s Register Quality Assurance (LRQA) and DNV. The CSE Group of companies has been very successful in offering cost-effective, totally integrated solutions to industries in the Oil & Gas, Infrastructure and Mining sectors. CSE has a consistent profit track and a management that is focused on operational excellence to achieve sustainable profit growth and enhance shareholder returns.

For more information, please log onto: <http://www.cse-global.com>