



1Q 2015 Results Briefing CSE Global Limited

Fullerton Hotel

12 May 2015

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Business Overview & Outlook

- Revenue and operating profit growth
- Strong order intake of S\$103.1m
- Robust Order book of S\$252.5m
- Net cash of S\$23m

Business Overview

- With the current commodities price and keen competition, the operating environment remains challenging.
- The lower capital expenditure by customers translates to a general lack of large greenfield projects. However, opportunities in the market remains.

- **Summary**

CSE has a healthy outstanding order book of S\$252.5 million and a net cash position of S\$23.0 million at the end of 1Q15.

The Group is optimistic of its prospects for FY2015 notwithstanding the challenging global economic outlook and low commodity prices.

CSE believes, however, that there are opportunities available in the market which the Group will work on to secure more orders. The Group will also continue to support and service its existing installed base or customers (brownfield projects) as well as execute its outstanding order book.

1Q 2015 Financial Review

1Q 2015 Financial Overview

- Revenue increased by 13.2% to S\$105.5m, as compared to 1Q14
- Operating Profit (EBIT) of S\$11.1m, growth of 20.7% vs 1Q14
- Gross margins improved to 28.5% in 1Q15 from 27.5% in 1Q14
- Operating expenses were 15.0% higher at S\$19.3m in 1Q15
- Tax expenses in 1Q15 were S\$3.1m, as compared to 1Q14 of S\$1.2m
- PATMI of S\$7.6m compared to S\$7.5m in 1Q14
- New orders totalling S\$103.1m, 40.4% increase vs in 1Q14 of S\$73.4m
- Order book of S\$252.5m at end of 1Q15, a 21.8% increase over 1Q14 order intake of S\$207.4m

1Q 2015 Financial Overview

Financial Position & Cashflow

- Equity attributable to owners of the Company were S\$228.1m at end of 1Q15 vs S\$210.2m at Dec 14
- NAV per share at 31 March 2015 was 44.21 cents vs 39.36 cents at Dec 14
- Operating cash outflow of S\$1.6m in 1Q15 due to increase in WIP for LNG project in Australia, which is moving to FAT stage
- Net Cash of S\$23.0m at the end of 1Q15

Summary Financials 1Q 2015

S\$'m	1Q 2015	1Q 2014	Change
Revenue	105.5	93.2	13.2%
Gross Profit	30.1	25.7	17.3%
EBIT	11.1	9.2	20.7%
Profit before tax	11.1	9.2	20.9%
PATMI	7.6	7.5	1.3%
Gross margin (%)	28.5%	27.5%	3.6%
EBIT margin (%)	10.6%	9.9%	6.7%
Net margin (%)	7.2%	8.0%	-10.5%
Operating cash flow	-1.6	5.9	N.M.
Net Cash/(loan)	23.0	44.2	
Net gearing (%)	-	-	
Order intake	103.1	73.4	40.4%
Order book/backlog	252.5	207.4	21.8%



1Q 2015 FX Movement

	1Q 2015	1Q 2014	Variance (%)
USD/SGD:	1.3613	1.2733	6.91%
GBP/SGD:	2.0526	2.1039	-2.44%
AUD/SGD:	1.0748	1.1404	-5.76%

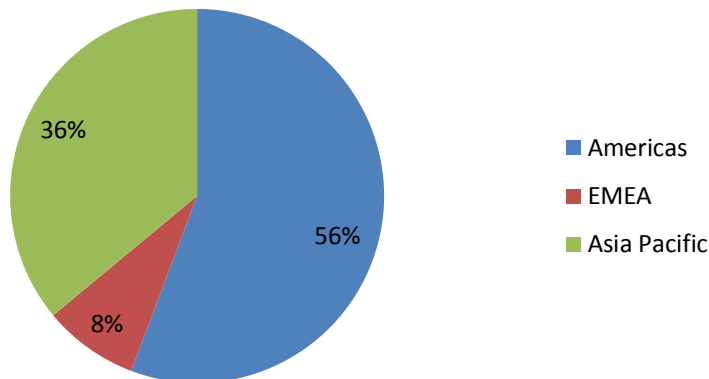
1Q 2015 Constant Currency

S\$M	1Q 2015	1Q 2014	Variance (%)	1Q 2015 Constant Currency	Variance (%)
Revenue:	105.5	93.2	13.2%	101.9	9.4%
PATMI:	7.6	7.5	1.3%	7.4	-1.3%

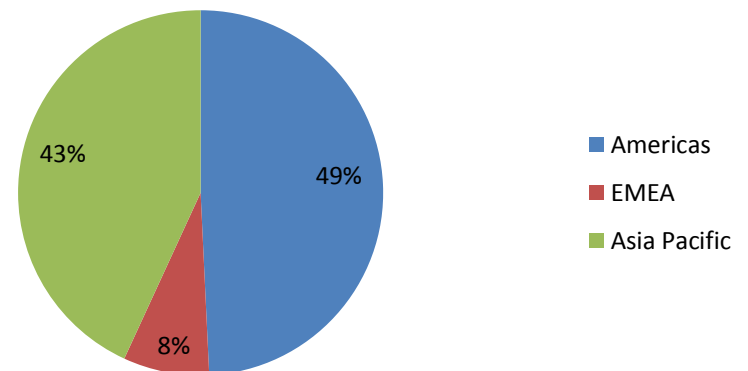
Revenue by Geographical Region

S\$m	Q1 2015	Q1 2014	Var %
Americas	58.8	45.9	28.1%
EMEA	8.7	7.1	22.5%
Asia Pacific	38.0	40.2	-5.5%
Total	105.5	93.2	13.2%

Q1 2015



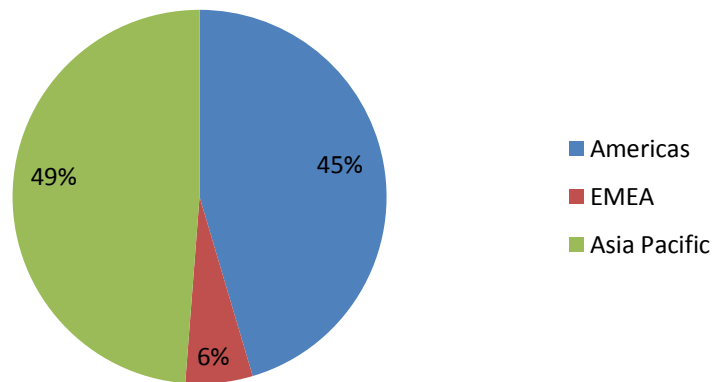
Q1 2014



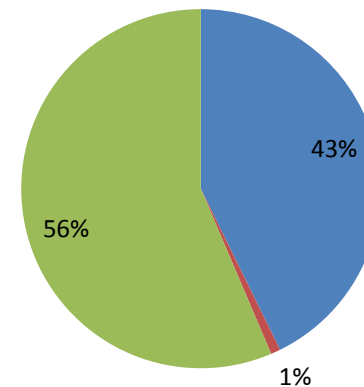
EBIT by Geographical Region

S\$m	Q1 2015	Q1 2014	Var %
Americas	5.1	3.9	29.1%
EMEA	0.6	0.1	710.2%
Asia Pacific	5.4	5.2	5.0%
Total	11.1	9.2	20.7%

Q1 2015



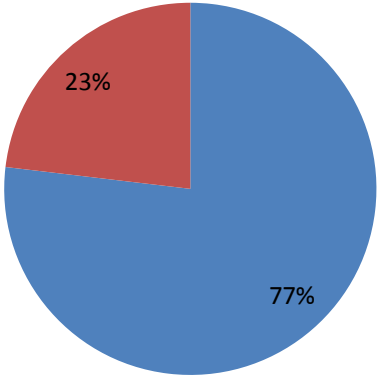
Q1 2014



Revenue by Business Solutions

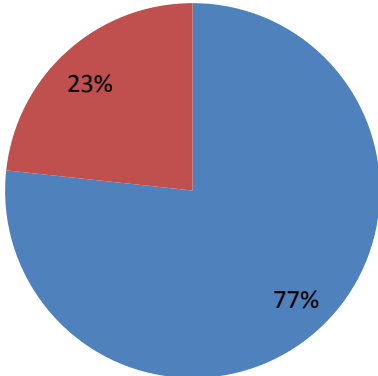
S\$m	Q1 2015	Q1 2014	Var %
Process Controls	81.1	71.5	13.4%
Communications & Security	24.4	21.7	12.4%
Total	105.5	93.2	13.2%

Q1 2015



- Process Controls
- Communications & Security

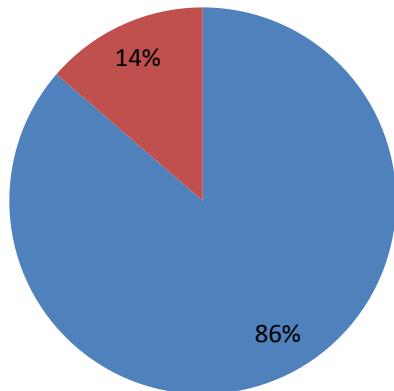
Q1 2014



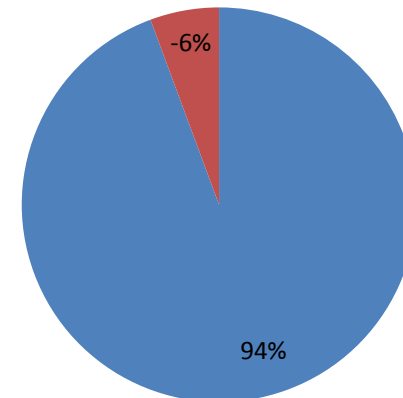
EBIT by Business Solutions

S\$m	Q1 2015	Q1 2014	Var %
Process Controls	9.6	9.8	-2.1%
Communications & Security	1.5	(0.6)	Nm
Total	11.1	9.2	20.7%

Q1 2015



Q1 2014

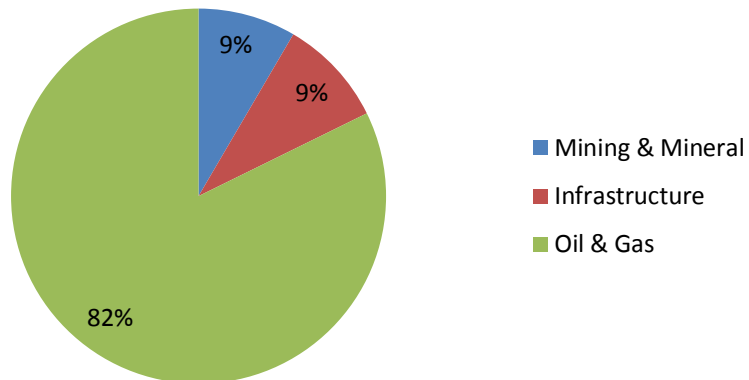


■ Process Controls
■ Communications & Security

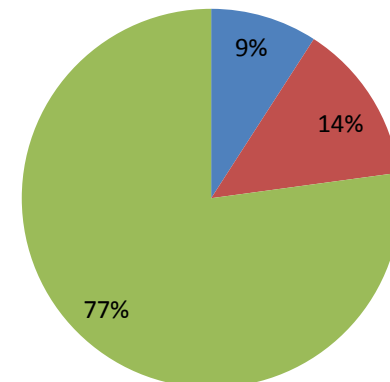
Revenue by Industry

S\$m	Q1 2015	Q1 2014	Var %
Mining & Mineral	8.9	8.5	4.7%
Infrastructure	9.8	12.8	-23.4%
Oil & Gas	86.8	71.9	20.7%
Total	105.5	93.2	13.2%

Q1 2015



Q1 2014



Infrastructure: Power, Water, Waste Treatment & Transportation



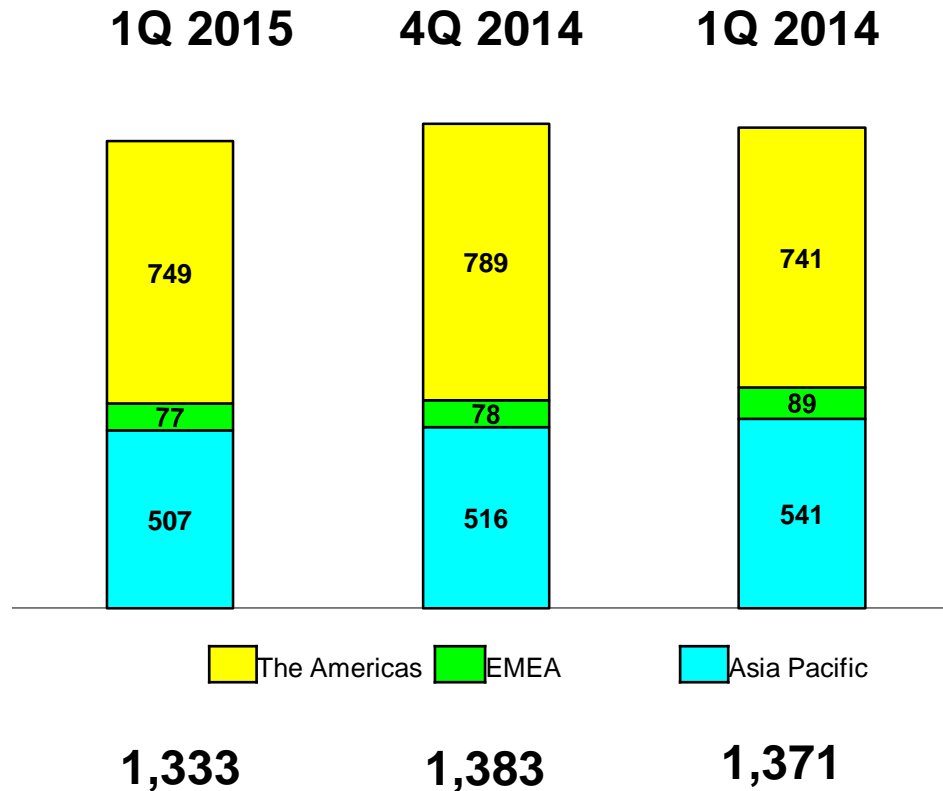
1Q 2015 Group Balance Sheet

S\$M	31-Mar-15	31-Dec-14	30-Sep-14	30-Jun-14	31-Mar-14
Cash at Hand & Bank	67.0	66.9	53.4	46.2	63.8
Work in Progress (Net)	73.2	57.0	57.0	53.0	37.8
Inventories	13.9	17.2	10.0	14.6	11.3
Trade Receivable	108.7	109.9	106.9	107.1	115.4
Trade Payable	56.7	63.0	56.9	59.4	69.6
Net Current Assets	158.7	142.6	125.9	123.9	134.9
Loan	44.0	43.5	41.4	34.9	19.5
Net Cash	23.0	23.4	12.0	11.4	44.2
Shareholder Fund	228.1	210.2	195.7	192.2	203.1

1Q 2015 Group Cashflow

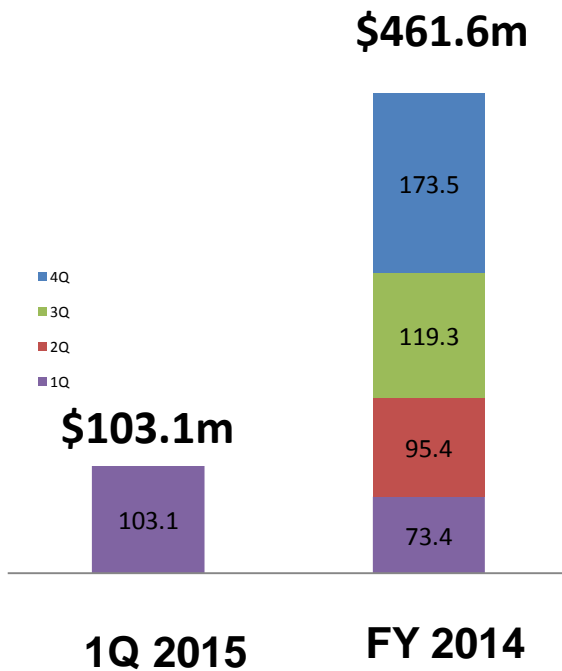
S\$m	Q1 2015	Q1 2014
As at beginning of the period	66.9	186.6
Net Operations	(1.6)	5.9
Capital Expenditure (Net)	(0.5)	(1.0)
Subsequent payment for subsidiary acquired	(0.6)	(0.5)
Bank Loans	0.5	16.8
Dividends	-	(144.5)
Net effect of FX on cash	2.3	0.5
As at end of period	67.0	63.8

Human Resource Growth

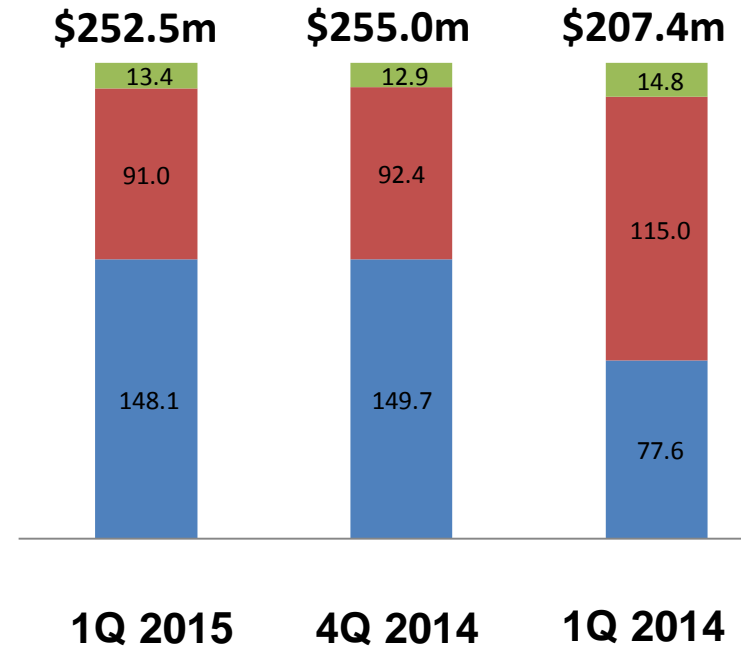


1Q 2015 Orders

New orders



Outstanding orders



Questions & Answers

Thank You