



CSE Global Limited Interim Business Updates

2 June 2020

CSE Global



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Change to Semi-Annual Reporting

CSE Global Limited (“CSE”) refers to the recent amendments to the listing rules of the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual which came into effect on 7 February 2020. CSE has not been identified by Singapore Exchange Regulation as an issuer which is mandatorily required to report its financial statements on a quarterly basis.

For financial year ending 2020, the next financial results announcement will be for the half year period ending 30 June 2020, which is required to be announced on or before 14 August 2020.

CSE will continue to keep shareholders updated on material developments relating to the Company and the Group, as and when appropriate, and in accordance with the listing rules of the SGX-ST.

1Q2020 Financial Highlights

Revenue

S\$131.8m ▲ 56%

Order Intake

S\$127.2m ▲ 47%

Net Profit

S\$7.1m ▲ 23%

Order Book

S\$302.7m ▲ 67%

Cashflow from Operations

S\$17.3m ▲ 210%

Return on Equity

15.3% ▲ 1.5pp

1. Excludes exceptional items.

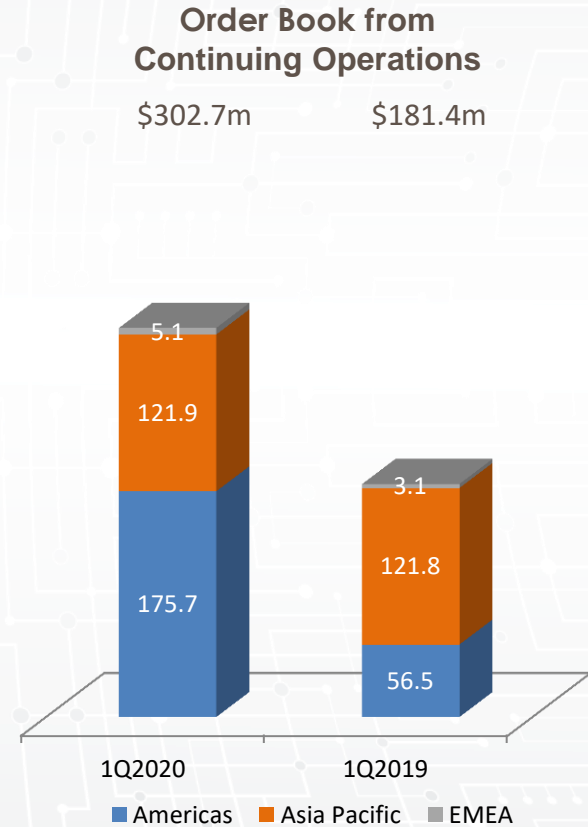
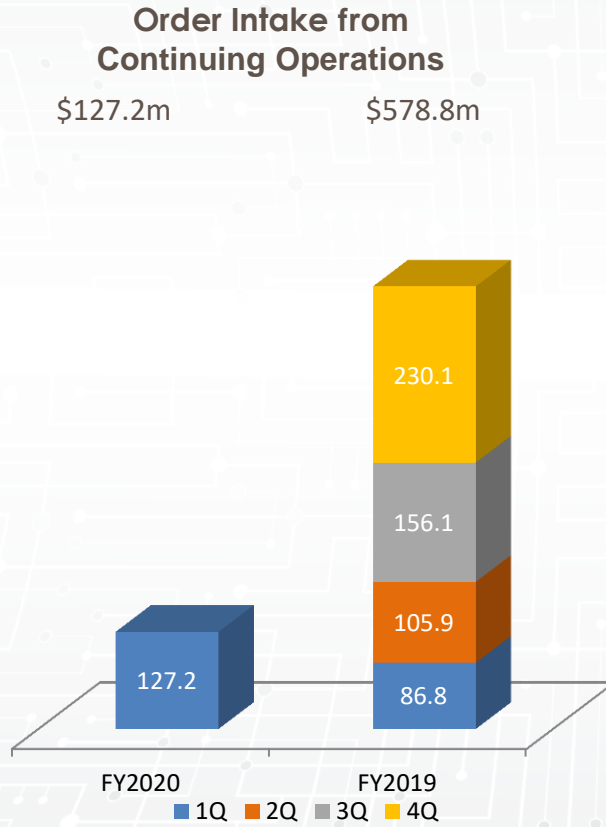
Summary Financials

\$S'm	1 Q 2020	1 Q 2019	Change
Revenue	131.8	84.5	56.0%
Net Profit attributable to equity owners of company	7.1	5.7	23.1%
Net margin (%)	5.3%	6.8%	-1.4 pp
Operating cash flow from operations	17.3	5.6	209.8%
Net Cash/(debt)	(32.7)	34.8	N.M.
Order intake -continuing operations	127.2	86.8	46.6%
Order book - continuing operations	302.7	181.4	66.9%
ROE (annualised)	15.3%	13.8%	+1.5 pp

Business Overview

- Revenue was up by 56%, mainly driven by Americas and Asia-Pacific regions, attributed from strong flow revenues and contributions from new acquisitions
- Strong net profit of S\$7.1m (+23.1%) with stable gross margins
- Increase in order intake of S\$127.2 m (+46.6%) across all industry segments
- Robust Order Book of S\$302.7m at end of 1Q20
- Strong cashflow from operations of S\$17.3m due to better working capital management
- Lowered its net debt position to S\$32.7m, compared to 4Q19 of S\$44.5m. Net gearing reduced to 0.18x.

1Q2020 Order Intake/Book By Geographical Segments



1Q2020 Order Intake/Book By Industry Segments

S\$ million	1Q2020 Order Intake	1Q2019 Order Intake		1Q2020 Order Book	1Q2019 Order Book
Oil & Gas	87.8	65.1		173.1	52.0
Infrastructure	24.5	17.1		114.1	126.5
Mining & Mineral	13.9	4.5		15.5	2.9
Total	127.2	86.8		302.7	181.4

- Most operations are deemed essential services
- Work from office and from home to support customers
 - inefficient but coping well
- Workforce mostly local, few migrant workers
 - little exposure
- Travel restrictions
 - sales effort negatively impacted
 - constrained in support for project where we do not have physical presence (little exposure)
- No material collectibility issues
- Minimal impact on operations in Q1 2020
- Future unknown as pandemic is evolving

- No material project cancellation or delays for orders secured in order book
- No material collectibility issues – active monitoring
- Minimal impact on operations in Q1 2020
- Expect fewer opportunities and lower prices in new orders
- Remain committed to have a strong presence to support our customers in USA

Acquisitions

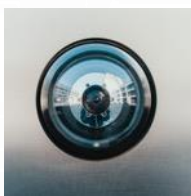
- Acquisition remains a key growth strategy
- Where?
 - Oil & gas segment and Infrastructure segment
 - USA, Europe and Australia/New Zealand
- Will acquire within means – No high gearing

FY 2020 Key Strategies



Oil & Gas (Americas)

- Small greenfield projects / brownfield projects in the Gulf of Mexico
- Shale projects in the US (Permian Basin & Eagleford)
- Expand geographical coverage



Infrastructure (Singapore)

- Singapore Government
- Focus on security, transportation related projects



Infrastructure (Australia)

- Energy Solutions
- Radio Business

Infrastructure (International)

- Radio Business

- Strengthen Core Flow Business
- Strengthen relationships with existing customers
- Retain skilled workforce and capabilities
- Focus on cashflow management and generation
- Execute projects from order book
- Pursue acquisitions

- Impact from Covid19, oil and gas prices and global economic outlook
- In Q1 2020, no significant disruption/impact to existing business and operations
- However, going forward, expect to have some negative impact but unable to determine magnitude of impact accurately
- Q1 2020 order intake of S\$127.2m, order book of S\$302.7m

Mitigating Factors to Pandemic/Low Oil Prices

- Provider of essential services, continue to strengthen customer relationships
- Continue to focus on brownfield and maintenance orders and increase share of non-O&G business
- Optimisation of cost structures through productivity improvement and efficiency initiatives
- Robust order book of S\$302.7m

The background of the slide is a semi-transparent red overlay on a futuristic control room. The room features several large monitors on the walls displaying various data and maps. In the center, there is a large, glowing globe with a grid of lines. The floor has a circular pattern, and there are several ergonomic chairs arranged around a central area.

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Questions & Answers