

PRESS RELEASE

CSE's FY2019 net profit surges 19.6% yoy to S\$24.1 million

- Revenue was 21.0% higher yoy at S\$451.8 million, mainly attributable to higher revenue achieved in the Americas and the Asia Pacific region.
- Order intake surged 52.1% yoy to S\$578.8 million, driven by new orders from greenfield and brownfield projects and supported by the growth in flow orders.
- Proposed final dividend of 1.5 Singapore cents per share.
- Place focus on growing the business organically and exploring value accretive and strategic acquisitions.

Singapore, 26 February 2020 – CSE Global Limited (“CSE” or the “Group”) announced today its financial results for the full year ended 31 December 2019 (“FY2019”).

Financial Highlights

S\$'000	4Q2019	4Q2018	Change (%)	FY2019	FY2018	Change (%)
Revenue	156,588	99,308	57.7	451,765	373,488	21.0
Gross profit	44,041	29,944	47.1	123,711	103,635	19.4
Operating profit	9,958	7,827	27.2	30,118	26,994	11.6
Net profit	8,108	5,064	60.1	24,054	20,105	19.6
Gross profit margin (%)	28.1	30.2	(2.1) pp	27.4	27.7	(0.3) pp
Net profit margin (%)	5.2	5.1	0.1 pp	5.3	5.4	(0.1) pp
Cash generated from operations	(1,812)	9,217	N.M.	18,027	56,586	(68.1)
Order intake	230,068	144,504	59.2	578,848	380,586	52.1

The Group's revenue was 21.0% higher year-on-year (“yoy”) at S\$451.8 million, driven by higher revenues achieved in the Americas and the Asia Pacific region. For the Americas region, revenue grew by 17.1% yoy at S\$279.4 million, mainly attributed to higher time and material revenues achieved as well as revenues from the inclusion of newly acquired subsidiaries, Volta, LLC and Volta Properties, LLC (collectively known as “**Volta Acquisitions**”). For the Asia Pacific region, revenue growth was 28.8% yoy at S\$165.1 million, due to higher recognition of revenues of the Group's infrastructure and mining projects in Singapore and Australia.

On a net profit basis, the Group recorded a growth of 19.6% yoy to S\$24.1 million. This was mainly a result of a continued improvement in the Group's core operations and contribution from the Volta Acquisitions partly offset by higher personnel costs arising from increased headcounts, additional amortisation of intangible assets and higher professional fees.

Order intake in FY2019 surged 52.1% yoy to S\$578.8 million, driven by new orders from greenfield and brownfield projects, led by two major oil and gas greenfield project orders worth S\$103.7 million and supported by growth in flow orders. Accordingly, the Group's outstanding order book also grew, by 70.5% yoy to S\$307.3 million.

Commenting on the Group's results, Mr. Lim Boon Kheng, Group Managing Director of CSE, said, “**We are pleased to conclude the year with an outstanding set of results on the back of the improvements in our key markets and core operating segments. Despite ongoing trade tensions, a global economic slowdown and the outbreak of Covid-19 virus, we anticipate a steady flow of orders from our existing clients while we strive to haul in larger contract wins. As we seek to**

sustain this momentum, we will place our focus on growing our business organically as well as exploring value accretive and strategic acquisitions to further enhance the Group's profitability."

###end of release###

The Board of Directors has recommended a final one-tier tax-exempt dividend of 1.5 Singapore cents per share. This represents a dividend payout of 58.1% of the Group's FY2019 net profit, after taking into account the interim dividend of 1.25 Singapore cents per share given in 1H2019. The dividend will be paid on 12 May 2020.

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 1,500 employees worldwide, and operates a network of 41 offices across the globe, generating more than 85 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 Oil & Gas, 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>

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