



CSE Global Limited FY2020 Results Briefing

24 February 2021

CSE Global



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1 Address by CEO

CSE Global

Corporate Profile

A systems integrator, global technologies company providing process controls, communication & security solutions & services for its customers



Geographical Presence

- 12 countries, 41 offices
- Americas, Asia Pacific, Europe, Middle East & Africa

Markets served



Oil & Gas

- Offshore: shallow sea, continental shelf & deep sea
- Onshore: shale, pipeline & chemical/petrol-chemical



Infrastructure

- Transportation (road, rail, air)
- Power utilities (generation & distribution)
- Water/waste water utilities



Mineral & Mining

- Commodities & minerals: Coal, gold, iron, copper, nickel & molybdenum

Business Overview

General Sentiments

FY2020 overall an commendable result, markets remains cautious



Positives

- Strong growth in net profit(+16.4%) in FY2020
- Operating margins are stable
- Positive operating cash flow of S\$48.5 million
- Order intake of S\$431.5 million

Negatives

- Net debt of S\$39.0m

Segmental Performance

Building on FY2017/2018 initiatives, with a focus on US O&G and ANZ&SG Infra



Oil & Gas

- Pursue organic growth in West Texas region apart from Permian and Eagleford
- Focus on onshore & offshore in the Americas



Infrastructure

- Strengthening communications business in ANZ and new regions through acquisitions
- Engaging more with the SG Government

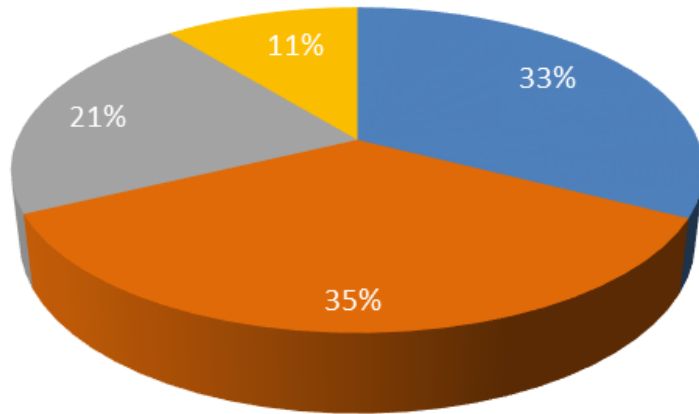


Mineral & Mining

- Stable stream of flow projects

FY20 Revenue Breakdown By Industry Segments

FY20



- Oil & Gas -Onshore ■ Oil & Gas -Offshore
- Infrastructure ■ Mining & Mineral

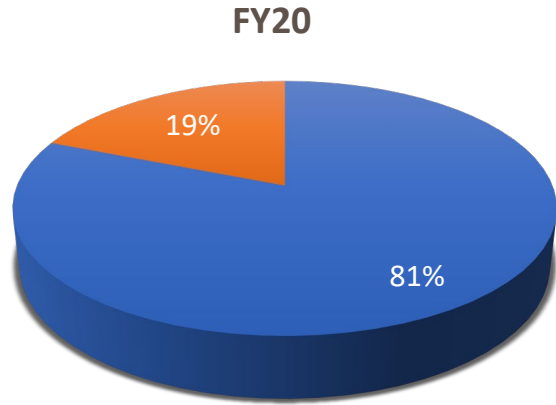
Infrastructure: Power, Water, Waste Treatment & Transportation

S\$ million	FY20	FY19	YoY%
Oil & Gas - Onshore	163.7	148.7	10.1%
Oil & Gas - Offshore	177.5	145.4	22.1%
Infrastructure	106.9	115.3	-7.2%
Mining & Mineral	54.7	42.4	29.0%
Total	502.8	451.8	11.3%

Australia communication revenue:
 FY2020 A\$87.0m
 FY2019 A\$67.9m

Note: Total may not sum up due to rounding.

FY20 Revenue Breakdown By Projects



■ Flow Business ■ Large Greenfield Projects

S\$ million	FY20	FY19	YoY%
Flow Business*	407.9	426.1	-4.3%
Large Greenfield Projects	94.9	25.7	369.2%
Total	502.8	451.8	11.3%
Flow Business %	81%	94%	

Note: Total may not sum up due to rounding.

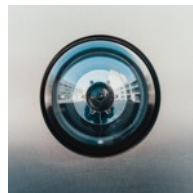
*Includes Brownfield and Small Greenfield Projects which tend to be recurring in nature

FY2021 Key Strategies



Oil & Gas (Americas)

- Small greenfield projects / brownfield projects in the Gulf of Mexico
- Shale projects in the US (Permian Basin & Eagleford)
- Expand geographical coverage



Infrastructure (Singapore)

- Singapore Government
- Focus on security, transportation related projects

Infrastructure (Australia)

- Energy Solutions
- Radio Business



Infrastructure (International)

- Radio Business

Acquisitions

- Acquisition remains a key growth strategy
- Where?
 - Oil & gas segment and Infrastructure segment
 - USA, Europe and Australia/New Zealand
- Will acquire within means – No high gearing

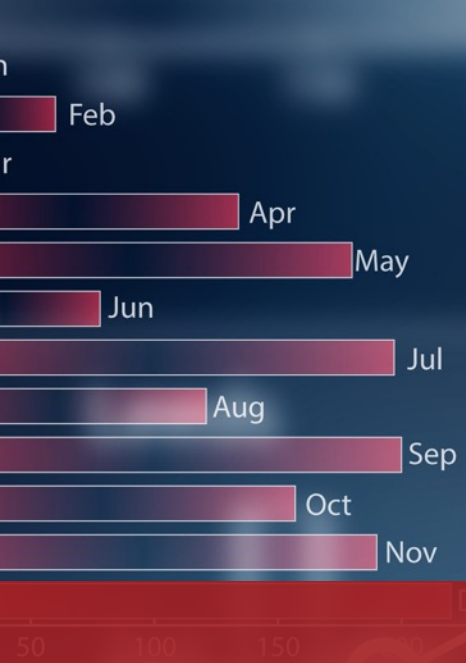
FY21 Outlook

The Group notes that the current market environment still presents numerous uncertainties going forward: COVID-19 pandemic, oil & gas prices and global economic outlook. Despite these uncertainties in the coming months, the Group remains confident to achieve a satisfactory financial performance in 2021.

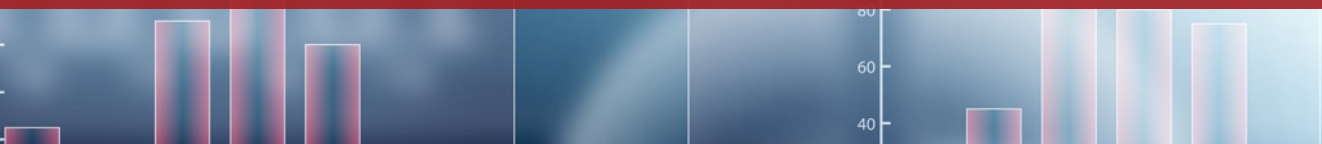
As a Group, we will maintain capital discipline and will look for value accretive and strategic acquisitions to grow and reshape our business in a post pandemic environment to ensure a diversified and sustainable income stream.

Dividend (Proposed)

S\$ million	FY20	FY19	FY18
Dividends (cents):			
- Interim	1.25	1.25	1.25
- Final	1.50#	1.50	1.50
Payment date	18 May 2021		
Book closure	7 May 2021		
AGM	20 April 2021		
# Proposed and subject to approval at AGM			



2 Financial Performance By CFO



Financial Snapshot

2H20	
-7.8%	Revenue of S\$247.2 million
+0.6pp	Gross margins of 27.8%
+11.7%	EBIT of S\$19.8 million
-6.7%	Net profit of S\$12.9 million
-7.0%	EPS of 2.53 Singapore cents
-51.0%	Order Intake of S\$189.4 million
-2.2pp	Annualised ROE of 13.5%

FY20	
+11.3%	Revenue of S\$502.8 million
+1.7pp	Gross margins of 29.1%
+23.5%	EBIT of S\$39.3 million
+16.4%	Net profit of S\$28.0 million
+16.1%	EPS of 5.49 Singapore cents
-25.5%	Order Intake of S\$431.5 million
+1.0pp	Annualised ROE of 14.6%

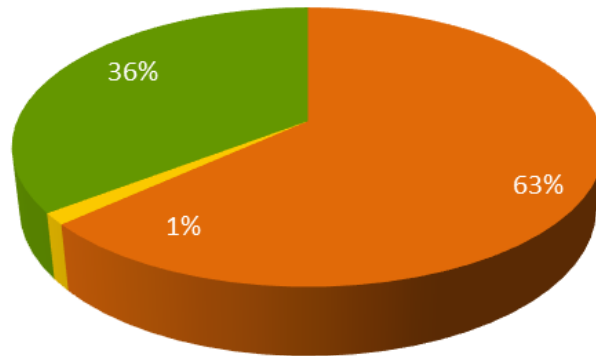
Summary Financials

S\$ million	2H20	2H19	Change	FY20	FY19	Change
Revenue	247.2	268.0	-7.8%	502.8	451.8	11.3%
Gross Profit	68.8	72.9	-5.7%	146.2	123.7	18.2%
EBIT	19.8	17.7	11.7%	39.3	31.8	23.5%
EBITDA	29.7	26.0	14.5%	58.3	45.4	28.3%
Net Profit attributable to equity owners of company	12.9	13.8	-6.7%	28.0	24.1	16.4%
Gross profit margin (%)	27.8%	27.2%	+0.6pp	29.1%	27.4%	+1.7pp
EBIT margin (%)	8.0%	6.6%	+1.4pp	7.8%	7.0%	+0.8pp
Net margin (%)	5.2%	5.2%	+0.0pp	5.6%	5.3%	+0.3pp
Operating cash flow from operations	14.6	11.8	23.0%	48.5	18.0	168.9%
Net Cash/(debt)	(39.0)	(44.5)	-12.4%	(39.0)	(44.5)	-12.4%
Order intake -continuing operations	189.4	386.2	-51.0%	431.5	578.8	-25.5%
Order book - continuing operations	236.0	307.3	-23.2%	236.0	307.3	-23.2%
ROE (annualised)	13.5%	15.7%	-2.2pp	14.6%	13.6%	+1.0pp

2H20 Revenue Breakdown By Geographical Segments

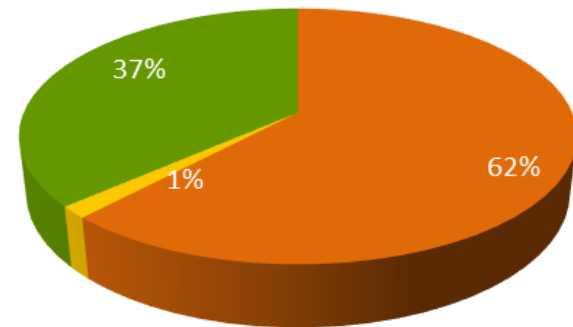
S\$ million	2H20	2H19	YoY %
Americas	156.5	165.9	-5.7%
EMEA	3.3	4.0	-16.9%
Asia Pacific	87.4	98.2	-11.0%
Total	247.2	268.0	-7.8%

2H20



■ Americas ■ EMEA ■ Asia Pacific

2H19



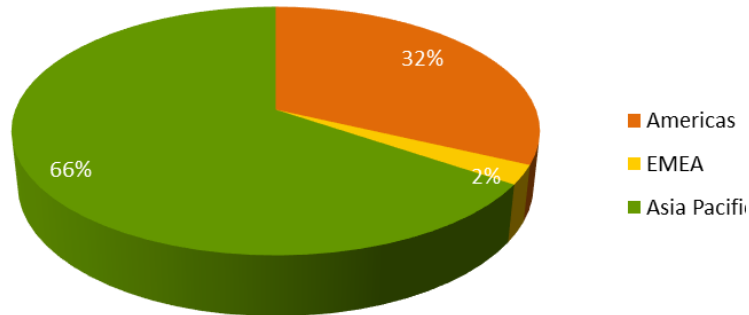
■ Americas ■ EMEA ■ Asia Pacific

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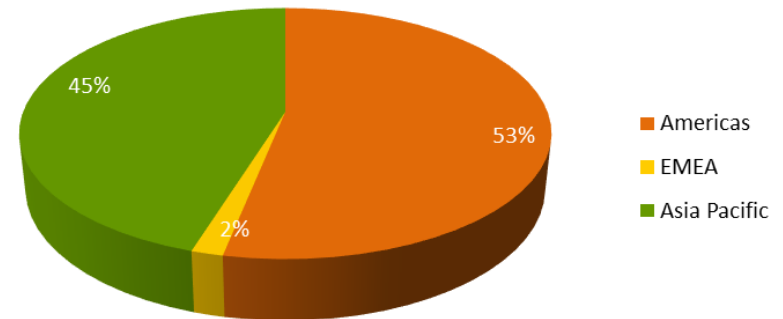
2H20 EBIT Breakdown By Geographical Segments

S\$ million	2H20	2H19	YoY %
Americas	6.3	9.4	-32.7%
EMEA	0.5	0.3	68.6%
Asia Pacific	13.0	8.0	62.0%
Total	19.8	17.7	11.7%

2H20



2H19

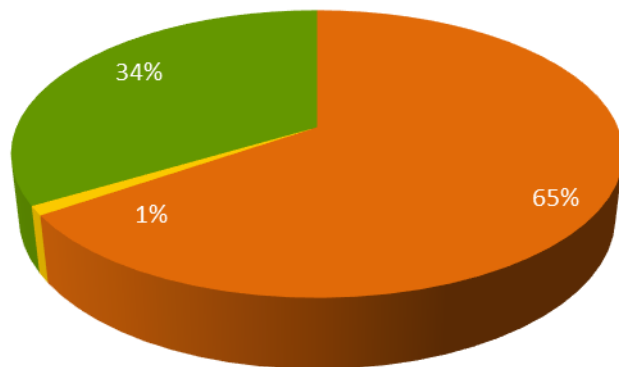


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FY20 Revenue Breakdown By Geographical Segments

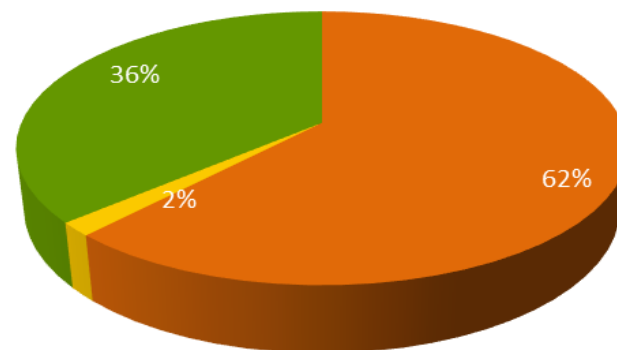
S\$ million	FY20	FY19	YoY %
Americas	328.7	279.4	17.6%
EMEA	5.2	7.2	-27.3%
Asia Pacific	168.8	165.1	2.3%
Total	502.8	451.8	11.3%

FY20



Americas EMEA Asia Pacific

FY19



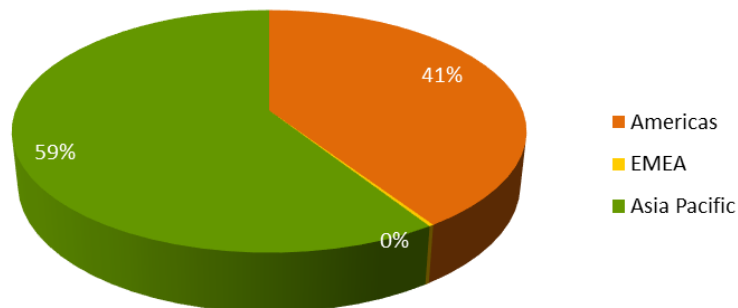
Americas EMEA Asia Pacific

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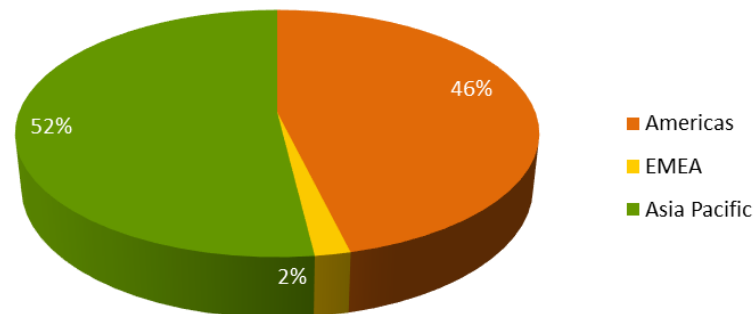
FY20 EBIT Breakdown By Geographical Segments

S\$ million	FY20	FY19	YoY%
Americas	16.0	14.7	8.6%
EMEA	0.1	0.6	-83.5%
Asia Pacific	23.2	16.5	40.5%
Total	39.3	31.8	23.5%

FY20



FY19

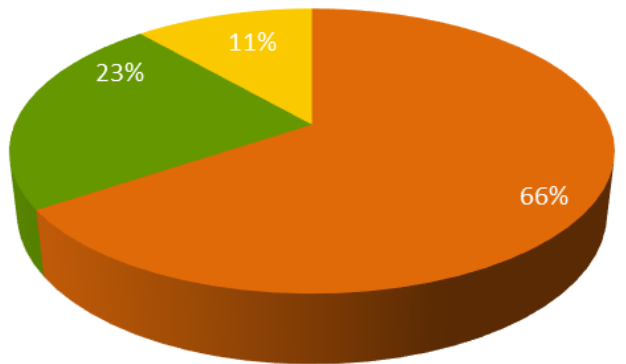


Note: Total may not sum up due to rounding.

2H20 Revenue Breakdown By Industry Segments

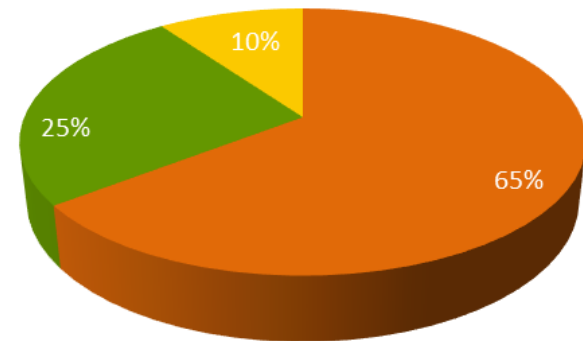
S\$ million	2H20	2H19	YoY %
Oil & Gas	162.2	173.1	-6.3%
Infrastructure	56.8	68.3	-16.9%
Mining & Mineral	28.3	26.6	6.2%
Total	247.2	268.0	-7.8%

2H20



Oil & Gas Infrastructure Mining & Mineral

2H19



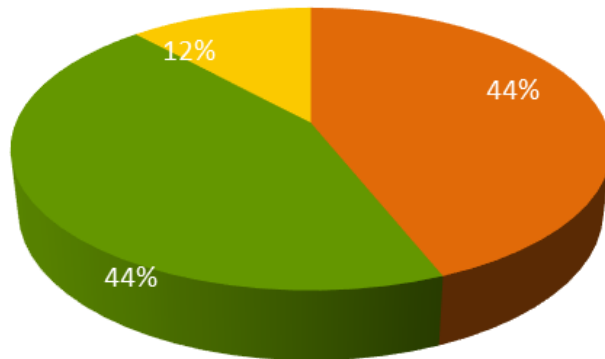
Oil & Gas Infrastructure Mining & Mineral

Note: Total may not sum up due to rounding.

2H20 EBIT Breakdown By Industry Segments

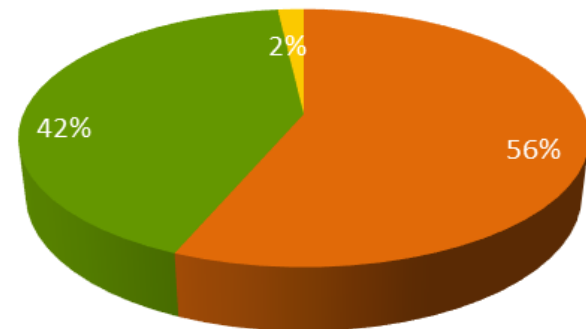
S\$ million	2H20	2H19	YoY %
Oil & Gas	8.7	9.9	-12.7%
Infrastructure	8.8	7.4	17.7%
Mining & Mineral	2.3	0.3	647.4%
Total	19.8	17.7	11.7%

2H20



Oil & Gas Infrastructure Mining & Mineral

2H19



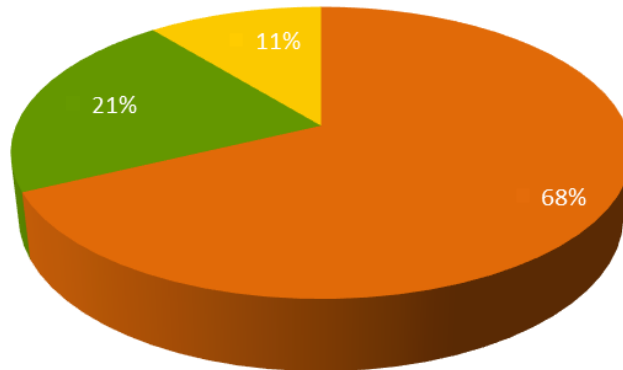
Oil & Gas Infrastructure Mining & Mineral

Note: Total may not sum up due to rounding.

FY20 Revenue Breakdown By Industry Segments

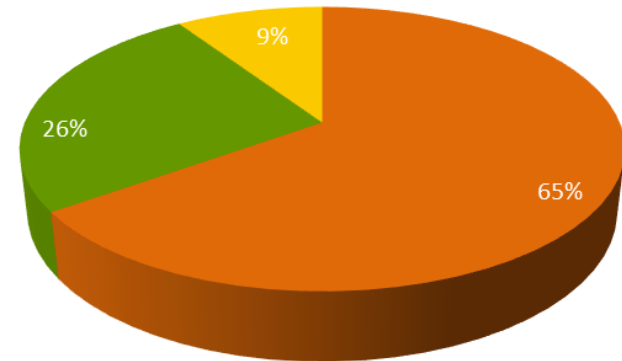
S\$ million	FY20	FY19	YoY %
Oil & Gas	341.1	294.1	16.0%
Infrastructure	106.9	115.3	-7.2%
Mining & Mineral	54.7	42.4	29.0%
Total	502.8	451.8	11.3%

FY20



Oil & Gas Infrastructure Mining & Mineral

FY19



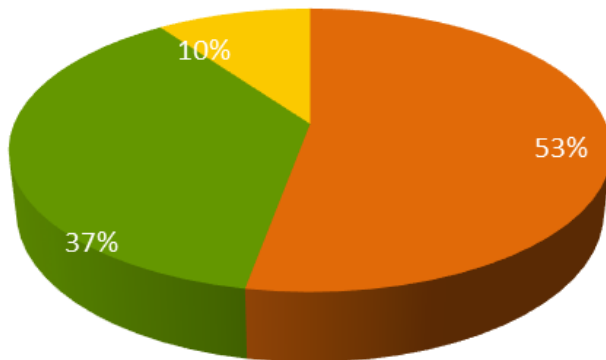
Oil & Gas Infrastructure Mining & Mineral

Note: Total may not sum up due to rounding.

FY20 EBIT Breakdown By Industry Segments

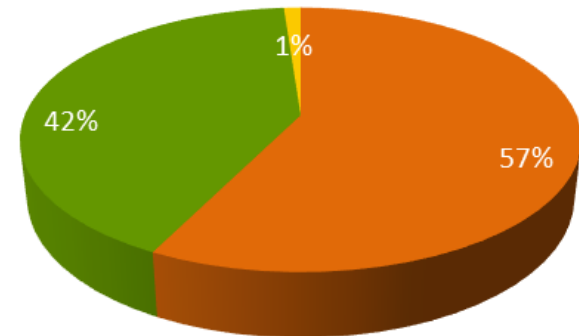
S\$ million	FY20	FY19	YoY %
Oil & Gas	20.8	18.3	13.8%
Infrastructure	14.6	13.2	10.8%
Mining & Mineral	3.9	0.4	958.4%
Total	39.3	31.8	23.5%

FY20



Oil & Gas Infrastructure Mining & Mineral

FY19



Oil & Gas Infrastructure Mining & Mineral

Note: Total may not sum up due to rounding.

Revenue By Geographical Segments – Quarterly Trends

S\$ million	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Americas	83.9	72.6	80.3	92.0	98.1	67.8	59.8	53.8
EMEA	1.3	2.0	0.5	1.5	2.4	1.6	1.6	1.6
Asia Pacific	44.1	43.3	43.0	38.4	56.1	42.1	37.8	29.2
Total	129.4	117.9	123.7	131.8	156.6	111.5	99.2	84.5

Note: Total may not sum up due to rounding.

Revenue By Industry – Quarterly Trends

S\$ million	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Oil & Gas	85.2	76.9	83.4	95.6	101.8	71.3	63.9	57.1
Infrastructure	30.9	25.9	25.3	24.9	39.4	28.9	24.3	22.7
Mining & Mineral	13.2	15.0	15.1	11.3	15.4	11.2	11.1	4.7
Total	129.4	117.9	123.7	131.8	156.6	111.5	99.2	84.5

Note: Total may not sum up due to rounding.



Financial Position & Cash Flow

Cash inflow/(outflow) from operations

S\$14.6 million in 2H20 vs S\$11.8 million in 2H19
S\$48.5 million in FY20 vs S\$18.0 million in FY19

Net cash/(debt)

(S\$39.0) million at 31 December 2020 vs
(S\$44.5) million at 31 December 2019

Equity attributable to owners of the Company

S\$191.8 million at 31 December 2020 vs
S\$176.3 million at 31 December 2019

NAV per share

37.75 cents at 31 December 2020 vs
34.72 cents at 31 December 2019

Group Balance Sheet

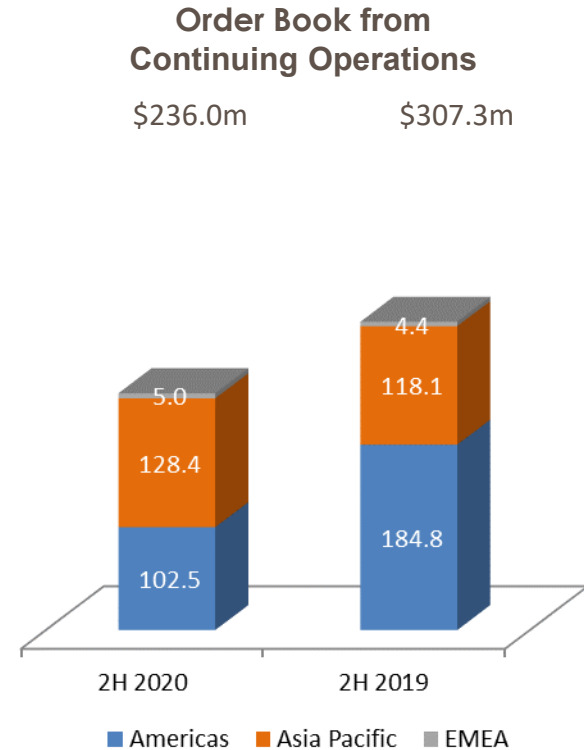
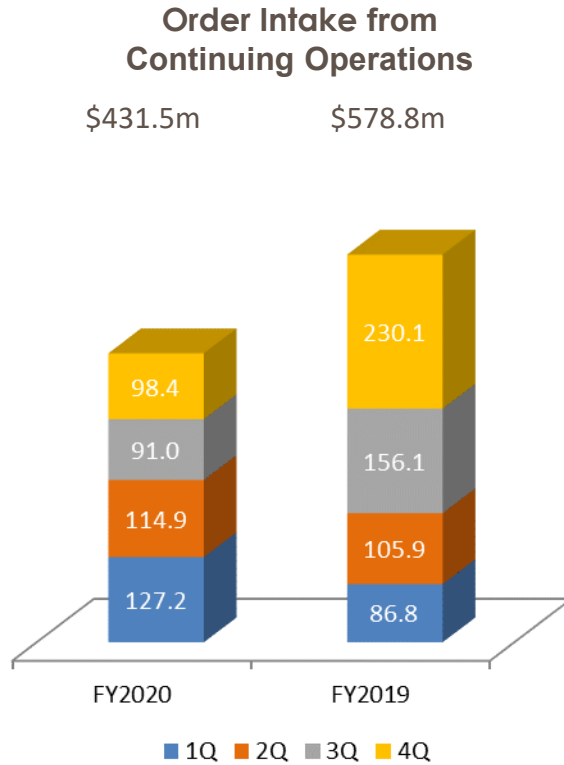
S\$ million	31-Dec-20	30-Sep-20	30-Jun-20	31-Mar-20	31-Dec-19
PPE	61.6	59.0	60.1	59.8	58.2
Right-to-use assets	23.2	22.7	24.0	24.2	13.8
Intangible Assets	57.5	58.4	59.6	60.0	58.9
Cash at Hand & Bank	52.5	60.1	67.6	67.6	58.6
Contract Assets (Net)	45.6	34.3	41.1	10.8	23.2
Inventories	26.1	26.2	27.9	21.6	21.7
Trade and Other Receivables	108.9	92.8	92.6	124.3	127.9
Trade Payables and Accruals	68.1	60.0	67.3	62.5	71.5
Derivative liabilities	2.2	3.0	3.3	-	-
Loans and borrowings	91.5	90.0	88.7	100.3	103.1
Net Cash/(Debt)	(39.0)	(29.9)	(21.1)	(32.7)	(44.5)
Shareholders' Fund	191.8	180.5	189.1	184.5	176.3

Group Cash Flow Statement

S\$ million	2H20	2H19	FY20	FY19
As at beginning of the period	59.6	43.6	50.6	74.1
Net Operations	14.6	11.8	48.5	18.0
Interest and tax	(6.2)	(2.6)	(8.4)	(6.2)
Capital Expenditure (Net)	(4.9)	(7.0)	(10.9)	(12.5)
Acquisitions	(3.6)	(50.3)	(3.6)	(65.3)
Release of restricted cash/(Restricted cash from acquisition of subsidiaries)	4.9	(8.0)	4.9	(8.0)
Proceed from disposal of a subsidiary	-	3.6	-	3.6
Proceeds/(repayment) of borrowings, net	3.0	67.8	(11.4)	67.0
Payment of lease liabilities	(3.0)	(1.7)	(6.6)	(3.1)
Purchase of treasury shares	-	-	-	(2.1)
Dividends	(14.1)	(6.3)	(14.1)	(14.0)
Net effect of FX on cash	(0.8)	(0.2)	0.4	(0.9)
Cash and bank balances at end of the financial period	49.4	50.6	49.4	50.6
Cash and bank balances comprise of:-				
Cash and cash equivalents	49.4	50.6	49.4	50.6
Restricted cash	3.1	8.0	3.1	8.0
	52.5	58.6	52.5	58.6

Note: Total may not sum up due to rounding.

FY 2020 Order Intake/Book By Geographical Segments



Order Intake By Geographical Segment – Quarterly Trends

S\$ million	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Americas	66.1	47.0	50.6	82.6	185.1	113.4	55.6	61.5
EMEA	0.7	0.8	0.4	4.8	0.9	1.2	2.3	(0.5)
Asia Pacific	31.5	43.3	63.9	39.8	44.1	41.5	48.0	25.8
Total	98.4	91.0	114.9	127.2	230.1	156.1	105.9	86.8

Note: Total may not sum up due to rounding.

Order Intake By Industry – Quarterly Trends

S\$ million	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Oil & Gas	63.0	48.4	53.8	87.9	189.8	117.0	60.2	65.1
Infrastructure	25.3	30.3	38.2	25.5	24.2	25.1	31.9	17.1
Mining & Mineral	10.0	12.3	22.8	13.9	16.0	14.0	13.8	4.5
Total	98.4	91.0	114.9	127.2	230.1	156.1	105.9	86.8

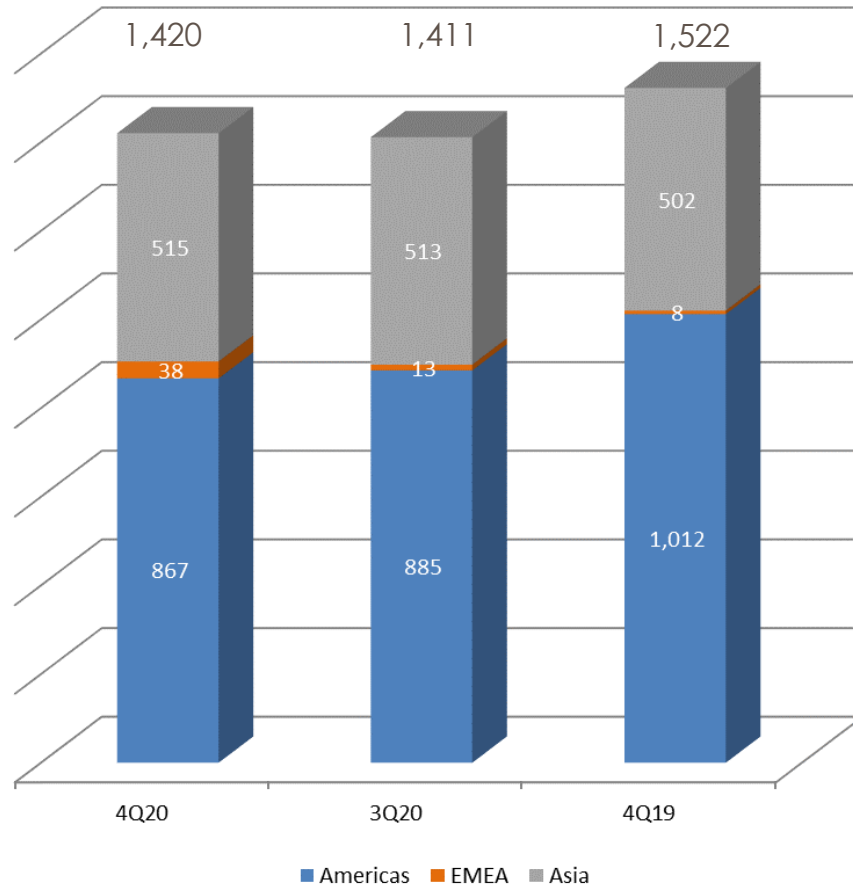
Note: Total may not sum up due to rounding.

Order Book By Industry Segments

S\$ million	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Oil & Gas	97.7	118.5	144.9	173.1	182.9	95.4	49.2	52.0
Infrastructure	120.7	127.7	125.6	114.1	112.9	126.6	131.1	126.5
Mining & Mineral	17.6	20.7	23.4	15.5	11.6	10.7	7.3	2.9
Total	236.0	267.0	293.8	302.7	307.3	232.6	187.6	181.4

Note: Total may not sum up due to rounding.

Human Resources Allocation





3 Appendices

CSE Global

FX Movement

	2H20	2H19	Change (%)	FY20	FY19	Change (%)
USD/SGD	1.3670	1.3706	-0.26%	1.3810	1.3655	1.14%
GBP/SGD	1.7731	1.7171	3.26%	1.7707	1.7393	1.80%
AUD/SGD	0.9774	0.9371	4.30%	0.9482	0.9503	-0.22%

Constant Currency Figures

S\$ million	2H20	2H19	Change (%)	2H20 Constant Currency	Change (%)
Revenue	247.2	268.0	-7.8%	244.8	-8.7%
PATMI	12.9	13.8	-6.7%	12.7	-8.0%

S\$ million	FY20	FY19	Change (%)	FY20 Constant Currency	Change (%)
Revenue	502.8	451.8	11.3%	499.4	10.5%
PATMI	28.0	24.1	16.4%	27.9	15.9%



CSE Global

Questions & Answers