



# CWT Group

## 1Q2016 Financial Results

*5 May 2016*



This presentation should be read in conjunction with  
CWT Limited's Unaudited Financial Statement  
for the quarter ended 31 March 2016  
lodged on SGXNET on 5 May 2016

*Disclaimer*

*This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.*

# Key financial indicators

In S\$'000 (unless otherwise specified)	1Q2016	1Q2015	Change
Revenue	1,875,521	2,181,040	-14%
Operating EBITDA	48,634	39,156	24%
Operating PBT	33,621	33,985	-1%
Operating PBT margin (%)	1.8	1.6	-
Total PBT	34,136	34,210	0%
Operating PATNCI	23,175	29,017	-20%
Total PATNCI	23,690	29,242	-19%
Annualised return on shareholders' equity (%) - operating	10.7	13.6 <sup>+</sup>	-

+ FY2015 operating ROE

## Highlights:

- Revenue decreased mainly due to lower commodity trading volume in naphtha and a general drop in commodity prices amidst a global downturn in the Commodity Sector.
- Operating profits declined attributed largely to withholding taxes incurred for foreign dividends received in 1Q2016.

# 1Q2016 segmental breakdown

## Business segments

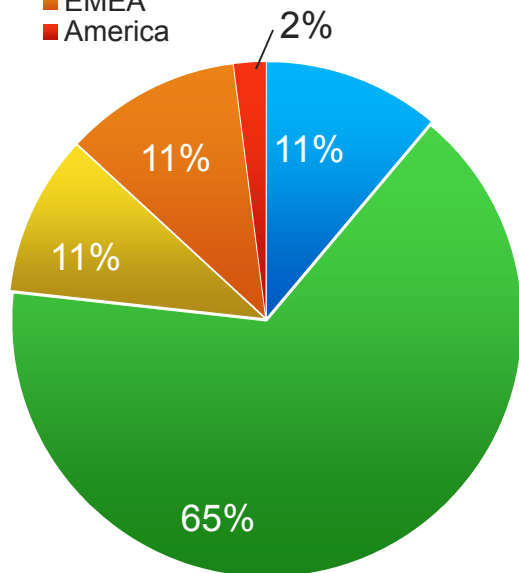
In S\$'000 (unless otherwise specified)	Revenue	In %	Gross Profit	In %	Gross Profit Margin
Logistics	207,240	11%	32,558	42%	15.7%
Commodity Marketing	1,604,987	85%	29,561 <sup>#</sup>	38%	1.8%
Engineering	31,737	2%	3,218	4%	10.1%
Financial Services	31,557	2%	12,475 <sup>#</sup>	16%	39.5%
<b>TOTAL</b>	<b>1,875,521</b>	<b>100%</b>	<b>77,812</b>	<b>100%</b>	<b>4.1%</b>

<sup>#</sup> Gross Profit included trade finance income and trade finance expenses.

# 1Q2016 segmental contribution

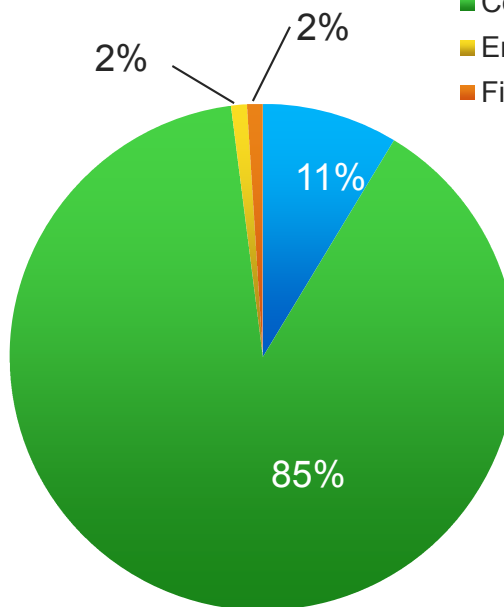
Revenue by Geography  
**S\$1.9b**

- Singapore
- China
- APAC ex. China & Singapore
- EMEA
- America

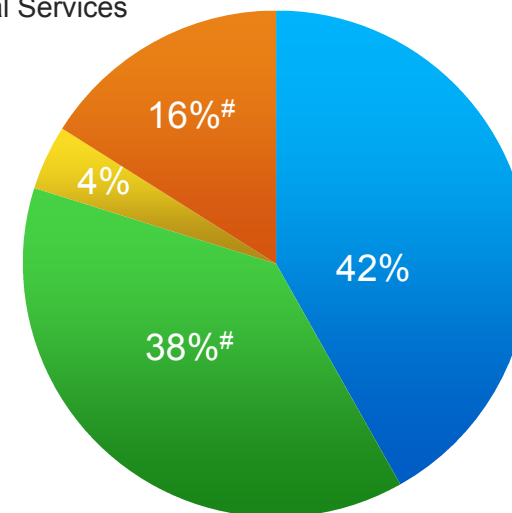


Revenue by Business segment  
**S\$1.9b**

- Logistics
- Commodity Marketing
- Engineering
- Financial Services



Gross Profit by Business segment  
**S\$78m**

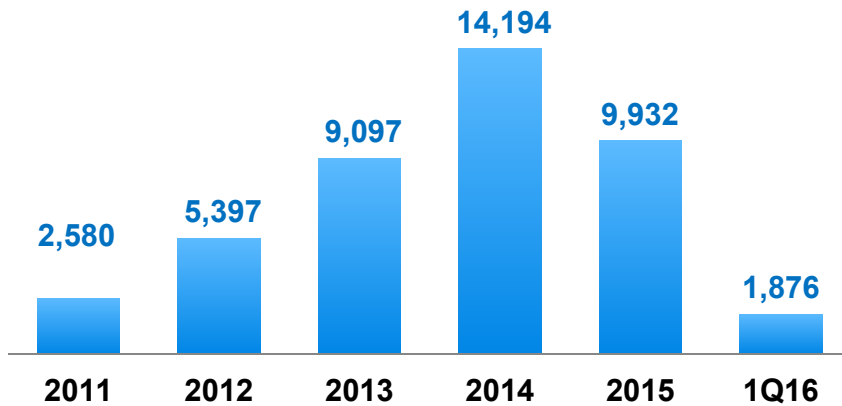


# Gross Profit included trade finance income and trade finance expenses.

# Performance In S\$m (unless otherwise specified)

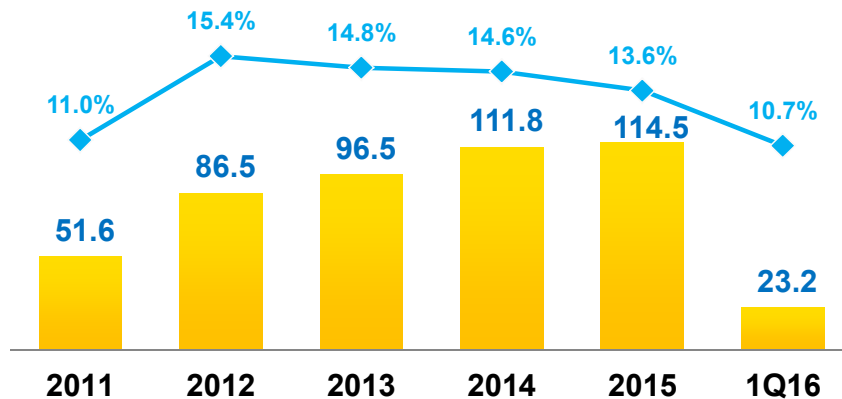


## Revenue



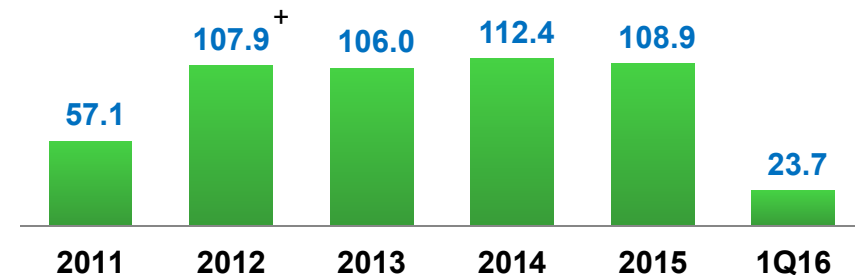
Group revenue decreased mainly due to lower naphtha trading volume and a general drop in commodity prices.

## Operating PATNCI



■ Operating PATNCI  
◆ Operating ROE, annualised for 1Q16

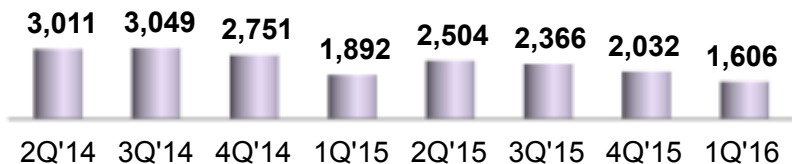
## Total PATNCI



<sup>+</sup> Including gains on sales and leaseback of logistics properties totalling S\$148m and S\$23m in 2010 and 2012 respectively

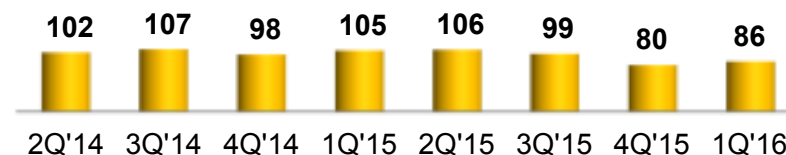
# Revenue analysis by segment (S\$m)

## Commodity Marketing



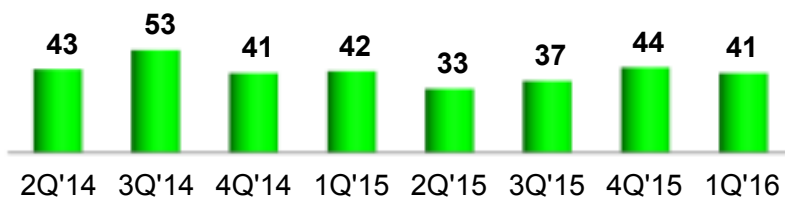
Note: Revenue for 2Q'14 to 3Q'15 have been restated to better reflect the nature and the underlying substance of certain structured transactions. Revenue decreased in 1Q'16 mainly due to reduced volume in naptha and general fall in commodity price.

## Freight Logistics

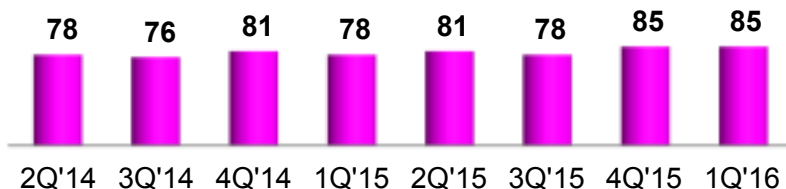


Note: Revenue trended downward since 2<sup>nd</sup> half of 2015 in line with declining freight rates. Volume in 1Q'16 was down partly due to low season whilst freight rates fluctuated.

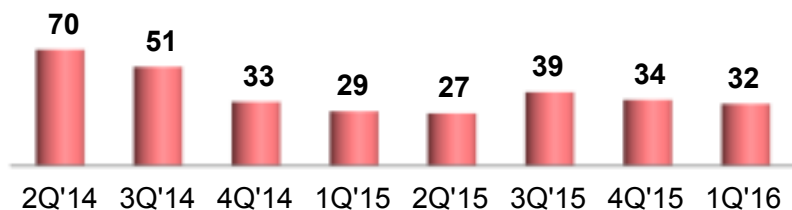
## Commodity Logistics



## Other Logistics Services

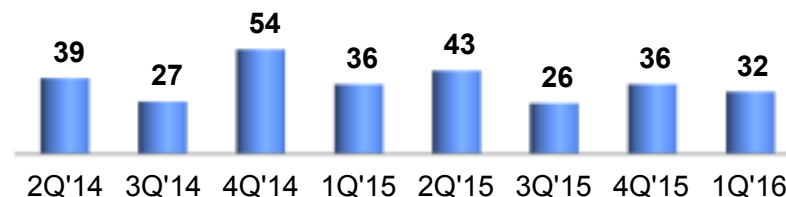


## Financial Services



Note: Trade services volume lowered from 4Q'14 to 2Q'15 due to less favourable market conditions.

## Engineering Services



Note: Higher revenue in 4Q'14 and 2Q'15 resulted from more progress billing for Design & Build projects.

# Balance sheet & liquidity position

In S\$m (unless otherwise specified)	As at 31 Mar 2016	As at 31 Dec 2015
Cash <sup>1</sup>	276	291
Equity	798	839
Revolving short-term trade facilities <sup>2</sup>	(749)	(751)
Net debt <sup>3</sup>	(330)	(385)
Net debt/Equity (x)	0.41	0.46
Net debt/ Annualised operating EBITDA (x)	1.70	2.07
Current ratio (x)	1.14	1.22

Note:

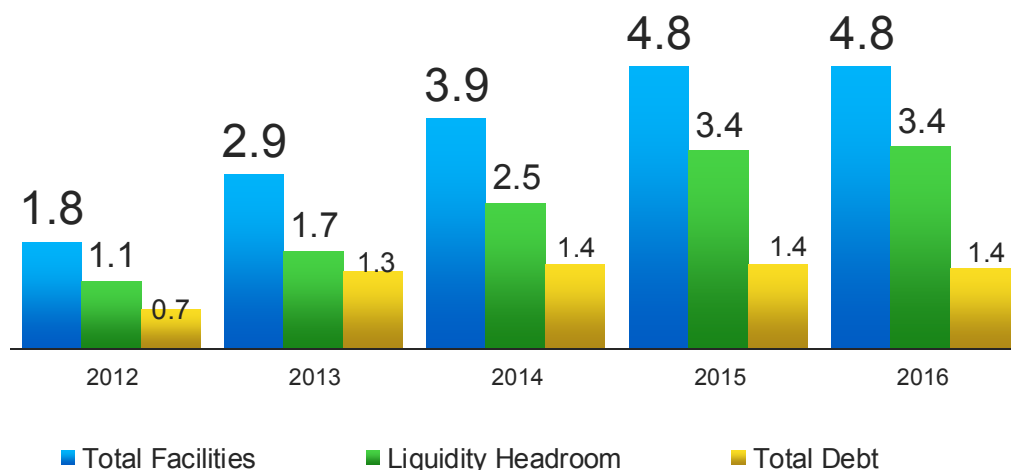
1. Excluding cash pledged/earmarked to bank
2. Collateralised by inventories and trade & other receivables
3. Excluding self liquidating & revolving short-term trade finance facilities and bill payables (secured)



# Liquidity and debt profile

- Total bank facilities stood at S\$4.8b.
- Ample liquidity with liquidity headroom of S\$3.4b.

Liquidity profile  
(S\$'b)



Debt maturity profile  
(Exclude revolving short-term trade facilities of S\$749m)  
(S\$'m)





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Thank You

