Listed companies must provide the information required by Appendix 7.2 of the Listing Manual. Adequate disclosure should be given to explain any material extraordinary item either as a footnote of the material extraordinary item or in the "Review of the performance of the group".

ACCORD CUSTOMER CARE SOLUTIONS LIMITED

2004 First Half Financial Statement

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

Group	Notes	Q2-04 $'000	Q2-03 $'000	YTD Jun-04 $'000	YTD Jun-03 $'000	Q2 Inc/(Dec) %	YTD Inc/(Dec) %
Revenue		**82,163**	**22,695**	**123,489**	**38,462**	262%	221%
Spare Parts Consumed/Cost of Goods Sold		(50,940)	(8,686)	(67,852)	(14,806)	485%	358%
Other Operating Income	(i)	365	2,305	463	5,547	-84%	-92%
Staff Costs		(11,261)	(6,512)	(20,432)	(11,953)	73%	71%
Depreciation Expenses		(1,179)	(568)	(2,204)	(1,172)	108%	88%
Other Operating Expenses	(ii)	(7,624)	(3,667)	(13,430)	(6,944)	108%	93%
Profit from operations		**11,524**	**5,567**	**20,034**	**9,134**	107%	119%
Finance cost	(iii)	(350)	(26)	(710)	(60)	1246%	1083%
Profit before share of results of associated companies		**11,174**	**5,541**	**19,324**	**9,074**	102%	113%
Share of results of associated companies		185	-	168	-	nm	Nm
Profit before income tax and minority interests		**11,359**	**5,541**	**19,492**	**9,074**	105%	115%
Income tax expenses	(iv)	(661)	(835)	(1,286)	(1,363)	-21%	-6%
Profit after income tax and before minority interests		**10,698**	**4,706**	**18,206**	**7,711**	127%	136%
Minority interests		(123)	(4)	(73)	(9)	2975%	711%
Net Profit attributable to shareholders		**10,575**	**4,702**	**18,133**	**7,702**	125%	135%

1(a) (i) Other operating income consist of the following:

	Q2-04 $'000	Q2-03 $'000	YTD Jun-04 $'000	YTD Jun-03 $'000
Management and corporate advisory fee	15	994	30	2,025
Royalty	-	178	-	1,238
Foreign currency exchange gain	58	905	42	1,721
Interest income from non-related companies	35	50	71	75
Government grant	-	-	-	229
Others	257	178	320	259
	365	**2,305**	**463**	**5,547**

1(a)(ii) Included in other operating expenses are the following:

	Q2-04 $'000	Q2-03 $'000	YTD Jun-04 $'000	YTD Jun-03 $'000
Amortisation of goodwill on consolidation	646	208	1,073	358
Minimum lease payments under operating lease	2,866	1,172	4,698	2,249
(Reversal)/Allowances for doubtful trade receivables	-	(40)	-	(46)
Loss/(Gain) on disposal of plant and equipment	23	(4)	23	(4)

1(a)(iii) Finance cost

This comprises interest on bank loans and the increase is due to higher loans undertaken for DMS activities.

1(a)(iv) Income Tax

The lower effective tax rate for the period is due to:-

(1) Non-taxable income of subsidiaries;
(2) Tax incentive enjoyed by our subsidiary in the PRC, and
(3) Development and Expansion Incentive enjoyed by the Company under the Economic Development Board ("EDB") of Singapore's Business Headquarters Programme.
(4) Development and Expansion Incentive enjoyed by a subsidiary under the EDB's Regional Headquarters Award.

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

ASSETS	Notes	Group 30/06/04 $'000	Group 31/12/03 $'000	Company 30/06/04 $'000	Company 31/12/03 $'000
Current assets:					
Cash		32,164	32,640	10,003	22,591
Trade receivables	a	38,081	27,908	12,430	13,587
Other receivables and prepayments	b	10,582	11,047	39,869	39,398
Inventories	c	23,030	15,440	2,173	3,773
Total current assets		**103,857**	**87,035**	**64,475**	**79,349**
Non-current assets:					
Investment in subsidiaries		-	-	51,782	23,836
Investment in associated companies	d	1,834	500	1,500	500
Other Investments	e	6,379	129	129	129
Advance payments for investments		2,550	18,296	2,550	18,296
Property, plant and equipment		22,903	19,081	4,939	7,045
Other goodwill	f	14,130	2,219	987	1,013
Goodwill on consolidation	g	34,907	11,888	-	-
Total non-current assets		**82,703**	**52,113**	**61,887**	**50,819**
Total assets		**186,560**	**139,148**	**126,362**	**130,168**
Current liabilities:					
Trade payables	h	17,742	9,435	9,268	9,235
Other payables	i	20,618	10,325	42,316	33,879
Income tax payable		1,564	1,371	178	526
Obligations under finance leases		301	202	-	-
Current portion of long-term bank loans	j	28,717	24,941	4,550	18,000
Total current liabilities		**68,942**	**46,274**	**56,312**	**61,640**
Non-current liabilities:					
Bonds	k	7,050	-	-	-
Obligations under finance leases		558	108	-	-
Deferred income tax		871	842	912	912
Total non-current liabilities		**8,479**	**950**	**912**	**912**
Minority Interest		558	485	-	-
Capital and reserves:					
Issued capital		23,744	15,829	23,744	15,829
Capital Redemption Reserve		22	22	22	22
Share premium reserve		34,183	42,098	34,183	42,098
Foreign currency translation reserve		(447)	544	-	-
Accumulated profits		51,079	32,946	11,189	9,667
Total equity		**108,581**	**91,439**	**69,138**	**67,616**
Total liabilities and equity		**186,560**	**139,148**	**126,362**	**130,168**

(a) Trade Receivables

The trade receivables turnover is 48 days for the 6 months period ended 30 June 2004 (31 March 2004: 70 days, 31 December 2003: 88 days) and the trade receivables aging is as follows:-

Trade Receivables Aging	1 – 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Total
As at 30 June 2004	59%	8%	16%	17%	100%
As at 31 March 2004	65%	18%	2%	15%	100%
As at 31 December 2003	57%	21%	11%	11%	100%

Included in trade receivables of the Group as at 30 June 2004 are receivables arising from DMS activities amounting to $15.9 million (31 March 2004: $12.3 million, 31 December 2003: $6.8 million).

(b) Other Receivables and Prepayments

Included in Other Receivables are mainly deposits for rental and utilities ($6.7 million), prepayments ($1.5 million), advance to an investee company ($0.7 million).

(c) Inventories

Included DMS inventories amounting to $11.4 million (31 March 2004: $5.9 million, 31 December 2003: $5.3 million).

Inventories turnover is 51 days for the period ended 30 June 2004 (31 March 2004: 86 days, 31 December 2003: 136 days).

(d) Investment in associated companies

This represents cost of investment in Allpro International Limited and 2 other associated companies incorporated in PRC.

A-Club Mobile Pte Ltd, previously an associated company, has been acquired as a 100% owned subsidiary in 2nd quarter of 2004 as part of the restructuring of DMSPL.

(e) Other investments

The increase is mainly due to investment in bonds of Ventures Management Solutions Pte Ltd ($5 million).

(f) Other Goodwill

The increase mainly arose from acquisitions of the following businesses during 2nd quarter of 2004 by one of our subsidiaries, Distribution Management Solutions Pte Ltd ("DMSPL"):

- Menel Pte Ltd
- Super Mobile Pte Ltd
- PC (Singapore) Pte Ltd

(g) Goodwill on consolidation

The increase for the period ended 30 June 2004 arose mainly from consolidation of results of the following subsidiaries:

- Shanghai ACCS Forte Science & Technology Co., Ltd
- Porter Profits Limited
- Ucom Technologies Private Ltd

Compared to 1st quarter of 2004, the increase in 2nd quarter is due to the consolidation of results of IDistribution Pte Ltd by DMSPL Group resulting from their restructuring exercise.

(h) Trade Payables

Trade payables turnover is 32 days for the 6 months ended 30 June 2004 (31 March 2004: 45 days, 31 December 2003: 66 days).

(i) Other Payables

Included in Other Payables are mainly accrued deferred consideration ($6.4 million) and accrued operating expenses ($8.8 million).

The increase is mainly due to deferred consideration from acquisition of certain subsidiaries.

(j) Short-Term Bank Loan

The bank loans of the Group are drawn down for the following:-

	Jun-04	**Dec-03**
	$'000	**$'000**
Investment in PRC	11,284	11,459
DMS activities	16,874	12,682
Expansion in India	559	800
Total	**28,717**	**24,941**

(k) Bonds

This relates to unsecured convertible bonds issued by DMSPL to PLE Investments Pte Ltd ($3.9 million), M-Commerce Ventures Pte Ltd ($2.9 million) and EDB Ventures Pte Ltd ($0.2 million), and has a maturity period of 3 years with fixed interest rate of 10% per annum. These bonds are convertible into 10 percent of the total issued and paid-up capital of DMS prior to the proposed IPO of DMS.

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 June 2004		As at 31 December 2003	
Secured ($'000)	Unsecured ($'000)	Secured ($'000)	Unsecured ($'000)
7,594	21,424	7,143	18,000

Amount repayable after one year

As at 30 June 2004		As at 31 December 2003	
Secured ($'000)	Unsecured ($'000)	Secured ($'000)	Unsecured ($'000)
558	7,050	108	Nil

Details of collateral

The bank loans amounting to $7,293,000 (31 December 2003: $6,941,000) of the Group are secured by fixed deposits of $4,970,000.

Finance lease is secured by the fixed assets acquired under the lease arrangement.

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

	Notes	Q2-04 $'000	Q2-03 $'000	YTD Jun-04 $'000	YTD Jun-03 $'000
Cash flows from operating activities:					
Profit before income tax		11,174	5,541	19,324	9,074
Adjustments for:					
Depreciation expense		1,179	568	2,204	1,172
Interest expense		350	26	710	60
Interest Income		(35)	(50)	(71)	(75)
Loss/(Gain) on disposal of plant and equipment		23	(4)	23	(4)
Plant and equipment written off		-	19	3	19
Amortisation of goodwill		646	208	1,073	358
Operating profit before working capital changes		13,337	6,308	23,266	10,604
Trade receivables		7,358	(6,862)	2,092	(1,779)
Other receivables and prepaid expenses		4,314	347	4,896	651
Inventories		(3,231)	(579)	(3,607)	(1,039)
Trade payables		838	1,087	(1,826)	(11)
Other payables		(5,053)	(348)	(2,507)	(4,015)
Cash generated from operations		17,563	(47)	22,314	4,411
Interest received		35	50	71	75
Income tax paid		(1,168)	(1,191)	(1,065)	(2,603)
Net cash from operating activities		16,430	(1,188)	21,320	1,883
Cash flows from investing activities:					
Purchase of plant and equipment		(1,887)	(2,924)	(2,986)	(4,571)
Proceeds from disposal of plant and equipment		-	4	-	4
Reversal of/(Deposits) for investments		-	1,884	-	(2,458)
Acquisition of subsidiaries	**A**	(808)	-	(863)	-
Purchase of businesses	**B**	(12,783)	(2,403)	(13,086)	(2,403)
Purchase of other investments	**C**	(5,000)	(42)	(5,000)	(42)
Purchase of investments in associated companies	**D**	2,550	-	(145)	-
Payment of deferred purchase consideration		-	-	-	(3,932)
Net cash used in investing activities		(17,928)	(3,481)	(22,080)	(13,402)
Cash flows from financing activities:					
Proceeds from issuing shares		-	(110)	-	27,407
Interest Paid		(350)	(26)	(710)	(60)
Proceeds from issuing shares to minority shareholders		-	219	-	219
Decrease in finance lease		(87)	(40)	(146)	(78)
Proceeds from short term loan		726	4,759	2,309	3,645
Net cash from financing activities		289	4,802	1,453	31,133
Net effect of exchange rate changes in consolidating subsidiaries		(901)	(171)	(1,169)	479
Net (decrease)/increase in cash		(2,110)	(38)	(476)	20,093
Balance at beginning of year		29,304	25,913	27,670	5,782
Balance at end of period	**E**	**27,194**	**25,875**	**27,194**	**25,875**

Notes to the consolidated cash flow statements

A. Summary of effects of acquisition of subsidiaries as at 30 June 2004:

	$'000
Cash	2,072
Other current assets	25,705
Current liabilities	(29,849)
Net current assets	(2,072)
Non current assets	1,771
Goodwill on acquisition of subsidiaries	23,984
Minority interest share in net assets	(69)
Purchase consideration discharged by cash	23,614
Less:	
Deferred consideration	(6,433)
Advance payments made in prior year	(14,246)
Less: cash of acquired subsidiaries	(2,072)
Net cash outflow from acquisition of subsidiaries	863

B. This relates to acquisitions of various businesses by DMSPL.

C. This relates to the investment in bonds of Ventures Management Solutions Pte Ltd.

D. This arose from the acquisition of A-Club Mobile Pte Ltd as a 100% owned subsidiary in 2nd quarter of 2004.

E. Cash at end of period in the consolidated cash flow statement comprise the following balance sheet amounts:-

	Jun-04 $'000	Jun-03 $'000
Cash and cash equivalents	32,164	26,875
Less: Cash and cash equivalents subject to restriction	(4,970)	(1,000)
	27,194	25,875

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 (6 months Ended June 2003)	Issued capital (ordinary shares) $'000	Capital redemption reserve $'000	Share Premium $'000	Foreign currency translation reserve $'000	Accumulated profits $'000	Total $'000
Balance at January 1, 2003	5,000	22	-	(299)	17,357	22,080
Allotment and issue of new ordinary shares						
Pursuant to pre-invitation ESOS	799	-	4,201	-	-	5,000
Conversion of redeemable preference shares	823	-	174	-	-	997
Conversion of redeemable convertible bond	1,366	-	17,634	-	-	19,000
Bonus issue	5,591	-	-	-	(5,591)	-
Public issue	2,250	-	22,050	-	-	24,300
IPO Expenses	-	-	(1,893)	-	-	(1,893)
Net profit for the period	-	-	-	-	7,702	7,702
Foreign currency translation	-	-	-	480	-	480
Balance at June 30, 2003	15,829	22	42,166	181	19,468	77,666
Group (6 months Ended June 2004)						
Balance at January 1, 2004	15,829	22	42,098	544	32,946	91,439
Net profit for the period	-	-	-	-	18,133	18,133
Bonus issue	7,915	-	(7,915)	-	-	-
Foreign currency translation	-	-	-	(991)	-	(991)
Balance at June 30, 2004	23,744	22	34,183	(447)	51,079	108,581
Company (6 months Ended June 2003)						
Balance at January 1, 2003	5,000	22	-	-	11,252	16,274
Allotment and issue of new ordinary shares						
Pursuant to pre-invitation ESOS	799	-	4,201	-	-	5,000
Conversion of redeemable preference shares	823	-	174	-	-	997
Conversion of redeemable convertible bond	1,366	-	17,634	-	-	19,000
Bonus issue	5,591	-	-	-	(5,591)	-
Public issue	2,250	-	22,050	-	-	24,300
IPO Expenses	-	-	(1,893)	-	-	(1,893)
Net profit for the period	-	-	-	-	6,186	6,186
Balance at June 30, 2003	15,829	22	42,166	-	11,847	69,864
Company (6 months Ended June 2004)						
Balance at January 1, 2004	15,829	22	42,098	-	9,667	67,616
Net profit for the period	-	-	-	-	1,522	1,522
Bonus issue	7,915	-	(7,915)	-	-	-
Balance at June 30, 2004	23,744	22	34,183	-	11,189	69,138

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

The ACCS Share Option Scheme 2003 (the "Scheme") was approved and adopted by members at the Extraordinary General Meeting held on 13 January 2003. The price at which a participant of the Scheme shall subscribe for each share upon the exercise of an option was determined based on the average closing prices of the shares for each of the last five market days immediately preceding the date of grant of the options ("Date of Grant"). The vesting period of the options commences on the date not earlier than the first anniversary of the Date of Grant and expires on the tenth anniversary of the Date of Grant.

On 26 February 2004, the Company announced a bonus issue in the capital of the Company on the basis of one (1) bonus share for every two (2) existing ordinary shares held ("Bonus Issue"). The Bonus Issue was approved by shareholders at an extraordinary general meeting of the Company on 14 April 2004. As such, the number of share options granted and the subscription price has been adjusted to reflect the Bonus Issue in accordance with the rules of the Scheme.

The share options granted and exercised during the financial year and share options outstanding as at June 30, 2004 under the Scheme were as follows:

Date of grant	Balance at January 1, 2004 or later at date of grant	Exercised	Lapsed/ Cancelled	Balance at June 30, 2004	Subscription price	Expiry date
September 17, 2003	14,055,000	-	(375,000)	13,680,000	$0.40	September 16, 2013
April 14, 2004	28,210,500	-	(90,000)	28,120,500	$0.651	April 13, 2014

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 or reviewed by 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

Applied consistently

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

Not applicable

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

	YTD June-04 cents	YTD June-03 cents
EPS (based on consolidated net profit attributable to shareholders)		
- basic	1.91	0.86
- fully diluted	1.90	0.86

Basic earnings per ordinary share is computed based on the weighted average number of shares in issue during the period of 949,743,475 (30 June 2003: 895,595,128) of $0.025 each.

Fully diluted earnings per ordinary share is computed based on the weighted average number of shares during the period adjusted for the effect of all potential dilutive ordinary shares of 955,241,010 (30 June 2003: 895,595,128) of $0.025 each.

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

	Group		Company	
	30-Jun-04 cents	31-Dec-03 cents	30-Jun-04 cents	31-Dec-03 cents
Net Tangible Assets Value (NTA) per share	6.27	8.14	7.18	7.01

The NTA per Share as at 30 June 2004 and 31 December 2003 is calculated based on 949,743,475 ordinary shares of $0.025 each.

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

The Group operates in two business segments – after market services ("AMS") and distribution management solutions ("DMS").

Revenue

Revenue of the Group has increased by $85.0 million or 221%, from $38.5 million for the period ended 30 June 2003 to $123.5 million for the period ended 30 June 2004.

Breakdown of the Group's revenue by business segment is as follows:

	Q2-04 $'000	Q2-03 $'000	YTD Jun-04 $'000	YTD Jun-03 $'000	Q2 %	YTD %
AMS	33,225	19,282	64,014	33,942	72%	89%
DMS	52,096	3,413	62,633	4,520	1426%	1286%
	85,321	**22,695**	**126,647**	**38,462**	276%	229%
Less:						
Elimination of inter-company transactions	(3,158)	-	(3,158)	-		
Group Revenue	**82,163**	**22,695**	**123,489**	**38,462**	262%	221%

AMS business continued to show robust revenue growth of 89% to $64.0 million, up from $33.9 million for the 6 months ended 30 June 2003. Compared against corresponding quarter in 2003, AMS revenue has increased by 72% or $13.9 million in second quarter of 2004. The increase in AMS revenue is largely due to expansion of regional AMS network, from 145 service centres as at 30 June 2003 to 369 service centres as at 30 June 2004. Increase in out warranty revenue has also contributed to the increase in AMS revenue as of June 2004.

Revenue from DMS business surged 1286% to $62.6 million, up from $4.5 million for the period ended 30 June 2003. During the second quarter of 2004, the Group has concluded its business restructuring with the acquisition of various retail and distribution businesses. As of 30 June 2004, DMS business accounts for 49.5% of Group's revenues (before elimination of inter-company transactions), up from 11.8% as at 30 June 2003.

Profit before income tax

Pretax profit of the Group for the period ended 30 June 2004 has increased by $10.3 million, mainly due to increase in revenue as explained in above paragraphs. Pretax margin stood at 15.6% as of 30 June 2004, down from 23.6% for the period ended 30 June 2003. Please refer to following paragraphs for analysis of AMS and DMS margin.

Breakdown of the Group's profit before income tax by business segment is as follows:

	Q2-04	Q2-03	YTD Jun-04	YTD Jun-03	Q2	YTD
	$'000	$'000	$'000	$'000	%	%
AMS	7,594	5,086	13,800	8,467	49%	63%
DMS	3,580	455	5,524	607	687%	810%
	11,174	**5,541**	**19,324**	**9,074**	102%	113%

AMS profit before tax margin has decreased by 3.3% pt, from 24.9% for the period ended 30 June 2003 to 21.6% for the period ended 30 June 2004. This is mainly due to decrease in other operating income, in particular management and advisory fee, royalty income and foreign exchange gain.

DMS profit before tax margin has decreased by 4.6% pt, from 13.4% for the period ended 30 June 2003 to 8.8% for the period ended 30 June 2004. This is primarily due to distribution/trading business acquired in the 2nd quarter of 2004 which has a lower margin compared to the logistic business in DMS.

Cash flows

Please refer to notes for cash flow statement.

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

Not applicable

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

In the second quarter of 2004, the Group continued to grow its AMS business in the region notably:-

India
ACCS was appointed by Nokia as its Care partner in India. In addition to Nokia, the Group also works with Motorola and various Korean brands in India. India, with its large population, growing affluence and existing low mobile phone penetration rate, is a key market that is expected to propel the growth of ACCS in the next few years. The Group expects its business in India to contribute approximately $40 million in revenue for FY2005. The Group's strategy in India is to work with key mobile phone manufacturers so as to capture more market share in a growing market.

PRC
The Group is working towards securing more brands and expanding its present network in the PRC. In June 2004, the Group clinched contracts from Hisense Communication Co., Ltd ("Hisense"), a handset manufacturer in the PRC, to provide spare parts and accessories distribution services and also provide backend AMS operations for Hisense's CDMA phones in the PRC. PRC, with the world's largest mobile phone market and its relatively low mobile phone penetration rate is another key growth market for ACCS. The Group is currently looking for strategic business partners in the PRC in order to expedite the set-up of a nationwide AMS network in the PRC.

South Pacific
With a nationwide AMS network in place in Australia, the Group is exploring various business opportunities in South Pacific. The Group was recently appointed by InFocus Corporation (NASDAQ: INFS) as its new national service agent across Australia. InFocus is a worldwide leader in digital projection technology and services.

Out-warranty Business
The Group is also leveraging on its extensive regional network to further expand its out-warranty services which includes servicing handsets outside of the manufacturer's warranty period and/or scope of warranty. In June 2004, the Group had secured several contracts with handset distributors to provide out-warranty AMS services for trade-in handsets in the PRC, Thailand and Australia.

As at 30 June 2004, the Group's network of 369 centres comprises 197 dedicated-brand service centres (in 197 physical locations) and 172 authorised service centres located in multiple-brand service hubs (in 47 physical locations). The network covers a total of 35 brands including Alcatel, BenQ, Bird, CECT, Cosun, Daxian, DBTel, Dopoda, Emol, Fengda, Gtran, Haier, Hisense, Hyundai, ikomo, Kyocera, Lenovo, LG, Motorola, NEC, Nokia, O_2, Panasonic, Philips, Psion, Sagem, Samsung, Sendo, Sharp, Siemens, Sony Ericsson, Soutech, Tel.Me, Toshiba and TCL.

	As at 30 June 2004	**As at 31 March 2004**
Brands	35	32
Service Centres	369	340
Repair Management Centres	668	668
Countries/Territories	15	15
Cities/Towns	144	139
Staff	2,280*	1,896

** estimated*

During this period, the Group had also restructured/reorganised its DMS business to include several mobile phone distributors/retailers in connection with its proposed listing on the Singapore Exchange Securities Trading Limited. For the 6 months ended 30 June 2004, DMSPL contributed approximately 49% and 29% to the Group's revenue and pre-tax profit respectively. Further details on the proposed listing will be provided in due course.

The AMS business will remain the core business of ACCS but management is continually identifying new related businesses to augment the Group's earnings growth.

The Directors continue to see a trend of consolidation in the fragmented AMS industry in the region as well as the increasing outsourcing trend in the telco industry. The Directors believe that the Group, with its track record and extensive regional network, is poised to benefit from current trends and remain optimistic of the Group's prospects in the next reporting period as we establish ACCS as the AMS partner of choice in the Asia-Pacific region.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Nil

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	NA
Dividend Type	
Dividend Rate	
Par value of shares	
Tax Rate	

(c) Date payable

NA

(d) Books closure date

NA

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

No dividend has been declared/recommended for the period ended 30 June 2004 (30 June 2003: $nil).

BY ORDER OF THE BOARD

Woo Kah Wai
Company Secretary

4 August 2004
Singapore