



CSE Global

1Q Interim Business Update

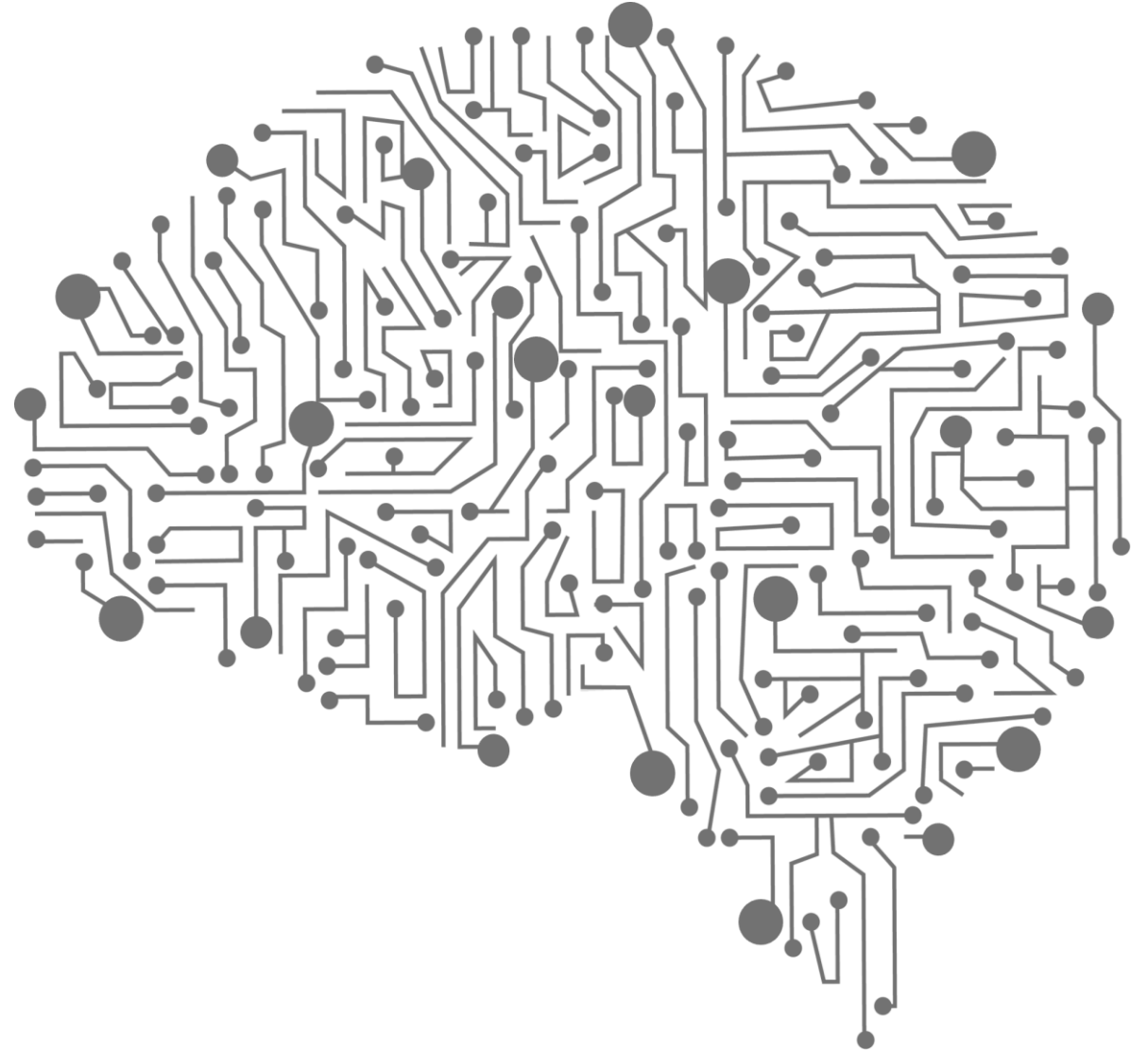
17 May 2022

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- 1 **1Q2022 Financial Performance**
- 2 **Business Overview**
- 3 **FY2022 Key Strategies**
- 4 **FY2022 Outlook**



Financial Performance in 1Q2022

- **Revenue: +S\$6.4m (+5.8% yoy)** due to:
 - Energy: -S\$11.1m (-16.0% yoy) as a result of lower large greenfield project revenues recognised in the Americas region;
 - Infrastructure: +S\$17.1m (+56.6% yoy) across Australia, Singapore, UK and USA; main growth from utility and government customers in Australia, higher infrastructure spending in Singapore and increased revenue contributions from non-O&G markets in USA;
 - Mining & Minerals: +S\$0.5m (+3.8% yoy) attributed to projects are progressing with easing of Covid-19 restrictions as compared to 1Q2021 which saw delays in project execution due to poor weather conditions and Covid-19 disruptions.
- **Order intake surged by 118.8% to S\$232.3m** attributed to a major contract secured to provide engineering solutions for data-centre market and higher field services orders for the wastewater market in the Americas region, as well as stronger orders of radio communication equipment and solutions led by utility and renewables customers in Australia.
- **Robust order book of S\$344.0m vs S\$231.0m in 1Q2021**

Revenue

S\$117.6m

▲ 5.8%

Order Intake

S\$232.3m

▲ 118.8%

Order Book as at 31 March 2022

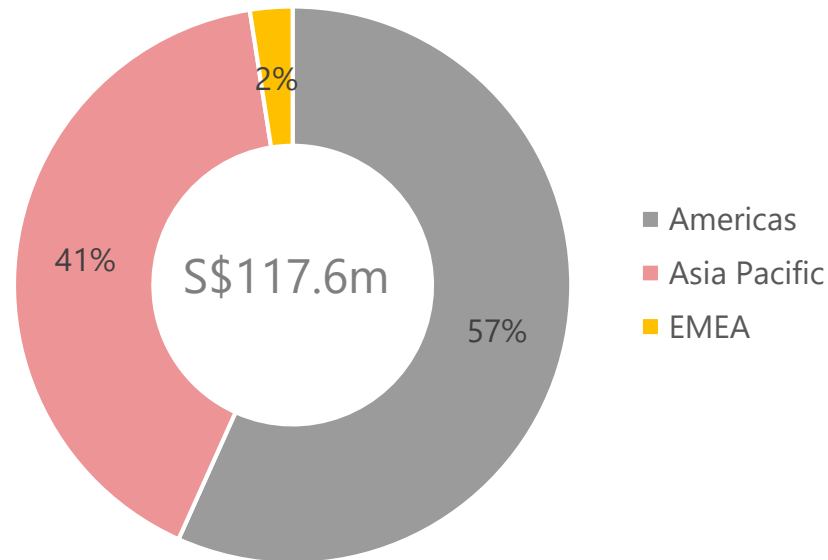
S\$344.0m

▲ 49.0%

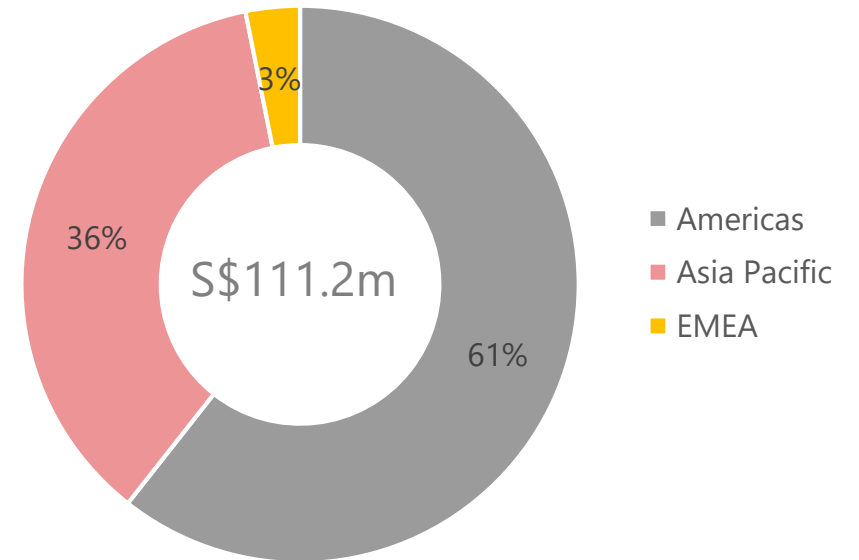
1Q2022: Revenue Breakdown By Geographical Segments

S\$ million	1Q2022	1Q2021	YoY %
Americas	66.7	67.4	-1.1%
Asia Pacific	48.0	40.3	19.2%
EMEA	2.9	3.5	-16.4%
Total	117.6	111.2	5.8%

1Q2022



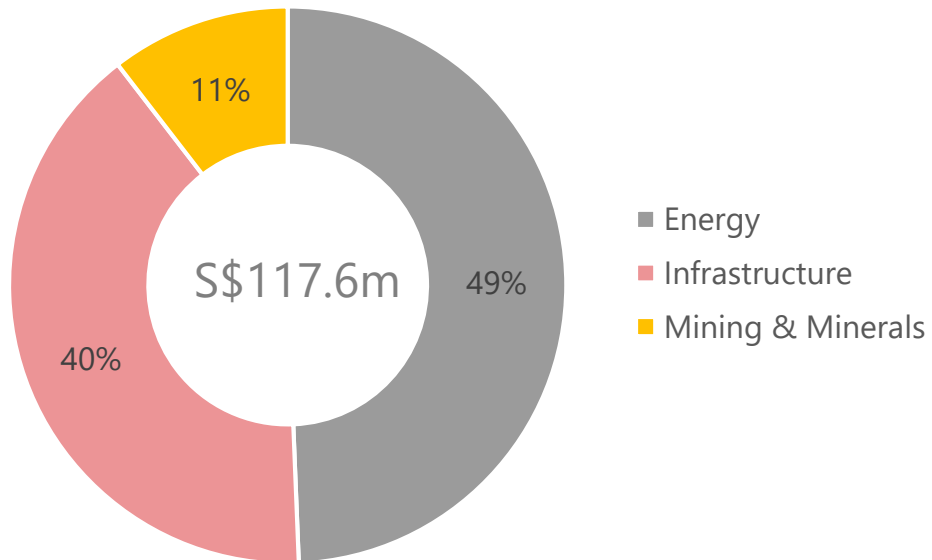
1Q2021



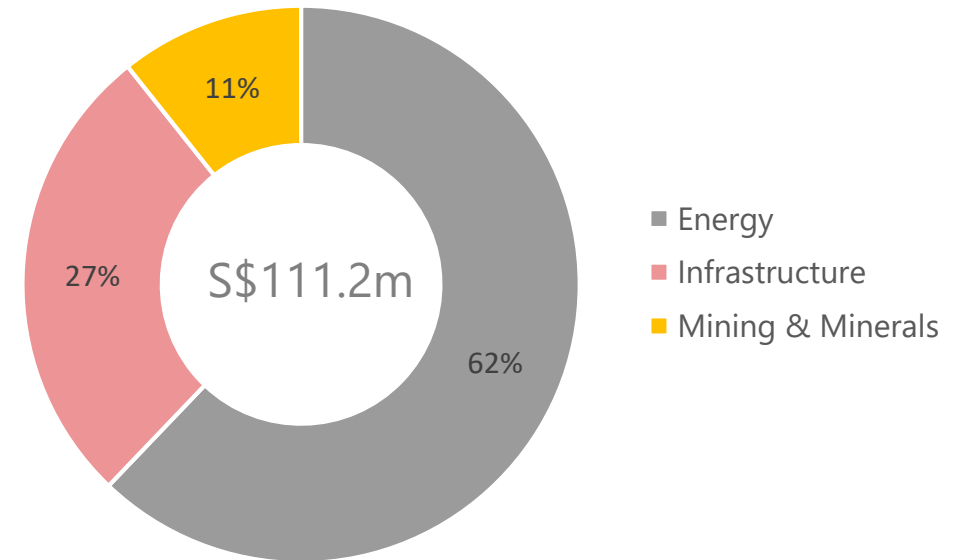
1Q2022: Revenue Breakdown By Industry

S\$ million	1Q2022	1Q2021	YoY %
Energy	58.1	69.1	-16.0%
Infrastructure	47.3	30.2	56.6%
Mining & Minerals	12.3	11.9	3.8%
Total	117.6	111.2	5.8%

1Q2022



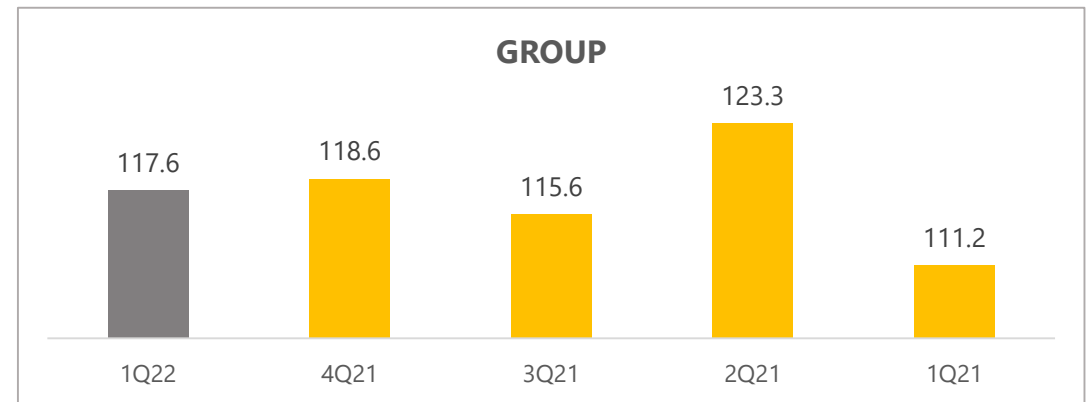
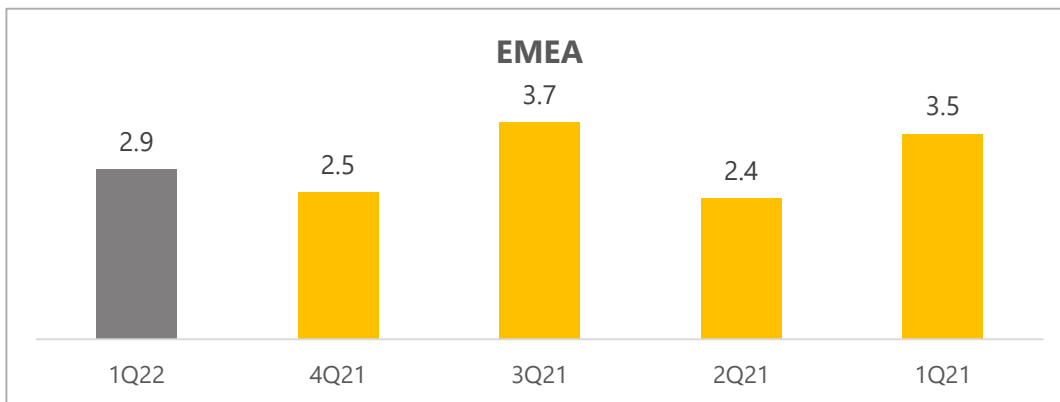
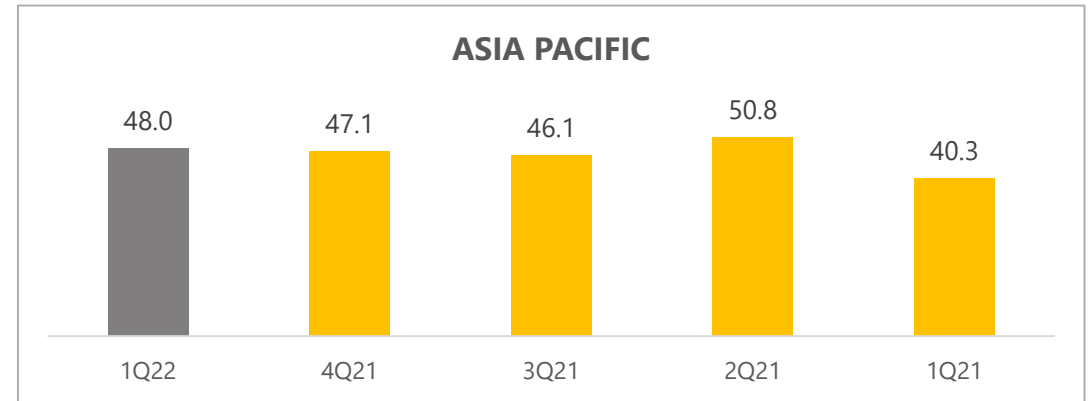
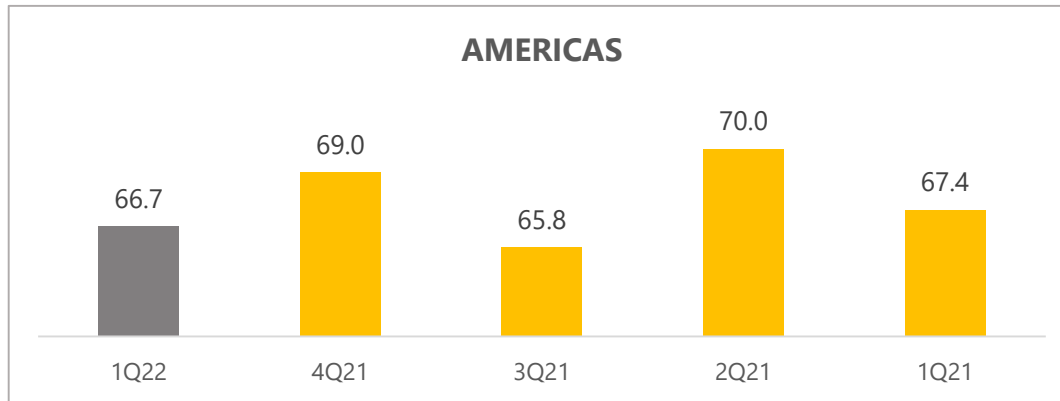
1Q2021



Quarterly Revenue Trends

By Geography

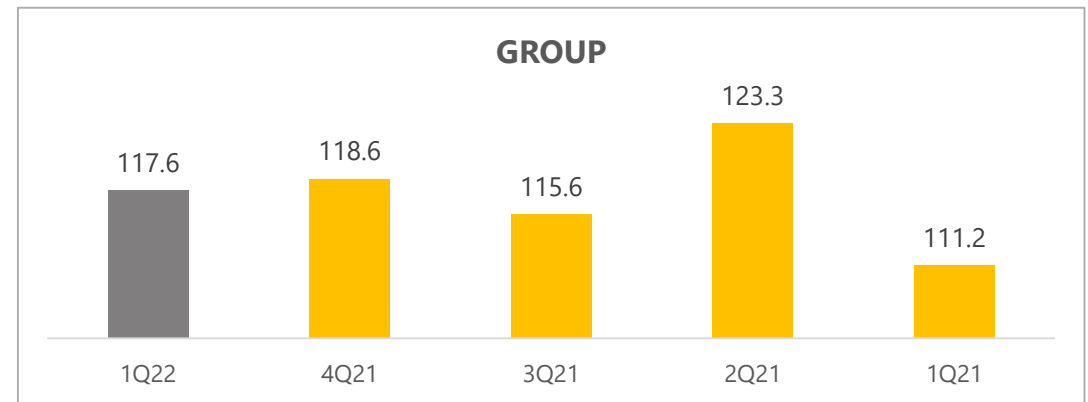
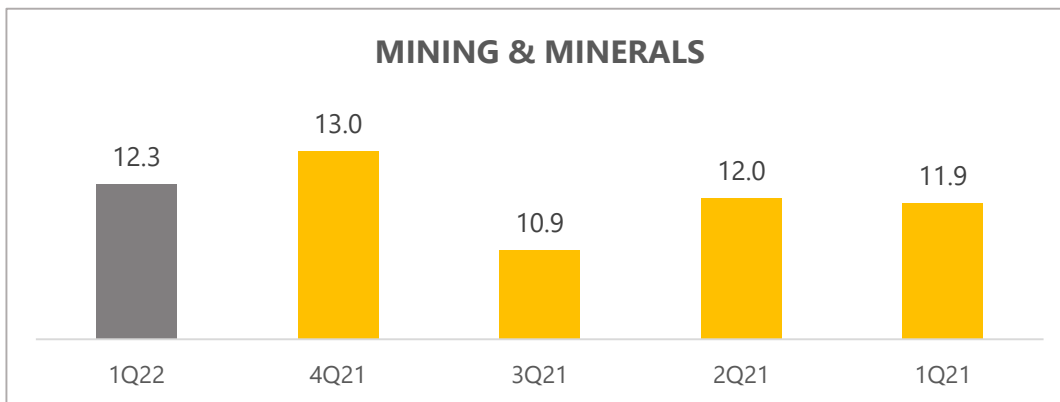
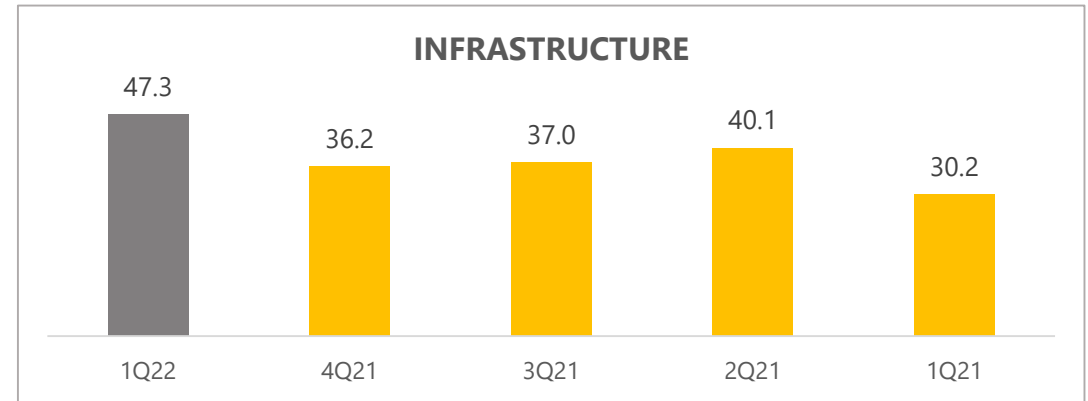
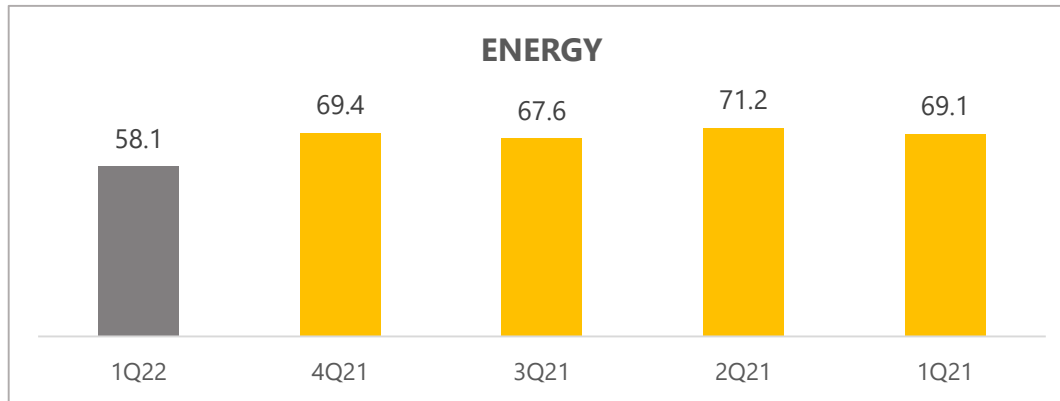
(S\$ million)



Quarterly Revenue Trends

By Industry

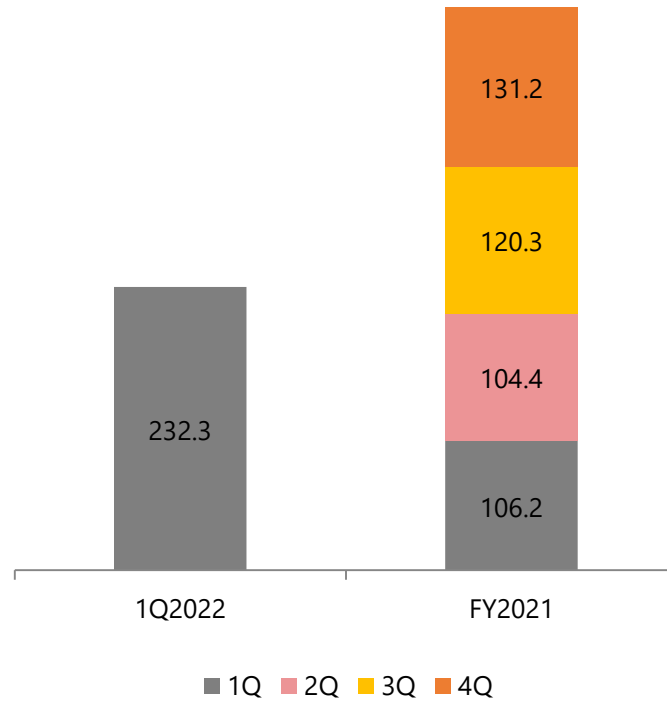
(\$ million)



1Q2022 Order Intake/Book By Geographical Segments

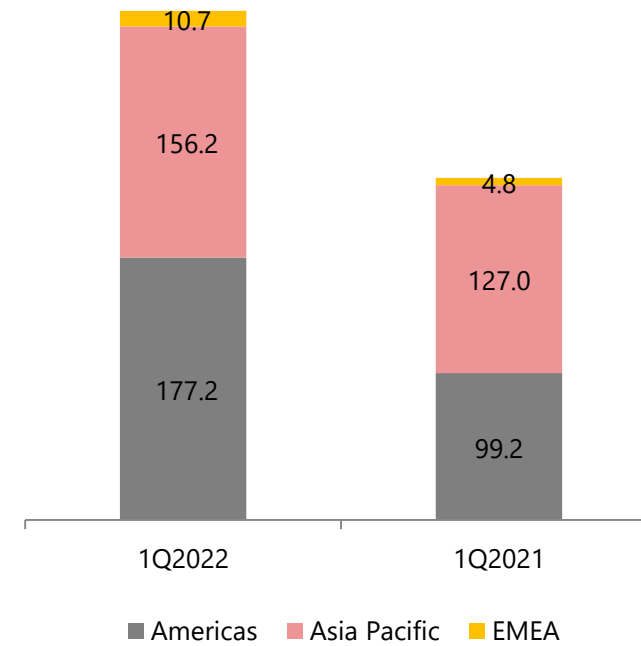
Order Intake from Continuing Operations

S\$232.3m S\$462.1m



Order Book from Continuing Operations

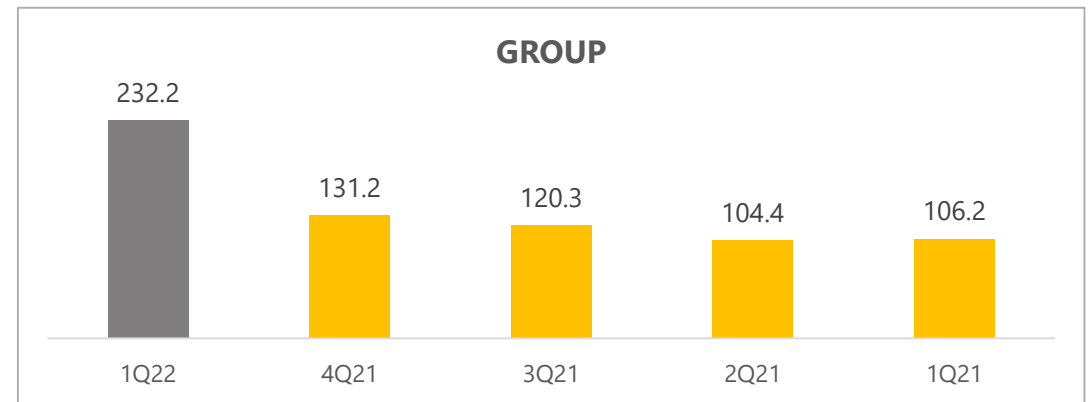
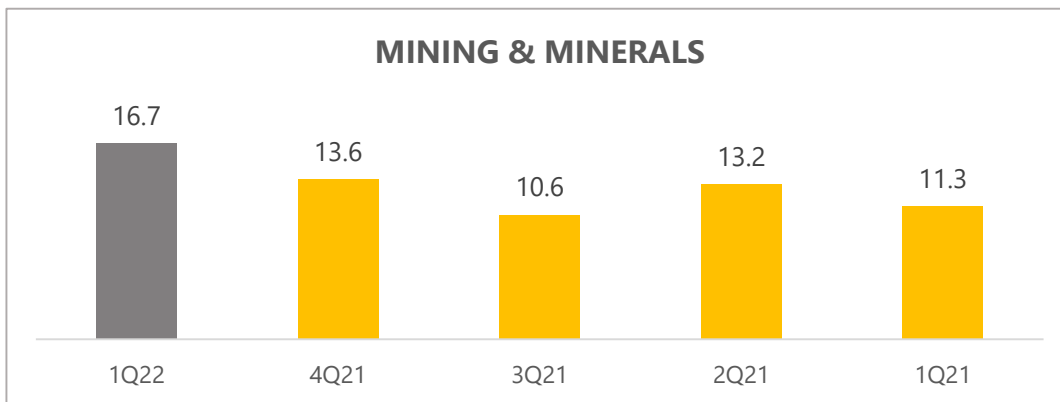
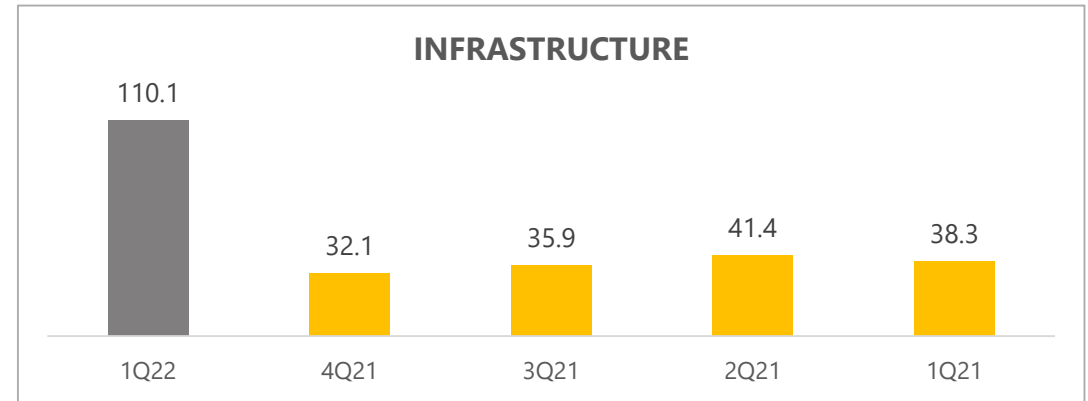
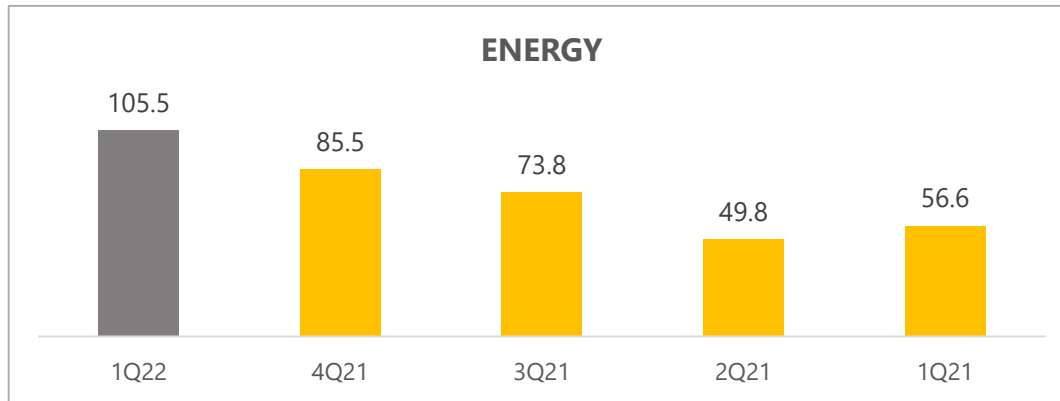
S\$344.0m S\$231.0m



Quarterly Order Intake Trends

By Industry

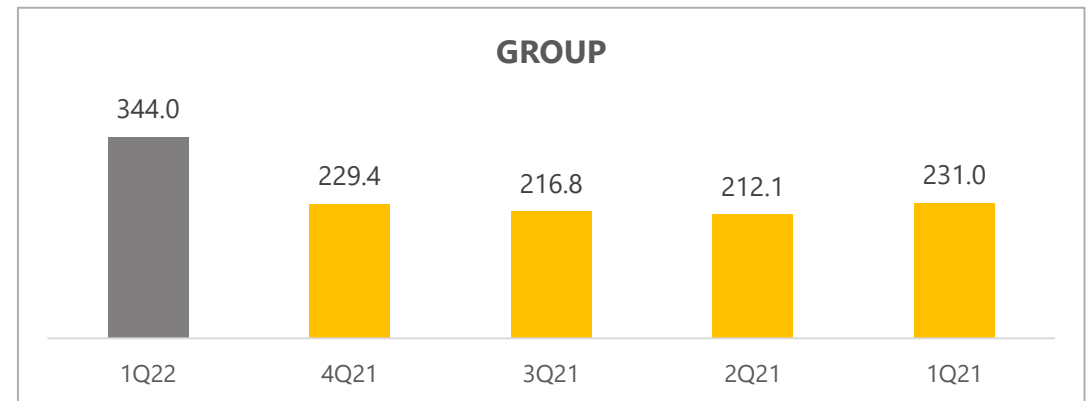
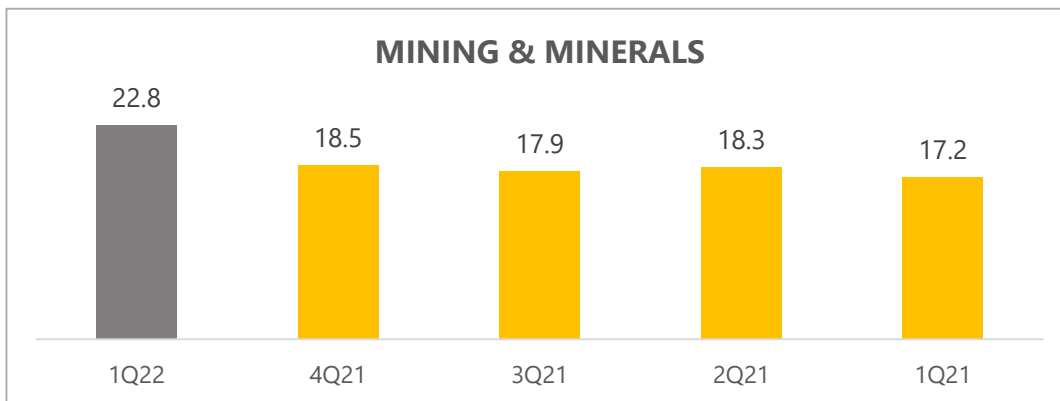
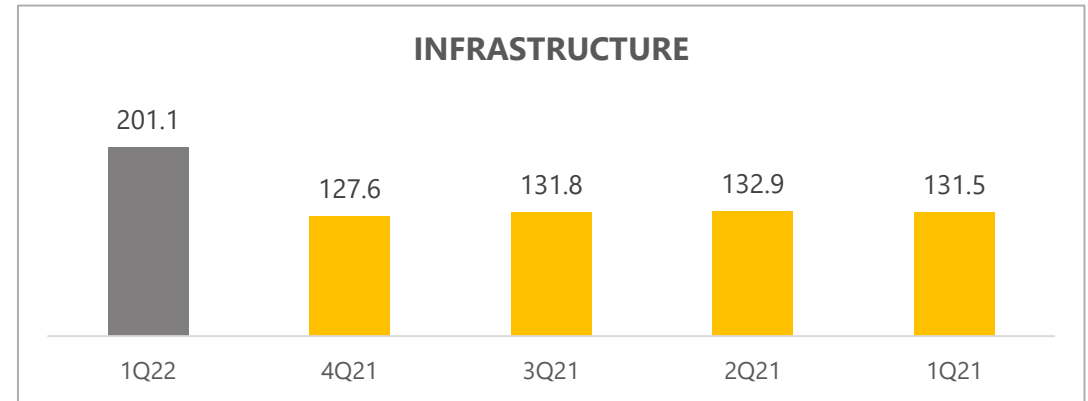
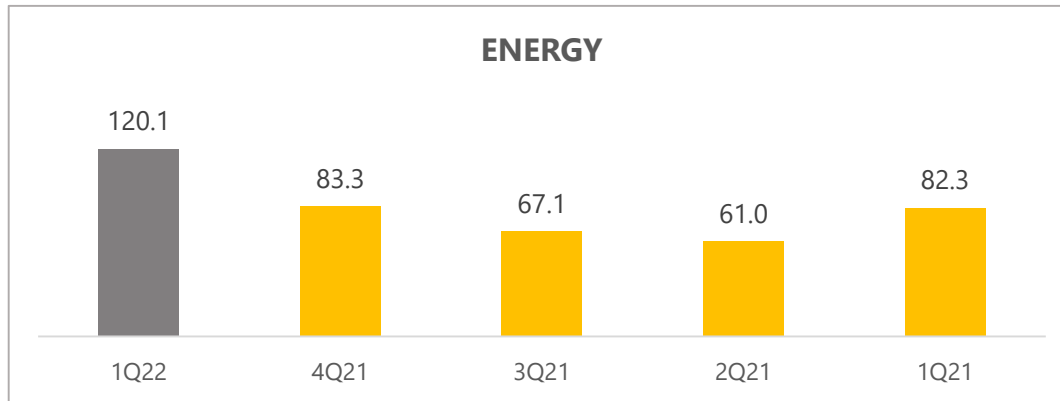
(S\$ million)



Quarterly Order Book Trends

By Industry

(\$ million)



Business Overview

- 1Q22 – another challenged quarter
 - Covid-19 and Ukraine conflict continues to cause disruptions to business
 - Continue to face delays in equipment deliveries and productivity issues
 - High selling & distribution and quoting costs

Industry Sector Order Intake in 1Q2022

- **Energy Sector: Orders +86.4% yoy (+S\$48.9m)**
 - Mainly due to a major contract relating to maintenance and refurbishment of building management control systems for an offshore facility
 - Higher project orders for integrated systems
 - Few large opportunities though flow orders are stable
 - Orders in Energy sector are supported by stable oil and gas prices
- **Infrastructure Sector: Orders +187.8% yoy (+S\$71.8m)**
 - Mainly due to a major contract secured to provide engineering solutions for the data centre market and higher field services orders for the wastewater market in the Americas region
 - Stronger orders of radio communication equipment and solutions led by utility and renewables customers in Australia
 - Continue to see increased investments in public and critical infrastructure across Australia, Singapore, UK and USA
 - Radio business in Australia/New Zealand and UK remain stable
 - Steady demand for power solutions from infrastructure in Australia & New Zealand
 - Key areas of infrastructure spending: transport, utilities, data centre, water/wastewater, etc
- **Mining & Minerals Sector: Orders +47.4% yoy (+S\$5.4m)**
 - mainly driven by an LTE system project secured for a mine site in Australia
 - rising commodity prices lend support to mining and minerals activities in Australia

FY2022 Key Strategies



Energy (Americas)

- Small greenfield projects / brownfield projects in the Gulf of Mexico
- Shale projects in the US (Permian Basin & Eagleford)
- Expand geographical coverage
- Diversify into renewables, data centre, building automation and security



Infrastructure (Singapore)

- Singapore Government
- Focus on security, transportation related projects

Infrastructure (Australia)

- Energy Solutions
- Radio Business



Infrastructure (International)

- Radio Business

FY2022 Outlook



The current global economic outlook which is impacted by supply chain disruptions and inflationary pressures continue to present uncertainties in the markets we operate.

The Group continued to face supply chain constraints which has affected some of its projects under execution. Delivery of equipment was delayed and longer lead times is needed for purchases of new equipment or components. These operational challenges will continue to weigh on the financial performance of the Group in 1H2022 but expect to improve in 2H2022.

While there was a lack of large greenfield projects in the Energy sector, we continue to see a stable financial performance in the Infrastructure and Mining & Minerals sectors, supported by a steady stream of projects arising from requirements in digitalization and enhancements in physical and cyber security.

Despite the operational challenges brought about by the supply chain disruption, CSE will continue to execute the S\$344.0 million order book as at the end of 1Q2022. It will also focus on improving its core business and drive its expansion into new geographical markets for Energy, Infrastructure and Mining & Minerals sectors with a view to securing additional order opportunities in the coming months.



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Q&A