



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

PART I - UNAUDITED RESULTS FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2012

1(a)(i) INCOME STATEMENT FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2012

In S\$'000	4Q2012	4Q2011	+/- %	FY2012	FY2011	+/- %
Revenue	137,731	126,417	8.9%	480,892	389,579	23.4%
Cost of sales	(125,741)	(112,503)	11.8%	(439,262)	(347,987)	26.2%
Gross profit	11,990	13,914	-13.8%	41,630	41,592	0.1%
Gross Margin %	8.7%	11.0%	-2.3 ppt	8.7%	10.7%	-2.0 ppt
Other income (Note 1)	100	309	-67.6%	670	878	-23.7%
Selling and marketing expenses (Note 2)	(2,629)	(2,295)	14.6%	(10,465)	(10,476)	-0.1%
Administrative expenses (Note 3)	(4,231)	(4,957)	-14.6%	(18,288)	(15,751)	16.1%
Other expenses (Note 4)	(557)	(820)	-32.1%	(1,800)	(2,385)	-24.5%
Net finance costs (Note 5)	(261)	(119)	119.3%	(867)	(113)	667.3%
Share of losses of a jointly-controlled entity (net of tax) (Note 6)	(593)	(224)	164.7%	(746)	(274)	172.3%
Operating profit before income tax	3,819	5,808	-34.2%	10,134	13,471	-24.8%
% of revenue	2.8%	4.6%	-1.8 ppt	2.1%	3.5%	-1.4 ppt
Exceptional items (Note 7)	(246)	(4,418)	-94.4%	(246)	(4,418)	-94.4%
Profit before income tax	3,573	1,390	157.1%	9,888	9,053	9.2%
% of revenue	2.6%	1.1%	1.5 ppt	2.1%	2.3%	-0.2 ppt
Income tax expense (Note 8)	(105)	(464)	-77.4%	(1,701)	(2,053)	-17.1%
Profit for the period/year	3,468	926	274.5%	8,187	7,000	17.0%
Attributable to:						
Equity holders of the Company	3,393	585	480.0%	8,231	6,577	25.1%
% of revenue	2.5%	0.5%	2.0 ppt	1.7%	1.7%	-0.0 ppt
Non-controlling interests	75	341	-78.0%	(44)	423	nm
	3,468	926	274.5%	8,187	7,000	17.0%
No. of shares (in '000)	453,811	453,835		453,661	453,431	
Earnings per share (in cents)						
Basic	0.75	0.13		1.81	1.45	
Diluted	0.75	0.13		1.81	1.45	

STATEMENT OF COMPREHENSIVE INCOME FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2012

In S\$'000	4Q2012	4Q2011	+/- %	FY2012	FY2011	+/- %
Profit for the period/year	3,468	926	274.5%	8,187	7,000	17.0%
Translation difference relating to financial statements of foreign subsidiaries	(182)	(88)	106.8%	(1,054)	(172)	512.8%
Share of foreign currency translation differences of a jointly-controlled entity	(87)	(26)	234.6%	(71)	(35)	102.9%
Exchange differences on monetary items forming part of net investment in a foreign operations	(62)	(173)	-64.2%	(686)	(44)	1459.1%
Total comprehensive income for the period/year	3,137	639	390.9%	6,376	6,749	-5.5%
Attributable to:						
Equity holders of the Company	3,062	299	924.1%	6,420	6,334	1.4%
Non-controlling interests	75	340	-77.9%	(44)	415	nm
Total comprehensive income for the period/year	3,137	639	390.9%	6,376	6,749	-5.5%

nm - not meaningful



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

1(a)(ii) PROFIT BEFORE TAXATION HAS BEEN ARRIVED AT AFTER CHARGING/(CREDITING):

In S\$'000	4Q2012	4Q2011	+/- %	FY2012	FY2011	+/- %
Staff costs (Note 9)	9,339	8,581	8.8%	38,566	32,259	19.6%
Directors' remuneration	103	83	24.1%	391	384	1.8%
Depreciation of property, plant and equipment (Note 10)	391	355	10.0%	1,552	1,397	11.1%
Amortisation of intangible assets (Note 11)	399	650	-38.6%	1,482	1,748	-15.2%
Provision/(reversal) for bad debts (Note 12)	3	(1)	nm	65	(4)	nm
Exchange loss/(gain) (Note 13)	87	(2)	nm	396	157	152.2%

Notes:

- (1) Higher other income in 4Q2011 and FY2011 was due to the interest accretion from discounting long term receivables and subsidy received.
- (2) Higher selling and marketing expenses in 4Q2012 compared to 4Q2011 were mainly due to higher payroll cost. There were consolidation of expenses from NxGen Communications Pte Ltd ("NxGen") which was acquired on 1 November 2011, new headcount to support the retail management services in Malaysia as well as additional road show expenses. For FY2012, these expenses were slightly lower than FY2011 due to lower commissions paid to S&I sales staff from lower revenue compared to previous year.
- (3) Lower administrative expenses in 4Q2012 were attributed to lower payroll cost in S&I and NxGen. These were higher for FY2012 from the consolidation of NxGen and additional payroll cost in PCS.
- (4) Lower other expenses in 4Q2012 and FY2012 mainly due to lower amortisation of intangible assets.
- (5) Interest expense in 4Q2012 and FY2012 was higher than the same periods last year due to the interest accretion from discounting long term accrued contingent consideration and dividend payable arising from the acquisition of NxGen. There were also higher borrowings in Rupiah by Engineering to fund new projects in Indonesia.
- (6) Share of losses of a jointly-controlled entity was due to write off of overstated inventories.
- (7) Relates to additional contingent consideration paid on acquisition of S&I in FY2011. For FY2012, it relates to a provision for impairment of investment in a jointly controlled entity.
- (8) The income tax expense in 4Q2012 and FY2012 were lower than the same periods last year due to lower taxable profit from S&I. This was offset by higher tax payable on profits from overseas entities that have higher statutory tax rates and also consolidation of full year profits from NxGen.
- (9) Higher staff costs in 4Q2012 and FY2012 were mainly attributable to consolidation of NxGen expenses and additional headcount to support increased sales activities.
- (10) Higher depreciation in 4Q2012 and FY2012 was due to the consolidation of NxGen accounts and additional capital expenditure on systems upgrades.
- (11) There were higher expenses in FY2011 from amortisation of order backlog.
- (12) The provision in 4Q2012 and FY2012 was mainly attributed to ICT. Write-back in FY2011 was attributed to Engineering's Indonesian operations, partially offset by provision from ICT.
- (13) Exchange loss arose mainly from cash balances, trade balances and work-in-progress denominated in USD. There were also exchange losses from USD bank loans provided to a subsidiary in Indonesia and intercompany loan denominated in SGD provided to a subsidiary in Malaysia.



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

1(b)(i) STATEMENT OF FINANCIAL POSITION AS AT

In S\$'000	Group		Company	
	31/12/2012	31/12/2011 (restated) (Note 1)	31/12/2012	31/12/2011
<u>Non-current assets</u> (Note 2)				
Subsidiaries	-	-	36,516	37,018
Jointly-controlled entity	-	1,062	-	955
Property, plant and equipment	2,851	2,918	193	118
Intangible assets	16,402	17,577	212	-
Deferred tax assets	654	549	119	155
Other receivables	1,394	295	-	-
	21,301	22,401	37,040	38,246
<u>Current assets</u> (Note 3)				
Inventories	17,483	21,920	6,079	13,940
Work-in-progress	21,758	23,160	-	-
Trade and other receivables	64,691	71,443	27,532	27,429
Cash and cash equivalents	51,572	30,874	29,493	11,064
	155,504	147,397	63,104	52,433
Total assets	176,805	169,798	100,144	90,679
<u>Equity</u>				
Share capital	21,840	21,840	21,840	21,840
Other reserves	12,037	13,919	13,512	13,524
Accumulated profits	37,527	36,538	19,453	22,225
Equity attributable to equity holders of the Company	71,404	72,297	54,805	57,589
Non-controlling interests	1,297	1,433	-	-
Total equity	72,701	73,730	54,805	57,589
<u>Non-current liabilities</u> (Note 4)				
Deferred tax liabilities	828	1,224	-	-
Loans and borrowings	10,000	-	10,000	-
Accrued contingent consideration and other payables	7,225	8,066	5,732	5,444
	18,053	9,290	15,732	5,444
<u>Current liabilities</u> (Note 5)				
Bank overdrafts	-	385	-	-
Trade and other payables	67,812	62,661	28,353	24,954
Provision for warranties	269	275	25	74
Current tax payable	1,116	1,874	229	618
Loans and borrowings	12,097	16,183	1,000	2,000
Deferred income	4,757	5,400	-	-
	86,051	86,778	29,607	27,646
Total liabilities	104,104	96,068	45,339	33,090
Total equity and liabilities	176,805	169,798	100,144	90,679

Notes:

- (1) The statement of financial position as at 31/12/2011 was restated due to the measurement period adjustments for acquisition of NxGen and reclassification of project related work-in-progress from other receivables to work-in-progress.
- (2) Lower non-current assets by \$1.1M as a result of amortisation of intangible assets, and provision for impairment of investment in a jointly-controlled entity.
- (3) Higher current assets by \$8.1M from higher cash balances offset by lower inventories and higher collections of trade receivables.
- (4) Non-current liabilities were higher by \$8.8M due to a \$10M term loan draw down partially offset by partial payment of other payables.



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

- (5) Current liabilities decreased by \$0.7M mainly from repayment of short term bank loans and lower deferred income partially offset by higher payables.

1(b)(ii) GROUP BORROWING

In S\$'000	As at 31/12/2012	As at 31/12/2011
Amount repayable in one year or less		
Bank loan – unsecured	12,097	16,183
Bank overdraft	-	385
Amount repayable after one year		
Bank loan - unsecured	10,000	-
Total	<u>22,097</u>	<u>16,568</u>

Details of any collateral

Nil



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

1(c) CONSOLIDATED CASH FLOW STATEMENT FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2012

In S\$'000	4Q2012	4Q2011	FY2012	FY2011
Operating Activities				
Profit before income tax	3,573	1,390	9,888	9,053
Adjustments for:				
Additional contingent consideration paid on business combination	-	4,418	-	4,418
Amortisation of intangible assets	399	650	1,482	1,748
Depreciation of property, plant and equipment	391	355	1,552	1,397
Finance costs	263	174	990	311
Finance income	(2)	(53)	(123)	(198)
Loss on disposal of property, plant and equipment and intangible assets	49	21	33	84
Provision for impairment on investment in a jointly-controlled entity	246	-	246	-
Loss on disposal of a subsidiary	-	-	-	135
Provision for warranties	30	(26)	19	(14)
Share of losses of a jointly-controlled entity	593	224	746	274
Share based payments expenses	(6)	80	237	318
Cash from operating profit before working capital changes	5,536	7,233	15,070	17,526
Changes in working capital	(1,306)	(28,134)	20,062	(12,595)
Cash generated from operations	4,230	(20,901)	35,132	4,931
Income tax paid	(1,823)	(1,171)	(2,981)	(3,524)
Net cash inflow/(outflow) from operating activities	2,407	(22,072)	32,151	1,407
Investing Activities				
Acquisition of subsidiary, net of cash acquired	-	5,425	-	5,425
Payment of contingent consideration	-	(7,418)	(5,005)	(7,418)
Dividend paid to selling shareholders of a subsidiary	-	-	(1,438)	-
Purchase of intangible assets	(254)	(136)	(300)	(177)
Purchase of property, plant and equipment	(474)	(542)	(1,673)	(1,115)
Proceeds from disposal of property, plant and equipment	9	4	47	4
Interest received	(5)	53	32	198
Net cash outflow from investing activities	(724)	(2,614)	(8,337)	(3,083)
Financing Activities				
Acquisition of non-controlling interests	-	-	(77)	-
Capital contribution from non-controlling interests	-	-	85	68
Balances with related corporations (non-trade)	(76)	69	(149)	(10)
Dividend paid	-	-	(7,253)	(8,146)
Dividend paid to non-controlling interests	-	-	(380)	-
Interest paid	(152)	(126)	(536)	(263)
Proceeds from issue of shares under Pre-IPO Share Option Scheme	-	-	-	48
Purchase of treasury shares	-	-	(297)	(473)
Proceeds from bank loans	12,233	13,917	35,869	21,145
Repayment of short term bank loans	(6,722)	(1,049)	(29,955)	(14,640)
Net cash inflow/(outflow) from financing activities	5,283	12,811	(2,693)	(2,271)
Net increase/(decrease) in cash and cash equivalents	6,966	(11,875)	21,121	(3,947)
Cash and cash equivalents at beginning of period/year	44,605	42,351	30,489	34,494
Effect of exchange rate changes on balances held in foreign currency	1	13	(38)	(58)
Cash and cash equivalents at end of period/year	51,572	30,489	51,572	30,489



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

Cash flows from operating activities

Higher net cash inflow in 4Q2012 as compared to the corresponding period last year was mainly due to lower negative change in working capital and lower income tax paid in the current period. Lower negative change in working capital was from higher inventories and WIP, offset by higher payables. Higher net cash inflow in FY2012 was mainly due to higher positive change in working capital and lower income tax paid. Higher positive change in working capital in the current review period was from lower inventories, WIP, receivables and higher payables.

Cash flows from investing activities

The net cash outflow in 4Q2012 was mainly due to higher capital expenditure in the current period. Net cash outflow in FY2012 was mainly due to payment of the first tranche of purchase consideration of \$5M relating to the acquisition of NxGen, \$1.4M dividend paid to the selling shareholders of NxGen as stipulated in the Sales and Purchase Agreement and higher capital expenditure.

Cash flow from financing activities

Lower cash inflow in 4Q2012 as compared to the corresponding period last year was mainly due to lower net bank borrowings. Higher cash outflow in FY2012 was mainly due to lower net bank borrowings with lower dividend paid to the shareholders of the Company, offset by payment of dividend to non-controlling interest.



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

1(d)(i) STATEMENT OF CHANGES IN EQUITY FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2012

In S\$'000	Share capital	Accumulated profits	Other reserves	Total attributable to equity holders of the Company	Non controlling interests	Total equity
GROUP						
At 1 October 2011	21,840	35,959	14,125	71,924	1,467	73,391
Total comprehensive income for the period	-	585	(286)	299	340	639
Share-based payments expenses	-	-	80	80	-	80
Dividend declared by a subsidiary to non-controlling interest	-	-	-	-	(380)	(380)
Acquisition of non-controlling interest without a change in control	-	(6)	-	(6)	6	-
At 31 December 2011	21,840	36,538	13,919	72,297	1,433	73,730
At 1 October 2012	21,840	34,123	12,385	68,348	1,322	69,670
Total comprehensive income for the year	-	3,393	(331)	3,062	75	3,137
Share based payments expenses	-	-	(6)	(6)	-	(6)
Dividend declared by a subsidiary to non-controlling interest	-	-	-	-	(100)	(100)
At 31 December 2012	21,840	37,527	12,037	71,404	1,297	72,701
At 1 January 2011	21,782	38,113	14,327	74,222	1,324	75,546
Total comprehensive income for the period	-	6,577	(243)	6,334	415	6,749
Issue of 227,500 ordinary shares under share option scheme at \$0.2079 per share	48	-	-	48	-	48
Share options exercised	10	-	(10)	-	-	-
Purchase of treasury shares	-	-	(473)	(473)	-	(473)
Share-based payments expenses	-	-	318	318	-	318
FY2010 final dividend of 1.8 cents per share (one-tier tax exempt)	-	(8,146)	-	(8,146)	-	(8,146)
Dividend declared by a subsidiary to non-controlling interest	-	-	-	-	(380)	(380)
Purchase and cancellation of outstanding shares from non-controlling interests	-	(6)	-	(6)	6	-
Capital contribution from non-controlling interests	-	-	-	-	68	68
At 31 December 2011	21,840	36,538	13,919	72,297	1,433	73,730
At 1 January 2012	21,840	36,538	13,919	72,297	1,433	73,730
Total comprehensive income for the year	-	8,231	(1,811)	6,420	(44)	6,376
Purchase of treasury shares	-	-	(297)	(297)	-	(297)
Share based payments expenses	-	-	237	237	-	237
FY2011 final dividend of 1.6 cents per share (one-tier tax exempt)	-	(7,253)	-	(7,253)	-	(7,253)
Dividend declared by a subsidiary to non-controlling interest	-	-	-	-	(100)	(100)
Capital contribution from non-controlling interests	-	-	-	-	85	85
Acquisition of non-controlling interests without a change in control	-	-	-	-	(77)	(77)
At 31 December 2012	21,840	37,527	12,037	71,404	1,297	72,701



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

In S\$'000	Share capital	Accumulated profits	Other reserves	Total equity
COMPANY				
At 1 October 2011	21,840	22,032	13,444	57,316
Total comprehensive income for the period	-	193	-	193
Share-based payments to employees of Company's subsidiaries	-	-	30	30
Share-based payments expenses	-	-	50	50
At 31 December 2011	21,840	22,225	13,524	57,589
At 1 October 2012	21,840	18,182	13,518	53,540
Total comprehensive income for the period	-	1,271	-	1,271
Share-based payments to employees of Company's subsidiaries	-	-	(2)	(2)
Share based payments expenses	-	-	(4)	(4)
At 31 December 2012	21,840	19,453	13,512	54,805
At 1 January 2011	21,782	26,112	13,689	61,583
Total comprehensive income for the year	-	4,259	-	4,259
Issue of 227,500 ordinary shares under share option scheme at \$0.2079 per share	48	-	-	48
Share options exercised	10	-	(10)	-
Purchase of treasury shares	-	-	(473)	(473)
Share-based payments to employees of Company's subsidiaries	-	-	123	123
Share-based payments expenses	-	-	195	195
FY2010 final dividend of 1.8 cents per share (one-tier tax exempt)	-	(8,146)	-	(8,146)
At 31 December 2011	21,840	22,225	13,524	57,589
At 1 January 2012	21,840	22,225	13,524	57,589
Total comprehensive income for the year	-	4,481	-	4,481
Purchase of treasury shares	-	-	(297)	(297)
Share-based payments to employees of Company's subsidiaries	-	-	98	98
Share based payments expenses	-	-	139	139
Transfer of share option reserve from a subsidiary	-	-	48	48
FY2011 final dividend of 1.6 cents per share (one-tier tax exempt)	-	(7,253)	-	(7,253)
At 31 December 2012	21,840	19,453	13,512	54,805



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

1(d)(ii) CHANGES IN COMPANY'S SHARE CAPITAL

A) Share Capital

As at 31 December 2012, the share capital of the Company amounted to \$21.840 million comprising 453,811,410 issued ordinary shares excluding treasury shares. (31 December 2011: 453,835,087 ordinary shares excluding treasury shares).

For the quarter ended 31 December 2012, there was no issuance of new ordinary shares.

B) Employee Share Options

As at 31 December 2012, there were unexercised options of 580,500 (31 December 2011: 580,500) unissued ordinary shares of \$0.2079 each under The TeleChoice Pre-IPO Share Option Scheme.

C) Restricted Share Plan ("RSP") and Performance Share Plan ("PSP")

As at 31 December 2012, the number of outstanding shares granted under the Company's RSP and PSP were 4,851,499 (31 December 2011: 3,493,833) and 2,633,000 (31 December 2011: 2,458,000) respectively.

D) Treasury Shares

During the quarter, the Company did not purchase any of its ordinary shares from the market. As at 31 December 2012, there were 30,590 (31 December 2011: 6,913) treasury shares representing approximately 0.007% of the total issued share capital of the Company.

2. AUDIT

The results have not been audited nor reviewed by auditor.

3. AUDITORS' REPORT

Not applicable.

4. ACCOUNTING POLICIES

The Group has applied the same accounting policies and method of computation in the preparation of the current period financial statements compared to those used in the annual report for the financial year ended 31 December 2011.

In the current financial year, the Group and the Company have adopted all the new and revised Financial Reporting Standards (FRSs) and Interpretations of FRSs (INT FRSs) that are relevant to its operations and effective for annual periods beginning on 1 January 2012. The adoption of these new/revised FRSs and INT FRSs does not result in substantial changes to the Group's and the Company's accounting policies and had no material effect on the amounts reported for the current or prior periods.

5. CHANGES IN ACCOUNTING POLICIES

Not applicable.



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

6. EARNINGS PER ORDINARY SHARE (EPS)

Group	4Q2012	4Q2011	FY2012	FY2011
Basic	0.75	0.13	1.81	1.45
Diluted	0.75	0.13	1.81	1.45

7. NET ASSET VALUE

	GROUP		COMPANY	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Net assets value per ordinary share based on issued share capital at the end of the financial year (in cents):	15.73	15.93	12.08	12.69

8. REVIEW OF GROUP PERFORMANCE

A) Revenue

S\$M	4Q2012	4Q2011	Growth		FY2012	FY2011	Growth	
			\$	%			\$	%
Personal Communications Solutions Services ("PCS")	93.3	69.8	23.5	34%	332.7	239.5	93.2	39%
Info-Comm Technology Services ("ICT")	27.5	41.1	(13.6)	(33%)	89.8	105.8	(16.0)	(15%)
Network Engineering Services ("Engineering")	16.9	15.5	1.4	9%	58.4	44.3	14.1	32%
Total	137.7	126.4	11.3	9%	480.9	389.6	91.3	23%

- **PCS** – Revenue increased by \$23.5M and \$93.2M in 4Q2012 and FY2012 respectively from sales to a major Singapore customer, and higher regional, local channel and retail sales. There were also retail management services retainer fees from a customer in Malaysia. These were offset by lower prepaid card sales. Prepaid card sales were lower in the current review period due to the restriction imposed by the customer on the Company's ability to distribute within allocated zones.
- **ICT** – Revenue decreased by \$13.6M in 4Q2012 mainly due to fewer large projects delivered by S&I offset by higher revenue from enterprise solutions services. For FY2012, revenue decreased by \$16M due to fewer large projects delivered by S&I and lower iDD usage attributable to the intense competitive environment. There was also 14 months of revenue from S&I included in FY2011. These were mitigated by the consolidation of revenue from NxGen and higher revenue from enterprise solutions services.
- **Engineering** – Revenue increased by \$1.4M and \$14.1M in 4Q2012 and FY2012 respectively from Radio Network Planning projects in Indonesia, transmission equipment sales and In-building Coverage projects in Singapore, offset by lower In-building Coverage revenue in Malaysia. There were also higher power supply sales in Indonesia for FY2012.



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

B) PBT

S\$M	4Q2012	4Q2011	Growth		FY2012	FY2011	Growth	
			\$	%			\$	%
PCS	2.4	1.6	0.8	50%	6.2	6.5	(0.3)	(5%)
ICT	0.4	3.2	(2.8)	(88%)	0.6	4.2	(3.6)	(86%)
Engineering	1.0	1.0	-	-	3.3	2.8	0.5	18%
Operating PBT	3.8	5.8	(2.0)	(34%)	10.1	13.5	(3.4)	(25%)
Exceptional items	(0.2)	(4.4)	4.2	95%	(0.2)	(4.4)	4.2	95%
Group PBT	3.6	1.4	2.2	157%	9.9	9.1	0.8	9%

- **PCS** - PBT increased by \$0.8M in 4Q2012 mainly due to retainer fee from a customer in Malaysia under a new contract. PBT decreased by \$0.3M in FY2012 mainly due to rates reduction by a major customer in Singapore partially offset by the retainer fee from a customer in Malaysia under a new contract.
- **ICT** – PBT was lower in 4Q2012 and FY2012 mainly due to fewer large projects delivered by S&I and higher share of losses from a jointly-controlled entity, offset by the full year contribution from NxGen. Without the share of losses of the jointly-controlled entity, PBT would be \$1.3M in FY2012 and \$4.5M in FY2011, a decrease of \$3.2M. While there were additional interest accretion from long term contingent consideration and dividend payable, these were offset by lower amortisation of intangible assets.
- **Engineering** – PBT in 4Q2012 was maintained at \$1M. PBT was higher in FY2012 by \$0.5M mainly due to lower losses from Singapore operations and higher positive contribution from Indonesia operations, offset by lower contribution from Malaysia operations.
- Exceptional items in FY2012 and FY2011 relate to provision on impairment of investment in a jointly controlled entity and additional contingent consideration paid on acquisition of S&I respectively.

9. VARIANCE FROM PROSPECT STATEMENT

There are no material variances between the prospect statement set out in the 9M2012 announcement dated 14 November 2012 and the actual results for FY2012.

10. PROSPECTS

The introduction of new smart phones and the increasing popularity of Android OS mobile handsets will fuel demand for mobile handsets in 2013. Margins at Personal Communication Services, however, will continue to be challenged with increased competition and escalating operating costs. The recent fulfillment services and retail management contract with U Mobile Sdn Bhd in Malaysia will have a positive contribution to operating performance. Info-Communication Technology Services performance in 2012 suffered from the scale back in expansion and upgrading plans by businesses due to the uncertain economic conditions. However, we are cautiously optimistic that their performance will improve this year as we start the year with a stronger order book and with new opportunities in the project pipeline. Network upgrading and expansion by the regional telecom operators is expected to continue and will enhance opportunities for Network Engineering Services.

Barring any unforeseen circumstances and based on the current outlook, while the Group expects 1Q2013 operating performance to be lower than the same period last year, full year operating performance is expected to be maintained.

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



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

11. **DIVIDEND**

(a) *Any dividend declared for the current financial period reported on?* Yes

Period	4Q2012 and FY2012
Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	1.6 cents per ordinary share
Tax Rate	One tier tax exempt

(b) *Corresponding Period of the Immediately Preceding Financial Year*

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

Period	4Q2011 and FY2011
Name of Dividend	Final
Dividend Type	Cash
Dividend Rate	1.6 cents per ordinary share
Tax Rate	One tier tax exempt

(c) **Date payable**

The proposed dividend, if approved by shareholders, will be paid on 20 May 2013.

(d) **Books closure date**

Notice is hereby given that, subject to shareholders' approval of the payment of the abovementioned proposed final dividend at the forthcoming Annual General Meeting to be convened, the Share Transfer Books and Registers of Members of the Company will be closed on 7 May 2013. Duly completed transfers received by the Company's Registrar, M & C Services Private Limited, 112 Robinson Road #05-01 Singapore 068902, up to 5 p.m. on 6 May 2013 will be registered to determine shareholders' entitlement to the proposed dividends. In respect of ordinary shares in securities accounts with The Central Depository (Pte) Ltd ("CDP"), the proposed dividends will be paid by the Company to CDP which will, in turn, distribute the dividend entitlement to the shareholders.

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

Not applicable.



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

PART II -- ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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.

(a) Business segment

	Personal Communications Solutions Services		Info-Comm Technology Services		Network Engineering Services		Total	
	2012	2011	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	(restated)						(restated)	
Revenue and expenses								
Total revenue from external customers	332,708	239,544	89,781	105,735	58,403	44,300	480,892	389,579
Inter-segment revenue	-	-	175	97	-	-	175	97
Total revenue	332,708	239,544	89,956	105,832	58,403	44,300	481,067	389,676
Interest income	7	16	94	135	29	60	130	211
Interest expenses	48	3	674	290	275	31	997	324
Depreciation of property, plant and equipment	310	353	595	573	647	471	1,552	1,397
Amortisation of intangible assets	47	37	1,354	1,685	81	26	1,482	1,748
Reportable segment profit before income tax	6,206	6,465	1,349	102	3,325	2,760	10,880	9,327
Share of losses of a jointly-controlled entity (net of tax)	-	-	(746)	(274)	-	-	(746)	(274)
Provision for impairment of investment in a jointly-controlled entity	-	-	(246)	-	-	-	(246)	-
Other material non-cash items:								
Reportable segment assets	68,853	53,691	69,063	80,870	38,889	34,175	176,805	168,736
Investment in a jointly-controlled entity	-	-	-	1,062	-	-	-	1,062
Capital expenditure								
- Property, plant and equipment	523	393	386	84	764	638	1,673	1,115
- Intangible assets	244	-	33	9,118	23	149	300	9,267
Reportable segment liabilities	31,834	17,563	49,558	59,168	22,712	19,337	104,104	96,068



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

Reconciliations of reportable segment revenue, profit or loss, assets and liabilities, and other material items:

	2012 \$'000	2011 \$'000 (restated)
Revenue		
Total revenue for reportable segments	481,067	389,676
Elimination of inter-segment revenue	(175)	(97)
Consolidated revenue	480,892	389,579
Profit or loss		
Total profit or loss for reportable segments	10,880	9,327
Share of losses of a jointly-controlled entity	(746)	(274)
Provision for impairment of investment in jointly-controlled entity	(246)	-
Consolidated profit before income tax	9,888	9,053
Assets		
Total assets for reportable segments	176,805	168,736
Investments in a jointly-controlled entity	-	1,062
Consolidated total assets	176,805	169,798
Liabilities		
Total liabilities for reportable segments	104,104	96,068

	Other material items 2012			Other material items 2011		
	Reportable segment totals	Adjustments	Consolidated totals	Reportable segment totals	Adjustments	Consolidated totals
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Interest income	(130)	7	(123)	(211)	13	(198)
Interest expenses	997	(7)	990	324	(13)	311
Capital expenditure						
- Property, plant and equipment	1,673	-	1,673	1,115	-	1,115
- Intangible assets	300	-	300	9,267	-	9,267

(b) Geographical segments

	31 December 2012		31 December 2011 (restated)	
	Revenue \$'000	Non-current Assets \$'000	Revenue \$'000	Non-current Assets \$'000
Singapore	396,598	19,490	321,687	19,507
Indonesia	36,388	730	27,651	861
Malaysia	22,130	378	17,898	367
Hong Kong	23,807	-	21,729	-
Other countries	1,969	49	614	55
Consolidated total	480,892	20,647	389,579	20,790



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

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.

a) Business segment

Refer to Note 8 – Review of Group Performance

b) Geographical segment

Refer to Note 13 (b)

15 Breakdown of sales and profit

In S\$'000s	FY2012	FY2011
Sales Reported for 1 st Quarter of the year	101,989	93,959
Profit reported for 1 st Quarter of the year	1,728	3,276
Sales Reported for 2 nd Quarter of the year	122,339	84,713
Profit reported for 2 nd Quarter of the year	1,217	1,574
Sales Reported for 3 rd Quarter of the year	118,833	84,490
Profit reported for 3 rd Quarter of the year	1,774	1,224
Sales Reported for 4 th Quarter of the year	137,731	126,417
Profit reported for 4 th Quarter of the year	3,468	926
Sales Reported for full year	480,892	389,579
Profit reported for full year	8,187	7,000

16. Interested Person Transactions - DISCLOSURE PURSUANT TO RULE 920(1)(a)(ii)

In S\$M	Aggregate value of all transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual			
	4Q2012	4Q2011	FY2012	FY2011
<u>Transactions for the sales of goods and services</u>				
Temasek Holdings (Private) Limited and its Associates	60.0	41.8	212.9	114.0
<u>Transactions for the purchases of goods and services</u>				
Temasek Holdings (Private) Limited and its Associates	14.1	27.9	62.9	68.5
Total Interested Person Transactions	74.1	69.7	275.8	182.5

There were no interested person transactions during the period under review (excluding transactions less than \$100,000 and transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual).



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

- 17. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.**

The Board of Directors hereby confirms that none of the personnel occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Andrew Loh Sur Jin
President

Date: 22 February 2013