



**CSE GLOBAL LIMITED**  
(Co. Reg. No. 198703851D)

**Second Quarter Financial Statement and Dividend Announcement for the period ended 30 June 2016**

**Key Financial Performance**

<b>S\$'000</b>	<b>2016 2Q</b>	<b>2015 2Q</b>	<b>Change</b>	<b>2016 1H</b>	<b>2015 1H</b>	<b>Change</b>
Revenue	74,291	109,137	-31.9%	158,512	209,970	-24.5%
Gross margin from continuing operations	34.4%	26.5%	29.9%	31.3%	27.4%	14.0%
Profit after tax and non-controlling interest from continuing operations	5,502	7,668	-28.2%	11,009	14,630	-24.8%
Basic earnings per ordinary share (in cents)	1.07	1.92	-44.3%	2.13	3.39	-37.2%
Net asset value per ordinary share (in cents)	45.38	42.84	5.9%	45.38	42.84	5.9%
Net cash generated from/ (used in) operating activities	22,672	-12,703	N.M	42,340	-14,067	N.M
New orders received from continuing operations	83,217	94,436	-11.9%	158,163	192,798	-18.0%
Outstanding orders from continuing operations	186,582	237,840	-21.6%	186,582	237,840	-21.6%

**Review of Performance - 2<sup>nd</sup> Quarter**

Profit after tax and non-controlling interest from continuing operations for 2Q16 declined by 28.2% year-on-year to S\$5.5 million, on the back of a 31.9% decrease in revenue to S\$74.3 million. The new acquisitions contributed S\$8.7 million and S\$1.1 million to Group 2Q16's revenue and profit after tax respectively.

The lower revenues in 2Q16 were mainly driven by lower revenues achieved across all geographic regions, particularly in the oil and gas industry sector, resulting from the lack of large greenfield projects. In line with the lower revenues, gross profit was 11.6% lower at S\$25.5 million. Gross margins, however, were higher due to better margins achieved arising from some completed projects.

Operating expenses were relatively stable at S\$18.6 million in 2Q16 as compared to 2Q15. The operating expenses in 2Q16 included expenses of newly acquired businesses amounting to S\$1.4 million, restructuring costs of S\$0.3 million, and higher allowances for doubtful debts of S\$0.3 million. On a normalized basis, operating expenses in 2Q16 would have decreased by 9.8% year-on-year.

Profit after tax and non-controlling interest from continuing operations in 2Q16 decreased by 28.2% year-on-year to S\$5.5 million.

The basic earnings per ordinary share for 2Q16 was 1.07 cents vs 2Q15 of 1.92 cents.

During the quarter, the Group continues to receive new orders from greenfield (new installations) projects and brownfield (maintenance, upgrade and enhancement of existing installations) projects totalling S\$83.2 million, a decrease of 11.9% year-on-year. As compared to 1Q16, outstanding orders increased by 3.9% to S\$186.6 million as at end of 2Q16 from S\$179.6 million as at end of 1Q16.

In 2Q16, the Group generated a strong operating cash inflow of S\$22.7 million, due to achievement of project delivery milestones for several projects, which led to higher billings and collections.



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**Review of Performance - 1<sup>st</sup> Half**

Revenue decreased by 24.5% in 1H16 compared to 1H15 due to lower revenues in Asia-Pacific and Americas regions. Gross margins, however, were higher due to better margins achieved arising from some completed projects.

In 1H16, CSE Group recorded profit after tax and non-controlling interests from continuing operations of S\$11.0 million as compared to S\$14.6 million in 1H15. The operating expenses in 1H16 included transaction expenses relating to new acquisitions of S\$0.6 million, expenses of newly acquired businesses of S\$2.5 million, restructuring costs of S\$0.3 million, offset by lower allowances for doubtful debts of S\$0.6 million. On a normalised basis, operating expenses in 1H16 would have decreased by 10.3% year-on-year.

Basic earnings per ordinary share for 1H16 was 2.13 cents as compared with 1H15 of 3.39 cents.

New orders received for the first half year of 2016 were S\$158.2 million as compared with S\$192.8 million for the corresponding period in 2015, mainly due to the lack of large greenfield projects.

In 1H16, the Group generated a strong operating cash inflow of S\$42.3 million. The Group ended the period with a net cash position of S\$49.1 million, after deducting for quoted investments of S\$20.3 million, acquisition costs of S\$10.4 million, and dividend payments of S\$7.7 million.

**Performance of Geographical Segments**

SS'000	2016 2Q	2015 2Q	Change	2016 1H	2015 1H	Change
<b>Revenue</b>						
Asia-Pacific	26,159	39,137	-33.2%	51,035	72,461	-29.6%
The Americas	39,216	57,428	-31.7%	86,603	116,253	-25.5%
Europe/Middle East/Africa	8,916	12,572	-29.1%	20,874	21,256	-1.8%
<b>Group</b>	<b>74,291</b>	<b>109,137</b>	<b>-31.9%</b>	<b>158,512</b>	<b>209,970</b>	<b>-24.5%</b>
<b>Earnings before interest and tax (EBIT)</b>						
Asia-Pacific	2,222	3,145	-29.3%	5,395	7,355	-26.6%
The Americas	2,782	6,223	-55.3%	5,697	11,282	-49.5%
Europe/Middle East/Africa	2,272	1,296	75.3%	2,586	2,060	25.5%
<b>Group</b>	<b>7,276</b>	<b>10,664</b>	<b>-31.8%</b>	<b>13,678</b>	<b>20,697</b>	<b>-33.9%</b>

**2Q16 vs 2Q15**

In 2Q16, the geographical regions of Asia-Pacific, The Americas and Europe/Middle East/Africa contributed 35.2%, 52.8% and 12.0% to revenue respectively, and 30.6%, 38.2% and 31.2% to EBIT respectively.

The Asia Pacific region recorded 33.2% and 29.3% lower revenue and EBIT respectively in 2Q16 as compared with 2Q15, mainly due to recognition of revenues for a large greenfield project in 2Q15, which did not recur in 2Q16.

The Americas region recorded a decrease of 31.7% in revenue and a 55.3% decline in EBIT for 2Q16, mainly attributed to lower revenues from greenfield and brownfield projects in the Americas region.

Europe/Middle East/Africa (“EMEA”) region recorded a lower revenue but a higher EBIT in 2Q16, mainly attributed to a change in sales mix to higher proportion of better margin revenues recognised in 2Q16 as compared to 2Q15.



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**1H16 vs 1H15**

In 1H16, the geographical regions of Asia-Pacific, The Americas and Europe/Middle East/Africa contributed 32.2%, 54.6% and 13.2% to revenue and 39.4%, 41.7% and 18.9% to EBIT respectively.

Revenue and EBIT for 1H16 as compared with 1H15 in the Asia-Pacific region were lower by 29.6% and 26.6% respectively. In 1H15, higher revenues were recognised from a large greenfield project which did not recur in 1H16.

The Americas region reported a drop of 25.5% in revenue and 49.5% in EBIT for 1H16 as compared with 1H15, mainly due to lower revenues from greenfield and brownfield projects in Americas region.

The EMEA region recorded a 1.8% year-on-year decrease in revenue and a 25.5% year-on-year increase in EBIT for 1H16 compared with 1H15. This is mainly due to the a change in sales mix to higher proportion of better margin revenues recognised in 1H16 as compared to 1H15.

**Liquidity and Capital Resources**

The Group generated a strong operating cash inflow of S\$42.3 million in 1H16, due to achievement of project delivery milestones for several projects, which led to higher billings and collections. The Group ended the period with a net cash position of S\$49.1 million, after consideration paid on quoted investments of \$20.3 million, acquisition costs of S\$10.4 million, and dividend payments of S\$7.7 million.

**Outstanding Orders**

<b>SS'000</b>	<b>2Q2016</b>	<b>1Q2016</b>	<b>2Q2015</b>
Asia-Pacific	105,530	89,572	100,391
The Americas	27,805	32,311	68,137
Europe/Middle East/Africa	53,247	57,749	69,312
<b>Total</b>	<b>186,582</b>	<b>179,632</b>	<b>237,840</b>

During the quarter, the Group continues to receive new orders from greenfield (new installations) projects and brownfield (maintenance, upgrade and enhancement of existing installations) projects totalling S\$83.2 million, a decrease of 11.9% year-on-year. Outstanding orders increased by 3.9% to S\$186.6 million as at end of 2Q16 from S\$179.6 million as at end of 1Q16.



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**Outlook**

Conditions in the industry sectors in which the Group operates remain difficult. Low oil/gas and commodity prices continue to influence investment decisions and customers remain highly focused on cost control. The Group will continue to support and service its existing installed base or customers.

Given the current economic and the oil and gas industry conditions, 3Q16 will be very challenging and we anticipate that the performance in 3Q16 would be weaker than 2Q16.

For the rest of FY2016, the Group expects a better performance for its mining and infrastructure segments and a continued lackluster performance for its oil and gas segment. With the part execution and delivery of the outstanding order book of S\$186.6 million (as at the end of 2Q16) together with the anticipated flow business, the Group is confident that it will deliver a positive operating cash flow and profits for FY2016.

The Group has implemented cost control measures which has resulted in a 10% year on year reduction in the Group's 1H16 overhead base and will continue to be vigilant in managing cost and working capital.

The balance sheet remained strong throughout the period with a net cash position of S\$49.1 million as at end of 2Q16. CSE will continue to explore good investment opportunities to support its long term sustainable growth objectives.

CSE intends to maintain its annual cash dividend of S\$0.0275 per share for FY2016 as CSE is forecasted to have positive operating cashflow for FY2016 and will remain net cash after the dividend payments.



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**PART 1 – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

1. The following statements in the form presented in the issuer's most recently audited annual financial statement:-

1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

S\$'000	Group			Group		
	2016 2Q	2015 2Q	Change (%)	2016 1H	2015 1H	Change (%)
<b>Revenue</b>	74,291	109,137	-31.9%	158,512	209,970	-24.5%
<b>Cost of sales</b>	(48,759)	(80,253)	-39.2%	(108,910)	(152,345)	-28.5%
<b>Gross profit</b>	25,532	28,884	-11.6%	49,602	57,625	-13.9%
<b>Other operating income</b> (Note 1)	306	157	94.9%	422	458	-7.9%
<b>Other operating expenses</b>						
Administrative costs	(17,170)	(16,784)	2.3%	(34,323)	(33,577)	2.2%
Selling and distribution costs	(925)	(1,196)	-22.7%	(1,844)	(2,256)	-18.3%
Other operating costs (Note 2)	(466)	(397)	17.4%	(179)	(1,553)	-88.5%
<b>Total operating expenses</b>	(18,561)	(18,377)	1.0%	(36,346)	(37,386)	-2.8%
<b>Operating profit</b>	7,277	10,664	-31.8%	13,678	20,697	-33.9%
Finance costs (Note 3)	110	(244)	N.M	(94)	(260)	-63.8%
Profit before taxation from continuing operations	7,387	10,420	-29.1%	13,584	20,437	-33.5%
Taxation (Note 4)	(1,944)	(2,737)	-29.0%	(2,887)	(5,728)	-49.6%
Profit after taxation from continuing operations	5,443	7,683	-29.1%	10,697	14,709	-27.3%
Profit after taxation from discontinued operations (Note 5)	–	2,445	N.M	–	3,406	N.M
<b>Profit after taxation</b>	<b>5,443</b>	<b>10,128</b>	<b>-46.3%</b>	<b>10,697</b>	<b>18,115</b>	<b>-41.0%</b>
<b>Attributable to :-</b>						
Equity owners of the Company	5,502	9,908	-44.5%	11,009	17,505	-37.1%
Non-controlling interests	(59)	220	N.M	(312)	610	N.M
	5,443	10,128	-46.3%	10,697	18,115	-41.0%
<b>Earnings per ordinary share (cents)</b>						
-basic	1.07	1.92		2.13	3.39	
-diluted	1.07	1.92		2.13	3.39	



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**Consolidated statement of comprehensive income for the second quarter ended 30 June 2016**

S\$'000	Group					
	2016 2Q	2015 2Q	Change (%)	2016 1H	2015 1H	Change (%)
<b>Profit after taxation</b>	5,443	10,128	-46.3%	10,697	18,115	-41.0%
<b>Other comprehensive income :</b>						
Foreign currency translation	(2,387)	(9,254)	-74.2%	(11,182)	1,092	N.M
<b>Other comprehensive income for the period, net of tax</b>	(2,387)	(9,254)	-74.2%	(11,182)	1,092	N.M
<b>Total comprehensive income for the period</b>	3,056	874	249.6%	(485)	19,207	N.M
<b>Total comprehensive income attributable to :-</b>						
Owners of the Company	3,312	654	406.4%	1,261	18,597	-93.2%
Non-controlling interests	(256)	220	N.M	(775)	610	N.M
	3,056	874	249.7%	(485)	19,207	N.M

*N.M. – Not meaningful*



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1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:-

S\$'000	Group					
	2016 2Q	2015 2Q	Change (%)	2016 1H	2015 1H	Change %
Profit before taxation is arrived at after charging/(crediting) the following:						
(A) Interest on borrowings (Note 3)	133	272	-51.1%	395	464	-14.9%
(B) Interest income (Note 3)	(243)	(28)	767.8%	(301)	(204)	47.5%
(C) Depreciation and amortisation	1,457	1,169	24.6%	2,879	2,377	21.1%
(D) Allowance for doubtful debts and bad debts	412	92	347.8%	432	1,019	-57.6%
(E) Gain on disposal of property, plant and equipment	(167)	(2)	825%	(711)	(22)	313.2%

**Note 1**

S\$'000	Group					
	2016 2Q	2015 2Q	Change (%)	2016 1H	2015 1H	Change (%)
Rental income	36	48	-25.0%	83	97	-14.4%
Miscellaneous income	20	39	-48.7%	155	146	6.2%
Net exchange gain	250	70	257.1%	184	215	-14.4%
<b>Miscellaneous income</b>	<b>306</b>	<b>157</b>	<b>94.9%</b>	<b>422</b>	<b>458</b>	<b>-7.9%</b>

**Note 2**

S\$'000	Group					
	2016 2Q	2015 2Q	Change (%)	2016 1H	2015 1H	Change (%)
Allowance for doubtful and bad debts	412	92	347.8%	432	1,019	-57.6%
Miscellaneous expenses	(6)	75	N.M	1	82	-98.8%
Amortisation of intangible assets	181	199	-9.0%	367	398	-7.8%
Gain on disposal of property, plant and equipment	(167)	(2)	N.M	(711)	(22)	N.M
Allowance/(write back) for stock obsolescence	21	(4)	N.M	31	8	N.M
Bank charges	25	37	-32.4%	59	68	-13.2%
	<b>466</b>	<b>397</b>	<b>17.4%</b>	<b>179</b>	<b>1,553</b>	<b>-88.5</b>

**Note 3**

S\$'000	Group					
	2016 2Q	2015 2Q	Change (%)	2016 1H	2015 1H	Change (%)
Interest on borrowings	133	272	-51.1%	395	464	-14.9%
Interest income	(243)	(28)	767.9%	(301)	(204)	47.5%
<b>Finance costs</b>	<b>(110)</b>	<b>244</b>	<b>N.M</b>	<b>94</b>	<b>260</b>	<b>-63.8</b>

The lower finance costs in 2Q16 and 1H16 were mainly due to lower interest expenses from lower borrowings coupled with the higher interest income from quoted investments.

**Note 4**

The Group operates in several tax jurisdictions with different tax rates. Thus, depending on where the revenue and profits are earned, the effective tax rate will differ.

**Note 5**

The Group disposed its 66% owned subsidiary, Power Diesel Engineering Pte Ltd in June 2015 with a gain of S\$1.8 million.



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**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

S\$'000	Group		Company	
	30-06-16	31-12-15	30-06-16	31-12-15
<b>NON-CURRENT ASSETS</b>				
Property, plant and equipment (Note 6)	25,253	23,412	2,611	230
Investment in subsidiaries	–	–	204,495	204,495
Quoted investment	20,339	–	20,339	–
Other investment	190	190	190	190
Intangible assets (Note 6)	48,990	44,869	1,048	1,129
Deferred tax assets	12,280	13,666	3,064	3,208
<b>CURRENT ASSETS</b>				
Gross amount due from customers for contract work-in-progress (Note 7)	33,769	60,409	–	–
Inventories (Note 7)	12,847	11,821	–	–
Trade and other receivables (Note 7)	95,673	107,181	2,061	1,260
Prepaid operating expenses	4,279	3,043	117	15
Amount due from subsidiary companies	–	–	9,425	30,661
Short-term deposits	1,257	3,494	–	–
Cash and bank balances	62,777	106,225	3,526	27,380
	210,602	292,173	15,129	59,316
<b>CURRENT LIABILITIES</b>				
Gross amount due to customers for contract work-in-progress (Note 7)	9,234	12,586	–	–
Trade payables and accruals	47,038	50,676	5,298	6,254
Finance leases	49	78	–	–
Loans and borrowings	14,973	55,514	5,701	50,189
Amount due to subsidiary companies	–	–	109,804	79,655
Provision for warranties	1,185	1,808	–	–
Provision for taxation	2,661	2,858	31	–
	75,140	123,520	120,834	136,098
<b>Net current assets/(liabilities)</b>	<b>135,462</b>	<b>168,653</b>	<b>(105,705)</b>	<b>(76,782)</b>
<b>NON-CURRENT LIABILITIES</b>				
Deferred tax liabilities	(4,901)	(4,950)	–	–
Finance leases	(27)	(28)	–	–
	<b>237,586</b>	<b>245,812</b>	<b>126,042</b>	<b>132,470</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	98,542	98,542	98,542	98,542
Revenue reserve	167,903	164,635	17,624	24,052
Other reserve	9,844	9,844	9,876	9,876
Foreign currency translation reserve	(42,112)	(31,393)	–	–
<b>Total Shareholders' Fund</b>	<b>234,177</b>	<b>241,628</b>	<b>126,042</b>	<b>132,470</b>
Non-controlling interests	3,409	4,184	–	–
<b>Total Equity</b>	<b>237,586</b>	<b>245,812</b>	<b>126,042</b>	<b>132,470</b>
<b>Group net cash</b>	<b>49,061</b>	<b>54,205</b>		
<b>Group net gearing (%)</b>	–	–		



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**Note 6**

The increase in fixed assets and intangible assets was mainly derived from new acquisitions in 1H16.

**Note 7**

The Group recognises revenue using the percentage of completion method and bills its customers based on contractually agreed milestones. There was no material change in the payment pattern of its customers or its payment pattern to its suppliers.

**1(b)(ii) In relation to the aggregate amount of group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-**

**Amount repayable in one year or less, or on demand**

<b>As at 30 June 2016</b>		<b>As at 31 Dec 2015</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
NIL	S\$14,973,000	NIL	S\$55,514,000

**Amount repayable after one year**

<b>As at 30 June 2016</b>		<b>As at 31 Dec 2015</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
NIL	NIL	NIL	NIL

**Details of any collateral**

Not applicable.



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1(c) A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

S\$'000	GROUP			
	1.4.2016 to 30.6.2016	1.4.2015 to 30.6.2015	1.1.2016 to 30.6.2016	1.1.2015 to 30.6.2015
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES :-</u></b>				
Profit before taxation from continuing operations	7,387	10,420	13,584	20,437
Profit before tax from discontinued operation	–	2,559	–	3,663
Profit before tax, total	7,387	12,979	13,584	24,100
Adjustments for :-				
Impairment on receivables	412	92	432	1,019
Depreciation for property, plant and equipment attributable to continuing operations	1,276	970	2,512	1,979
Depreciation for property, plant and equipment attributable to discontinued operation	–	26	–	65
Amortisation of intangible assets	181	199	367	398
Intangible assets written off	–	–	297	–
Fixed assets written off	93	–	93	–
Gain on disposal of subsidiary (Note 5)	–	(1,843)	–	(1,843)
Gain on disposal of property, plant and equipment	(167)	(2)	(711)	(22)
Interest expense	133	272	395	464
Interest income	(243)	(28)	(301)	(204)
<b>Operating profit before reinvestment in working capital</b>	<b>9,072</b>	<b>12,665</b>	<b>16,668</b>	<b>25,956</b>
(Increase)/decrease in trade and other receivables and prepaid operating expenses	(758)	(814)	8,633	4,969
Decrease/(increase) in gross amount due from customers for contract work-in-progress, net and inventories	13,053	(21,341)	21,338	(32,028)
Increase/(decrease) in payables and accruals and provision for warranties	2,345	(33)	(2,884)	(7,022)
<b>Cash generated from operations</b>	<b>23,712</b>	<b>(9,523)</b>	<b>43,755</b>	<b>(8,125)</b>
Interest paid	(133)	(272)	(395)	(464)
Interest received	243	28	301	204
Income tax paid	(1,150)	(2,936)	(1,321)	(5,682)
<b>Net cash generated from/(used in) operating activities</b>	<b>22,672</b>	<b>(12,703)</b>	<b>42,340</b>	<b>(14,067)</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>				
Cash consideration paid on quoted investment	(20,339)	–	(20,339)	–
Cash consideration paid, net of cash assets & business acquired	–	–	(10,367)	–
Cash consideration received, net of cash divested	–	7,493	–	7,493
Purchase of property, plant and equipment	(1,769)	(1,065)	(4,628)	(2,233)
Purchase of intangible assets	(40)	–	(909)	–
Proceeds from sale of property, plant and equipment	86	2	799	406
Fourth tranche payments for the subsidiary	–	–	–	(560)
<b>Net cash (used in)/ generated from investing activities</b>	<b>(22,062)</b>	<b>6,430</b>	<b>(35,444)</b>	<b>5,106</b>



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S\$'000	GROUP			
	1.4.2016 to 30.6.2016	1.4.2015 to 30.6.2015	1.1.2016 to 30.6.2016	1.1.2015 to 30.6.2015
<b><u>CASH FLOWS FROM FINANCING</u></b>				
<b><u>ACTIVITIES</u></b>				
Dividends paid to shareholders	(7,741)	(7,741)	(7,741)	(7,741)
(Repayment)/proceeds from short term loans from bankers	(3,978)	9,273	(40,541)	9,822
Repayment of long term loans from bankers	–	(864)	–	(864)
<b>Net cash (used in)/generated from financing activities</b>	<b>(11,719)</b>	<b>668</b>	<b>(48,282)</b>	<b>1,217</b>
Net effect of exchange rate changes on cash and cash equivalents	(1,125)	(1,926)	(4,299)	365
Net decrease in cash and cash equivalents	(11,109)	(5,605)	(41,386)	(7,744)
Cash and cash equivalents at beginning of the financial year	76,268	67,043	109,719	66,891
<b>Cash and cash equivalents at end of the financial period</b>	<b>64,034</b>	<b>59,512</b>	<b>64,034</b>	<b>59,512</b>



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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group S\$'000	Attributable to equity owners of the Company						Total Equity
	Share capital	Revenue reserve	Other reserve	Foreign currency translation reserve	Total	Non- controlling interests	
At 1 January 2015	98,542	144,761	9,805	(42,919)	210,189	7,417	217,606
Total comprehensive income for the period	–	7,597	–	10,346	17,943	390	18,333
<b>At 31 March 2015</b>	<b>98,542</b>	<b>152,358</b>	<b>9,805</b>	<b>(32,573)</b>	<b>228,132</b>	<b>7,807</b>	<b>235,939</b>
Total comprehensive income for 2 <sup>nd</sup> quarter	–	9,908	–	(9,254)	654	220	874
Disposal / acquisition of Non- controlling interests	–	–	39	–	39	(3,182)	(3,143)
Dividend for FY2014 declared and paid	–	(7,741)	–	–	(7,741)	–	(7,741)
<b>At 30 June 2015</b>	<b>98,542</b>	<b>154,525</b>	<b>9,844</b>	<b>(41,827)</b>	<b>221,084</b>	<b>4,845</b>	<b>225,929</b>
At 1 January 2016	98,542	164,635	9,844	(31,393)	241,628	4,184	245,812
Total comprehensive income for the period	–	5,507	–	(8,529)	(3,022)	(519)	(3,541)
<b>At 31 March 2016</b>	<b>98,542</b>	<b>170,142</b>	<b>9,844</b>	<b>(39,922)</b>	<b>238,606</b>	<b>3,665</b>	<b>242,271</b>
Total comprehensive income for 2 <sup>nd</sup> quarter	–	5,502	–	(2,190)	3,312	(256)	3,056
Dividend for FY2015 declared and paid	–	(7,741)	–	–	(7,741)	–	(7,741)
<b>At 30 June 2016</b>	<b>98,542</b>	<b>167,903</b>	<b>9,844</b>	<b>(42,112)</b>	<b>234,177</b>	<b>3,409</b>	<b>237,586</b>

Company S\$'000	Share capital	Revenue reserve	Other reserve	Total Equity
At 1 January 2015	98,542	28,230	9,876	136,648
Total comprehensive income for the period	–	(207)	–	(207)
<b>At 31 March 2015</b>	<b>98,542</b>	<b>28,023</b>	<b>9,876</b>	<b>136,441</b>
Total comprehensive income for the period	–	(5,925)	–	(5,925)
Dividend for FY2014 declared and paid	–	(7,741)	–	(7,741)
<b>At 30 June 2015</b>	<b>98,542</b>	<b>14,357</b>	<b>9,876</b>	<b>122,775</b>
At 1 January 2016	98,542	24,052	9,876	132,470
Total comprehensive income for the period	–	624	–	624
<b>At 31 March 2016</b>	<b>98,542</b>	<b>24,676</b>	<b>9,876</b>	<b>133,094</b>
Total comprehensive income for the period	–	689	–	689
Dividend for FY2015 declared and paid	–	(7,741)	–	(7,741)
<b>At 30 June 2016</b>	<b>98,542</b>	<b>17,624</b>	<b>9,876</b>	<b>126,042</b>



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**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issue shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There were no other changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous financial period reported on.

The Company does not have any outstanding convertibles and does not have any treasury shares.

**1(d)(iii) To show the total number of issued shares, excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

Number of shares as at 30 June 2016	: 516,067,852
Number of shares as at 31 December 2015	: 516,067,852

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There is no sale, transfer, disposal, cancellation and/or use of treasury shares for the current financial period.

**2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

The figures have not been audited nor reviewed by our auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as compared with the audited financial statements as at 31 December 2015.



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**5. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-**

	2Q 2016	2Q 2015	1H 2016	1H 2015
<b>Earnings per ordinary share of the group after deducting any provision for preference dividends:-</b>				
(a) Based on weighted average number of ordinary shares in issue; and	1.07	1.92	2.13	3.39
(b) On a fully diluted basis (detailing any adjustments made to the earnings).	1.07	1.92	2.13	3.39
<b>For the computation of basic earnings per share, the basis of arriving at the weighted average number of shares is determined as follows :-</b>				
Weighted average number of shares outstanding during the period	516,067,852	516,067,852	516,067,852	516,067,852
Weighted average number of shares issued during the period				
Adjusted weighted average number of shares	<b>516,067,852</b>	<b>516,067,852</b>	<b>516,067,852</b>	<b>516,067,852</b>

**For the computation of diluted earnings per share, the weighted average number of shares adjusted for the effect of all dilutive potential ordinary shares is determined as follows :-**

Weighted average number of shares outstanding during the period, used in computation of basic earnings per share	–	–	–	–
Adjusted weighted average number of shares	<b>516,067,852</b>	<b>516,067,852</b>	<b>516,067,852</b>	<b>516,067,852</b>

\* Weighted average number of ordinary shares issued during the year, the earnings per ordinary share of the Group has been computed based on adjusted issued share capital in accordance with FRS33 Earnings Per Share.

**6. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year :-**

	30 June 2016		31 December 2015	
	Group	Company	Group	Company
Net asset value per ordinary share based on existing issued share capital (in cents)	45.38	24.42	46.82	26.48

**7. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

There is no variance between the previous prospect statement and the actual results.



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**8. Dividend**

**(a) Current financial period reported on**

Any dividend declared for the current financial period reported on? Yes.

Name of Dividend	Interim (One-Tier Tax Exempt) Dividend
Dividend type	Cash
Dividend Amount per Share (in Singapore cents)	1.25 cents per ordinary share
Tax Rate	Tax-exempt one-tier

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for corresponding period of the immediately preceding financial year? Yes.

Name of Dividend	Interim (One-Tier Tax Exempt) Dividend
Dividend type	Cash
Dividend Amount per Share (in Singapore cents)	1.25 cents per ordinary share
Tax Rate	Tax-exempt one-tier

**9. Date dividend is payable**

The interim dividend will be paid on 16 September 2016.

**10. Book closure date**

The Share Transfer Books and the Register of Members of the Company will be closed on 26 August 2016. Duly completed registrable transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place, Singapore Land Tower, #32-01, Singapore 048623, up to 5.00pm on 25 August 2016 will be registered for the interim dividend. In respect of ordinary shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the dividend will be paid by the Company to CDP which will, in turn, distribute the dividend to holders of the securities accounts.

**11. If no dividend has been declared/recommended, a statement to that effect**

Not applicable.



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**PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**  
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

**12. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Not applicable.

**13. In review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable.

**14. A breakdown of sales as follows:-**

Not applicable.

**15. A breakdown of the total annual dividend (in dollar value) for the issuer’s latest full year and its previous full year.**

Not applicable.

**16. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect**

The Company does not have a general mandate for interested person transactions.

**17. Confirmation by the Board**

We, Lim Ming Seong and Lim Boon Kheng, being two directors of CSE Global Limited (the “Company”), do hereby confirm on behalf of the directors that the Company has procured the undertakings under Appendix 7.7 of the SGX-ST Listing Manual from the directors and executive officers and to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the Second quarter ended 30 June 2016 financial statements to be false or misleading in any material aspect.

On behalf of the Board of Directors

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Name: Lim Ming Seong  
Designation: Chairman

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Name: Lim Boon Kheng  
Designation: Group Managing Director

By order of the Board

Lynn Wan Tiew Leng  
Company Secretary  
10 August 2016