



CSE GLOBAL LTD
(Incorporated in the Republic of Singapore)
(Company Registration Number:198703851D)

**ADJUSTMENTS BETWEEN UNAUDITED FINANCIAL STATEMENTS RESULTS
ANNOUNCEMENT AND AUDITED FINANCIAL STATEMENTS FOR THE
FINANCIAL YEAR ENDED 31 DECEMBER 2018**

The Board of Directors (“Board”) of CSE Global Ltd refers to the unaudited financial results for the Group for the financial year ended 31 December 2018 announced by the Company on 20 February 2019 (the “Unaudited Results”). Pursuant to Rule 704(6) of the SGX-ST Listing Rules, the Board wishes to announce that subsequent to the release of the Unaudited Results, the external auditors have proposed certain audit adjustments between the Unaudited Results and the audited financial statements for the financial year ended 31 December 2018 (“Audited Results”) which were adopted accordingly.

The details of the variances between the Unaudited Results and the Audited Results are represented as Appendix A as attached to this announcement.

By Order of the Board

Victor Lai Kuan Loong
Company Secretary
1 April 2019



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

Income statement

S\$'000	Unaudited	Audited	Variance	Notes
	FY2018	FY2018		
Revenue	376,787	376,787	-	
Cost of sales	(271,626)	(271,626)	-	
Gross profit	105,161	105,161	-	
Operating expenses				
Administrative costs	(71,411)	(71,411)	-	
Selling and distribution costs	(4,279)	(4,279)	-	
Other operating costs (Note 1)	(4,343)	(4,343)	-	
Total operating expenses	(80,033)	(80,033)	-	
Operating profit/(loss)	25,128	25,128	-	
Interest expense	(835)	(835)	-	
Interest income	278	278	-	
Other non-operating items (Note 2)	1,508	1,508	-	
Profit/(loss) before taxation	26,079	26,079	-	
Taxation (Note 4)	(6,638)	(6,638)	-	
Profit/(loss) after taxation	19,441	19,441	-	
Attributable to :-				
Equity owners of the Company	20,105	20,105	-	
Non-controlling interests	(664)	(664)	-	
	19,441	19,441	-	
Earnings/(loss) per ordinary share (cents)				
-basic	3.95	3.92	(0.03)	Adjusted weighted average of share
-diluted	3.92	3.89	(0.03)	Adjusted weighted average of share



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Consolidated statement of comprehensive income for the financial year ended 31 December 2018

SS'000	Unaudited FY2018	Audited FY2018	Variance	Notes
Profit/(loss) after taxation	19,441	19,441	-	
Other comprehensive income/(loss) :				
Foreign currency translation	582	583	1	Rounding differences
Other comprehensive income/(loss) for the period, net of tax	582	583	1	
Total comprehensive income for the period	20,023	20,024	1	
Total comprehensive income attributable to :-				
Owners of the Company	20,727	20,728	1	Rounding differences
Non-controlling interests	(704)	(704)	-	
	20,023	20,024	1	

N.M – Not meaningful



CSE GLOBAL LIMITED
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Financial Position

S\$'000	Group		Variance	Notes
	Unaudited 31-12-18	Audited 31-12-18		
NON-CURRENT ASSETS				
Property, plant and equipment	28,198	28,198	-	
Investment in subsidiaries	-	-	-	
Quoted investment	1,290	1,290	-	
Other investment	-	-	-	
Investment in associate	106	106	-	
Intangible assets	25,955	25,955	-	
Deferred tax assets	3,073	3,073	-	
	58,622	58,622	-	
CURRENT ASSETS				
Contract Assets (Note 5)	34,327	34,327	-	
Inventories (Note 5)	16,490	16,490	-	
Trade and other receivables # (Note 5)	81,844	81,844	-	
Prepaid operating expenses	3,748	3,748	-	
Amount due from subsidiary companies	-	-	-	
Short-term deposits	4,819	4,819	-	
Cash and bank balances	69,232	69,232	-	
	210,460	210,460	-	
CURRENT LIABILITIES				
Contract liabilities (Note 5)	4,985	11,935	6,950	Adoption of
Trade payables and accruals ^	51,460	44,510	(6,950)	new SFRS(I)
Finance Lease	8	8	-	
Loans and borrowings	36,125	36,125	-	
Amount due to subsidiary companies	-	-	-	
Provision for warranties	467	467	-	
Provision for taxation	2,880	2,880	-	
	95,925	95,925	-	
Net current assets/(liabilities)	114,535	114,535		
NON-CURRENT LIABILITIES				
Deferred tax liabilities	(481)	(481)	-	
Finance lease	(19)	(19)	-	
Accruals	(326)	(326)	-	
Net Assets	172,331	172,331		
Equity attributable to owners of the Company				
Share capital	98,542	98,542	-	
Treasury shares	(3,327)	(3,327)	-	
Share based payment reserve	1,393	1,393	-	
Revenue reserve #	82,216	82,216	-	
Other reserve	9,844	9,844	-	
Foreign currency translation reserve #	(17,432)	(17,432)	-	
Total Shareholders' Fund	171,236	171,236		
Non-controlling interests	1,095	1,095	-	
Total Equity	172,331	172,331		



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Financial Position

SS'000	Group		Variance	Notes
	Unaudited 31-12-17	Audited 31-12-17		
NON-CURRENT ASSETS				
Property, plant and equipment	28,002	28,002	-	
Investment in subsidiaries	-	-	-	
Quoted investment	1,296	1,296	-	
Other investment	114	114	-	
Investment in associate	-	-	-	
Intangible assets	27,610	27,610	-	
Deferred tax assets	2,799	2,799	-	
	59,821	59,821	-	
CURRENT ASSETS				
Contract Assets (Note 5)	66,284	63,343	(2,941)	Before adoption of new SFRS
Inventories (Note 5)	14,622	14,622	-	(I)
Trade and other receivables # (Note 5)	90,663	96,261	5,598	Before adoption of new SFRS
Prepaid operating expenses	2,963	2,963	-	(I)
Amount due from subsidiary companies	-	-	-	
Short-term deposits	2,989	2,989	-	
Cash and bank balances	43,921	43,921	-	
	221,442	224,099	2,657	
CURRENT LIABILITIES				
Contract liabilities (Note 5)	14,369	15,061	692	Before adoption of new SFRS
Trade payables and accruals ^	60,828	55,435	(5,393)	(I)
Finance Lease	-	-	-	
Loans and borrowings	31,408	31,408	-	
Amount due to subsidiary companies	-	-	-	
Provision for warranties	819	819	-	
Provision for taxation	2,076	2,076	-	
	109,500	104,799	(4,701)	
Net current assets/(liabilities)	111,942	119,300	7,358	
NON-CURRENT LIABILITIES				
Deferred tax liabilities	(3,047)	(3,047)	-	
Finance lease	-	-	-	
Accruals	(321)	(321)	-	
Net Assets	168,395	175,753	7,358	
Equity attributable to owners of the Company				
Share capital	98,542	98,542	-	
Treasury shares	-	-	-	
Share based payment reserve	-	-	-	
Revenue reserve #	76,265	83,623	7,358	
Other reserve	9,844	9,844	-	
Foreign currency translation reserve #	(18,055)	(18,055)	-	
Total Shareholders' Fund	166,596	173,954	7,358	
Non-controlling interests	1,799	1,799	-	
Total Equity	168,395	175,753	7,358	



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Company
S\$'000

	Unaudited 31-12-18	Audited 31-12-18	Variance	Notes
NON-CURRENT ASSETS				
Property, plant and equipment	2,299	2,299	-	
Investment in subsidiaries	196,018	196,018	-	
Quoted investment	1,290	1,290	-	
Other investment	-	-	-	
Investment in associate	-	-	-	
Intangible assets	645	645	-	
Deferred tax assets	1,051	1,138	87	Audit adjustment
	201,303	201,390	87	
CURRENT ASSETS				
Contract Assets (Note 5)	-	-	-	
Inventories (Note 5)	-	-	-	
Trade and other receivables # (Note 5)	772	772	-	
Prepaid operating expenses	85	85	-	
Amount due from subsidiary companies	22,174	22,174	-	
Short-term deposits	-	-	-	
Cash and bank balances	9,389	9,389	-	
	32,420	32,420	-	
CURRENT LIABILITIES				
Contract liabilities (Note 5)	-	-	-	
Trade payables and accruals ^	4,182	4,352	170	Audit adjustment
Finance Lease	-	-	-	
Loans and borrowings	36,125	36,125	-	
Amount due to subsidiary companies	78,853	78,853	-	
Provision for warranties	-	-	-	
Provision for taxation	611	761	150	Audit adjustment
	119,771	120,091	320	
Net current assets/(liabilities)	(87,351)	(87,671)	(320)	
NON-CURRENT LIABILITIES				
Deferred tax liabilities	-	-	-	
Finance lease	-	-	-	
Accruals	-	-	-	
Net Assets	113,952	113,719	(233)	
Equity attributable to owners of the Company				
Share capital	98,542	98,542	-	
Treasury shares	(3,327)	(3,327)	-	
Share based payment reserve	1,393	1,393	-	
Revenue reserve #	7,468	7,235	(233)	Reflected in statement of equity
Other reserve	9,876	9,876	-	
Foreign currency translation reserve #	-	-	-	
Total Shareholders' Fund	113,952	113,719	(233)	
Non-controlling interests	-	-	-	
Total Equity	113,952	113,719	(233)	



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Cash Flow Statement

SS'000	GROUP			Notes
	Unaudited 1.1.2018 to 31.12.2018	Audited 1.1.2018 to 31.12.2018	Variance	
<u>CASH FLOWS FROM OPERATING ACTIVITIES :-</u>				
Profit/(Loss) before taxation	26,079	26,079	-	
Adjustments for :-				
Allowance for doubtful trade receivables, net	1,966	1,966	-	
Write down of unbilled receivables	434	434	-	
Allowance for stock obsolescence made, net	267	267	-	
Inventories written off	-	-	-	
Depreciation for property, plant and equipment	6,094	6,094	-	
Amortisation of intangible assets	1,753	1,753	-	
Property, plant and equipment written off	1	1	-	
Impairment of goodwill	-	-	-	
Impairment of other investment	-	-	-	
(Gain)/loss on disposal of property, plant and equipment	(288)	(288)	-	
Gain on disposal of quoted investment	-	-	-	
One-off settlement costs	-	-	-	
Interest expense	835	835	-	
Interest income	(278)	(278)	-	
Operating profit before changes in working capital	36,863	36,863	-	
(Increase)/decrease in trade and other receivables and prepaid operating expenses	6,886	7,123	237	Adoption of new SFRS (I)
(Increase)/decrease in gross amount due from customers for contract work-in-progress, net and inventories	19,924	21,496	1,572	Adoption of new SFRS (I)
Increase/(decrease) in payables and accruals and provision for warranties	(7,349)	(8,896)	(1,547)	Adoption of new SFRS (I)
Cash generated from/(used in) operations	56,324	56,586	262	
Interest paid	(835)	(835)	-	
Interest received	278	278	-	
One-off settlement costs (Note 3)	-	-	-	
Income tax (paid)/refund	(8,562)	(8,542)	20	Audit adjustment
Net cash generated from/(used in) operating activities	47,205	47,487	282	



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S\$'000	GROUP			Notes
	Unaudited 1.1.2018 to 31.12.2018	Audited 1.1.2018 to 31.12.2018	Variance	
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Proceeds/(cash consideration paid) on quoted investment	-	-	-	
Acquisition of business and assets, net of cash acquired	(1,240)	(1,239)	1	N.M
Purchase of property, plant and equipment	(6,579)	(6,552)	27	Audit adjustment
Purchase of intangible assets	(95)	(95)	-	
Proceeds from sale of property, plant and equipment	721	434	(287)	Audit adjustment
Net cash used in investing activities	(7,193)	(7,452)	(259)	
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>				
Purchase of treasury shares	(3,327)	(3,327)	-	
Dividends paid to shareholders	(14,154)	(14,154)	-	
Increase in finance lease obligations	27	-	(27)	Audit adjustment
Proceeds from short term loans from bankers	4,711	4,711	-	
Net cash generated from/(used in) financing activities	(12,743)	(12,770)	(27)	
Net effect of exchange rate changes on cash and cash equivalents	(128)	(124)	4	Audit adjustment
Net increase/(decrease) in cash and cash equivalents	27,269	27,265	(4)	Audit adjustment
Cash and cash equivalents at beginning of the quarter/financial year	46,910	46,910	-	
Cash and cash equivalents at end of the financial period/year	74,051	74,051	-	



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Cash Flow Statement

SS'000	GROUP			Notes
	Unaudited 1.1.2017 to 31.12.2017	Audited 1.1.2017 to 31.12.2017	Variance	
<u>CASH FLOWS FROM OPERATING ACTIVITIES :-</u>				
Profit/(Loss) before taxation	(37,425)	(37,425)	-	
Adjustments for :-				
Allowance for doubtful trade receivables, net	11,161	11,161	-	
Write down of unbilled receivables	2,979	2,979	-	
Allowance for stock obsolescence made, net	1,160	1,160	-	
Inventories written off	209	209	-	
Depreciation for property, plant and equipment	5,497	5,497	-	
Amortisation of intangible assets	1,842	1,842	-	
Property, plant and equipment written off	557	557	-	
Impairment of goodwill	27,953	27,953	-	
Impairment of other investment	190	190	-	
(Gain)/loss on disposal of property, plant and equipment	334	334	-	
Gain on disposal of quoted investment	(137)	(137)	-	
One-off settlement costs	16,595	16,595	-	
Interest expense	829	829	-	
Interest income	(510)	(510)	-	
Operating profit before changes in working capital	31,234	31,234	-	
(Increase)/decrease in trade and other receivables and prepaid operating expenses	(23,881)	(24,412)	(531)	Adoption of new SFRS (I)
(Increase)/decrease in gross amount due from customers for contract work-in-progress, net and inventories	(29,941)	(26,652)	3,289	Adoption of new SFRS (I)
Increase/(decrease) in payables and accruals and provision for warranties	20,954	18,196	(2,758)	Adoption of new SFRS (I)
Cash generated from/(used in) operations	(1,634)	(1,634)	-	
Interest paid	(829)	(829)	-	
Interest received	510	510	-	
One-off settlement costs (Note 3)	(16,595)	(16,595)	-	
Income tax (paid)/refund	(4,498)	(4,498)	-	
Net cash generated from/(used in) operating activities	(23,046)	(23,046)	-	



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S\$'000	GROUP			Notes
	Unaudited 1.1.2018 to 31.12.2018	Audited 1.1.2018 to 31.12.2018	Variance	
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>				
Proceeds/(cash consideration paid) on quoted investment	5,991	5,991	-	
Acquisition of business and assets, net of cash acquired	(8,506)	(8,506)	-	
Purchase of property, plant and equipment	(8,133)	(8,133)	-	
Purchase of intangible assets	(168)	(168)	-	
Proceeds from sale of property, plant and equipment	363	363	-	
Net cash used in investing activities	(10,453)	(10,453)	-	
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>				
Purchase of treasury shares	-	-	-	
Dividends paid to shareholders	(14,192)	(14,192)	-	
Increase in finance lease obligations	(28)	(28)	-	
Proceeds from short term loans from bankers	10,419	10,419	-	
Net cash generated from/(used in) financing activities	(3,801)	(3,801)	-	
Net effect of exchange rate changes on cash and cash equivalents	(6,568)	(6,568)	-	
Net increase/(decrease) in cash and cash equivalents	(37,300)	(37,300)	-	
Cash and cash equivalents at beginning of the quarter/financial year	90,778	90,778	-	
Cash and cash equivalents at end of the financial period/year	46,910	46,910	-	



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Company S\$'000	Share capital	Treasury Shares	Share based payment reserve	Revenue reserve	Other reserve	Total Equity
At 1 January 2017	98,542	–	–	21,899	9,876	130,317
Total comprehensive income for 9 months 2017	–	–	–	2,547	–	2,547
Dividend for FY2016 declared and paid	–	–	–	(7,741)	–	(7,741)
Interim dividend for FY2017 declared and paid	–	–	–	(6,451)	–	(6,451)
At 30 September 2017	98,542	–	–	10,254	9,876	118,672
Total comprehensive income 4 th quarter	–	–	–	(6,560)	–	(6,560)
At 31 December 2017	98,542	–	–	3,694	9,876	112,112
At 1 January 2018	98,542	–	–	3,694	9,876	112,112
Total comprehensive income for 9 months 2017	–	–	–	18,744	–	18,744
Purchase of treasury shares	–	(3,327)	–	–	–	(3,327)
Dividend for FY2017 declared and paid	–	–	–	(7,741)	–	(7,741)
Interim dividend for FY2018 declared and paid	–	–	–	(6,413)	–	(6,413)
At 30 September 2018	98,542	(3,327)	–	8,284	9,876	113,375
Share based payment reserve	–	–	1,393	–	–	1,393
Total comprehensive income 4 th quarter	–	–	–	(816)	–	(816)
Audit adjustment	–	–	–	(233)*	–	(816)
At 31 December 2018	98,542	(3,327)	1,393	7,235	9,876	113,719

*Due to audit adjustment of the Company



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6. 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:-

	4Q 2018	4Q 2017	FY 2018	FY 2017
Earnings/(Loss) per ordinary share of the group after deducting any provision for preference dividends:-				
(a) Based on weighted average number of ordinary shares in issue; and	0.99	(7.23)	3.92	(8.75)
(b) On a fully diluted basis (detailing any adjustments made to the earnings).	0.99	(7.23)	3.89	(8.75)
For the computation of basic earnings per share, the basis of arriving at the weighted average number of shares is determined as follows :-				
Weighted average number of shares outstanding during the period	508,890,352	516,067,852	516,067,852	516,067,852
Weighted average number of shares buy back during the period	–	–	(3,228,828)	–
Adjusted weighted average number of shares	508,890,352	516,067,852	512,839,024	516,067,852
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	508,890,352	516,067,852	512,839,024	516,067,852
Weighted average number of treasury shares	–	–	3,948,642	–
Audit adjustment	7,177,500	–	(719,814)	–
Adjusted weighted average number of shares	516,067,852	516,067,852	516,067,852	516,067,852

* 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.



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7. 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 :-

	31 December 2018		31 December 2017	
	Group	Company	Group	Company
Net asset value per ordinary share based on existing issued share capital (in cents)	33.65	22.35*	32.28	21.72

*Due to audit adjustment of the Company