



**CSE GLOBAL LIMITED**  
(Co. Reg. No. 198703851D)

**Third Quarter Financial Statement and Dividend Announcement for the period ended 30 September 2016**

**Key Financial Performance**

<b>S\$'000</b>	<b>2016 3Q</b>	<b>2015 3Q</b>	<b>Change</b>	<b>2016 9M</b>	<b>2015 9M</b>	<b>Change</b>
Revenue	80,957	103,232	-21.6%	239,470	313,202	-23.5%
Gross margin (%)	29.1%	28.9%	0.7%	30.6%	27.9%	9.4%
Earnings before interest and tax	5,621	10,847	-48.2%	19,299	31,544	-38.8%
Profit after tax and non-controlling interest from continuing operations	4,020	8,503	-52.7%	15,029	23,133	-35.0%
Net cash generated from/ (used in) operating activities	14,923	10,748	38.8%	57,263	-3,317	N.M
New orders received from continuing operations	70,791	87,367	-19.0%	228,954	280,165	-18.3%
Outstanding orders from continuing operations	178,999	221,975	-19.4%	178,999	221,975	-19.4%

**Review of Performance - 3<sup>rd</sup> Quarter**

Profit after tax and non-controlling interest from continuing operations for 3Q16 declined by 52.7% year-on-year to S\$4.0 million, on the back of a 21.6% decrease in revenue to S\$81.0 million. The new acquisitions in FY16 contributed S\$9.9 million and S\$0.9 million to Group 3Q16's revenue and profit after tax respectively.

The lower revenues in 3Q16 were mainly driven by lower revenues achieved across all geographic regions, particularly in the oil and gas industry sector, resulting from the lack of large greenfield projects. In line with the lower revenues, gross profit was 21.0% lower at S\$23.6 million. Gross margins, however, were higher due to better margins achieved arising from increased sales of higher margin infrastructure projects.

Operating expenses were 4.5% lower at S\$17.8 million in 3Q16 as compared to 3Q15. The operating expenses in 3Q16 included expenses of newly acquired businesses amounting to S\$0.6 million, higher amortization expenses on intangibles assets arising from purchase price allocation and transaction costs for new acquisitions of S\$0.5 million, as well as redundancy costs of S\$0.2 million. On a normalized basis, operating expenses in 3Q16 would have decreased by 11.5% year-on-year.

Profit after tax and non-controlling interest from continuing operations in 3Q16 decreased by 52.7% year-on-year to S\$4.0 million. Excluding the effect of higher amortization expense on intangibles assets arising from purchase price allocation and transaction cost for new acquisitions of S\$0.6 million and redundancy costs of S\$0.2 million, profit after tax and non-controlling interest from continuing operations in 3Q16 would have decreased by 44.1% year-on-year to S\$4.8 million.

The basic earnings per ordinary share for 3Q16 was 0.78 cents vs 3Q15 of 1.65 cents.

During the quarter, the Group continues to receive new orders from greenfield (new installations) projects and brownfield (maintenance, upgrade and enhancement of existing installations) projects totalling S\$70.8 million, a decrease of 19.0% year-on-year.

In 3Q16, the Group generated a strong operating cash inflow of S\$14.9 million, due to higher collections achieved in 3Q16.



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**Review of Performance – 9 Months**

Profit after tax and non-controlling interest from continuing operations for 9M16 declined by 35.0% year-on-year to S\$15.0 million, on the back of a 23.5% decrease in revenue to S\$239.5 million. The new acquisitions in FY16 contributed S\$27.0 million and S\$2.6 million to Group 3Q16's revenue and profit after tax respectively.

Revenue decreased by 23.5% in 9M16 compared to 9M15 due to lower revenues in Asia-Pacific and Americas regions. Gross margins, however, were higher due to better margins achieved arising from increased sales of higher margin in infrastructure projects and completion of some projects.

Operating expenses were 3.4% lower at S\$54.2 million in 9M16 as compared to 9M15. The operating expenses in 9M16 included transaction expenses relating to new acquisitions of S\$0.7 million, expenses of newly acquired businesses of S\$3.0 million, higher amortization expenses on intangibles assets arising from purchase price allocation for new acquisitions of S\$0.4 million, restructuring costs of S\$0.3 million, offset by lower allowances for doubtful debts of S\$0.6 million. On a normalized basis, operating expenses in 9M16 would have decreased by 10.3% year-on-year.

In 9M16, CSE Group recorded profit after tax and non-controlling interests from continuing operations of S\$15.0 million as compared to S\$23.1 million in 9M15.

Basic earnings per ordinary share for 9M16 was 2.91 cents as compared with 9M15 of 5.04 cents.

New orders received for the 9M16 were S\$229.0 million as compared with S\$280.2 million for the corresponding period in 2015, mainly due to the lack of large greenfield projects.

In 9M16, the Group generated a strong operating cash inflow of S\$57.3 million. The Group ended the period with a net cash position (including quoted investments) of S\$73.3 million, after deducting for acquisition costs of S\$13.6 million, and dividend payments of S\$14.2 million.

**Performance of Geographical Segments**

<b>S\$'000</b>	<b>2016 3Q</b>	<b>2015 3Q</b>	<b>Change</b>	<b>2016 9M</b>	<b>2015 9M</b>	<b>Change</b>
<b>Revenue</b>						
Asia-Pacific	30,921	31,982	-3.3%	81,956	104,443	-21.5%
The Americas	38,917	58,150	-33.1%	125,521	174,403	-28.0%
Europe/Middle East/Africa	11,119	13,100	-15.1%	31,993	34,356	-6.9%
<b>Group</b>	<b>80,957</b>	<b>103,232</b>	<b>-21.6%</b>	<b>239,470</b>	<b>313,202</b>	<b>-23.5%</b>
<b>Earnings before interest and tax (EBIT)</b>						
Asia-Pacific	2,692	2,790	-3.5%	8,068	10,145	-20.5%
The Americas	1,610	7,221	-77.7%	7,326	18,503	-60.4%
Europe/Middle East/Africa	1,319	836	57.8%	3,905	2,896	34.8%
<b>Group</b>	<b>5,621</b>	<b>10,847</b>	<b>-48.2%</b>	<b>19,299</b>	<b>31,544</b>	<b>-38.8%</b>

**3Q16 vs 3Q15**

In 3Q16, the geographical regions of Asia-Pacific, The Americas and Europe/Middle East/Africa contributed 38.2%, 48.1% and 13.7% to revenue respectively, and 47.9%, 28.6% and 23.5% to EBIT respectively.

The Asia Pacific region recorded 3.3% and 3.5% slightly lower revenue and EBIT respectively in 3Q16 as compared with 3Q15.



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The Americas region recorded a decrease of 33.1% in revenue and a 77.7% decline in EBIT for 3Q16, mainly attributed to lower revenues from greenfield and brownfield projects in the Americas region.

Europe/Middle East/Africa (“EMEA”) region recorded a lower revenue but a higher EBIT in 3Q16, mainly attributed to a change in sales mix to higher proportion of better margin revenues recognised in 3Q16 as compared to 3Q15.

### **9M16 vs 9M15**

In 9M16, the geographical regions of Asia-Pacific, The Americas and Europe/Middle East/Africa contributed 34.2%, 52.4% and 13.4% to revenue and 41.8%, 38.0% and 20.2% to EBIT respectively.

Revenue and EBIT for 9M16 as compared with 9M15 in the Asia-Pacific region were lower by 21.5% and 20.5% respectively. In 9M15, higher revenues were recognised from a large greenfield project which did not recur in 9M16.

The Americas region reported a drop of 28.0% in revenue and 60.4% in EBIT for 9M16 as compared with 9M15, mainly due to lower revenues from greenfield and brownfield projects in Americas region.

The EMEA region recorded a 6.9% year-on-year decrease in revenue and a 34.8% year-on-year increase in EBIT for 9M16 compared with 9M15. This is mainly due to the a change in sales mix to higher proportion of better margin revenues recognised in 9M16 as compared to 9M15.

### **Liquidity and Capital Resources**

The Group generated a strong operating cash inflow of S\$57.3 million in 9M16, due to achievement of project delivery milestones for several projects, which led to higher billings and collections. The Group ended the period with a net cash position (including quoted investments) of S\$73.3 million, after deducting for acquisition costs of S\$13.6 million, and dividend payments of S\$14.2 million.

### **Outstanding Orders**

<b>S\$'000</b>	<b>3Q2016</b>	<b>2Q2016</b>	<b>3Q2015</b>
Asia-Pacific	105,540	105,530	91,965
The Americas	26,784	27,805	60,039
Europe/Middle East/Africa	46,675	53,247	69,971
<b>Total</b>	<b>178,999</b>	<b>186,582</b>	<b>221,975</b>

During the quarter, the Group continues to receive new orders from greenfield (new installations) projects and brownfield (maintenance, upgrade and enhancement of existing installations) projects totalling S\$70.8 million, a decrease of 19.0% year-on-year. Outstanding orders decreased by 4.1% to S\$179.0 million as at end of 3Q16 from S\$186.6 million as at end of 2Q16.



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**Outlook**

Conditions in the sectors in which the Group operates remain difficult. Low oil/gas and commodity prices continue to influence investment decisions and customers remain highly focused on cost control. In response, the Group has also implemented cost control measures which has resulted in a 10% year on year reduction in the Group's 9M16 overhead base and will continue to be vigilant in managing cost and working capital.

The Group expects a better performance for its mining and infrastructure segments for FY2016 compared to FY2015. However, the improved performance of the mining and infrastructure segments in FY2016 will not compensate for the poor performance of its oil and gas segment. Consequently, the Group will deliver a lower profit in FY2016 as compared to FY2015, although it will remain cashflow positive for the current financial year. The Group anticipates that the challenging operating conditions will continue to put pressure on its profitability going forward.

The balance sheet remains strong with a net cash position including quoted investments of S\$73.3 million as at end of 3Q16. CSE will continue to explore good investment opportunities to support its long term sustainable growth objectives.



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**PART 1 – INFORMATION REQUIRED FOR QUARTERLY (Q3) ANNOUNCEMENTS**

1. The following statements in the form presented in the issuer's most recently audited annual financial statement:-

1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

S\$'000	Group			Group		
	2016 3Q	2015 3Q	Change (%)	2016 9M	2015 9M	Change (%)
<b>Revenue</b>	80,957	103,232	-21.6%	239,470	313,202	-23.5%
<b>Cost of sales</b>	(57,375)	(73,373)	-21.8%	(166,287)	(225,718)	-26.3%
<b>Gross profit</b>	23,582	29,859	-21.0%	73,183	87,484	-16.3%
<b>Other operating income</b> (Note 1)	(128)	(334)	61.7%	294	125	135.2%
<b>Other operating expenses</b>						
Administrative costs	(15,913)	(17,399)	-8.5%	(50,235)	(50,978)	-1.5%
Selling and distribution costs	(902)	(1,204)	-25.1%	(2,746)	(3,460)	-20.6%
Other operating costs (Note 2)	(1,018)	(75)	N.M	(1,197)	(1,627)	-26.4%
<b>Total operating expenses</b>	(17,833)	(18,678)	-4.5%	(54,178)	(56,065)	-3.4%
<b>Operating profit</b>	5,621	10,847	-48.2%	19,299	31,544	-38.8%
Finance income/(costs) (Note 3)	182	(222)	N.M	89	(482)	N.M
Profit before taxation from continuing operations	5,803	10,625	-45.4%	19,388	31,062	-37.6%
Taxation (Note 4)	(1,575)	(2,409)	-34.6%	(4,463)	(8,136)	-45.1%
Profit after taxation from continuing operations	4,228	8,216	-48.5%	14,925	22,926	-34.9%
Profit after taxation from discontinued operations (Note 5)	–	–	N.M	–	3,406	N.M
<b>Profit after taxation</b>	<b>4,228</b>	<b>8,216</b>	<b>-48.5%</b>	<b>14,925</b>	<b>26,332</b>	<b>-43.3%</b>
<b>Attributable to :-</b>						
Equity owners of the Company	4,020	8,503	-52.7%	15,029	26,008	-42.2%
Non-controlling interests	208	(287)	N.M	(104)	324	N.M
	4,228	8,216	-48.5%	14,925	26,332	-43.3%
<b>Earnings per ordinary share (cents)</b>						
-basic	0.78	1.65		2.91	5.04	
-diluted	0.78	1.65		2.91	5.04	



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**Consolidated statement of comprehensive income for the third quarter ended 30 September 2016**

S\$'000	Group			Group		
	2016 3Q	2015 3Q	Change (%)	2016 9M	2015 9M	Change (%)
<b>Profit after taxation</b>	4,228	8,216	-48.5%	14,925	26,332	-43.3%
<b>Other comprehensive income :</b>						
Cashflow hedge	–	(336)	N.M	–	(336)	N.M
Foreign currency translation	2,213	10,170	-78.2%	(8,969)	11,262	N.M
<b>Other comprehensive income for the period, net of tax</b>	2,213	9,834	-77.5%	(8,969)	10,926	N.M
<b>Total comprehensive income for the period</b>	6,441	18,050	-64.3%	5,956	37,258	-84.0%
<b>Total comprehensive income attributable to :-</b>						
Owners of the Company	6,239	18,337	-66.0%	6,529	36,934	-82.3%
Non-controlling interests	202	(287)	N.M	(573)	324	N.M
	6,441	18,050	-64.3%	5,956	37,258	-84.0%

*N.M. – Not meaningful*



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1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:-

S\$'000	Group					
	2016 3Q	2015 3Q	Change (%)	2016 9M	2015 9M	Change %
Profit before taxation is arrived at after charging/(crediting) the following:						
(A) Interest expense (Note 3)	141	322	-56.2%	537	786	-31.7%
(B) Interest income (Note 3)	(323)	(100)	223.0%	(626)	(304)	105.4%
(C) Depreciation and amortization	2,058	1,350	52.4%	4,937	3,726	32.5%
(D) Allowance for doubtful trade receivables	48	59	-18.6%	479	1,077	-55.5%
(E) Loss/(gain) on disposal of property, plant and equipment	252	(185)	N.M	(459)	(208)	120.7%

**Note 1**

S\$'000	Group					
	2016 3Q	2015 3Q	Change (%)	2016 9M	2015 9M	Change (%)
Rental income	6	48	-87.5%	89	145	-38.6%
Miscellaneous income	203	27	651.9%	358	172	108.1%
Net exchange loss	(337)	(409)	-17.6%	(153)	(192)	-20.3%
<b>Miscellaneous income</b>	<b>(128)</b>	<b>(334)</b>	<b>61.7%</b>	<b>294</b>	<b>125</b>	<b>135.2%</b>

**Note 2**

S\$'000	Group					
	2016 3Q	2015 3Q	Change (%)	2016 9M	2015 9M	Change (%)
Allowance for doubtful trade receivables	48	59	-18.6%	479	1,077	-55.5%
Miscellaneous expenses	6	(19)	N.M	7	64	-89.1%
Amortization of intangible assets #	674	208	224.0%	1,041	605	72.1%
Loss/(gain) on disposal of property, plant and equipment	252	(185)	N.M	(459)	(208)	120.7%
(Write back)/allowance for stock obsolescence	(18)	(16)	12.5%	13	(7)	N.M
Bank charges	56	28	100.0%	116	96	20.8%
	<b>1,018</b>	<b>75</b>	<b>N.M</b>	<b>1,197</b>	<b>1,627</b>	<b>-26.4%</b>

# Increase in amortization of intangible assets is mainly due to amortization incurred on the new acquisitions.

**Note 3**

S\$'000	Group					
	2016 3Q	2015 3Q	Change (%)	2016 9M	2015 9M	Change (%)
Interest expense	141	322	-56.2%	537	786	-31.7%
Interest income	(323)	(100)	223.0%	(626)	(304)	105.4%
<b>Finance costs</b>	<b>(182)</b>	<b>222</b>	<b>N.M</b>	<b>(89)</b>	<b>482</b>	<b>N.M</b>

The lower finance costs in 3Q16 and 9M16 were mainly due to lower interest expenses from lower borrowings coupled with the higher interest income from quoted investments.

**Note 4**

The Group operates in several tax jurisdictions with different tax rates. Thus, depending on where the revenue and profits are earned, the effective tax rate will differ.

**Note 5**

The Group disposed its 66% owned subsidiary, Power Diesel Engineering Pte Ltd in June 2015 with a gain of S\$1.8 million.



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**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

S\$'000	Group		Company	
	30-09-16	31-12-15	30-09-16	31-12-15
<b>NON-CURRENT ASSETS</b>				
Property, plant and equipment (Note 6)	25,487	23,412	2,732	230
Investment in subsidiaries	–	–	204,495	204,495
Quoted investment	20,425	–	20,425	–
Other investment	190	190	190	190
Intangible assets (Note 6)	52,687	44,869	1,008	1,129
Deferred tax assets	12,258	13,666	3,092	3,208
<b>CURRENT ASSETS</b>				
Gross amount due from customers for contract work-in-progress (Note 7)	32,711	60,409	–	–
Inventories (Note 7)	12,381	11,821	–	–
Trade and other receivables (Note 7)	94,020	107,181	2,518	1,260
Prepaid operating expenses	2,487	3,043	104	15
Amount due from subsidiary companies	–	–	8,582	30,661
Short-term deposits	1,552	3,494	–	–
Cash and bank balances	69,660	106,225	4,269	27,380
	212,811	292,173	15,473	59,316
<b>CURRENT LIABILITIES</b>				
Gross amount due to customers for contract work-in-progress (Note 7)	5,711	12,586	–	–
Trade payables and accruals	52,222	50,676	5,664	6,254
Finance leases	17	78	–	–
Loans and borrowings	18,331	55,514	9,278	50,189
Amount due to subsidiary companies	–	–	102,622	79,655
Provision for warranties	956	1,808	–	–
Provision for taxation	3,156	2,858	190	–
	80,393	123,520	117,754	136,098
<b>Net current assets/(liabilities)</b>	<b>132,418</b>	<b>168,653</b>	<b>(102,281)</b>	<b>(76,782)</b>
<b>NON-CURRENT LIABILITIES</b>				
Deferred tax liabilities	(5,861)	(4,950)	–	–
Finance leases	(28)	(28)	–	–
	<b>237,576</b>	<b>245,812</b>	<b>129,661</b>	<b>132,470</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	98,542	98,542	98,542	98,542
Revenue reserve	165,472	164,635	21,243	24,052
Other reserve	9,844	9,844	9,876	9,876
Foreign currency translation reserve	(39,893)	(31,393)	–	–
<b>Total Shareholders' Fund</b>	<b>233,965</b>	<b>241,628</b>	<b>129,661</b>	<b>132,470</b>
Non-controlling interests	3,611	4,184	–	–
<b>Total Equity</b>	<b>237,576</b>	<b>245,812</b>	<b>129,661</b>	<b>132,470</b>
<b>Group net cash</b>	<b>52,881</b>	<b>54,205</b>		
<b>Group net gearing (%)</b>	–	–		





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**Note 6**

The increase in fixed assets and intangible assets was mainly derived from new acquisitions in 9M16.

**Note 7**

The Group recognises revenue using the percentage of completion method and bills its customers based on contractually agreed milestones. There was no material change in the payment pattern of its customers or its payment pattern to its suppliers.

**1(b)(ii) In relation to the aggregate amount of group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-**

**Amount repayable in one year or less, or on demand**

<b>As at 30 September 2016</b>		<b>As at 31 Dec 2015</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
NIL	S\$18,331,000	NIL	S\$55,514,000

**Amount repayable after one year**

<b>As at 30 September 2016</b>		<b>As at 31 Dec 2015</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
NIL	NIL	NIL	NIL

**Details of any collateral**

Not applicable.



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1(c) A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

S\$'000	GROUP			
	1.7.2016 to 30.9.2016	1.7.2015 to 30.9.2015	1.1.2016 to 30.9.2016	1.1.2015 to 30.9.2015
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES :-</u></b>				
Profit before taxation from continuing operations	5,803	10,625	19,388	31,062
Profit before tax from discontinued operation	–	–	–	3,664
Profit before tax, total	5,803	10,625	19,388	34,726
Adjustments for :-				
Allowance for doubtful trade receivables	48	59	479	1,077
Depreciation for property, plant and equipment attributable to continuing operations	1,384	1,142	3,896	3,121
Depreciation for property, plant and equipment attributable to discontinued operation	–	–	–	65
Amortization of intangible assets	674	208	1,041	605
Intangible assets written off	–	–	297	–
Property, plant and equipment written off	283	211	376	211
Changes in fair value of financial instruments	(80)	–	(80)	–
Gain on disposal of subsidiary (Note 5)	–	–	–	(1,843)
Loss/(gain) on disposal of property, plant and equipment	252	(185)	(459)	(208)
Interest expense	141	322	537	786
Interest income	(323)	(100)	(626)	(304)
<b>Operating cashflow before changes in working capital</b>	<b>8,182</b>	<b>12,282</b>	<b>24,849</b>	<b>38,236</b>
Decrease/(increase) in trade and other receivables and prepaid operating expenses	3,362	(10,778)	11,995	(5,805)
Decrease/(increase) in gross amount due from customers for contract work-in-progress, net and inventories	1,424	12,996	22,762	(19,032)
Increase/(decrease) in payables and accruals and provision for warranties	4,146	(1,611)	1,262	(8,633)
<b>Cash generated from operations</b>	<b>17,114</b>	<b>12,889</b>	<b>60,868</b>	<b>4,766</b>
Interest paid	(141)	(322)	(537)	(786)
Interest received	323	100	626	304
Income tax paid	(2,373)	(1,919)	(3,694)	(7,601)
<b>Net cash generated from/(used in) operating activities</b>	<b>14,923</b>	<b>10,748</b>	<b>57,263</b>	<b>(3,317)</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>				
Cash consideration paid on quoted investment	–	–	(20,339)	–
Cash consideration paid, net of cash assets & business acquired	(3,198)	–	(13,565)	–
Cash consideration received, net of cash divested	–	–	–	7,493
Purchase of property, plant and equipment	(1,602)	(2,767)	(6,230)	(5,000)
Adjustment #/(purchase) of intangible assets	649	(2,683)	(260)	(2,683)
Proceeds from sale of property, plant and equipment	172	198	971	604
Fourth tranche payments for the subsidiary	–	–	–	(560)
<b>Net cash used in investing activities</b>	<b>(3,979)</b>	<b>(5,252)</b>	<b>(39,423)</b>	<b>(146)</b>



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S\$'000	GROUP			
	1.7.2016 to 30.9.2016	1.7.2015 to 30.9.2015	1.1.2016 to 30.9.2016	1.1.2015 to 30.9.2015
<b><u>CASH FLOWS FROM FINANCING</u></b>				
<b><u>ACTIVITIES</u></b>				
Dividends paid to shareholders	(6,451)	(6,451)	(14,192)	(14,192)
Proceeds/(repayment) from short term loans from bankers	3,358	5,539	(37,183)	15,361
Repayment of long term loans from bankers	–	–	–	(864)
<b>Net cash (used in)/generated from financing activities</b>	<b>(3,093)</b>	<b>(912)</b>	<b>(51,375)</b>	<b>305</b>
Net increase/(decrease) in cash and cash equivalents	7,851	4,584	(33,535)	(3,158)
Net effect of exchange rate changes on cash and cash equivalents	(673)	2,070	(4,972)	2,433
Cash and cash equivalents at beginning of the financial year	64,034	59,512	109,719	66,891
<b>Cash and cash equivalents at end of the financial period</b>	<b>71,212</b>	<b>66,166</b>	<b>71,212</b>	<b>66,166</b>

# Adjustment on intangible assets due to finalization of purchase price exercise.



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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group S\$'000	Attributable to equity owners of the Company						Total Equity
	Share capital	Revenue reserve	Other reserve	Foreign currency translation reserve	Total	Non- controlling interests	
At 1 January 2015	98,542	144,761	9,805	(42,919)	210,189	7,417	217,606
Dividend for FY2014 declared and paid	–	(7,741)	–	–	(7,741)	–	(7,741)
Disposal / (acquisition) of non-controlling interests	–	–	39	–	39	(3,182)	(3,143)
Total comprehensive income for 1 <sup>st</sup> half 2015	–	17,505	–	1,092	18,597	610	19,207
<b>At 30 June 2015</b>	<b>98,542</b>	<b>154,525</b>	<b>9,844</b>	<b>(41,827)</b>	<b>221,084</b>	<b>4,845</b>	<b>225,929</b>
Total comprehensive income for 3 <sup>rd</sup> quarter	–	8,503	(336)	10,170	18,337	(287)	18,050
Disposal / (acquisition) of non-controlling interests	–	–	–	–	–	(39)	(39)
Interim dividend for FY2015 declared and paid	–	(6,451)	–	–	(6,451)	–	(6,451)
<b>At 30 September 2015</b>	<b>98,542</b>	<b>156,577</b>	<b>9,508</b>	<b>(31,657)</b>	<b>232,970</b>	<b>4,519</b>	<b>237,489</b>
At 1 January 2016	98,542	164,635	9,844	(31,393)	241,628	4,184	245,812
Dividend for FY2015 declared and paid	–	(7,741)	–	–	(7,741)	–	(7,741)
Total comprehensive income for 1 <sup>st</sup> half 2016	–	11,009	–	(10,719)	290	(775)	(485)
<b>At 30 June 2016</b>	<b>98,542</b>	<b>167,903</b>	<b>9,844</b>	<b>(42,112)</b>	<b>234,177</b>	<b>3,409</b>	<b>237,586</b>
Total comprehensive income for 3 <sup>rd</sup> quarter	–	4,020	–	2,219	6,239	202	6,441
Interim dividend for FY2016 declared and paid	–	(6,451)	–	–	(6,451)	–	(6,451)
<b>At 30 September 2016</b>	<b>98,542</b>	<b>165,472</b>	<b>9,844</b>	<b>(39,893)</b>	<b>233,965</b>	<b>3,611</b>	<b>237,576</b>



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<b>Company</b> <b>S\$'000</b>	<b>Share</b> <b>capital</b>	<b>Revenue</b> <b>reserve</b>	<b>Other</b> <b>reserve</b>	<b>Total</b> <b>Equity</b>
At 1 January 2015	98,542	28,230	9,876	136,648
Dividend for FY2014 declared and paid	–	(7,741)	–	(7,741)
Total comprehensive income for 1 <sup>st</sup> half 2015	–	(6,132)	–	(6,132)
<b>At 30 June 2015</b>	<b>98,542</b>	<b>14,357</b>	<b>9,876</b>	<b>122,775</b>
Total comprehensive income for the period	–	12,034	(336)	11,698
Interim dividend for FY2015 declared and paid	–	(6,451)	–	(6,451)
<b>At 30 September 2015</b>	<b>98,542</b>	<b>19,940</b>	<b>9,540</b>	<b>128,022</b>
At 1 January 2016	98,542	24,052	9,876	132,470
Dividend for FY2015 declared and paid	–	(7,741)	–	(7,741)
Total comprehensive income for the period	–	1,313	–	1,313
<b>At 30 June 2016</b>	<b>98,542</b>	<b>17,624</b>	<b>9,876</b>	<b>126,042</b>
Total comprehensive income for the period	–	10,070	–	10,070
Interim dividend for FY2015 declared and paid	–	(6,451)	–	(6,451)
<b>At 30 September 2016</b>	<b>98,542</b>	<b>21,243</b>	<b>9,876</b>	<b>129,661</b>



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**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issue shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There were no other changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous financial period reported on.

The Company does not have any outstanding convertibles and does not have any treasury shares.

**1(d)(iii) To show the total number of issued shares, excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

Number of shares as at 30 September 2016	: 516,067,852
Number of shares as at 31 December 2015	: 516,067,852

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There is no sale, transfer, disposal, cancellation and/or use of treasury shares for the current financial period.

**2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

The figures have not been audited nor reviewed by our auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as compared with the audited financial statements as at 31 December 2015.



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**5. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-**

	3Q 2016	3Q 2015	9M 2016	9M 2015
<b>Earnings per ordinary share of the group after deducting any provision for preference dividends:-</b>				
(a) Based on weighted average number of ordinary shares in issue; and	0.78	1.65	2.91	5.04
(b) On a fully diluted basis (detailing any adjustments made to the earnings).	0.78	1.65	2.91	5.04
<b>For the computation of basic earnings per share, the basis of arriving at the weighted average number of shares is determined as follows :-</b>				
Weighted average number of shares outstanding during the period	516,067,852	516,067,852	516,067,852	516,067,852
Weighted average number of shares issued during the period				
Adjusted weighted average number of shares	<b>516,067,852</b>	<b>516,067,852</b>	<b>516,067,852</b>	<b>516,067,852</b>

**For the computation of diluted earnings per share, the weighted average number of shares adjusted for the effect of all dilutive potential ordinary shares is determined as follows :-**

Weighted average number of shares outstanding during the period, used in computation of basic earnings per share	–	–	–	–
Adjusted weighted average number of shares	<b>516,067,852</b>	<b>516,067,852</b>	<b>516,067,852</b>	<b>516,067,852</b>

\* Weighted average number of ordinary shares issued during the year, the earnings per ordinary share of the Group has been computed based on adjusted issued share capital in accordance with FRS33 Earnings Per Share.

**6. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year :-**

	30 September 2016		31 December 2015	
	Group	Company	Group	Company
Net asset value per ordinary share based on existing issued share capital (in cents)	45.34	25.12	46.82	25.67

**7. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

There is no variance between the previous prospect statement and the actual results.



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**8. Dividend**

**(a) Current financial period reported on**

No interim dividend has been declared or recommended in relation to third quarter ended 30 September 2016 or the previous corresponding financial period.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Not applicable.

**9. Date dividend is payable**

Not applicable.

**10. Book closure date**

Not applicable.

**11. If no dividend has been declared/recommended, a statement to that effect**

Not applicable.





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**PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**  
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

**12. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Not applicable.

**13. In review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable.

**14. A breakdown of sales as follows:-**

Not applicable.

**15. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not applicable.

**16. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect**

The Company does not have a general mandate for interested person transactions.

**17. Confirmation by the Board**

We, Lim Ming Seong and Lim Boon Kheng, being two directors of CSE Global Limited (the "Company"), do hereby confirm on behalf of the directors that the Company has procured the undertakings under Appendix 7.7 of the SGX-ST Listing Manual from the directors and executive officers and to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the third quarter ended 30 September 2016 financial statements to be false or misleading in any material aspect.

On behalf of the Board of Directors

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Name: Lim Ming Seong  
Designation: Chairman

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Name: Lim Boon Kheng  
Designation: Group Managing Director

By order of the Board

Lynn Wan Tiew Leng  
Company Secretary  
9 November 2016