

Press Release – Full Year 2015 Results

CSE records net profit of S\$34.1m in FY15, generates strong operating cashflow of S\$41.0m

Key Highlights:

- **Net profit of S\$34.1m in FY15**
- **Strong operating cashflow generation of S\$41.0m in FY15**
- **Net cash position strengthened to S\$54.2m at end of FY15**
- **Order intake of S\$351.0m**
- **Order book stood at S\$192.7m**
- **Proposed final and special dividend totalling 1.5 cents per share**

Singapore, 24 February 2016 – CSE Global Limited (“CSE” or the “Group) announced today its financial results for the year ended 31 December 2015. The Group reported that its full year net profit after tax and non-controlling interests was 3.7% lower year-on-year at S\$34.1 million, on the back of revenue of S\$412.0 million, amid the difficult business and operating environment.

The Group’s revenues from continuing operations decreased moderately by 1.1% to S\$412.0 million, driven mainly by lower revenues in the Australia region, partially offset by higher revenues recognized in the Americas and EMEA regions. In line with revenue, gross profits also decreased moderately by 0.9% to S\$118.2 million in FY15, supported by stable gross margins. Gross profit margins were relatively unchanged at around 28.7% in FY15.

Operating expenses grew by 4.8% year-on-year to S\$78.2 million in FY15, mainly due to the inclusion of expenses of newly acquired Crosscom business of S\$1.6 million and higher provisions for doubtful debts of S\$1.7 million.

Consequently, profit after tax and non-controlling interests from continuing operations decreased by 6.4% to S\$31.2million in FY15.

The basic earnings per ordinary share was 6.60 cents in FY15 as compared to the basic earnings per ordinary share in FY14 of 6.85 cents.

In 4Q15, the Group generated a strong positive operating cashflow of S\$45.1 million, leading to a full year positive operating cash flow of S\$41.0 million. The Group ended the year with a net cash position of S\$54.2 million, significantly improved from S\$23.4 million in FY14. “We are delighted to have met the project delivery milestones for several of our projects in 4Q15, which contributed to the higher billings and collections, and bolster our cash position. The Group’s current financial position puts us in a good position to seize the growth opportunities going forward.” said Eddie Foo, Group CFO of CSE.



In 4Q15, the Group received a strong order intake from greenfield and brownfield projects, totalling S\$70.8 million, which takes the full year order intake to S\$351.0 million. As at end of 2015, order book stood at S\$192.7 million.

Mr Lim Boon Kheng, Group MD of CSE, said, “Despite challenging operating conditions in the past year, our resilient business model has enabled us to deliver a set of sound financial results. Going forward, we will continue to take a prudent and focused approach to achieving our long term strategic priorities.”

On the outlook, Mr Lim added, “The Group continues to see a lack of large greenfield projects amid the challenging global economic outlook and low commodity prices. Despite the sluggish outlook, the market continues to provide pockets of opportunities for the Group’s businesses in 2016. The Group will continue to focus on cash generation and look for new growth prospects. Hence, we believe the overall businesses of our major subsidiaries should remain resilient and we are confident that CSE will deliver a positive operating cashflow and profits for FY2016.”

To reward shareholders, the Board of Directors will be proposing a final dividend (1-tier tax-exempt) of 1.25 Singapore cents per ordinary share and a special dividend (1-tier tax exempt) of 0.25 Singapore cents per ordinary share. Together with the interim cash dividend of 1.25 Singapore cents per ordinary share distributed last September, CSE will be paying out a total cash dividend of 2.75 Singapore cents per ordinary share for the financial year ended 31 December 2015.

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Media & Investor Contact Information:

Eddie Foo

Group Chief Financial Officer

CSE Global Limited

Tel: (65) 6512 0317, Fax: (65) 6742 9179

Email: eddie.foo@cse-global.com



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 1,200 employees worldwide, and operates a network of 36 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 Automation, Telecommunications and Environmental 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>