

CSE GLOBAL LTD

Half Year Financial Statement And Dividend Announcement

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3),
HALF-YEAR AND FULL YEAR RESULTS**

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

	2003 \$'000 2Q	Group 2002 \$'000 2Q	Change (%)
Revenue	37,961	35,535	7%
Cost of sales	(24,724)	(23,472)	5%
Gross profits	13,237	12,063	10%
Other operating income			
Miscellaneous income (Note 1)	186	106	75%
Finance income	36	21	71%
Other operating expenses			
Personnel and related costs (Note 2)	4,695	4,177	12%
General and administrative costs (Note 2, 3)	1,598	1,100	45%
Selling and distribution costs (Note 2, 3)	375	268	40%
Upkeep building and equipment costs (Note 2)	1,537	1,559	-1%
Other operating costs (Note 2, 4)	544	313	74%
Total expenses	8,749	7,417	18%
Profit from operating activities	4,710	4,773	-1%
Finance costs	(283)	(160)	77%
Share of profit / (loss) of associated companies	344	(81)	-525%
Profit before taxation	4,771	4,532	5%
Taxation	(1,443)	(1,310)	10%
Minority interest, net of tax	(12)	(270)	-96%
Net profit for the period	3,316	2,952	12%
Earnings per ordinary shares (in cents)			
- Basic	1.08	0.96	
- Diluted	1.06	0.94	

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:-

	2003 \$'000 2Q	Group 2002 \$'000 2Q	Change %
(A) Investment income	-	-	N.M.
(B) Other income including interest income (Note 1)	222	127	75%
(C) Interest on borrowings	265	150	77%
(D) Depreciation and amortisation	632	657	-4%
(E) Allowance / (Writeback) of doubtful debts and bad debts written off	5	(5)	-200%
(F) Write-off for stock obsolescence	-	-	N.M.
(G) Impairment in value of investments	-	-	N.M.
(H) Foreign exchange loss / (gain)	152	(38)	-496%
(I) Adjustment for under or over-provision for tax in respect of prior years	-	-	N.M.
(J) (Profit) / loss on sale of investment, properties, and/or plant and equipment	(6)	(8)	-24%
(K) Exceptional items	-	-	N.M.
(L) Extraordinary items	-	-	N.M.

N.M. – Not meaningful

Note 1

	2003 \$'000 2Q	Group 2002 \$'000 2Q	Change (%)
Rental income	137	34	303%
Miscellaneous income	49	34	44%
Net exchange gain	-	38	-100%
Miscellaneous income 1(a)(i)	186	106	75%
Finance income	36	21	71%
Other income including interest income 1(a)(ii)(B)	222	127	75%

N.M. – Not meaningful

Note 2

The following expenses relate to the operating expenses that were incurred by Control Concepts and Technology ("CCT") for 3 months of the second quarter ended 30 June 2003. As this subsidiary company of the Group was acquired only in August 2002, there was accordingly no such operating expenses from this subsidiary company for 3 months of the second quarter ended 30 June 2002.

	2003 \$'000 2Q	2002 \$'000 2Q
Personnel and related costs	768	-
General and administrative costs	47	-
Selling and distribution costs	34	-
Upkeep building and equipment costs	256	-
Other operating costs	96	-

1,201 -

Note 3

In addition to the explanation as provided in Note 2, the increase in the general and administrative costs and the selling and distribution costs were also due mainly to the expenses that were incurred for the Middle East operations by CSE-Servelec Group Limited during 2Q 2003.

Note 4

Other operating expenses	2003	Group	Change
	\$'000	2002	
	2Q	2Q	(%)
Provision for doubtful debts	5	(5)	-200%
Amortisation of intangible assets	387	326	19%
Other expenses	-	(8)	-100%
Net exchange loss	152	-	N.M.
	544	313	74%

N.M. – Not meaningful

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

	Group	Group	Company	Company
	30 Jun 2003	31 Dec 2002	30 Jun 2003	31 Dec 2002
	\$'000	\$'000	\$'000	\$'000
Fixed assets	13,679	14,043	8,265	8,667
Subsidiary companies	-	-	93,801	93,801
Associated companies (Note 1)	2,314	-	-	-
Intangible assets	18,201	19,750	-	-
Deferred tax assets	187	16	69	16
Current Assets				
Projects in progress (Note 2)	24,156	22,798	8,482	8,912
Stocks (Note 3)	282	1,465	-	-
Trade debtors	29,573	29,754	4,478	7,887
Other debtors, deposits & prepayments (Note 4)	2,101	1,467	185	169
Amount due from subsidiary companies	-	-	15,379	20,027
Amount due from an associated company	276	472	-	-
Fixed deposits	723	2,569	-	-
Cash & bank balances	11,388	8,975	972	764
	68,499	67,500	29,496	37,759
Current Liabilities				
Projects in progress (Note 2)	3,553	1,650	437	605
Trade creditors & accruals	16,316	19,383	4,825	6,737
Amount due to bankers	31,956	29,211	31,956	29,211
Amount due to subsidiary companies	-	-	1,459	4,039
Provision for warranties	594	369	253	234
Provisions for taxation	3,896	2,173	653	614
	56,315	52,786	39,583	41,440
Net current assets/(liabilities)	12,184	14,714	(10,087)	(3,681)
Long term liabilities				

Amounts due to bankers	(4,326)	(9,295)	(4,326)	(9,295)
	42,239	39,228	87,722	89,508
Capital and reserves				
Share capital	15,393	15,393	15,393	15,393
Share premium	61,420	61,420	61,420	61,420
(Accumulated loss)/revenue reserve	(34,451)	(38,312)	11,729	13,161
Foreign currency translation reserve	(529)	(353)	(820)	(466)
Total Shareholders' Fund	41,833	38,148	87,722	89,508
Minority interest	406	1,080	-	-
	42,239	39,228	87,722	89,508

Note 1

The Group accounted for eBworx Malaysia Sdn. Bhd. as an associated company of the Group as of 31 March 2003.

Note 2

The net project-in-progress was reduced from \$21,148k as at the end of 4Q 2002 to \$20,603k as at the end of 2Q 2003. The reduction of \$545k was due mainly to project milestones being attained.

Note 3

The stocks were reduced from \$1,465k as at the end of 4Q 2002 to \$282k as at the end of 2Q 2003. The reduction of \$1,183k was due mainly to the projects that were delivered in 1H 2003.

Note 4

The other debtors, deposits & prepayments was increased from \$1,467k as at the end of 4Q 2002 to \$2,101k as at the end of 2Q 2003. The increase of \$634k was due mainly to an increase in the prepayments made in the 1H 2003.

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30/06/2003		As at 31/12/2002	
Secured	Unsecured	Secured	Unsecured
0	\$31,956,000	0	\$29,211,000

Amount repayable after one year

As at 30/6/2003		As at 31/12/2003	
Secured	Unsecured	Secured	Unsecured

0 \$4,326,000 0 \$9,295,000

Details of any collateral

Not Applicable.

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

	1.4.2003 to 30.6.2003 \$'000	1.4.2002 to 30.6.2002 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES :-		
Profit before taxation	4,771	4,532
Adjustments for :-		
Depreciation of fixed assets	245	331
Amortisation of intangible assets	387	326
Share of results of associated companies and joint venture	(344)	81
Gain on disposal of fixed assets	(6)	(8)
Interest expense	265	150
Interest income	(36)	(21)
Currency realignment	(198)	(412)
Operating profit before reinvestment in working capital	5,084	4,979
Decrease in debtors	595	997
Increase in projects-in-progress, net	(2,483)	(2,251)
Increase in creditors	1,117	2,178
Cash generated from operations	4,313	5,903
Interest expense paid	(265)	(150)
Interest income received	36	21
Income tax paid	(392)	(885)
Net cash generated from operating activities	3,692	4,889
CASH FLOWS FROM INVESTING ACTIVITIES :-		
Purchase of fixed assets	(529)	(512)
Repayment from associated company	(6)	7
Proceeds from disposal of fixed assets	174	18
Disposal of subsidiary company, net of cash disposed	1,627	-
Net cash generated from/(used in) investing activities	1,266	(487)
CASH FLOWS FROM FINANCING ACTIVITIES :-		
Expenses on issuance of shares	-	(15)
Dividends paid	(2,401)	-
Repayment of short term borrowings from banks	317	(416)
Net cash used in financing activities	(2,084)	(431)
Net increase in cash and cash equivalents	2,874	3,971
Cash and cash equivalents at beginning of the second quarter	9,237	5,643
Cash and cash equivalents at end of the second quarter	12,111	9,614

The disposal of subsidiary company has been shown in the statement as a single item. The effect on the individual assets and liabilities is set out as follows:

	\$'000
Fixed assets	296
Intangible assets	5
Stocks & work in progress	(485)
Trade and other debtors	2,383
Amount due from associated company	190
Cash & cash equivalent	1,920
Trade and other creditors	(1,020)
Provision for taxation	(18)
Net assets disposed	3,271
Less: Minority interest	(2,301)
Add : Gain on disposal of subsidiary company	657
Total consideration	1,627
Less: cash & cash equivalent	(1,920)
Net cash outflow on disposal, net of cash	(293)

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 capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group 1.1.2003 to 30.6.2003	Group 1.1.2002 to 30.6.2002	Company 1.1.2003 to 30.6.2003	Company 1.1.2002 to 30.6.2002
Issued Capital				
Balance at 1 January	15,393	13,393	15,393	13,393
Share options exercised 4,375,000 shares @ \$0.05	-	-	-	-
Share placement of 40,000,000 shares @ \$0.05	-	2,000	-	2,000
Balance at 31 March/30 June	15,393	15,393	15,393	15,393
Share Premium				
Balance at 1 January	61,420	45,180	61,420	45,180
Share options exercised 4,375,000 shares @ \$0.03 above par	-	-	-	-
Share placement of 40,000,000 shares @ 0.417 above par	-	16,680	-	16,680
Expenses on issue of placement shares	-	(425)	-	(425)
Balance at 31 March	61,420	61,435	61,420	61,435
Expenses on issue of placement shares	-	(15)	-	(15)
Balance at 30 June	61,420	61,420	61,420	61,420
(Accumulated Loss)/Revenue Reserve				
Balance at 1 January	(38,312)	(50,369)	13,161	15,244
Net profit during the period	2,946	2,488	392	414
Balance at 31 March	(35,366)	(47,881)	13,553	15,658
Dividends for 2002 declared and paid	(2,401)	-	(2,401)	-
Net profit/(loss) during the period	3,316	2,952	577	(96)
Balance at 30 June	(34,451)	(44,929)	11,729	15,562
Translation Reserve				
Balance at 1 January	(353)	1,015	(466)	-
Exchange difference during the period	570	(97)	54	-
Balance at 31 March	217	918	(412)	-
Exchange difference during the period	(746)	(504)	(408)	-
Balance at 30 June	(529)	414	(820)	-

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 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 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.

As at 30 June 2003, there were unexercised options for 23,722k of unissued ordinary shares of \$0.05 each in the capital of the Company under the CSE Systems & Engineering Executives' Share Option Scheme and 3,175k of unissued ordinary shares of \$0.05 each in the capital of the Company under the CSE (U.S. Subsidiaries) Incentive Stock Option Plan.

As at 31 December 2002, there were unexercised options for 25,627k of unissued ordinary shares of \$0.05 each in the capital of the Company under the CSE Systems & Engineering Executives' Share Option Scheme and 3,175k of unissued ordinary shares of \$0.05 each in the capital of the Company under the CSE (U.S. Subsidiaries) Incentive Stock Option Plan.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

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 financial statements for the current financial period as those of the Group's most recently audited financial statements for the financial year ended 31 December 2002.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Group has not changed any of its accounting policies and methods of computation, including any required by an accounting standard, in the financial statements for the current financial period as those of the Group's most recently audited financial statements for the financial year ended 31 December 2002.

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

	2003 2Q	2002 2Q
Earning per ordinary share after deducting any provision for preference dividends:-		
(i) Based on weighted average number of ordinary share in issue	1.08	0.96
(ii) On a fully diluted basis	1.06	0.94

For the computation of basic earnings per share, the basis of arriving at the weighted average number of shares is determined as follows :-

Weighted average number of shares outstanding during the period	307,860,407	307,860,407
Weighted average number of shares issued during the period	-	-
Weighted average number of shares	307,860,407	307,860,407

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	307,860,407	307,860,407
Weighted average number of unissued shares under share options	19,098,000	9,813,000
Number of shares that would have been issued at fair value under share options	(14,755,488)	(4,964,547)
Adjusted weighted average number of shares	312,202,919	312,708,860

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

(a) current period reported on; and

	Group	Company
Net asset value per ordinary share based on existing issued share capital as at 30 June 2003 (in cents)	13.59	28.49

(b) immediately preceding financial year.

	Group	Company
Net asset value per ordinary share based on existing issued share capital as at 31 December 2002 (in cents)	12.74	29.07

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical

factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Review of Group Performance

	2Q 2003	2Q 2002	Variance
	\$'000	\$'000	bet 2Q 2003 & 2Q 2002
			%
Revenue	37,961	35,535	6.8%
GM %	34.9%	33.9%	
Operating expenses	8,079	7,206	12.1%
PBT	5,158	4,857	6.2%
PBT %	13.6%	13.7%	
Goodwill amortization	(387)	(326)	18.7%
Minority interest	(17)	(283)	(94.0%)
Taxation	(1,438)	(1,296)	11.0%
PAT	3,316	2,952	12.3%

The Group recorded an increase in revenue of \$2.4 million or 6.8% to \$38.0 million in 2Q 2003 from \$35.5 million in 2Q 2002. For the same period, the Group recorded an increase in profit after tax by \$0.3 million or 12.3% to \$3.3 million in 2Q 2003 from \$3.0 million in 2Q 2002.

The Iraq war, the outbreak of the Severe Acute Respiratory Syndrome ("SARS") and the slowdown in the global economy were several of the challenges faced by the Group in 2Q 2003. Business in its existing markets of US and South East Asia had remained robust while business in UK, Middle East and China had been difficult. The Group continued to penetrate new markets, one of which is the Africa continent. CSE had received orders of S\$16.0 million from its customers in Africa in 1H 2003.

In June 2003, the Group announced that it will acquire TransTel Engineering Pte Ltd ("TransTel"), a systems integrator providing turnkey telecommunication network solution for infrastructure projects in the Oil and Gas and Energy industries, both onshore and offshore. Both CSE and TransTel serve the Oil and Gas and Energy industries and therefore would be able to leverage on each other's existing relationships with customers.

The Group's 2Q 2003 results included the 2Q 2003 results of Control Concepts and Technology ("CCT"), which was acquired by the Group in August 2002. CCT contributed \$4.2 million to revenue and \$0.3 million to profit after tax for 2Q 2003.

eBworx Malaysia was accounted for in 2Q 2003 results as an associated company of the Group instead of a subsidiary company of the Group as the management of eBworx Malaysia increased its equity interest in eBworx Malaysia to 50% in 1Q 2003. The Group accounted for its share of profits from eBworx Malaysia of \$0.3 million for 2Q 2003 under the Group's share of profits from associated companies.

The Group's two divisions, Industrial business unit and IT Consulting business unit, contributed \$35.6 million (93.9%) and \$2.3 million (6.1%) to the revenue and \$4.6 million (88.7%) and \$0.6 million (11.3%) to the profit before tax, goodwill amortization and minority interest respectively.

The Group's overseas operations continued to contribute substantially, 87.2% for its revenues and 87.2% for its profit before tax, goodwill amortization and minority interest.

The contributions by the geographical regions of Singapore, Asia, Europe/Middle East and The Americas were 12.8%, 2.7%, 15.5% and 69.0% for revenue and 12.8%, 9.4%, 10.0% and 67.8% for profit before tax, goodwill amortization and minority interest respectively.

Revenue

	2Q 2003 \$'000	2Q 2002 \$'000	Variance bet 2Q 2003 & 2Q 2002 %
Asia	3,623	2,574	40.8%
CSE-Servelec	5,828	5,862	-0.6%
W-Industries	26,190	20,392	28.4%
Industrial	35,641	28,828	23.6%
Computer Services	1,893	2,624	-27.9%
eBworx	427	4,083	-89.5%
IT Consulting	2,320	6,707	-65.4%
Group	37,961	35,535	6.8%

The revenue for the Industrial business unit improved by \$6.8 million or 23.6% to \$35.6 million in 2Q 2003 from \$28.8 million in 2Q 2002. The increase of \$6.8 million was contributed by organic growth of \$2.6 million from W-Industries (\$1.6 million) and the Asia operations (\$1.0 million) and by the consolidation of CCT's revenue of \$4.2m with the Group.

The revenue for the IT Consulting business unit decreased by \$4.4 million or 65.4% to \$2.3 million in 2Q 2003 from \$6.7 million in 2Q 2002. The Group had accounted for eBworx Malaysia as an associated company of the Group in 2Q 2003. The absence of eBworx Malaysia's revenue and the decrease of \$0.7 million by the Computer Services division resulted in the decrease of \$4.4 million. eBworx Malaysia recorded a turnover of \$2.2 million in 2Q 2003.

The Industrial business unit and the IT Consulting business unit contributed 93.9% and 6.1% respectively to the Group's revenue in 2Q 2003 compared to 81.1% and 18.9% respectively in 2Q 2002.

Profit before tax, goodwill amortisation and minority interest

	2Q 2003 \$'000	2Q 2002 \$'000	Variance bet 2Q 2003 & 2Q 2002 %
Asia	575	419	37.2%
CSE-Servelec	502	867	-42.1%
W-Industries	3,496	2,698	29.6%
Industrial	4,573	3,984	14.8%
Computer Services	179	145	23.4%
eBworx	406	728	-44.2%
IT Consulting	585	873	-33.0%
Group	5,158	4,857	6.2%

The profit before tax for Industrial business unit improved by \$0.6 million or 14.8% to \$4.6 million in 2Q 2003 from \$4.0 million in 2Q 2002. The increase of \$0.6 million was the net change of the organic growth of \$0.1 million from W-Industries and \$0.2 million from the Asia operations, the consolidation of CCT's profit of \$0.7m with the Group and the reduction in profits of \$0.4 million at CSE-Servelec.

The profit before tax for IT Consulting business unit decreased by \$0.3 million or 33.0% to \$0.6 million in 2Q 2003 from \$0.9 million in 2Q 2002.

The Industrial business unit and the IT Consulting business unit contributed 88.7% and 11.3% respectively to the Group's profit before tax in 2Q 2003 compared to 82.0% and 18.0% respectively in 2Q 2002.

Goodwill amortization

The goodwill amortization of \$0.4 million comprises \$0.2 million for the amortization of goodwill from the consolidation of eBworx with the Group and \$0.2 million for the amortization of goodwill from the consolidation of CCT with the Group.

The goodwill carried at the end of 2Q 2003 is \$18.2 million which was made up from \$2.6 million for eBworx and \$15.6 million for CCT.

Liquidity and Capital resources

For 2Q 2003, the Group generated cash inflow from operations of \$3.7 million. The Group had cash and bank balance of \$12.1 million and bank borrowings of \$36.3 million at the end of 2Q 2003. The Group ended the quarter with a shareholders' fund before minority interest of \$41.8 million and a net bank borrowing of \$24.2 million giving it a net gearing of 0.58 times.

Orders

\$'000	Industrial Business	IT Consulting Business	Group	eBworx Malaysia
Outstanding orders c/f to 2Q FY2003	55,009	17,993	73,002	7,834
2Q order book in	42,144	543	42,687	1,815
2Q sales	35,641	2,320	37,961	2,244
Outstanding orders c/f to 3Q FY2003	61,512	16,216	77,728	7,405

The Group received new orders totaling \$42.7 million for 2Q 2003, an increase of 13.0% and 12.3% over the \$37.8 million recorded in 2Q 2002 and the \$38.0 million recorded in 1Q 2003 respectively. The outstanding order as at end of 2Q 2003 was \$77.7 million.

The Industrial business unit remained robust with an increase of 11.8% or \$6.5 million in its outstanding orders to \$61.5 million at the end of 2Q 2003 compared with \$55.0 million at the end of 1Q 2003. The Group expects to deliver over the next 12 months approximately \$49.2 million or 80% of the outstanding orders at the end of 2Q 2003. Over the next 12 months, the unit also expects to continue to derive approximately 50% of its turnover from recurring short-term projects from its existing customer base, which are secured and delivered within three months.

The IT Consulting business unit however ended the quarter with marginally lower outstanding orders of \$16.2 million, a reduction of 10.0% or \$1.8 million from \$18.0 million at the end of 1Q 2003 due to stronger competition in the public sector in Singapore. Over the next 12 months, the Group expects to deliver approximately \$15.3 million or 94% of the outstanding orders at the end of 2Q 2003.

eBworx Malaysia ended the quarter with a marginally lower outstanding orders of \$7.4 million, a reduction of 5.5% or \$0.4 million from \$7.8 million at the end of 1Q 2003. The Group expects to deliver over the next 12 months approximately \$6.3 million or 85% of the outstanding orders at the end of 2Q 2003.

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

No variance from the previous statement.

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Amidst the uncertainties in its markets, the Group's outlook continues to be positive as prospects for new contracts remain at healthy levels. Based on the current outlook and assuming an improving global economic environment, the Group remains optimistic that its performance will be better for 3Q 2003 compared to 2Q 2003.

For the next 12 months, the outlook remains positive, however its performance will depend on new orders to be secured in the coming months.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommendeded, a statement to that effect

No dividend has been declared or recommended for the financial period ended 30 June 2003.

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

13. 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

Business Segments

2Q 2003

\$'000	IBU	ITCBU	Total
Turnover	35,641	2,320	37,961
Profit before tax, goodwill amortisation, & MI	4,573	585	5,158
Return on Sale (%)	12.8%	25.2%	13.6%
Goodwill amortisation	(183)	(204)	(387)
Profit before tax and MI	4,390	381	4,771
MI before tax	(17)	-	(17)
Profit before tax after MI	4,373	381	4,754

2Q 2002

\$'000	IBU	ITCBU	Total
Turnover	28,828	6,707	35,535
Profit before tax, goodwill amortisation, & MI	3,984	873	4,857
Return on Sale (%)	13.8%	13.0%	13.7%
Goodwill amortisation	-	(326)	(326)
Profit before tax and MI	3,984	547	4,531
MI before tax	(45)	(238)	(283)
Profit before tax after MI	3,939	309	4,248

The Industrial Business unit ("IBU") delivers a wide and diverse range of solutions involving the implementation of Control and Safety Systems, Information Systems, Terminal Automation Systems, Pneumatic and Hydraulic Control Systems, Programmable and SCADA Systems, Instrumentation and Electrical Field Construction Services, SCOPE Telemetry, Programmable Control Systems (Simplex and Duplex), Triplicate Modular Redundant Systems and Solid State Relay and Instrumentation for applications to the Energy and Petrochemical / Chemical, Oil and Gas and Power and Process Utility industries on a turnkey basis.

In addition, IBU also offers complete turnkey SCADA / Telemetry Systems to the water, drainage, sewerage and environmental (pollution and hydrology) industries through the implementation of the client-server distributed database SCADA package, SCOPE-X (Servelec Configurable Online Process Executive) and Seprol Ranges of RTUs. Furthermore, the Group also offers the implementation of RIO, a fully integrated Clinical Information System, to automate and facilitate the recording and reporting of patents related information to the Healthcare industry in relation to Mental Health, Maternity and Children Cares and the implementation of Panoptes, an integrated security control room system which incorporates surveillance, communications and status information for security management through a single multi-faceted environment and is supplemented with decision support and full audit capabilities.

IT Consulting Business Unit (“ITCBU”) offers solutions involving the implementation of Systems Integration Services Systems, Electronic Document Workflow and Management Systems, Data Conversion Services Systems, Electronic Registry and eFiling Solutions, Enterprise Network and Management Solutions to the Government sector. In addition, the Group also delivers solutions involving Online Internet Banking Services Solutions, Mobile / Wireless Banking Solutions, Provision of Digital Sales Force Automation Solutions with built-in Customer Relationship Management Systems and the Provision of Online-Stock Trading Systems to the banking and finance industry.

Geographical Segments

2Q 2003 \$'000	Singapore	Asia	The Americas	Europe/ Middle East	Total
Turnover	4,888	1,012	26,190	5,871	37,961
Profit before tax, goodwill amortisation & MI	661	483	3,496	518	5,158
Return on Sale (%)	13.5%	47.7%	13.3%	8.8%	13.6%
Goodwill amortisation	(204)	-	(183)	-	(387)
Profit before tax and MI	457	483	3,313	518	4,771
MI before tax	-	(17)	-	-	(17)
Profit before tax and after MI	457	466	3,313	518	4,754

2Q 2002 \$'000	Singapore	Asia	The Americas	Europe/ Middle East	Total
Turnover	4,967	4,270	20,392	5,906	35,535
Profit before tax, goodwill amortisation & MI	(80)	1,384	2,699	854	4,857
Return on Sale (%)	-1.6%	32.4%	13.2%	14.5%	13.7%
Goodwill amortisation	(326)	-	-	-	(326)
Profit before tax and MI	(406)	1,384	2,699	854	4,531
MI before tax	-	(283)	-	-	(283)
Profit before tax and after MI	(406)	1,101	2,699	854	4,248

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

The Group’s 2Q 2003 results of the IBU business segment and the Americas geographical segment included the 2Q 2003 results of Control Concepts and Technology (“CCT”), which was acquired by the Group in August 2002. CCT contributed \$4.2 million to revenue and \$0.7 million to profit before tax and goodwill amortisation.

eBworx Malaysia was accounted for in 2Q 2003 result under the ITCBU business segment and the Asia geographical segment as an associated company of the Group instead of a subsidiary company of the Group as the management of eBworx Malaysia increased its equity interest in eBworx Malaysia to 50% in 1Q 2003. The Group accounted for its share of profits from eBworx Malaysia of \$0.3 million for 2Q 2003 under the Group's share of profits from associated companies.

15. A breakdown of sales

	2003 \$'000	Group 2002 \$'000	Change (%)
Turnover report for first half of the year	76,574	67,860	12.8%
Profit before tax reported for the first half of the year	9,099	8,219	10.7%

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

Total Annual Dividend (*Refer to Para 16 of Appendix 7.2 for the required details*)

	Latest Full Year (S\$'000)	Previous Full Year (S\$'000)
Ordinary	0	2,401
Preference	0	0
Total:	0	2,401

17. Interested person transactions

There were no interested person transactions.

BY ORDER OF THE BOARD

Tan San-Ju
Company Secretary
11/08/2003