

Press Release

ACCORD CUSTOMER CARE SOLUTIONS LIMITED

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Accord Customer Care Solutions Limited is pleased to attach here-below a press release in connection with the announcement of its First Quarter Financial Statement today.



ACCS-Q1FY03Results.pdf

Submitted by Liu Kamward, Company Secretary on 20 May 2003 to the SGX

PRESS RELEASE

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ACCS' Q1 net profit surges 38% to \$3 million

- . Revenue soars 20% to \$15.8 million*
- . Group expands presence in Malaysia, the PRC, the Philippines and penetrates new markets in Vietnam and the UAE*

SINGAPORE – 20 May 2003 – Mainboard-listed Accord Customer Care Solutions Limited (“ACCS”), a leading provider of After-Market Services (AMS) for mobile communication and high-tech consumer products in Asia Pacific, today reported a 38% hike in net profit after tax to \$3.0 million for the first quarter ended 31 March 2003. This is against \$2.2 million achieved in the same period last year.

Group revenue jumped 20% to \$15.8 million from \$13.2 million, boosted by an expanded network of service centres in existing markets like Malaysia, the PRC and the Philippines. 29 additional service centres were set up between April 2002 and March 2003 which brought about an increase in business volume.

This brings the total number of service centres in the Group’s network to 103 as at 31 March 2003 versus 74 centres as at 31 March 2002.

Based on the latest Q1 results, earnings per share jumped 35% to 0.54 cents from 0.40 cents in Q1 FY2002 while net tangible asset value per share increased to 9.80 cents from 3.33 cents for full-year 2002.

“We are pleased with our achievements for the first quarter of the year and intend to ride on this growth momentum. We are opening up new markets and extending our lead in others. The Group has adopted a two-pronged strategy in expanding its network, namely, through organic growth and strategic acquisitions. Going forward, we intend to continue expanding our operations in key markets such as the People’s Republic of China and Thailand,” said Mr Victor Tan, Managing Director and CEO of ACCS.

In the PRC, the Group had just recently announced that it had entered into several partnerships with domestic companies. With these new agreements, ACCS has raised the number of service centres in China to 30 covering Beijing, Guangzhou, He Bei, Shan Dong, Shanghai, Suzhou and Tianjin.

Since the last announcement on new service centres on 15 April 2003, ACCS has added to its network an Alcatel Service Centre in Malaysia, a Nokia Care Centre and 2 DTAC Service Halls in Thailand, and a Nokia Professional Centre located at Suntec City Mall in Singapore.

The Group has also penetrated into new markets such as Vietnam and the UAE recently.

“Aside from expanding our network of service centres, we intend to add more third-party repair management centres to our current network. We are also exploring opportunities to do more regional projects involving the CDMA technology platform,” added Mr Tan.

Currently, the Group is already managing the Regional Nokia CDMA Service Centre based in Singapore, which services CDMA handsets for Nokia in Australia, India, Indonesia and New Zealand.

Market conditions for the rest of this financial year are expected to remain challenging with recent events such as the outbreak of the severe acute respiratory syndrome (SARS). To-date, the Group’s expansion plans and

operations have not been materially and adversely affected by these events. The Group remains optimistic of its prospects in the next reporting period.

Based on the projects on hand, the Group intends to further expand its network by at least another 25 service centres by the end of FY2003.

About ACCS

As an AMS provider, ACCS provides a comprehensive suite of integrated after-sales customer services on behalf of its partners to end-users. These services include:

- ⇒ **Customer Relationship Management** – *manage information hotlines, customer call centres and helpdesks*
- ⇒ **Repair Management** – *manage sub-contractors and service partners and quality accreditation of third-party service centres*
- ⇒ **Technical Services Management** – *provide basic, intermediate and advanced repair and maintenance services including bulk repair, upgrading and repackaging of new/existing products*
- ⇒ **Administrative Management** – *maintain warranty base and billing systems and manage claims and inventory on behalf of partners*
- ⇒ **Other Value-Added Services** – *include sale of accessories/merchandise, e-distribution of ADSL modems, management of parts distribution and operation of mobile clinics*

ACCS provides an integrated range of services in the management of after-sales customer care to 16 global mobile communication device manufacturers, namely Alcatel, Audiovox, Haier, Hyundai, Kyocera, Motorola, NEC, Nokia, O₂, Panasonic, Philips, Sagem, Samsung, Sendo, Siemens, Sony Ericsson and Telit, and four Chinese handset manufacturers including CECT, Daxian, Haier and TCL.

From its headquarters in Singapore, ACCS operates a large network of service centres in the Asia Pacific comprising 140 service centres in 40 cities across 14 countries/territories as at 20 May 2003. The Group also manages a network of 146 repair management centres on behalf of its partners.

For more information, visit us at www.accordccs.com

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