

Corporate Profile

About TeleChoice International Limited (Regn No. 199802072R)

TeleChoice International Limited (“TeleChoice”) is a regional diversified provider and enabler of innovative info-communications products and services. Incorporated in Singapore on 28 April 1998 and listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 25 June 2004, TeleChoice is a subsidiary of leading info-communications group, Singapore Technologies Telemedia Pte Ltd, which operates in the Asia Pacific, the Americas and Europe.

TeleChoice’s three business divisions collectively offer a comprehensive suite of services and solutions for the info-communications industry:

Personal Communications Solutions (“PCS”) Services division provides fulfilment, distribution and supply chain management services relating to mobile communication devices and accessories. Its spectrum of services include forecasting, purchasing, financing, logistics, warehousing, inventory support, roadshow management, retail customer premises equipment (“CPE”) stocks management and after sales service. It owns a retail chain through its Planet Telecoms subsidiary which operates a network of strategically located stores islandwide. Planet Telecoms also manages concept stores for major mobile handset manufacturers and is the only StarHub Exclusive Partner to manage two StarHub Platinum shops. PCS is also a major distributor of StarHub prepaid cards.

Info-Communications Technology Services (“ICT”) division is a leading regional integrated info-communications solutions provider. Its extensive offerings include enterprise IT infrastructure, business solutions and integration services, broadband network, fixed and wireless networking solutions, managed and hosted services, telephony and unified communications solutions and cloud computing applications and services. It also provides consultancy, managed operations and utility computing services. Under its SunPage brand, ICT also offers IDD, Global Conferencing, SMS broadcast and mobility solutions and services for the consumer and enterprise markets.

Network Engineering Services division is a regional provider of network engineering services and supplier of specialised telecommunication products. It designs, builds and manages telecommunication networks and provides a comprehensive suite of specialised products and cost effective solutions to address the network infrastructure needs of fixed and mobile operators in Asia-Pacific. Its services encompass radio network planning and optimisation, transmission network planning, network implementation, maintenance and project management. It also offers an extensive range of innovative and cost effective products for telecommunication access and coverage needs, as well as for power supply and backup requirements.

For more information, please visit our website at www.telechoice.com.sg

Segmental Highlights

PCS SERVICES

- Awarded Huawei and LG distributorships
- Appointed as StarHub SCV logistics partner
- Launched StarHub's pre-paid card "Happy E-load Top Up" with 12 appointed retailers
- Opened three new Planet Telecoms outlets at: Nex Serangoon (LG Concept Store), Causeway Point (StarHub Platinum Outlet) and Changi City Point (StarHub Premium Outlet with Accessories Corner)
- Won four StarHub's awards:
 - Branded Customer Experience
 - Highest Sales Contributor
 - Home Broadband – 1st Runner-Up
 - Top Hubbing Sales
- Provided support and consultancy services for U Mobile's mobile plans, handset purchases, retail outlet expansion, inventory and backend operations

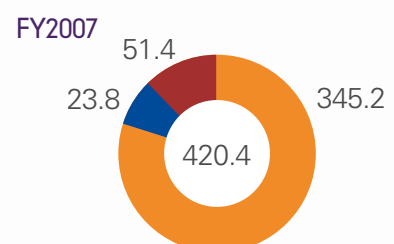
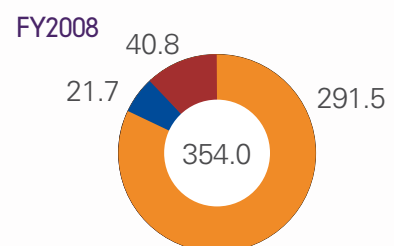
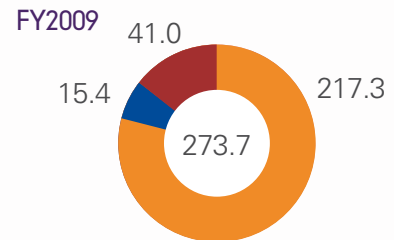
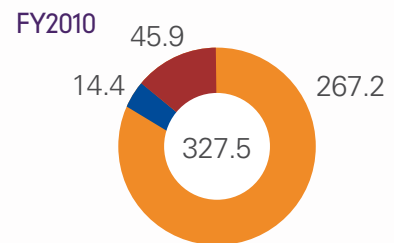
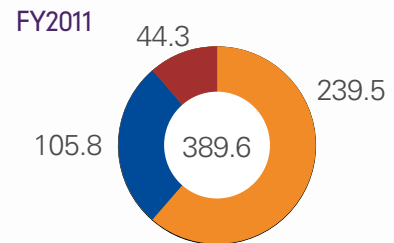
ICT SERVICES

- Acquired NxGen Communications Pte Ltd ("NxGen"), a regional info-comm provider of managed services and system integration solutions, in November 2011
- Focused successfully on the enterprise market and gained traction with new services
- Broadened solutions base and strengthened key corporate accounts with S & I Systems Pte Ltd ("S&I") and NxGen
- Launched Next Generation Nationwide Broadband Network and other cloud services including the industry's first secured hosted wifi-as-a-service
- Appointed as Google App Solution Partner and Microsoft Cloud Essential Partner for Office365
- Showcased "CloudCover", an in-house developed application unifying multi-tenanted Service Delivery and Management Platform supported by IDA, at IE Singapore's pavilion at CommunicAsia 2011
- Conferred "Pioneer Advantage Partner" status by Huawei
- Awarded "Asiapac & Japan 2011 Top Performing Value-Added Reseller Pre-Sales of the Year" by Aruba Networks
- Received the Oracle "Partner of the Year FY11 Excellence Award for Commercial Sector"
- Conducted a joint S&I and Oracle Workshop "Achieve Extreme Performance with Oracle Exadata"
- Participated in Symantec Vision FY2011 event to showcase "Smarter Data Centre" theme

NETWORK ENGINEERING SERVICES

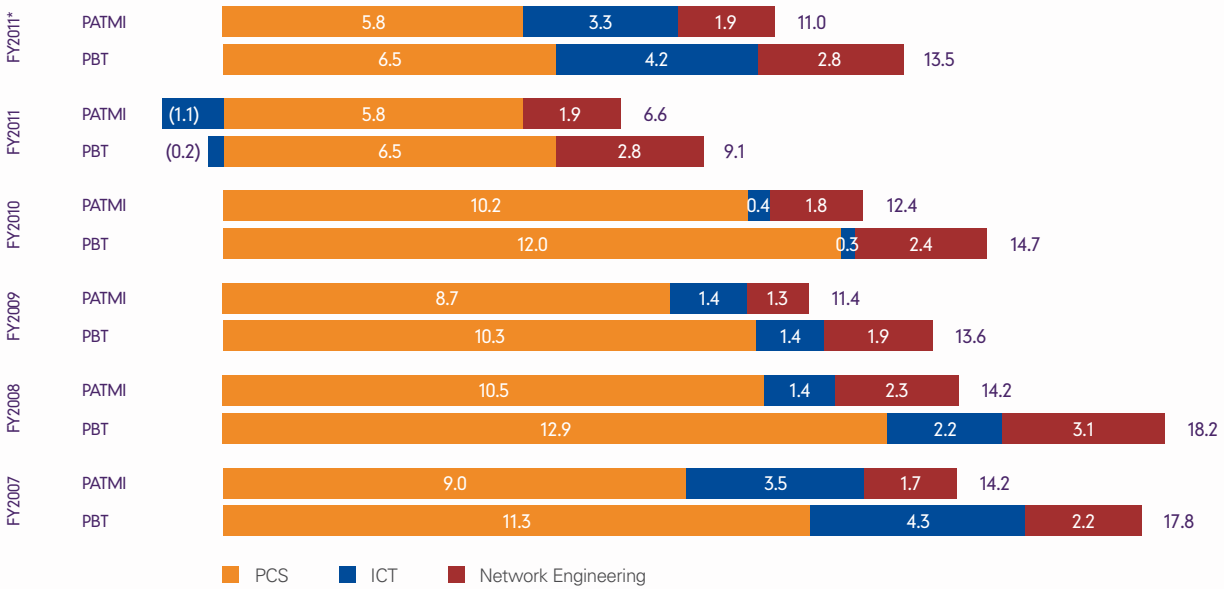
- Gained significant market share of Radio Network Planning and Optimisation projects in Indonesia
- Recognised by Nokia Siemens Networks as their "Best Network Operation Services" partner for 2011
- Conferred "Good Performance Award" for 2011 by Huawei
- Completed mega In-building Radio Network Coverage ("IBC") project at Petronas Twin Towers and gained recognition as a leading IBC solutions provider in Malaysia
- Signed regional distribution agreement for Wavion carrier grade wi-fi solutions featuring unique beam-forming technology
- Incorporated wholly-owned subsidiary, N-Wave Technologies Philippines, Inc. in the Philippines

REVENUE S\$ Million



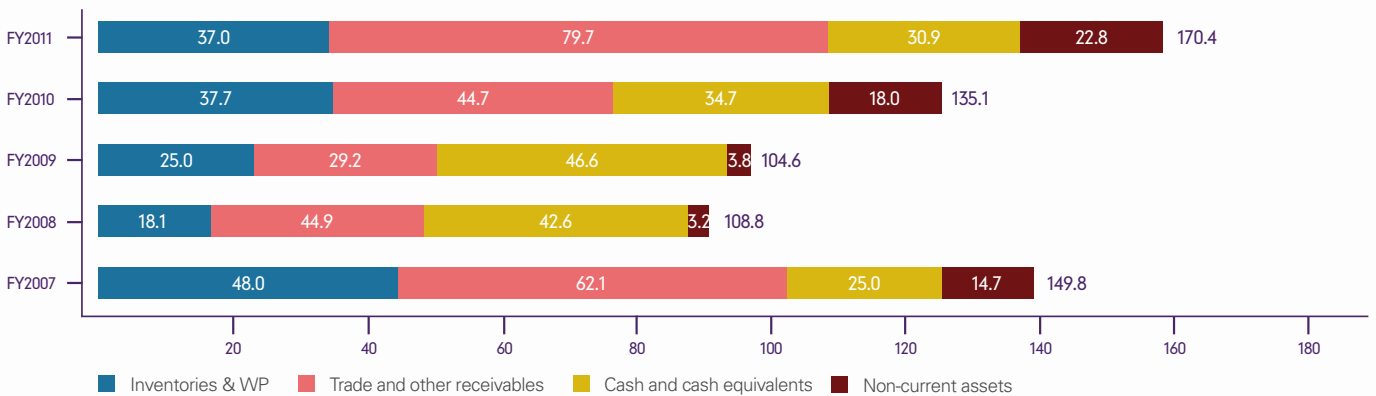
Financial Highlights

EARNINGS S\$ Million

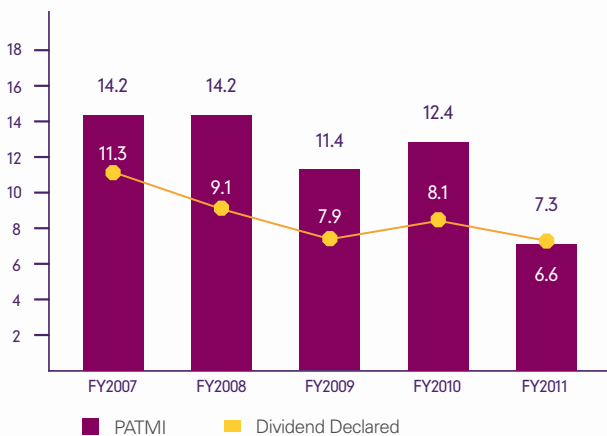


* without additional contingent consideration paid for S&I's acquisition

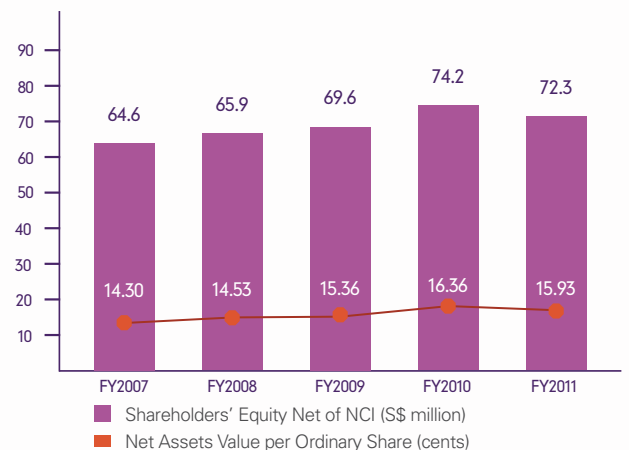
TOTAL ASSETS S\$ Million



DIVIDENDS DECLARED AGAINST PATMI (S\$ Million)



SHAREHOLDERS' EQUITY NET OF NON-CONTROLLING INTERESTS (NCI)



Letter to Shareholders

Dear Shareholders

The TeleChoice Group turned in a credible performance despite a number of industry challenges and a difficult economic and market environment in the financial year ended 31 December 2011 ("FY2011").

FY2011 Performance

For FY2011, revenue improved by 19.0% to S\$389.6 million from S\$327.5 million in the financial year ended 31 December 2010 ("FY2010"). Our new subsidiary, S & I Systems Pte Ltd ("S&I"), which was acquired in 4Q2010, contributed strongly to our performance. Info-Communications

Technology ("ICT") Services posted revenue growth of 635% over the previous year with the addition of S&I and NxGen Communications Pte Ltd ("NxGen"), which we acquired in 4Q2011. This was offset by a 10% and 3% drop in revenue from Personal Communications Solutions ("PCS") Services and Network Engineering ("Engineering") Services respectively. PCS Services had lower regional and local channel sales due largely to the strong demand for iPhones, which we do not carry as Apple Inc. deals directly with the local mobile operators. This and the limited offerings of new models from the other manufacturers and lower

manufacturer support impacted the division's performance. Engineering Services had to contend with lower revenue from power supply projects and product sales due to order delays.

A one-time additional contingent consideration which arose due to the better than expected operating performance of S&I had to be charged to our income statement, in compliance with the revised Financial Reporting Standard 103 Business Combination ("FRS 103"). Before the revision of FRS 103, this additional consideration would have been classified as goodwill with no impact to our income statement. If not for this



LEFT **Bertie Cheng**
Chairman

RIGHT **Andrew Loh**
President

contingent consideration, the Group would have recorded profit before tax of S\$13.5 million, a decrease of 8.3% from S\$14.7 million in FY2010. With the contingent consideration, profit before tax was reduced to S\$9.1 million, a 38.4% decrease from FY2010. Net income fell by 43.8% to S\$7.0 million from S\$12.5 million in the previous year. The reason for the year-on-year decrease in net income, even without factoring in the contingent contribution, was the weaker performance by PCS Services.

We maintained a healthy S\$30.5 million in cash and cash equivalents as at 31 December 2011, after payment of final consideration to S&I vendors, with our earnings per share at 1.45 cents and net asset value per share at 15.93 cents.

Expanding Reach, Increasing Capabilities

Notwithstanding the challenging business environment, each of our three business units made significant efforts in the past year to strengthen their respective businesses.

With the successful integration of S&I and the acquisition of NxGen, ICT Services has gained the scale and capability to effectively compete in the ICT space and gained a valuable foothold in the financial services and hospitality industries in the area of enterprise IT infrastructure, business solutions, system integration, managed solutions and cloud computing solutions. TeleChoice has also established an important presence in Malaysia, Thailand and the Philippines through S&I's and NxGen's existing business networks.

Engineering Services had higher profit margins on the back of higher value projects in Indonesia where it has become a leading provider of Radio Network Optimisation and Radio Network Planning services. It has also completed a number of noteworthy in-building coverage projects in Malaysia where it leads the competition in this area. It is now undertaking projects for the key network operators in both these countries. The division established an office in the Philippines, effectively increasing its regional presence to five

markets, namely, Singapore, Malaysia, Indonesia, Vietnam and now the Philippines.

Despite the challenges which PCS Services faced, there were notable highlights to the division's performance. It registered higher prepaid sales, becoming the leading prepaid card distributor for StarHub. It also increased its sales of Android OS system handset devices, especially Samsung. New brands were added to its stable of handset products and it increased its presence island-wide through Planet Telecoms ("Planet") with three new outlets. Planet performed well in FY2011 and bagged some of StarHub's most prestigious partner awards. PCS Services also provided support services for U Mobile, Malaysia's fourth largest mobile operator, for the launch and packaging of its various mobile plans, handset purchases, expansion of its retail outlets, inventory management and backend operations.

The Year Ahead and Future Growth

FY2012 will be a challenging year with Government growth estimates for Singapore dropping to between 1% to 3% due to the uncertain global economic outlook. We anticipate the possibility of lower consumer and enterprise spending in FY2012. We do, however, expect continued investment in network upgrading by regional telecom operators as developing regional economies improve their network systems and the implementation of LTE network technology continues in earnest.

Despite these challenges, we do have cause to be optimistic in the year ahead. PCS Services will capitalise on the increasing number of new Android and Windows OS handset models which will be released to counter the dominance of the iPhone. The renewed contract with StarHub for integrated fulfillment and management services, which includes fulfillment services for iPhones, will provide added opportunities. It will also further strengthen its retail presence through the opening of new Planet outlets. ICT Services will increase its capabilities in the enterprise space, further expand its product portfolio and explore vying

for public sector projects. Engineering Services will strengthen its regional operations while augmenting its product and service offerings.

Commitment to Shareholders

Taking into account our financial performance in FY2011, we are pleased to announce that the Board has recommended a final dividend of 1.6 cents per ordinary share (one-tier tax exempt). If approved at the Company's Annual General Meeting to be held on 27 April 2012, it will be paid on 18 May 2012.

Appreciation to All

On behalf of the Board, we would like to extend our thanks to our management and staff for another year of dedication and hard work. We are also grateful to our business partners, customers and our shareholders, for the continued support through the years. We look forward to leading the company through a new year which will bring more opportunities to expanding our reach and increasing our capabilities.



Bertie Cheng
Chairman

Andrew Loh
President

Extending Reach...

to bring our competencies to new markets

We have increased our service and product offerings, added new outlets to strengthen our retail presence in Singapore and intensified our activities in Malaysia, Indonesia, and Vietnam. We have also established a company in the Philippines to actively pursue new opportunities in this emerging market.



Increasing Capabilities... to compete effectively in the info-communications space

Driving innovation is at the heart of TeleChoice as a diversified provider and enabler of innovative communications. We will continue to deliver solutions that enhance our product and service offerings and increase our capabilities to meet the changing demands of our customers.



Board of Directors



From Left - Right: Tang Yew Kay Jackson, Yen Se-Hua Stewart, Yap Boh Pin, Lim Chai Hock Clive, Bertie Cheng and Kwek Buck Chye
Not in picture: Lee Theng Kiat and Sio Tat Hiang

BERTIE CHENG

Chairman and Independent Director

Appointed on 6 May 2004

Last re-appointed on 28 April 2011

Mr Cheng is the Chairman of the Board. He is also the Chairman of the Executive Committee and the Remuneration Committee.

Mr Cheng retired as Chief Executive Officer of POSBank in July 1997. He holds and has held directorships, in both listed and unlisted companies. Currently, he is a director of Hong Leong Finance Limited, Pacific Andes Resources Development Limited, CFM Holdings Limited and Singapore Technologies Electronics Limited. He is also the Non-Executive Chairman of Tee International Limited.

Mr Cheng holds a Bachelor of Arts Degree in Economics (Honours) from the University of Malaya in Singapore. He

received the Public Administration Medal (Silver) in 1984 and the Public Service Medal in 2001. He also received the Friend of Labour Award from the National Trade Union Congress (NTUC) in 2008.

Past directorships in listed companies and major appointments (from 1 January 2009 to 31 December 2011)

- Singapore Petroleum Company Limited
- Thomson Medical Centre Ltd
- Westech Electronics Limited
- Singapore Technologies Aerospace Limited

YAP BOH PIN

Independent Director

*Appointed on 6 May 2004**Last re-appointed on 28 April 2011*

Mr Yap is the Chairman of the Audit Committee, and is a member of the Nominating Committee.

He is currently Managing Director of B.P.Y. Private Limited, a firm of management consultants which provides financial planning, financial accounting, reviewing internal control systems as well as corporate secretarial services. Between July 1975 and January 1999, Mr Yap was a senior partner at Yap Boh Pin & Co which provided advice on auditing, taxation, liquidation and corporate restructuring matters. He is also a director of Leren Bio-Chem Ltd, serving as Chairman of its Audit Committee and member of its Nominating Committee. He has also held directorships in various public companies between 1975 and 2000, including Singapore Land Limited, L&M Investments Limited and Pan Pacific Public Company Limited. During his appointment by these companies, Mr Yap was a member of their executive committee and/or audit committee, assisting in the evaluation and recommendation of changes to their system of internal controls as well as corporate governance.

In March 2007, Mr Yap was appointed as Director of Asia Mobile Holdings Pte. Ltd., a private limited company which is a subsidiary of Singapore Technologies Telemedia Pte Ltd. It has investments in StarHub Ltd and Shenington Investments Pte Ltd.

Beyond the corporate sector, Mr Yap is actively involved in various non-profit, educational and social welfare organisations. He is an Honorary Council Member of the Singapore Hokkien Huay Kuan since 16 June 2011. At end January 2008, Mr Yap was appointed a director of ACS (International). He is also a member of the Board of Trustees of the Chinese Development Assistance Council, as well as a member of the Audit Committee. In July 2009, Mr Yap was appointed a member of the Board of Directors, and Chairman of the Finance Committee of Singapore Heart Foundation.

Mr Yap qualified as a Chartered Accountant from the Institute of Chartered Accountants in England and Wales in 1966. He is a Fellow member of both the Institute of Certified Public Accountants of Singapore, and the Institute of Chartered Accountants in England and Wales.

Past directorships in listed companies and major appointments (from 1 January 2009 to 31 December 2011)

- Nil

YEN SE-HUA STEWART

Independent Director

*Appointed on 6 May 2004**Last re-elected on 28 April 2010*

Mr Yen is the Chairman of the Nominating Committee, and serves as a member of the Remuneration Committee and the Executive Committee.

Mr Yen is currently the Chief Executive Officer of SECOM (Singapore) Pte Ltd, a provider of security services. Mr Yen has held senior management positions in industries such as defence marketing, construction and development, security, hospitality and aviation services.

Mr Yen began his career with the Singapore Ministry of Defence as a systems engineer. Mr Yen later joined Chartered Industries of Singapore Pte Ltd, where he was part of the team that established CDC-Construction and Development Pte Ltd (now known as Sembawang Engineers & Constructors Pte Ltd), a leading design and-build contractor in Singapore for civil engineering, residential and commercial building projects.

Mr Yen is currently also an independent director and a member of the Audit Committee and Chairman of Remuneration Committee of Hersing Corporation Ltd, a company listed in Singapore. Mr Yen obtained a Bachelor Degree in Engineering from McMaster University in 1972 and also holds a Diploma in Financial Management from New York University.

Past directorships in listed companies and major appointments (from 1 January 2009 to 31 December 2011)

- Regional Hotel Pte Ltd
- Ventura Development (Myanmar) Pte Ltd
- Aetos Security Management Pte Ltd
- Aetos Security Consultants Pte Ltd

Board of Directors (cont'd)

TANG YEW KAY JACKSON

Independent Director

Appointed on 1 November 2006

Last re-elected on 28 April 2010

Mr Tang is a member of the Audit Committee.

After three years in the Singapore Government Administrative Service, Mr Tang spent the next 28 years in the banking and financial services industry and held senior management positions at Continental Illinois National Bank (now part of Bank of America), N.M. Rothschild & Sons (Singapore) Ltd, ST Capital Limited and Vertex Management (UK) Limited. He retired from full-time employment in January 2005.

Mr Tang has held directorships in various companies, both in Europe and ASEAN, including SGX Mainboard listed Singapore Food Industries Limited, where he served as a member of the Audit Committee.

Mr Tang graduated with a Bachelor of Social Sciences (Economics) (Honours) (1970), and obtained a postgraduate Diploma in Business Administration (1975), from the then University of Singapore.

Past directorships in listed companies and major appointments (from 1 January 2009 to 31 December 2011)

- Nil

LIM CHAI HOCK CLIVE

Non-Executive Director

Appointed on 29 September 1999

Last re-elected on 28 April 2009

Mr Lim serves as a member of the Executive Committee.

Mr Lim is credited with having successfully spearheaded the strategic development and growth of the Group since its inception in 1998 into a regional diversified provider and enabler of innovative communications today.

Following his retirement as Group President in November 2006, Mr Lim continues to contribute his extensive industry experience and expertise to the Group, as a Non-Executive Director and a member of the Executive Committee.

Mr Lim, who oversaw the strategic development and management of our Group as President, has over 13 years of experience in the telecommunications industry, including establishing Cellstar Pacific Pte Ltd, an Asean-wide cellular communication distribution business. Prior to undertaking his appointment as our Group President in January 2004, he held the position of Managing Director from March 1999 to December 2003 where he was responsible for the Group's distribution business.

Mr Lim is currently the Managing Director of Leap International Pte Ltd, a private investment holding company. Mr Lim holds an MBA from the Asian Institute of Management, Manila, and a Master of Arts (Christian Studies) from Regent College, Vancouver, Canada and

a Doctoral Degree from Gordon Conswell Theological Seminary, MA, USA.

Past directorships in listed companies and major appointments (from 1 January 2009 to 31 December 2011)

- Nil

LEE THENG KIAT

Non-Executive Director

Appointed on 28 April 1998

Last re-elected on 28 April 2011

Mr Lee serves as a member of the Executive Committee, Remuneration Committee and Nominating Committee.

Mr Lee is currently the President and General Counsel of Temasek International Pte. Ltd.

Prior to joining Temasek, he held the position of President and Chief Executive Officer of Singapore Technologies Telemedia Pte Ltd since its formation.

Mr Lee had successfully led Singapore Technologies Telemedia Pte Ltd's effort in establishing itself as a significant mobile communications and global IP/data services group. Under his leadership, Singapore Technologies Telemedia Pte Ltd strategically expanded its global footprint in the Asia-Pacific region, the Americas and Europe. Today, portfolio companies in the group include Asia Mobile Holdings Pte. Ltd., which holds interests in StarHub Ltd, Mfone Co., Ltd and Lao Telecommunications Company Limited, eircom Ltd, Level 3 Communications, Inc., ST Teleport Pte Ltd, TeleChoice International Limited, U Mobile Sdn Bhd and VNPT Global.

Prior to Singapore Technologies Telemedia Pte Ltd, Mr Lee held various senior level positions in the former Singapore Technologies Pte Ltd overseeing its legal and strategic business development functions. Mr Lee has served in the Singapore Legal Service for over eight years before joining Singapore Technologies Pte Ltd.

Mr Lee holds a Bachelor of Laws (Honours) from the University of Singapore.

Past directorships in listed companies and major appointments (from 1 January 2009 to 31 December 2011)

- Global Crossing Limited
- eircom Limited

SIO TAT HIANG

Non-Executive Director

Appointed on 6 May 2004

Last re-elected on 28 April 2011

Mr Sio serves as a member of the Audit Committee.

Mr Sio has over 20 years of financial and management experience, and is currently the Executive Director of Singapore Technologies Telemedia Pte Ltd.

Prior to that, he held the position of Executive Vice-President of Singapore Technologies Telemedia Pte Ltd from 1995 to 2010 and the position of Senior Executive Vice-President of Singapore Technologies Telemedia Pte Ltd from 2010 to March 2012.

In 1991, Mr Sio joined Singapore Technologies Holdings Pte Ltd as Vice-President of Corporate Finance, overseeing the treasury and investment management functions of the Singapore Technologies group of companies. He later held the position of Director of Strategic Investment and Group Treasurer and was part of the team which formed Singapore Technologies Telemedia Pte Ltd as the telecommunications branch of the Singapore Technologies group.

Mr Sio obtained a Bachelor Degree in Business Administration from the then University of Singapore in 1970, and attended the Senior Management Programme at the London Business School.

Past directorships in listed companies and major appointments (from 1 January 2009 to 31 December 2011)

- Nil

KWEK BUCK CHYE

Alternate Director to Lee Theng Kiat

Appointed on 7 May 2004

Mr Kwek, who serves as an alternate director to Mr Lee Theng Kiat, has over 30 years of financial experience.

He joined the former Singapore Technologies group in 1992. He has served as Chief Financial Officer in various major operating units within the group including Chartered Semiconductor Manufacturing Ltd, ST Assembly Test Services Ltd (now known as STATS ChipPAC Ltd.), Vickers Capital Limited and Singapore Technologies Telemedia Pte Ltd.

Prior to joining the Singapore Technologies group, Mr Kwek spent 10 years at United Technologies Carrier Asia Pacific Operation where he assumed various regional responsibilities in planning, business development and joint venture start-ups. Mr Kwek is currently the Chief Financial Officer of StarHub Ltd, a position he has held since September 2002.

Mr Kwek obtained a Bachelor Degree in Accountancy from the then University of Singapore in 1975. He also attended the Advanced Management Program at Harvard Business School in 1997. Mr Kwek is a member of the Institute of Certified Public Accountants of Singapore.

Past directorships in listed companies and major appointments (from 1 January 2009 to 31 December 2011)

- Nil

Executive Management



ANDREW LOH
President

Mr Loh joined TeleChoice in November 2005 as Senior Vice-President of Personal Communications Solutions Services (then known as Distribution Services) and was appointed as Group President in December 2006. He is responsible for the overall management and growth of TeleChoice.

Prior to joining the Group, Mr Loh was Senior Vice-President, International Operations of Singapore Technologies Telemedia Pte Ltd where his responsibilities included overseeing the business integration of Singapore Technologies Telemedia Pte Ltd's global investments. This followed a 22-year career at United Technologies Carrier where he held several senior management positions both in Singapore and internationally.

Mr Loh holds a Bachelor of Engineering (Electrical) Degree from the University of Western Australia, Australia and a MBA from Michigan State University, USA.



STEVEN NG
Senior Vice-President
Info-Comm Technology Services

Mr Ng joined TeleChoice in March 2008. He is responsible for the overall management of the business unit, including setting strategy, identifying new market opportunities and developing new Info-Comm products and services.

Mr Ng has over 23 years of experience in the Info-Comm Technology industry. He has held senior management positions in AT&T, Gartner and other leading hightech companies covering the Asia Pacific markets. At AT&T, he was Managing Director for ASEAN Business Markets. He was later seconded to Concert Global Networks (an AT&T and BT Global Joint Venture) as Managing Director and Vice-President, Sales for Global Services Asia Pacific, becoming one of the pioneer leaders in the formation of this venture. Mr Ng subsequently joined Gartner as Managing Director and Regional Vice-President, overseeing its research and consulting business across Asia. With his combined industry experience, Mr Ng has a very broad base of knowledge and depth across IT, telecoms, networks and application solutions.

Mr Ng holds a Graduate Diploma in Marketing and a MBA from University of Dubuque, USA.



LEE YOONG KIN
Senior Vice-President
Network Engineering Services

Mr Lee joined TeleChoice in December 2006, assuming responsibility for the overall growth and strategic direction of the Network Engineering Services division.

He has more than 20 years of senior business and operational experience in the IT and telecommunications industry, having worked with Singapore Technologies Telemedia Pte Ltd, ST Electronics (Infocomm Systems) Pte Ltd and CSE Global Ltd. His previous positions include Managing Director of Equinix Singapore Pte. Ltd. which he co-founded in 1999 and General Manager and Board member of ST Teleport Pte Ltd, a company which he set up in 1994.

Mr Lee holds a Bachelor of Engineering Degree (First Class Honours) and a MBA from the National University of Singapore.



PAULINE WONG
Senior Vice-President
Personal Communications
Solutions Services

Ms Wong was appointed to lead Personal Communications Solutions (“PCS”) Services in 2006. She oversees the overall management of the business unit, including its regional and retail operations. She is also responsible for developing strategies and identifying new market opportunities to grow the business.

Ms Wong joined our Group in December 1999 as Operations Manager for PCS Services (then known as Distribution Services) and has been a key contributor to the significant growth and success of the division’s business. She was previously Area Manager for Telecom Equipment Pte Ltd (a subsidiary of Singapore Telecommunications Ltd).

Ms Wong graduated with a Bachelor of Business Degree (Distinction) from the Royal Melbourne Institute of Technology University, Victoria, Australia, and holds an Executive MBA (Honours) from the University of Chicago Booth School of Business.



WONG LOKE MEI
Chief Financial Officer

Ms Wong was appointed Chief Financial Officer in 2007, having been Vice-President, Finance since 2005. Ms Wong oversees the financial affairs and reporting for the Group and supports the Group’s investor relations and risk management activities.

Ms Wong has over 20 years of experience in finance and accounting, most of which were with the Singapore Technologies Telemedia Pte Ltd group of companies. She joined our Group in June 1995 as an Accountant. She participated in the listing of TeleChoice on the Mainboard of the SGX-ST in June 2004.

Ms Wong holds a Bachelor of Accountancy Degree from the National University of Singapore and a Master in Business Administration from Heriot Watt University, Edinburgh, United Kingdom. Ms Wong is also a member of the Institute of Certified Public Accountants of Singapore.



GOH SONG PUAY
Vice-President
Human Resource

Mr Goh is responsible for the management of local and regional human resource functions for the Group, including human capital development, leadership and organisational development.

Mr Goh has more than 15 years human resource experience across a broad spectrum of industries. Prior to joining the Group in 2004, Mr Goh held various senior positions including Assistant Vice-President (HR) at StarHub Pte Ltd (now known as StarHub Ltd) and Director (HR) at i-STT Pte Ltd, a subsidiary of Singapore Technologies Telemedia Pte Ltd. He was also Director (HR) for the National University Hospital.

Mr Goh holds a Bachelor of Mechanical Engineering Degree from the National University of Singapore.

Personal Communications Solutions (PCS) Services



Operations Review

Overall Performance

The Group registered higher revenue but lower net income for the year ended 31 December 2011 ("FY2011"). Revenue improved by 19% from S\$327.5 million for the year ended 31 December 2010 ("FY2010") to S\$389.6 million. The increase in revenue was largely attributed to the Group's Info-Communications Technology ("ICT") Services division, offset by lower revenue from Personal Communications Solutions ("PCS") Services division and Network Engineering ("Engineering") Services division.

Gross profit for FY2011 grew by 34% to S\$41.6 million from S\$31.1 million in FY2010 driven by the improved revenue. Gross margin for FY2011 increased by 1.2 percentage point to 10.7% due to higher margins from Engineering Services and gross profit contributed from subsidiaries acquired by ICT Services. There was a 38% decrease in Group PBT which stood at S\$9.1 million from S\$14.7 million in FY2010. This was due to the additional contingent consideration charged to the income statement of S\$4.4 million under the revised Financial Reporting Standard ("FRS") 103 as a result of the better than expected performance of S & I Systems Ptd Ltd ("S&I") which the Group acquired in 2010. Net profit consequently decreased by 47% to S\$6.6 million as compared to S\$12.4 million in FY2010. Without this additional contingent consideration, net profit would have stood at S\$11.0 million, which would have been a considerably smaller 12% decrease over FY2010's net profit.

The Group maintained a healthy cash position of S\$30.5 million as at 31 December 2011, a decrease from S\$34.5 million a year ago due

to higher investment activities and negative changes in working capital arising from higher receivables and work in progress, offset by lower inventories and higher payables.

Personal Communications Solutions ("PCS") Services

Revenue contribution from PCS Services was S\$239.5 million while PBT stood at S\$6.5 million (62% and 48% of total Group revenue and operating PBT respectively) in FY2011. Revenue decreased by 10% or S\$27.7 million due to weaker handset sales, primarily because of the prevailing strong demand for the Apple iPhone which eroded handset sales of other manufacturers. PBT, consequently, decreased by 46% or S\$5.5 million with PBT margins decreasing to 2.7% in FY2011 from 4.5% in FY2010. This is due to the change in sales mix with higher sales of lower margin prepaid cards as well as lower rebates from manufacturers partly mitigated by income from new services in Malaysia.

Although local channel and regional sales weakened due to the competitive landscape, the division enjoyed higher prepaid card sales



and retail sales. The prepaid card team turned in another year of solid performance through sales to more than 160 touch points located throughout Singapore. The division added new brands, such as LG, Huawei and Dell, to its portfolio of handsets and products, as it continued to improve the "customer experience" at its retail outlets. Through its subsidiary and retail arm, Planet Telecoms (S) Pte Ltd ("Planet Telecoms"), the Group increased the number of retail outlets with the latest additions being a StarHub Platinum outlet at Causeway Point, a StarHub Exclusive Partner outlet at Changi City Point and a LG concept store at Nex. There are now 15 Planet Telecoms operated outlets



Info-Communications Technology (ICT) Services



Operations Review

throughout Singapore. StarHub also recognised Planet Telecoms performance by awarding it Highest Sales Contributor, Branded Customer Experience, Top Hubbing Sales and Home Broadband (1st Runner-up) awards.

Info-Communications Technology (“ICT”) Services

ICT Services had a positive year both in terms of revenue performance and corporate development. The division registered S\$105.8 million in revenue and S\$4.2 million in operating PBT (27% and 31% of total Group revenue and operating PBT respectively). In comparison with the previous financial year, revenue increased by 635% or S\$91.4 million largely due to the revenue contribution of integrated information technology solutions provider, S&I. Enterprise sales, particularly in network, telephony and cloud services, grew by 20% which reinforced the division’s growth strategy in transforming its legacy business to more broadly serve the corporate segment’s info-communications requirements. ICT’s operating PBT increased to S\$4.2 million from S\$0.3 million recorded in FY2010. PBT margins increased to 4.0% from 1.8% the previous year with positive contributions from S&I and NxGen Communications Pte Ltd (“NxGen”).

ICT Services’ position as a leading player in the ICT segment was further reinforced with the Group’s acquisition in November 2011 of NxGen, a regional info-communications provider of managed services with core competencies in networking and unified communication solutions. With its portfolio of financial services, hospitality and other large industry segment clientele, ICT’s



NxGen was awarded “Key Supplier Award 2011” by Avaya

service offerings and market reach have been broadened considerably. Together with the earlier acquisition of S&I, ICT division’s revenue has crossed S\$100 million providing the division the necessary scale to compete more effectively in the marketplace.

Network Engineering (“Engineering”) Services

Engineering Services ended the year strongly and contributed S\$44.3



million in revenue and S\$2.8 million in PBT (accounting for 11% and 21% of total Group revenue and operating PBT respectively) in FY2011. A decrease in the number of power supply system projects and lower product sales brought revenue down by 3% or S\$1.6 million compared with FY2010. This was offset by higher radio network planning revenue in Indonesia and higher in-building coverage revenue from Malaysia and Indonesia. PBT increased by



Network Engineering Services



Operations Review



PT. NexWave was conferred "Good Performance Award" for 2011 by Huawei

17% or S\$0.4 million in FY2011 on account of higher margin and lower exchange loss. Consequently, PBT margin increased to 6.2% in FY2011 compared to 5.4% in FY2010.

Engineering Services continued to expand regionally. In addition to full operational presence in Singapore, Indonesia, Malaysia and a representative office in Vietnam, it has in November 2011, incorporated a new subsidiary in the Philippines, N-Wave Technologies Philippines, Inc.

Prospects & Growth Strategies

The next few months will prove to be challenging with the uncertainties brought about by the European financial crisis. Projections for Singapore's economic growth are between 1% to 3% with consumer demand and business sentiment expected to be subdued. We remain, nonetheless, cautiously optimistic in the performance of our three business divisions in the coming year.

PCS Services is likely to benefit from the continued demand of smartphones and the ever increasing array of new communication devices using the Google Android and Windows OS platforms. Samsung's new product roll-outs and Nokia's new phone models will help improve local and regional sales for handsets and we will work with our principals to expand sales. The renewal of the fulfillment contract with StarHub and the inclusion of iPhones will also provide added opportunities for the division. Planet Telecoms will continue to source additional choice outlet locations as it further expands its retail presence.

ICT Services will leverage on the on-going demand for technology refresh, productivity driven info-communications solutions, services outsourcing and cloud-based solutions. The division is moving with key industry trends as the convergence of traditional IT &

managed services, networking and unified communications, with the benefits of cloud computing, will present new opportunities for us to differentiate and lead the market. Most importantly, customers can expect us to deliver fresh and innovative solutions and to offer a "next generation" approach to all their info-communications needs.

Engineering Service will benefit from the continued investment by regional operators in upgrading their network and from the implementation of LTE networks. The division's sales pipeline and order book is strong and we will continue to look for further regional growth opportunities.

Planet Telecoms Touch-points

