

PRESS RELEASE

Interim Business Updates – 1Q21

- Revenue of S\$111.2 million
- EBITDA of S\$10.0 million
- Cash inflow from operations of S\$7.1 million
- Order intake of S\$106.2 million
- Robust order book of S\$231.0 million as at 31 March 2021

Singapore, 19 May 2021 – CSE Global Limited (“CSE” or the “Group”) announced today its interim business updates for the first quarter ended 31 March 2021 (“1Q21”).

Financial Highlights

S\$'000	1Q21	1Q20	Change
Revenue	111,203	131,845	-15.7%
EBITDA	10,006	12,885	-22.3%
Net cash generated from operations	7,115	17,342	-59.0%
New orders received	106,159	127,198	-16.5%
Outstanding orders	230,953	302,656	-23.7%

The Group's revenues was 15.7% lower year-on-year (“yoy”) at S\$111.2 million, attributed to lower revenues in the Americas region which was offsetted partially by the growth in Asia Pacific and EMEA regions. The lower revenues in the Americas region was mainly attributable to the slower activities in time and material revenues due to the poor weather in USA.

In line with lower revenues, EBITDA decreased by 22.3% to S\$10.0 million as compared to 1Q20 of S\$12.9 million, contributed by lower gross profits coupled with an increase in unallocated personnel costs from lower labour utilization caused by lower business activity.

Performance of Industry Segments

S\$'000	1Q21	1Q20	Change
Revenue			
Energy	69,149	95,592	-27.7%
Infrastructure	30,182	24,916	21.1%
Mining & Minerals	11,872	11,337	4.7%
Group	111,203	131,845	-15.7%

Revenues in the Energy segment decreased by 27.7% yoy to S\$69.1 million in 1Q21, mainly attributed to slower activities in time and material revenues in the Americas region.

Infrastructure revenues grew by 21.1% yoy, mainly driven by higher spending in transport infrastructure and electrical protection for utilities, particularly in Australia, Singapore and United Kingdom.

Mining & Minerals revenues reported a moderate 4.7% yoy growth, as improvement in demand for commodities continues to support the mining and minerals sector.

Order intake by Industry segment	1Q21	4Q20	3Q20	2Q20	1Q20
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Energy	56,584	63,034	48,434	53,849	87,793
Infrastructure	38,259	25,336	30,289	38,222	25,458
Mining & Minerals	11,316	10,015	12,305	22,803	13,947
Total	106,159	98,385	91,028	114,874	127,198

Order intake in 1Q21 decreased by 16.5% to S\$106.2 million as compared to 1Q20 of S\$127.2 million. However, on a positive note, the order intake in 1Q21, traditionally a low season, was an improvement from the order intake in 4Q20 of S\$98.4 million and 3Q20 of S\$91.0 million.

About S\$56.6 million of new orders were secured by the Group's Energy sector in 1Q21, as compared to 1Q20 of S\$87.8 million. The lower orders in the Energy sector was due to the slower than expected start for the year, which was further disrupted by the severe winter weather that swept across USA in February 2021, as compared to pre-Covid levels for the corresponding quarter in the previous year.

In 1Q21, the new orders for the Infrastructure sector surged by 50.3% year-on-year, registering S\$38.3 million, which was attributed to a stronger pipeline of infrastructure projects, across all key geographies such as Australia, Singapore, UK and USA.

The Mining & Minerals sector clinched about S\$11.3 million of new orders in 1Q21, as compared to S\$13.9 million in 1Q20 which included a greenfield project of S\$5.1 million to supply two-way radio equipment and solutions in Australia.

For 1Q21, the Group generated a cash inflow from operations of S\$7.1 million. The Group lowered its net debt position to S\$37.3 million as at end of March 2021, compared to FY20 of S\$39.0 million due to better working capital management.

Mr Lim Boon Kheng, Group Managing Director of CSE, said, "The current market environment still presents numerous uncertainties going forward: COVID-19 pandemic and global economic outlook. Despite these uncertainties in the coming months, the Group's prospects remain unchanged per the last outlook presented in February 2021 and it remains confident to achieve a satisfactory financial performance in 2021."

Mr Lim added, "Our strategies has been to focus on deepening our presence in our key markets in USA, Australia/New Zealand, Singapore and UK. Going forward, we will continue to focus on these key markets as well as to expand our engineering capabilities and technology solutions to pursue new market opportunities or diversify into new markets (such as renewables and building automation) brought about by the emerging trends towards urbanization, electrification and decarbonisation."

End of Release

About CSE Global Limited ("CSE"):

Listed on Singapore Exchange since 1999, CSE Global Limited is a global technologies company with an international presence spanning the Americas, Asia Pacific, Europe, Middle East and Africa. The Group has now more than 1,400 employees worldwide, and operates a network of 42 offices across the globe, generating more than 90 percent of its revenues outside its home market. In line with global ambitions, the Group has adopted the ISO 9001 Quality Management System as certified by Lloyd's Register Quality Assurance (LRQA) and DNV. The CSE Group of companies has been very successful in offering cost-effective, totally integrated solutions to industries in the Energy, Infrastructure and Mining sectors. CSE has a consistent profit track and a management that is focused on operational excellence to achieve sustainable profit growth and enhance shareholder returns.

For more information, please log onto: <http://www.cse-global.com>

Media & Investor Contact Information:

Eddie Foo
Group CFO
Tel: (65) 6512 0317
Email: eddie.foo@cse-global.com