



Full Year 2015 Results Briefing

CSE Global Limited

Fullerton Hotel
25 February 2016

1. 4Q/FY 2015 Financial Overview
2. Business Overview and Outlook
3. Proposed Dividend
4. Q & A

4Q/FY 2015 Financial Review

4Q 2015 Financial Overview

Continuing Operations

- Revenue decreased by 14.6% to S\$98.8m, as compared to 4Q14
- Gross margins in 4Q15 at 31.1% vs 29.8% in 4Q14
- PATMI from continuing operations at S\$8.1m vs S\$10.0m in 4Q14
- Profit attributable to owners of company is 22.5% yoy lower at S\$8.1m
- Operating cash inflow of S\$45.1m in 4Q15 vs S\$11.7m in 4Q14
- New orders in 4Q15 totalling S\$70.8m vs S\$169.0m in 4Q14
- Net Cash of S\$54.2m at 4Q15 vs S\$23.4m at 4Q14
- Order book of S\$192.7m at end of 4Q15

FY 2015 Financial Overview

Continuing Operations

- Revenue decreased by 1.1% to S\$412.0m, as compared to FY14
- Gross margin in FY15 of 28.7% vs 28.6% in FY14
- PATMI from continuing operations lowers by 6.4% to S\$31.2m in FY15
- Profit attributable to owners of company of S\$34.1m compared to S\$35.4m in FY14
- Operating cash inflow of S\$41.0m in FY15 vs S\$10.7m in FY14
- New orders in FY15 totalling S\$351.0m vs S\$444.6m in FY14
- Return on Equity 14.1% in FY15 vs 16.8% in FY14
- Net Cash of S\$54.2m at 4Q15 vs S\$23.4m at 4Q14
- Order book of S\$192.7m at end of 4Q15

Summary Financials 4Q/FY 2015

S\$m	4Q 2015	4Q 2014	Change	FY 2015	FY 2014	Change
Revenue	98.8	115.7	-14.6%	412.0	416.7	-1.1%
Gross Profit	30.7	34.5	-11.1%	118.2	119.2	-0.9%
PATMI from continuing operations	8.1	10.0	-19.8%	31.2	33.3	-6.4%
PATMI	8.1	10.4	-22.5%	34.1	35.4	-3.7%
Gross margin (%)	31.1%	29.8%	4.2%	28.7%	28.6%	0.3%
Net margin from continuing operations(%)	8.2%	8.6%	-5.6%	7.6%	8.0%	-5.4%
Operating cash flow	45.1	11.7	285.7%	41.0	10.7	283.5%
Net Cash/(loan)	54.2	23.4	131.6%	54.2	23.4	131.6%
Order intake	70.8	169.0	-58.1%	351.0	444.6	-21.1%
Order book/backlog	192.7	255.0	-24.4%	192.7	255.0	-24.4%

3Q/9M 2015 Financial Overview

Financial Position & Cashflow

- Equity attributable to owners of the Company were S\$241.4m at end of Dec15 vs S\$210.2m at Dec 14
- NAV per share at 31 Dec 2015 was up 14.8% at 46.77 cents vs 40.73 cents at 31 Dec 14
- Operating cash inflow of S\$41.0m in FY15 vs S\$10.7m in FY14, due to higher collections and billings, as a result of achievement of project delivery milestones for several projects
- Net Cash improved to S\$54.2m as at 31 December 2015 vs S\$23.4m as at 31 December 2014

4Q/FY 2015 FX Movement

	4Q 2015	4Q 2014	Variance (%)	FY 2015	FY 2014	Variance (%)
USD/SGD:	1.4050	1.2942	8.56%	1.3755	1.2680	8.48%
GBP/SGD:	2.1372	2.0490	4.30%	2.1088	2.0909	0.85%
AUD/SGD:	1.0112	1.1041	-8.42%	1.0365	1.1412	-9.18%

4Q/FY 2015 Constant Currency

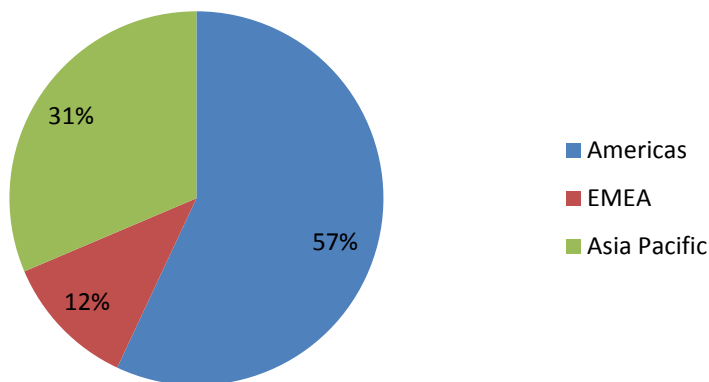
S\$M	4Q 2015	4Q 2014	Variance (%)	4Q 2015 Constant Currency	Variance (%)
Revenue:	98.8	115.7	-14.6%	94.3	-18.5%
PATMI:	8.1	10.0	-19.8%	7.9	-21.3%

S\$M	FY 2015	FY 2014	Variance (%)	FY 2015 Constant Currency	Variance (%)
Revenue:	412.0	416.7	-1.1%	394.9	-5.2%
PATMI:	31.2	33.3	-6.4%	30.1	-9.6%

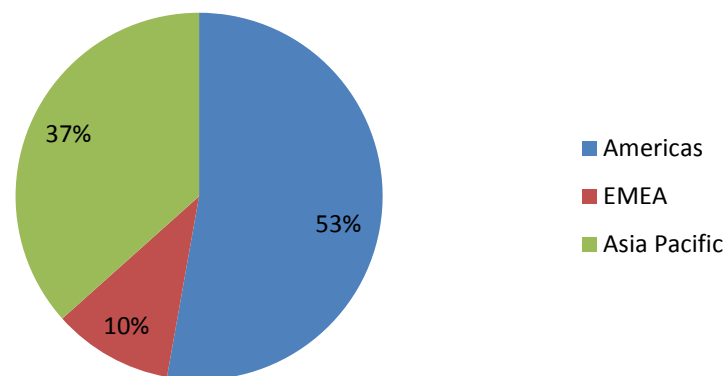
Revenue by Geographical Region Continuing Operations

S\$m	FY 2015	FY 2014	Var %
Americas	234.7	220.0	6.6%
EMEA	48.0	44.1	8.7%
Asia Pacific	129.3	152.6	-15.3%
Total	412.0	416.7	-1.1%

FY 2015



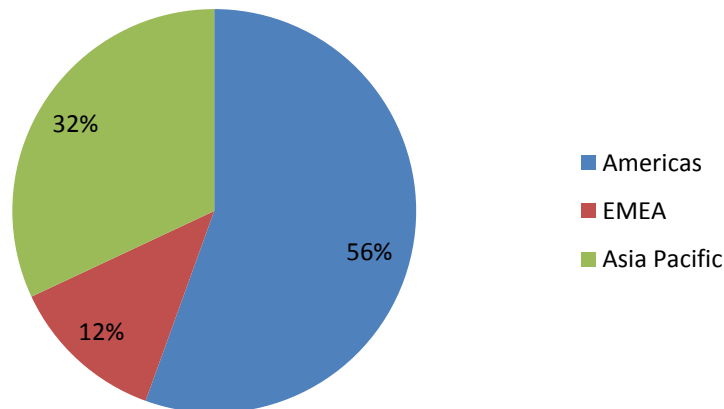
FY 2014



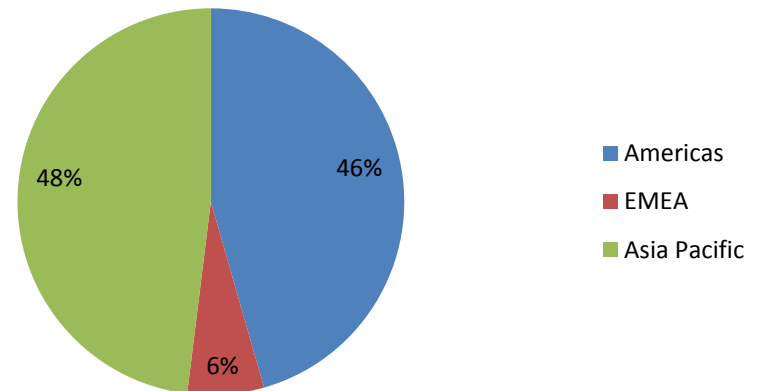
EBIT by Geographical Region Continuing Operations

S\$m	FY 2015	FY 2014	Var %
Americas	22.5	21.2	6.2%
EMEA	5.1	3.0	65.6%
Asia Pacific	12.9	22.4	-41.9%
Total	40.5	46.6	-13.0%

FY 2015



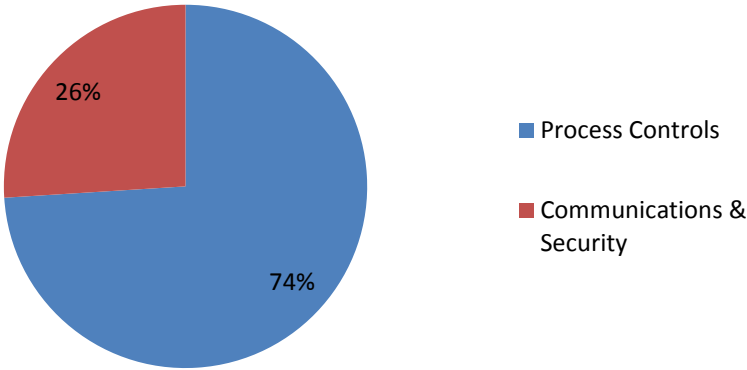
FY 2014



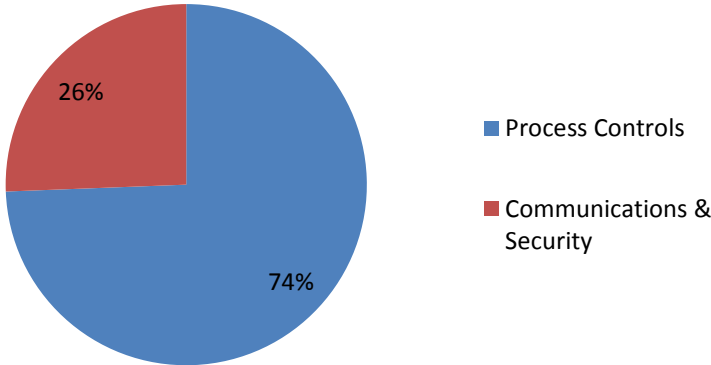
Revenue by Business Solutions Continuing Operations

S\$m	FY 2015	FY 2014	Var %
Process Controls	304.9	310.0	-1.6%
Communications & Security	107.1	106.7	0.4%
Total	412.0	416.7	-1.1%

FY 2015



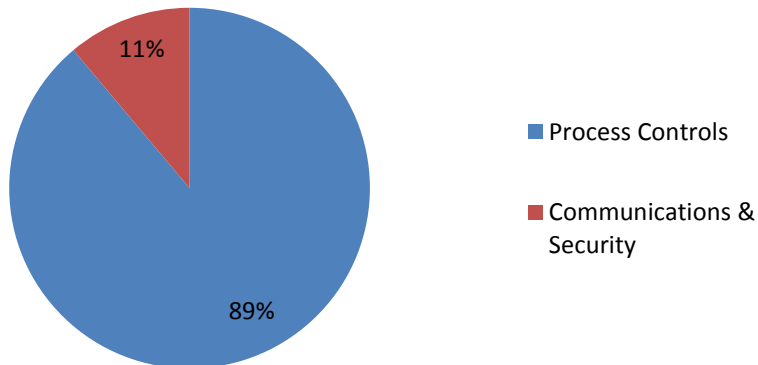
FY 2014



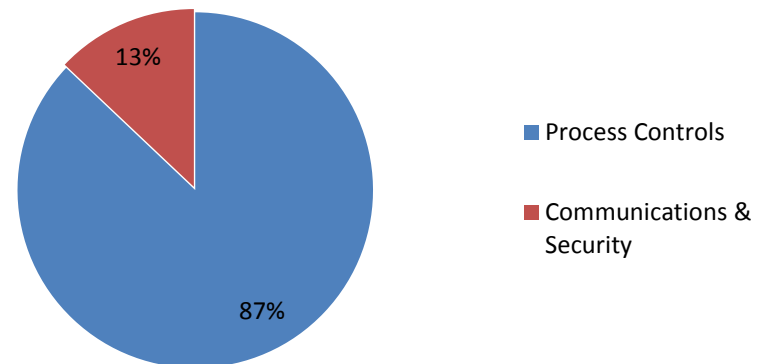
EBIT by Business Solutions Continuing Operations

S\$m	FY 2015	FY 2014	Var %
Process Controls	36.0	40.6	-11.2%
Communications & Security	4.5	6.0	-25.1%
Total	40.5	46.6	-13.0%

FY 2015



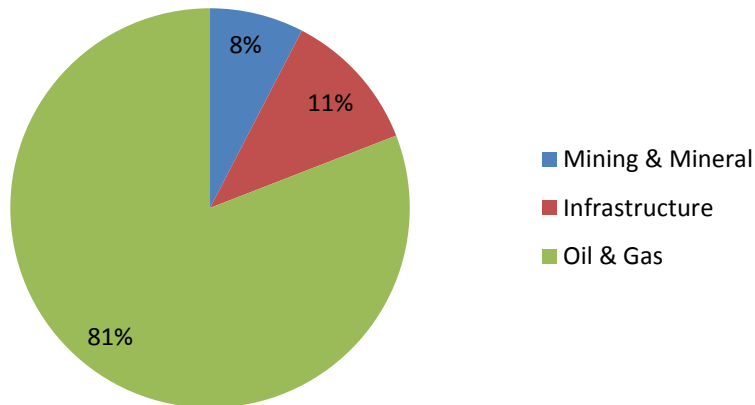
FY 2014



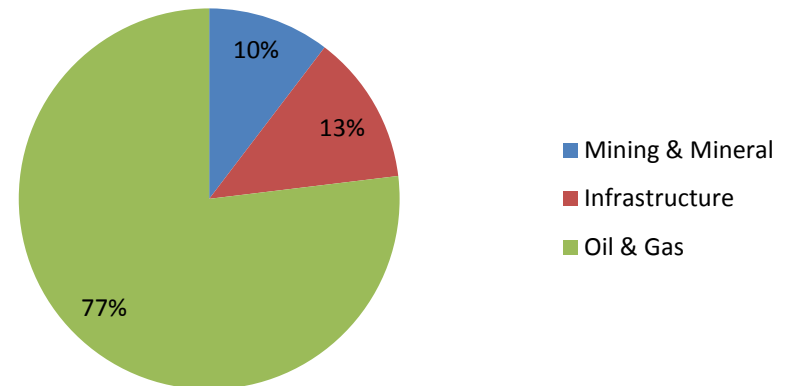
Revenue by Industry Continuing Operations

S\$m	FY 2015	FY 2014	Var %
Mining & Mineral	31.3	43.2	-27.5%
Infrastructure	47.4	53.0	-10.6%
Oil & Gas	333.3	320.5	4.0%
Total	412.0	416.7	-1.1%

FY 2015



FY 2014



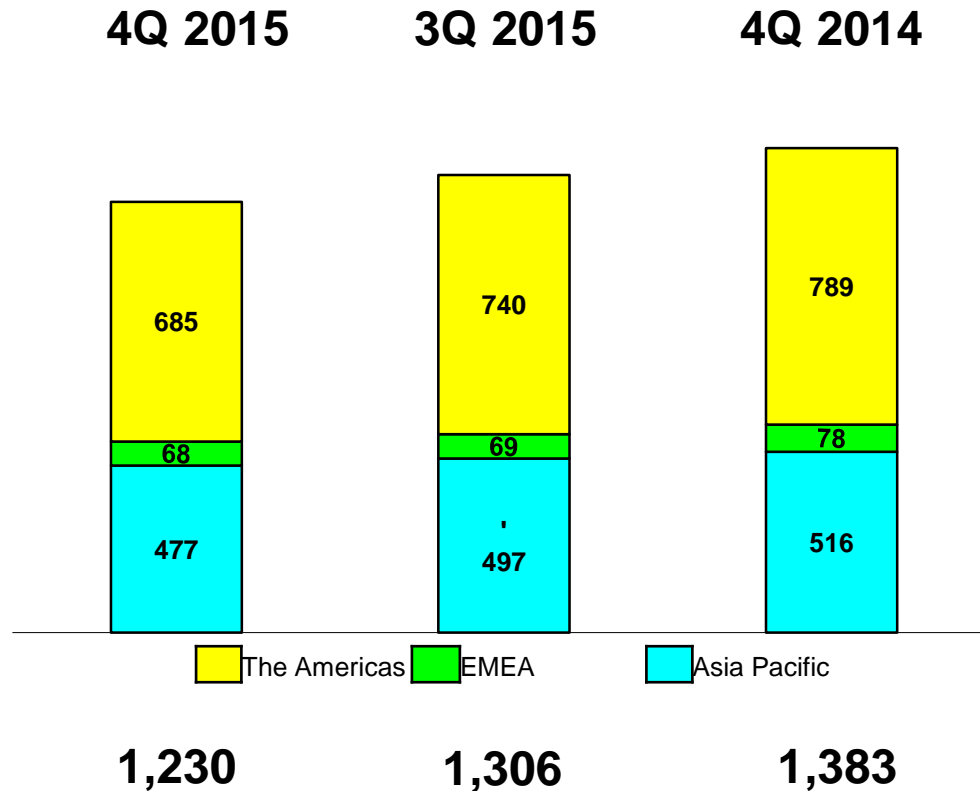
4Q 2015 Group Balance Sheet

S\$M	31-Dec-15	30-Sep-15	30-Jun-15	31-Mar-15	31-Dec-14
Cash at Hand & Bank	109.7	66.2	59.5	67.0	66.9
Work in Progress (Net)	47.2	76.5	88.0	73.2	57.0
Inventories	11.8	17.3	17.0	13.9	17.2
Trade Receivable	95.3	104.5	88.0	94.9	99.1
Other Receivable	11.3	10.3	10.8	13.8	10.8
Trade Payable	46.5	54.2	54.7	56.7	63.0
Dividend Payable	-	-	-	-	-
Net Current Assets	168.7	158.7	153.3	158.7	142.6
Loan	55.5	58.0	52.4	44.0	43.5
Net Cash/(loan)	54.2	8.2	7.1	23.0	23.4
Shareholder Fund	241.4	233.0	221.1	228.1	210.2

4Q/FY 2015 Group Cash Flow Statement

S\$m	Q4 2015	Q4 2014	FY 2015	FY 2014
As at beginning of the period	66.2	53.4	66.9	186.6
Net Operations	45.1	11.7	41.0	10.7
Capital Expenditure (Net)	(1.0)	(0.5)	(7.3)	(4.5)
Net additional investment in Subsidiaries & Associates	-	-	7.0	(0.5)
Bank Loans	(3.0)	1.6	11.5	40.3
Dividends	-	-	(14.2)	(166.4)
Net effect of FX on cash	2.4	0.7	4.8	0.7
As at end of period	109.7	66.9	109.7	66.9

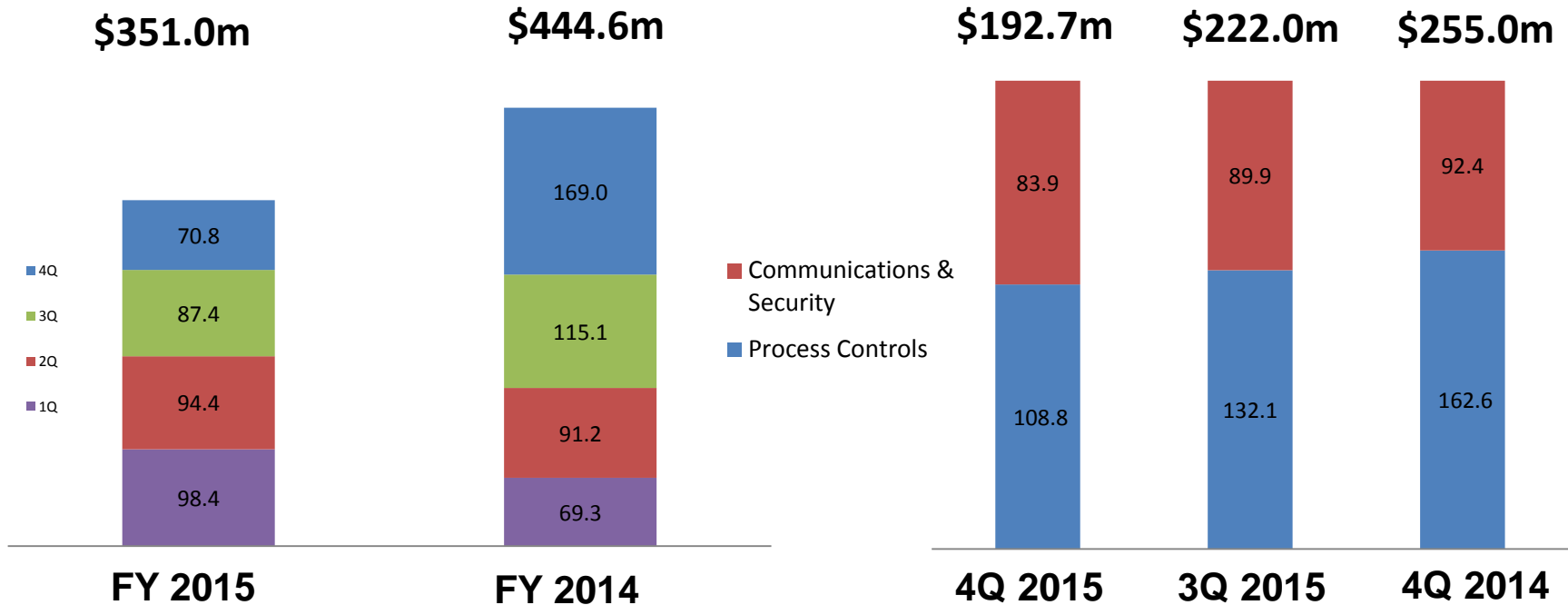
Human Resource Growth



FY 2015 Orders

New orders

Outstanding orders



Business Overview & Outlook

- Strong cash flow generation
- Lack of new large greenfield orders

- Operating conditions in 2016 remain challenging
- Lack of large greenfield projects, need to win some of the limited opportunities
- While operating expenditure of customers remains resilient, anticipate lower level of brownfield activities and prices

- Cash generation
- Cost control
- Building geographical presence and knowhow through organic/inorganic

Build for the turnaround.

Dividends (Proposed)

	FY2013	FY2014	FY2015
Dividends (Cents):			
Interim	1.5	1.25	1.25
Special Interim	28.0	-	-
Final	2.0	1.5 [#]	1.25 [#]
Special	1.0	-	0.25 [#]
Total	32.5	2.75	2.75
Payment Date:	20 May 2016		
Book Closure:	4 May 2016		
AGM:	20 April 2016		
#: proposed and subject to approval at AGM			

- **Summary**

CSE has an outstanding order book of S\$192.7 million and a net cash position of S\$54.2 million at the end of 4Q15. 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 FY2016.

Questions & Answers

Thank You