



3Q 2015 Results Briefing

CSE Global Limited

Fullerton Hotel
13 November 2015

1. 3Q/9M 2015 Financial Overview
2. Business Overview and Outlook
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3Q/9M 2015 Financial Review

3Q 2015 Financial Overview

- Revenue decreased by 4.5%, as compared to 3Q14
- PATMI from continuing operations of S\$8.5m compared to S\$8.9m in 3Q14
- Gross margins increased from 28.0% in 3Q14 to 28.9% in 3Q15
- Operating cash inflow of S\$10.4m in 3Q15 vs S\$8.8m in 3Q14
- New orders in 3Q15 totalling S\$87.4m, -24.1% vs in 3Q14 of S\$115.2m
- Outstanding orders at S\$222.0m at end of 3Q15
- EPS down 9.3%, as compared to 3Q14
- Return on Equity 14.6% annualised
- Net Cash of S\$8.2m at the end of 3Q15, as compared to Net Cash of S\$12.0m at the end of 3Q14

9M 2015 Financial Overview

- Revenue increased by 4.0% to S\$313.2m
- PATMI from continuing operations for 9M15 were flat at S\$23.1m
- Gross margins were 27.9% in 9M15 vs 28.1% in 9M14
- Operating cash outflow of S\$4.2m in 9M15 vs outflow of S\$1.0m in 9M14
- New orders in 9M15 totalling S\$280.2m, +1.7% vs in 9M14
- Order book of S\$222.0m at end of 9M15, a 10.0% increase over 9M14
- EPS up 4.1% to 5.04 cents per share
- Return on Equity 14.9% annualised
- Net Cash of S\$8.2m at the end of 9M15, as compared to Net Cash of S\$12.0m at the end of 9M14

3Q/9M 2015 Financial Overview

Financial Position & Cashflow

- Equity attributable to owners of the Company were S\$233.0m at end of 3Q15 vs S\$210.2m at Dec 14
- NAV per share at 30 Sep 2015 was up 14.7% at 45.14 cents vs 39.36 cents at Dec 14
- Operating cash inflow of S\$10.4m in 3Q15 due to achievement of project delivery milestones for several projects, which led to higher billings and collections
- Net Cash of S\$8.2m as at the end of 30 September 2015

Summary Financials 3Q/9M 2015

S\$m	3Q 2015	3Q 2014	Change	9M 2015	9M 2014	Change
Revenue	103.2	108.1	-4.5%	313.2	301.1	4.0%
Gross Profit	29.9	30.3	-1.3%	87.5	84.7	3.3%
PATMI from continuing operations	8.5	8.9	-4.4%	23.1	23.3	-0.6%
Gross margin (%)	28.9%	28.0%	3.2%	27.9%	28.1%	-0.7%
Net margin from continuing operations(%)	8.2%	8.2%	0.0%	7.4%	7.7%	-4.7%
Operating cash flow	10.4	8.8	17.6%	-4.2	-1.0	N.M
Net Cash/(loan)	8.2	12.0		8.2	12.0	
Order intake	87.4	115.2	-24.1%	280.2	275.6	1.7%
Order book/backlog	222.0	201.7	10.0%	222.0	201.7	10.0%

3Q/9M 2015 FX Movement

	3Q 2015	3Q 2014	Variance (%)	9M 2015	9M 2014	Variance (%)
USD/SGD:	1.3938	1.2530	11.24%	1.3657	1.2593	8.45%
GBP/SGD:	2.1746	2.0934	3.88%	2.0993	2.1049	-0.26%
AUD/SGD:	1.0146	1.1531	-12.01%	1.0449	1.1535	-9.42%

3Q/9M 2015 Constant Currency

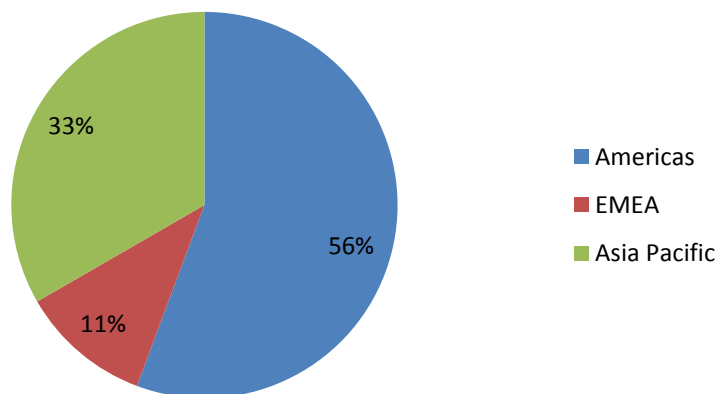
S\$M	3Q 2015	3Q 2014	Variance (%)	3Q 2015 Constant Currency	Variance (%)
Revenue:	103.2	108.1	-4.5%	97.8	-9.5%
PATMI:	8.5	8.9	-4.4%	8.0	-10.1%

S\$M	9M 2015	9M 2014	Variance (%)	9M 2015 Constant Currency	Variance (%)
Revenue:	313.2	301.1	4.0%	300.9	-0.1%
PATMI:	23.1	23.3	-0.6%	22.5	-3.4%

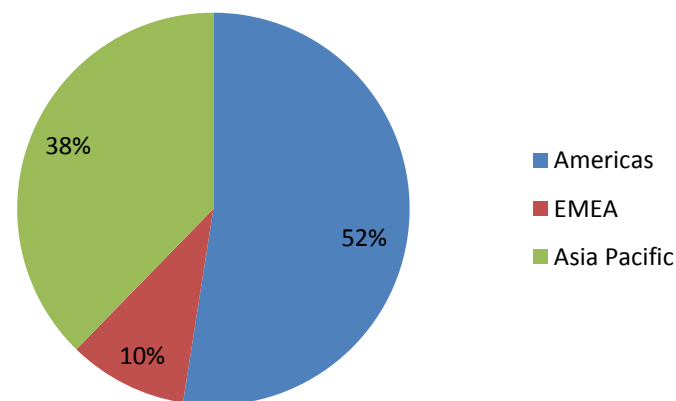
Revenue by Geographical Region

S\$m	9M 2015	9M 2014	Var %
Americas	174.4	158.0	10.4%
EMEA	34.4	29.6	16.3%
Asia Pacific	104.4	113.5	-8.0%
Total	313.2	301.1	4.0%

9M 2015



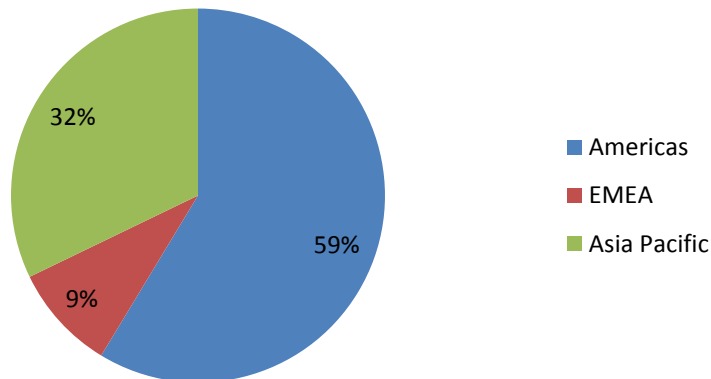
9M 2014



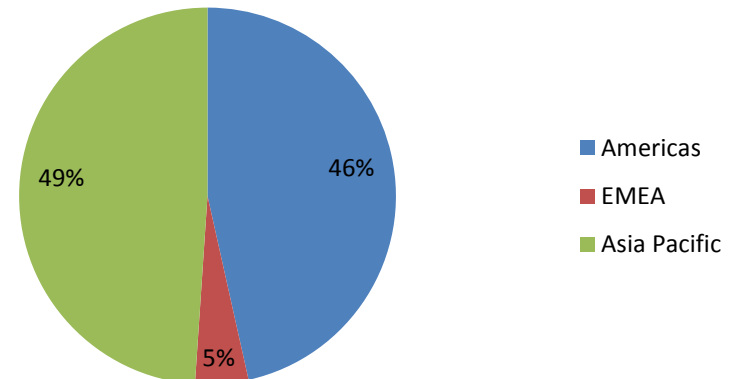
EBIT by Geographical Region

S\$m	9M 2015	9M 2014	Var %
Americas	18.5	15.6	18.6%
EMEA	2.9	1.5	89.0%
Asia Pacific	10.1	16.4	-38.2%
Total	31.5	33.6	-6.0%

9M 2015



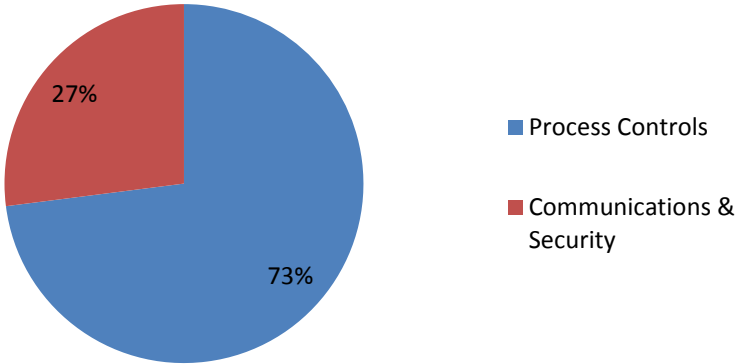
9M 2014



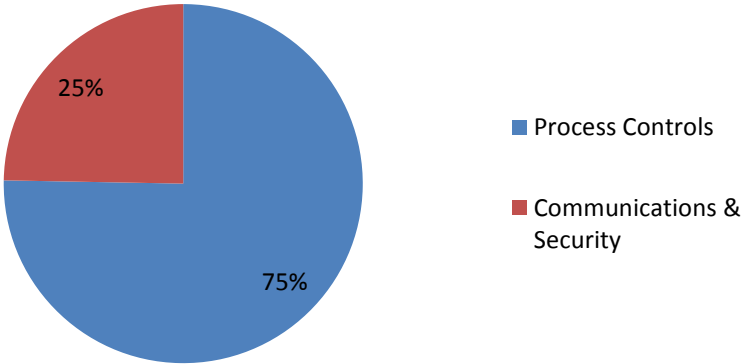
Revenue by Business Solutions

S\$m	9M 2015	9M 2014	Var %
Process Controls	228.6	226.7	0.8%
Communications & Security	84.6	74.4	13.7%
Total	313.2	301.1	4.0%

9M 2015



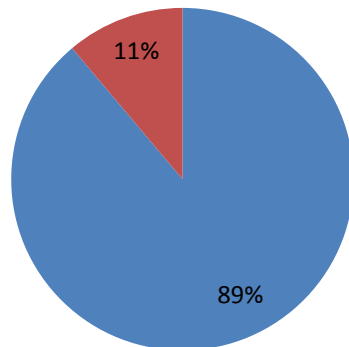
9M 2014



EBIT by Business Solutions

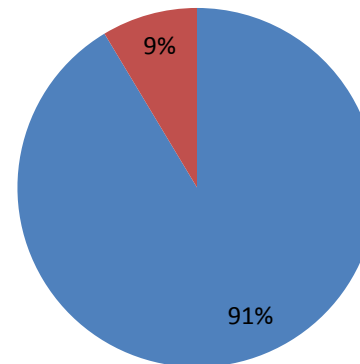
S\$m	9M 2015	9M 2014	Var %
Process Controls	28.0	30.7	-8.7%
Communications & Security	3.5	2.9	21.4%
Total	31.5	33.6	-6.0%

9M 2015



■ Process Controls
■ Communications & Security

9M 2014

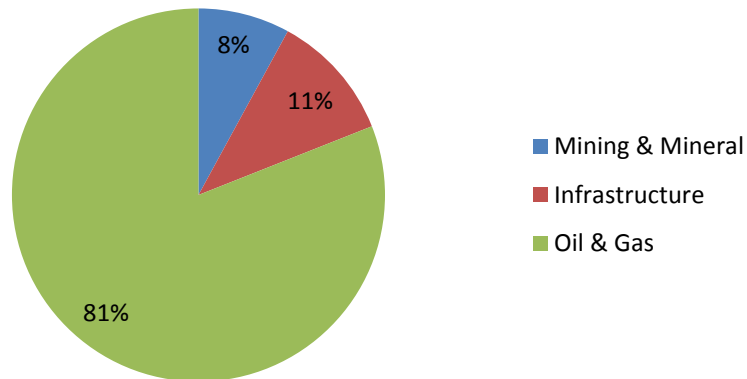


■ Process Controls
■ Communications & Security

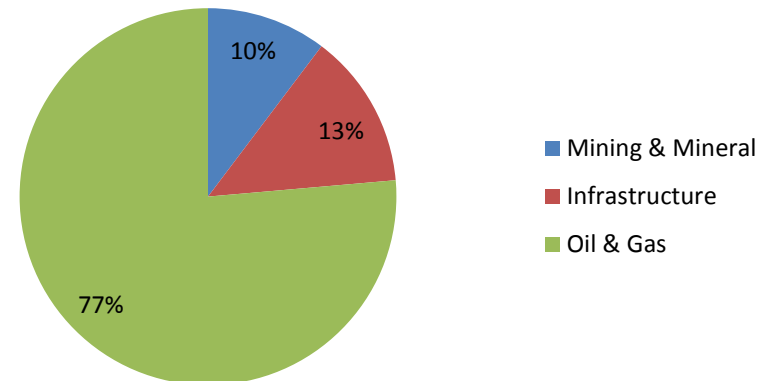
Revenue by Industry

S\$m	9M 2015	9M 2014	Var %
Mining & Mineral	24.9	31.0	-19.7%
Infrastructure	34.6	40.1	-13.7%
Oil & Gas	253.7	230.0	10.3%
Total	313.2	301.1	4.0%

9M 2015



9M 2014



Infrastructure: Power, Water, Waste Treatment & Transportation



3Q 2015 Group Balance Sheet

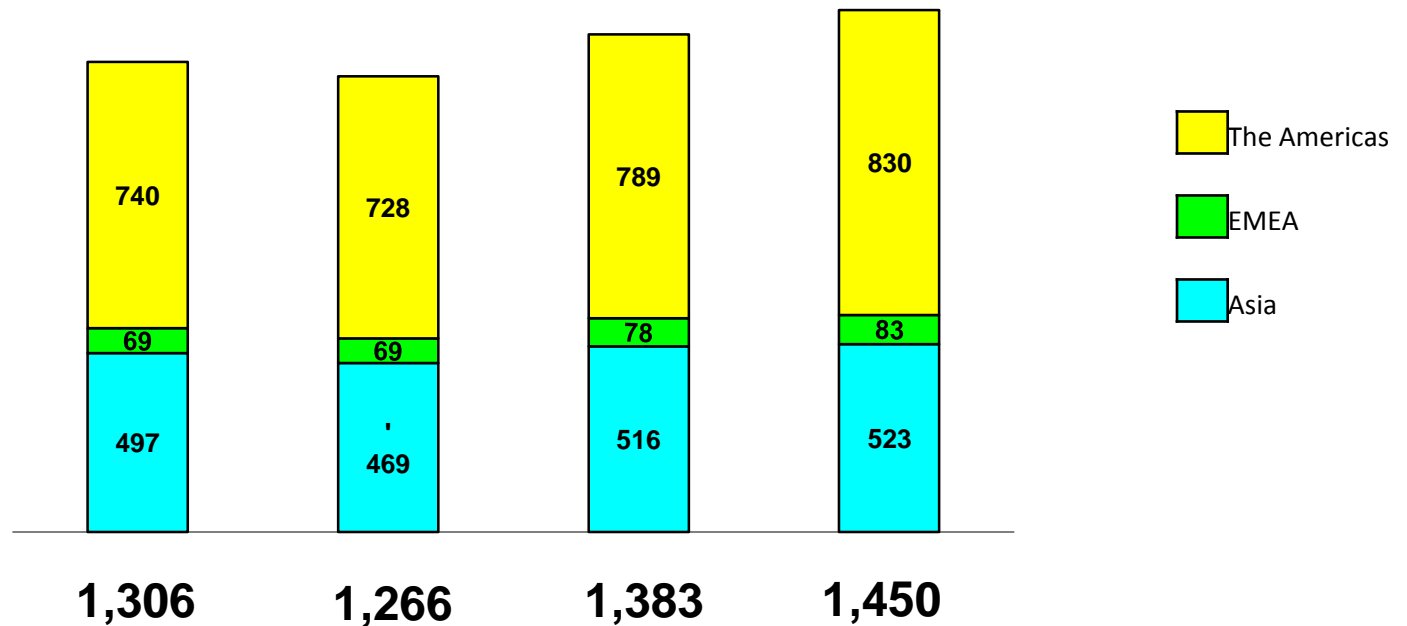
S\$M	30-Sep-15	30-Jun-15	31-Mar-15	31-Dec-14	30-Sep-14
Cash at Hand & Bank	66.2	59.5	67.0	66.9	53.4
Work in Progress (Net)	76.5	88.0	73.2	57.0	57.0
Inventories	17.3	17.0	13.9	17.2	10.0
Trade Receivable	104.5	88.0	94.9	99.1	101.8
Other Receivable	10.3	10.8	13.8	10.8	5.1
Trade Payable	54.2	54.7	56.7	63.0	56.9
Net Current Assets	158.7	153.3	158.7	142.6	125.9
Loan	58.0	52.4	44.0	43.5	41.4
Net Cash/(loan)	8.2	7.1	23.0	23.4	12.0
Shareholder Fund	233.0	221.1	228.1	210.2	195.7

3Q / 9M 2015 Group Cashflow

S\$m	Q3 2015	Q3 2014	9M 2015	9M 2014
As at beginning of the period	59.5	46.2	66.9	186.6
Net Operations	10.4	8.8	(4.2)	(1.0)
Capital Expenditure (Net)	(4.9)	(1.7)	1.3	(3.9)
Net additional investment in Subsidiaries & Associates	-	-	(0.6)	(0.5)
Bank Loans	5.5	6.5	14.5	38.7
Dividends	(6.5)	(6.5)	(14.2)	(166.4)
Net effect of FX on cash	2.1	-	2.4	0.0
As at end of period	66.2	53.4	66.2	53.4

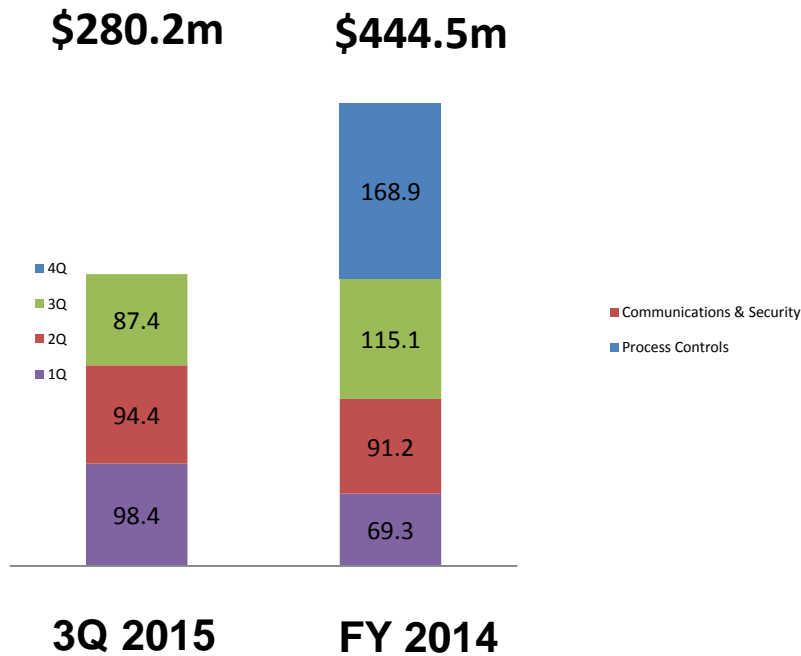
Human Resource

3Q 2015 2Q 2015 4Q 2014 3Q 2014

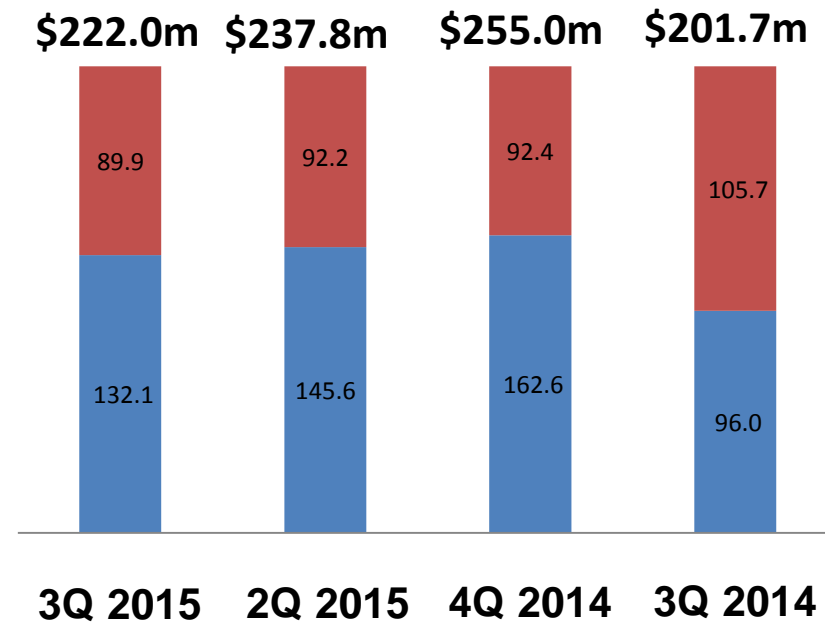


3Q 2015 Orders

New orders



Outstanding orders



Business Overview & Outlook

- Flat profitability of S\$23m for 9M2015
- Resilient order intake of S\$280.2m for 9M2015
- Robust order book of S\$222.0m
- Net cash of S\$8.2m

- Uncertainty in the market remains despite more stable commodities prices
- Oil & gas, Mining and infrastructure all remains challenging
- brownfield and small greenfield – level of activities % decline by mid-teen
- Large greenfield projects – defer/delay and fewer

Expects 4Q 2015 & 2016 to be challenging

Focus and invest for future recovery

- Continue to focus on brownfield and small greenfield projects
- Target new customers
- Develop new revenue stream
- Strengthen project delivery
- Cash generation

- **Summary**

CSE has an outstanding order book of S\$222.0 million and a net cash position of S\$8.2 million at the end of 3Q15. The Group continues to see a lack of large greenfield projects, amid the challenging global economic outlook and low commodity prices.

The Group will continue to support and service its existing installed base or customers as well as execute its outstanding order book and deliver a positive operating cashflow and profits for 4Q15.

Questions & Answers

Thank You