



NEWS RELEASE

CSE Global 1H2024 revenue rose 22.8% to S\$428.9 million; net profit grew 36.4% to S\$15.0 million

- Revenue grew 22.8% year-on-year to record S\$428.9 million; mainly attributable to growth across all business segments and geographical regions
- Net profit increased 36.4% to S\$15.0 million
- Robust order book of S\$692.3 million as at 30 June 2024
- Board recommends a one-tier tax-exempt interim dividend of 1.25 Singapore cents per ordinary share

Group Financial Highlights			
S\$'000	1H2024	1H2023	Change (%)
Revenue	428,879	349,279	22.8%
Gross profit	118,448	95,824	23.6%
EBITDA	38,315	30,862	24.1%
Net profit	15,016	11,007	36.4%
Gross profit margin	27.6%	27.4%	0.2pp
EBITDA margin	8.9%	8.8%	0.1pp
Net profit margin	3.5%	3.2%	0.3pp
Cash generated from/(used in) operating activities	15,831	(1,141)	N.M
Order intake ¹	390,600	390,996	-0.1%
Order book ²	692,318	521,780	32.7%

Singapore, 6 August 2024 – CSE Global Limited (“CSE Global” or the “Group”) announced today its financial results for the half year ended 30 June 2024 (“1H2024”). Revenue increased 22.8% year-on-year to S\$428.9 million from S\$349.3 million in the previous corresponding period (“1H2023”) led by broad-based growth across all business segments and geographical regions. Correspondingly, gross profit increased 23.6% year-on-year to S\$118.4 million. Net profit rose 36.4% year-on-year to S\$15.0 million.

Mr Lim Boon Kheng, Group Managing Director and Chief Executive Officer of CSE Global, said, “Amidst the ongoing macroeconomic uncertainties, CSE delivered a robust set of results for 1H2024, with strong revenue and net profit growth, generated strong cash inflow from operating activities, and an annualised return on equity of 11.8%. We expect new opportunities to arise from emerging trends such as urbanisation, electrification and decarbonisation. To leverage these new opportunities for further growth, we will continue expanding our engineering capabilities and technology solutions, with a focus on the Electrification and Communications business segments.”

¹ Order intake refers to all orders received by the Group during the specified period of time.

² Order book is the total outstanding orders that the Group has received but has not fulfilled at the end of the specified period.



“We recently acquired RFC Wireless, Inc. (“RFC”) to strengthen our existing business partner and customer relationships. Headquartered in Fremont, California, RFC will contribute to our Communications business’s expansion plans in the United States of America. Strategic acquisitions will remain part of our growth plans as we look to capture more market share in our markets.”

With a robust order book of S\$692.3 million as at 30 June 2024, CSE Global is well positioned to achieve a healthy financial performance in 2024.

The Board of Directors has recommended a one-tier tax-exempt interim dividend of 1.25 Singapore cents per ordinary share. The payment of the interim dividend will be on 27 September 2024.

1H2024 Financial Review

In 1H2024, Group’s revenue grew 22.8% or S\$79.6 million year-on-year to S\$428.9 million, mainly attributed to broad base growth across all business segments and geographical regions. In line with higher revenue, the Group’s gross profit increased S\$22.6 million or 23.6% year-on-year to S\$118.4 million. The Group’s gross margin was relatively stable at 27.6% when compared year-on-year.

The Group’s operating expenses for 1H2024 were 22.2% or S\$17.3 million higher year-on-year at S\$95.5 million, mainly due to incremental expenses from consolidation of newly acquired subsidiaries of S\$6.8 million, higher personnel costs of S\$5.3 million and increase in building and equipment expenses of S\$3.7 million.

Group EBITDA improved 24.1% to S\$38.3 million as compared to S\$30.9 million in 1H2023, mainly attributed to higher gross profits of S\$22.6 million offset by higher operating costs (excluding depreciation and amortisation expenses) of S\$15.3 million.

With higher operating leverage, operating profit grew 29.8% to S\$23.0 million, despite additional depreciation expenses of S\$2.0 million. Consequently, Group net profit for 1H2024 rose 36.4% to S\$15.0 million from S\$11.0 million in 1H2023.

For 1H2024, CSE Global generated a stronger cash inflow from operating activities of S\$15.8 million due to achievement of several large project billing milestones and stronger collections from receivables.

The Group’s net debt position was S\$60.1 million as at end of June 2024, as compared to S\$76.0 million as at end of December 2023. This includes net proceeds from CSE Global’s March 2024 share placement of S\$23.2 million, offset by S\$11.2 million capital expenditure incurred for the upgrade of machinery and network equipment replacement, as well as S\$4.1 million made for business acquisitions in 1H2024.

For 1H2024, the Group’s earnings per ordinary share (“EPS”) was 2.31 Singapore cents as compared to 1.79 Singapore cents for 1H2023.

Strong growth in Electrification and Communications

Revenue by Business Segment (S\$'000)	1H2024	1H2023	Change (%)
Electrification	216,743	163,643	32.4%
Communications	113,569	107,072	6.1%
Automation	98,567	78,564	25.5%
Total	428,879	349,279	22.8%

In 1H2024, CSE Global registered strong revenue growth of 22.8% year-on-year. The Electrification business segment continues to lead the growth in revenue, growing 32.4% year-on-year to S\$216.7 million in 1H2024. This was mainly attributed to higher project revenue achieved from major contracts secured in 2023.

The Automation business segment posted a strong revenue growth of 25.5% year-on-year or S\$20.0 million, mainly attributed to organic growth in the Americas and Asia-Pacific regions.

1H2024 Revenue performance by Geography

Revenue by Geography (S\$'000)	1H2024	1H2023	Change (%)
Americas	273,716	204,287	34.0%
Asia Pacific	144,406	134,928	7.0%
EMEA	10,757	10,064	6.9%
Total	428,879	349,279	22.8%

Earnings before Interest and Tax (EBIT) by Geography (S\$'000)	1H2024	1H2023	Change (%)
Americas	10,286	3,393	203.2%
Asia Pacific	13,756	15,111	-9.0%
EMEA	726	855	-15.1%
Total	24,768	19,359	27.9%

The Americas, Asia Pacific and EMEA regions contributed 63.8%, 33.7% and 2.5% to 1H2024 revenue respectively.

The Americas region registered a strong revenue growth of 34.0% in 1H2024 of S\$273.7 million as compared to S\$204.3 million in 1H2023, mainly attributed to higher project revenue achieved by the Electrification business from major contracts secured in 2023. In line with growth in revenue and gross margin as well as improvement in cost efficiencies, 1H2024 EBIT for the Americas region improved to S\$10.3 million as compared to S\$3.4 million in 1H2023.

The Asia Pacific region reported a 7.0% growth in 1H2024 revenue to S\$144.4 million from S\$134.9 million in 1H2023, mainly due to higher revenue for Automation and Communications business segments in Singapore. Despite revenue growth, the Asia Pacific region reported lower EBIT as a result of unfavourable sales mix at lower gross margins in 1H2024 and higher personnel costs (S\$2.7 million), as well as the absence of one-off reversals in 1H2023 for licence fee and network extension cost accruals of S\$2.2 million.

The EMEA region registered a 6.9% increase in revenues from S\$10.1 million in 1H2023 to S\$10.8 million in 1H2024 mainly due to stronger British Pound Sterling exchange rate that has appreciated approximately 3.8% year-on-year. Excluding the effects of foreign exchange



fluctuations, revenue for the EMEA region grew 3.1% year-on-year. However, EBIT declined 15.1% year-on-year due to higher operating cost of 4.0% in 1H2024 as compared to 1H2023.

End of Release



About CSE Global Limited (“CSE Global”)

CSE Global is a leading systems integrator providing electrification, communications, and automation solutions across various industries globally.

At CSE Global, we pride ourselves as a trusted, lifelong partner to our customers who always has their interests at heart. Leveraging our engineering experience, technology and diverse skill sets across our global network, we design and build customised, integrated systems for our clients that solve their problems.

Our integrated systems – from electrification to communications or automation systems – sit at the heart of every infrastructure and are mission-critical in nature. With highly attuned engineering capabilities at our core, we have successfully delivered complex, large-scale projects amidst the most challenging conditions. Our technologies are designed to reduce waste, allow for greener, smarter processes and are built to last.

Listed on the Singapore Exchange since 1999 and with our presence across 16 countries, 58 offices, and more than 2,000 employees across the globe, we enjoy long-standing relationships with a sizeable customer base comprising large government organisations and renowned brands across the Energy, Infrastructure, and Mining & Minerals sectors.

Over the years, we have built a workplace culture and management style that is people-centric, supportive and collaborative with employee well-being and people improvement as our key focus. Our passion for our work has resulted in a consistent profit track record for the past three decades, as we continue to pursue operational excellence to achieve sustainable growth and enhanced shareholder returns.

CSE Global – Customer Satisfaction Everytime.

Visit www.cse-global.com for more information.

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