



**TELECHOICE INTERNATIONAL LIMITED**  
(REG. NO. 199802072R)

**PART I - UNAUDITED RESULTS FOR THE 3<sup>RD</sup> QUARTER AND 9 MONTHS ENDED 30 SEPTEMBER 2013**

**1(a)(i) INCOME STATEMENT FOR THE 3<sup>RD</sup> QUARTER AND 9 MONTHS ENDED 30 SEPTEMBER 2013**

In S\$'000	3Q2013	3Q2012	+/- %	9M2013	9M2012	+/- %
Revenue	149,422	118,833	25.7%	404,508	343,161	17.9%
Cost of sales	(138,406)	(108,628)	27.4%	(373,939)	(313,521)	19.3%
<b>Gross profit</b>	<b>11,016</b>	<b>10,205</b>	<b>7.9%</b>	<b>30,569</b>	<b>29,640</b>	<b>3.1%</b>
Gross Margin %	7.4%	8.6%	-1.2 ppt	7.6%	8.6%	-1.0 ppt
Other income (Note 1)	169	77	119.5%	379	570	-33.5%
Selling and marketing expenses (Note 2)	(2,724)	(2,698)	1.0%	(8,158)	(7,836)	4.1%
Administrative expenses (Note 3)	(4,394)	(4,562)	-3.7%	(13,604)	(14,057)	-3.2%
Other expenses (Note 4)	(659)	(375)	75.7%	(1,400)	(1,243)	12.6%
Net finance costs (Note 5)	(274)	(262)	4.6%	(802)	(606)	32.3%
Share of losses of a jointly-controlled entity (net of tax)	-	(49)	nm	-	(153)	nm
<b>Profit before income tax</b>	<b>3,134</b>	<b>2,336</b>	<b>34.2%</b>	<b>6,984</b>	<b>6,315</b>	<b>10.6%</b>
% of revenue	2.1%	2.0%	0.1 ppt	1.7%	1.8%	-0.1 ppt
Income tax expense (Note 6)	(447)	(562)	-20.5%	(1,608)	(1,596)	0.8%
<b>Profit for the period</b>	<b>2,687</b>	<b>1,774</b>	<b>51.5%</b>	<b>5,376</b>	<b>4,719</b>	<b>13.9%</b>
Attributable to:						
<b>Equity holders of the Company</b>	<b>2,614</b>	<b>1,796</b>	<b>45.5%</b>	<b>5,477</b>	<b>4,838</b>	<b>13.2%</b>
% of revenue	1.7%	1.5%	0.2 ppt	1.4%	1.4%	-0 ppt
Non-controlling interests	73	(22)	nm	(101)	(119)	-15.1%
	2,687	1,774	51.5%	5,376	4,719	13.9%
No. of shares (in '000)	453,993	453,811		453,900	453,610	
<b>Earnings per share (in cents)</b>						
Basic	0.58	0.40		1.21	1.07	
Diluted	0.58	0.40		1.21	1.07	

**STATEMENT OF COMPREHENSIVE INCOME FOR THE 3<sup>RD</sup> QUARTER AND 9 MONTHS ENDED 30 SEPTEMBER 2013**

In S\$'000	3Q2013	3Q2012	+/- %	9M2013	9M2012	+/- %
<b>Profit for the period</b>	<b>2,687</b>	<b>1,774</b>	<b>51.5%</b>	<b>5,376</b>	<b>4,719</b>	<b>13.9%</b>
<u>Items that may be reclassified subsequently to profit or loss:</u>						
Translation differences relating to financial statements of foreign subsidiaries	(1,184)	(265)	346.8%	(1,276)	(856)	49.1%
Foreign currency translation differences on disposal of foreign subsidiaries reclassified to profit or loss	-	-	-	(24)	-	nm
Exchange differences on monetary items forming part of net investment in a foreign operations	(794)	(326)	143.6%	(625)	(624)	0.2%
<b>Total comprehensive income for the period</b>	<b>709</b>	<b>1,183</b>	<b>-40.1%</b>	<b>3,451</b>	<b>3,239</b>	<b>6.6%</b>
Attributable to:						
Equity holders of the Company	636	1,205	-47.2%	3,552	3,358	5.8%
Non-controlling interests	73	(22)	nm	(101)	(119)	-15.1%
<b>Total comprehensive income for the period</b>	<b>709</b>	<b>1,183</b>	<b>-40.1%</b>	<b>3,451</b>	<b>3,239</b>	<b>6.6%</b>

nm - not meaningful

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

In S\$'000	3Q2013	3Q2012	+/- %	9M2013	9M2012	+/- %
Staff costs (Note 7)	9,989	9,899	0.9%	30,338	29,227	3.8%
Directors' remuneration	98	96	2.1%	293	288	1.7%
Depreciation of property, plant and equipment	399	398	0.3%	1,205	1,161	3.8%
Amortisation of intangible assets (Note 8)	393	357	10.1%	1,173	1,083	8.3%
(Reversal)/Provision for bad debts (Note 9)	(14)	50	nm	81	69	17.4%
Exchange loss (Note 10)	318	70	354.3%	327	309	5.8%

**Notes:**

- (1) Higher other income in 3Q2013 from the gain on sale of S & I Systems Pte Ltd's ("**S&I**") JDE business. Higher other income in 9M2012 was due from subsidy received and a one-off recovery of the final considerations paid in December 2011 from the vendor for the acquisition of S&I.
- (2) Higher selling and marketing expenses in 9M2013 were from marketing vouchers purchased, new headcount to support the retail management services in Malaysia and higher sales commission from higher ICT revenue.
- (3) Lower administrative expenses in 3Q2013 and 9M2013 were from lower payroll and recruitment cost. There was reclassification of NxGen Communications Pte Ltd ("**NxGen**") payroll cost to cost of sales in 9M2013.
- (4) Higher other expenses in 3Q2013 and 9M2013 were due to higher exchange losses and loss from disposal of property, plant and equipment. There was also withholding tax on dividend income from a subsidiary in Indonesia mitigated by gains from disposal of subsidiaries in Malaysia and Philippines in 9M2013.
- (5) Higher interest expense in 9M2013 was due to the increase in interest rate on IDR borrowings and a \$10M 3-year term loan. These were offset by lower interest accretion income from discounting long term receivables.
- (6) The effective tax rate in 3Q2013 and 9M2013 was lower due to lower profit contribution from overseas entities that have higher statutory tax rates.
- (7) Higher staff costs in 3Q2013 and 9M2013 were mainly attributable to new headcount to support the retail management services in Malaysia and Engineering projects in Indonesia.
- (8) Higher amortisation in 3Q2013 and 9M2013 was due to additional capital expenditure on computers and systems upgrades.
- (9) The write-back of bad debts in 3Q2013 was attributed to a partial recovery from a PCS customer. The provision for bad debts in 9M2013 was mainly for a PCS customer whereas the provision in 9M2012 was mainly attributed to ICT.
- (10) Exchange losses in 3Q2013 and 9M2013 arose mainly from the weakening of IDR and MYR. There was a SGD dividend payment and repayment of USD bank loans from Engineering in Indonesia, repayment of intercompany loans denominated in SGD provided to subsidiaries in Malaysia and revaluation of trade receivables and cash balances denominated in MYR. These were partially offset by exchange gains from revaluation of USD cash balances. Exchange losses in 3Q2012 and 9M2012 arose mainly from USD bank loans provided to a subsidiary in Indonesia.

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

In S\$'000	Group		Company	
	30/09/2013	31/12/2012	30/09/2013	31/12/2012
<b>Non-current assets</b> (Note 1)				
Subsidiaries	-	-	36,515	36,516
Jointly-controlled entity	-	-	-	-
Property, plant and equipment	2,018	2,851	141	193
Intangible assets	15,475	16,402	250	212
Deferred tax assets	644	654	119	119
Other receivables	866	1,394	-	-
	<b>19,003</b>	<b>21,301</b>	<b>37,025</b>	<b>37,040</b>
<b>Current assets</b> (Note 2)				
Inventories	36,704	17,483	28,645	6,079
Work-in-progress	18,674	21,758	-	-
Trade and other receivables	83,445	64,691	40,126	27,532
Cash and cash equivalents	33,213	51,572	13,334	29,493
	<b>172,036</b>	<b>155,504</b>	<b>82,105</b>	<b>63,104</b>
<b>Total assets</b>	<b>191,039</b>	<b>176,805</b>	<b>119,130</b>	<b>100,144</b>
<b>Equity</b>				
Share capital	21,893	21,840	21,893	21,840
Other reserves	9,974	12,048	13,363	13,512
Accumulated profits	34,460	37,516	13,987	19,453
<b>Equity attributable to equity holders of the Company</b>	<b>66,327</b>	<b>71,404</b>	<b>49,243</b>	<b>54,805</b>
Non-controlling interests	221	1,297	-	-
<b>Total equity</b>	<b>66,548</b>	<b>72,701</b>	<b>49,243</b>	<b>54,805</b>
<b>Non-current liabilities</b> (Note 3)				
Deferred tax liabilities	660	828	-	-
Loans and borrowings	10,000	10,000	10,000	10,000
Other payables	5,958	7,225	5,958	5,732
	<b>16,618</b>	<b>18,053</b>	<b>15,958</b>	<b>15,732</b>
<b>Current liabilities</b> (Note 4)				
Trade and other payables	88,005	67,812	53,511	28,353
Provision for warranties	308	269	11	25
Current tax payable	1,451	1,116	407	229
Loans and borrowings	10,564	12,097	-	1,000
Deferred revenue	7,545	4,757	-	-
	<b>107,873</b>	<b>86,051</b>	<b>53,929</b>	<b>29,607</b>
<b>Total liabilities</b>	<b>124,491</b>	<b>104,104</b>	<b>69,887</b>	<b>45,339</b>
<b>Total equity and liabilities</b>	<b>191,039</b>	<b>176,805</b>	<b>119,130</b>	<b>100,144</b>

Notes:

- (1) Lower Group non-current assets by \$2.3M as a result of depreciation of property, plant and equipment, amortisation of intangible assets, and lower other receivables.
- (2) Higher Group current assets by \$16.5M from higher inventories and trade and other receivables offset by lower work-in-progress and cash balances. Higher inventories were mainly from Samsung handsets at quarter end. Higher trade receivables were due to increase in sales activities.
- (3) Lower Group non-current liabilities by \$1.4M was due to payment of dividend to selling shareholders of NxGen in 1Q2013.



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- (4) Higher Group current liabilities by \$21.8M from higher trade and other payables and deferred revenue due to increase in sales activities.

**1(b)(ii) GROUP BORROWING**

<b>In S\$'000</b>	<b>As at 30/09/2013</b>	<b>As at 31/12/2012</b>
<b>Amount repayable in one year or less</b>		
Bank loan – unsecured	10,564	12,097
<b>Amount repayable after one year</b>		
Bank loan - unsecured	10,000	10,000
Total	<hr/> 20,564	<hr/> 22,097

**Details of any collateral**

Nil



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**1(c) CONSOLIDATED CASH FLOW STATEMENT FOR THE 3<sup>RD</sup> QUARTER AND 9 MONTHS ENDED 30 SEPTEMBER 2013**

In S\$'000	3Q2013	3Q2012	9M2013	9M2012
<b>Operating Activities</b>				
Profit before income tax	3,134	2,336	6,984	6,315
Adjustments for:				
Amortisation of intangible assets	393	357	1,173	1,083
Depreciation of property, plant and equipment	399	398	1,205	1,161
Finance costs	289	287	834	728
Finance income	(15)	(25)	(32)	(122)
Losses/(Gains) on disposal of property, plant and equipment and intangible assets	34	(11)	33	(16)
Gains on disposal of subsidiaries	-	-	(24)	-
Provision for warranties	2	22	72	(11)
Share of losses of a jointly-controlled entity	-	49	-	153
Share-based payments expenses	42	81	125	243
Cash from operating profit before working capital changes	4,278	3,494	10,370	9,534
Changes in working capital	(12,061)	7,250	(13,111)	21,366
Cash generated from operations	(7,783)	10,744	(2,741)	30,900
Income tax paid	(617)	(454)	(1,398)	(1,158)
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(8,400)</b>	<b>10,290</b>	<b>(4,139)</b>	<b>29,742</b>
<b>Investing Activities</b>				
Payment of contingent consideration	-	-	-	(5,005)
Dividend paid to selling shareholders of a subsidiary	-	-	(1,438)	(1,438)
Purchase of intangible assets	(99)	(22)	(245)	(46)
Purchase of property, plant and equipment	(89)	(459)	(467)	(1,199)
Proceeds from disposal of property, plant and equipment	5	7	14	39
Interest received	15	17	32	37
Bank deposit pledged	-	-	(22)	-
<b>Net cash outflow from investing activities</b>	<b>(168)</b>	<b>(457)</b>	<b>(2,126)</b>	<b>(7,612)</b>
<b>Financing Activities</b>				
Acquisition of non-controlling interests	(11)	-	(2,244)	(77)
Balances with related corporations (non-trade)	(18)	(216)	54	(73)
Capital contribution from non-controlling interests	-	85	-	85
Dividend paid	-	-	(7,264)	(7,253)
Dividend paid to non-controlling interests	(100)	-	(100)	(380)
Interest paid	(196)	(179)	(547)	(383)
Proceeds from issue of shares under Pre-IPO Share Option Scheme	-	-	44	-
Purchase of treasury shares	-	-	(265)	(297)
Proceeds from bank loans	1,839	4,872	16,180	23,636
Repayment of short term bank loans	(4,560)	(5,787)	(17,713)	(23,233)
<b>Net cash outflow from financing activities</b>	<b>(3,046)</b>	<b>(1,225)</b>	<b>(11,855)</b>	<b>(7,975)</b>
Net (decrease)/increase in cash and cash equivalents	(11,614)	8,608	(18,120)	14,155
Cash and cash equivalents at beginning of period	44,984	36,075	51,572	30,489
Effect of exchange rate changes on balances held in foreign currency	(179)	(78)	(261)	(39)
<b>Cash and cash equivalents at end of period</b>	<b>33,191 *</b>	<b>44,605</b>	<b>33,191 *</b>	<b>44,605</b>

\* Net of bank deposit pledged of \$22,000 as at 30 September 2013 from a subsidiary in Malaysia.



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Cash flows from operating activities

The net cash outflow in 3Q2013 and 9M2013 was due to negative change in working capital. Higher negative change in working capital was from higher inventories and receivables, offset by higher payables.

Cash flows from investing activities

Lower cash outflow in 3Q2013 was due to lower capital expenditure. Higher net cash outflow in 9M2012 was due to payment of the first tranche of purchase consideration of \$5M relating to the acquisition of NxGen and higher capital expenditure.

Cash flow from financing activities

Higher net cash outflow in 3Q2013 was due to lower bank borrowings. Higher net cash outflow in 9M2013 was due to buyback of shares from the minority shareholders of S&I and lower bank borrowings.



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**1(d)(i) STATEMENT OF CHANGES IN EQUITY FOR THE 3<sup>RD</sup> QUARTER AND 9 MONTHS ENDED 30 SEPTEMBER 2013**

In S\$'000	Share capital	Accumulated profits	Other reserves	Total attributable to equity holders of the Company	Non controlling interests	Total equity
<b>GROUP</b>						
<b>At 1 July 2012</b>	<b>21,840</b>	<b>32,327</b>	<b>12,895</b>	<b>67,062</b>	<b>1,259</b>	<b>68,321</b>
Total comprehensive income for the period	-	1,796	(591)	1,205	(22)	1,183
Share-based payments expenses	-	-	81	81	-	81
Capital contribution from non-controlling interests	-	-	-	-	85	85
<b>At 30 September 2012</b>	<b>21,840</b>	<b>34,123</b>	<b>12,385</b>	<b>68,348</b>	<b>1,322</b>	<b>69,670</b>
<b>At 1 July 2013</b>	<b>21,893</b>	<b>31,857</b>	<b>11,910</b>	<b>65,660</b>	<b>148</b>	<b>65,808</b>
Total comprehensive income for the period	-	2,614	(1,978)	636	73	709
Share-based payments expenses	-	-	42	42	-	42
Acquisition of non-controlling interests without a change in control	-	(11)	-	(11)	-	(11)
<b>At 30 September 2013</b>	<b>21,893</b>	<b>34,460</b>	<b>9,974</b>	<b>66,327</b>	<b>221</b>	<b>66,548</b>
<b>At 1 January 2012</b>	<b>21,840</b>	<b>36,538</b>	<b>13,919</b>	<b>72,297</b>	<b>1,433</b>	<b>73,730</b>
Total comprehensive income for the period	-	4,838	(1,480)	3,358	(119)	3,239
Purchase of treasury shares	-	-	(297)	(297)	-	(297)
Share-based payments expenses	-	-	243	243	-	243
FY2011 final dividend of 1.6 cents per share (one-tier tax exempt)	-	(7,253)	-	(7,253)	-	(7,253)
Capital contribution from non-controlling interests	-	-	-	-	85	85
Acquisition of non-controlling interests without a change in control	-	-	-	-	(77)	(77)
<b>At 30 September 2012</b>	<b>21,840</b>	<b>34,123</b>	<b>12,385</b>	<b>68,348</b>	<b>1,322</b>	<b>69,670</b>
<b>At 1 January 2013</b>	<b>21,840</b>	<b>37,516</b>	<b>12,048</b>	<b>71,404</b>	<b>1,297</b>	<b>72,701</b>
Total comprehensive income for the period	-	5,477	(1,925)	3,552	(101)	3,451
Issue of 212,500 ordinary shares at exercise price of \$0.2079 per share under share option scheme	44	-	-	44	-	44
Share options exercised	9	-	(9)	-	-	-
Purchase of treasury shares	-	-	(265)	(265)	-	(265)
Share-based payments expenses	-	-	125	125	-	125
FY2012 final dividend of 1.6 cents per share (one-tier tax exempt)	-	(7,264)	-	(7,264)	-	(7,264)
Acquisition of non-controlling interests without a change in control	-	(1,269)	-	(1,269)	(975)	(2,244)
<b>At 30 September 2013</b>	<b>21,893</b>	<b>34,460</b>	<b>9,974</b>	<b>66,327</b>	<b>221</b>	<b>66,548</b>



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In S\$'000	Share capital	Accumulated profits	Other reserves	Total equity
<b><u>COMPANY</u></b>				
<b>At 1 July 2012</b>	<b>21,840</b>	<b>17,472</b>	<b>13,437</b>	<b>52,749</b>
Total comprehensive income for the period	-	710	-	710
Share-based payments to employees of Company's subsidiaries	-	-	34	34
Share-based payments expenses	-	-	47	47
<b>At 30 September 2012</b>	<b>21,840</b>	<b>18,182</b>	<b>13,518</b>	<b>53,540</b>
<b>At 1 July 2013</b>	<b>21,893</b>	<b>13,406</b>	<b>13,321</b>	<b>48,620</b>
Total comprehensive income for the period	-	581	-	581
Share-based payments expenses	-	-	42	42
<b>At 30 September 2013</b>	<b>21,893</b>	<b>13,987</b>	<b>13,363</b>	<b>49,243</b>
<b>At 1 January 2012</b>	<b>21,840</b>	<b>22,225</b>	<b>13,524</b>	<b>57,589</b>
Total comprehensive income for the period	-	3,210	-	3,210
Purchase of treasury shares	-	-	(297)	(297)
Share-based payments to employees of Company's subsidiaries	-	-	102	102
Share-based payments expenses	-	-	141	141
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)
<b>At 30 September 2012</b>	<b>21,840</b>	<b>18,182</b>	<b>13,518</b>	<b>53,540</b>
<b>At 1 January 2013</b>	<b>21,840</b>	<b>19,453</b>	<b>13,512</b>	<b>54,805</b>
Total comprehensive income for the period	-	1,798	-	1,798
Issue of 212,500 ordinary shares at exercise price of \$0.2079 per share under share option scheme	44	-	-	44
Share options exercised	9	-	(9)	-
Purchase of treasury shares	-	-	(265)	(265)
Share-based payments to employees of Company's subsidiaries	-	-	-	-
Share-based payments expenses	-	-	125	125
FY2012 final dividend of 1.6 cents per share (one-tier tax exempt)	-	(7,264)	-	(7,264)
<b>At 30 September 2013</b>	<b>21,893</b>	<b>13,987</b>	<b>13,363</b>	<b>49,243</b>





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

**A) Share Capital**

As at 30 September 2013, the share capital of the Company amounted to \$21.893 million comprising 453,993,461 issued ordinary shares excluding treasury shares. (30 September 2012: 453,811,410 ordinary shares excluding treasury shares; 31 December 2012: 453,811,410 ordinary shares excluding treasury shares).

During the third quarter ended 30 September 2013, there was no issuance of new ordinary shares.

**B) Employee Share Options**

As at 30 September 2013, there were unexercised options of 368,000 (30 September 2012: 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 30 September 2013, the number of outstanding shares granted under the Company's RSP and PSP were 3,774,837 (30 September 2012: 4,869,499) and 1,900,000 (30 September 2012: 2,633,000) respectively.

**D) Treasury Shares**

During the quarter, the Company did not purchase any of its ordinary shares from the market. As at 30 September 2013, there were 61,039 (30 September 2012: 30,590) treasury shares representing approximately 0.013% 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 2012.

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 2013. 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.

**6. EARNINGS PER ORDINARY SHARE (EPS)**

Group	3Q2013	3Q2012	9M2013	9M2012	FY2012
Basic	0.58	0.40	1.21	1.07	1.81
Diluted	0.58	0.40	1.21	1.07	1.81

**7. NET ASSET VALUE**

	GROUP		COMPANY	
	30/09/2013	31/12/2012	30/09/2013	31/12/2012
Net assets value per ordinary share based on issued share capital at the end of the financial period/year (in cents):	14.61	15.73	10.85	12.08

**8. REVIEW OF GROUP PERFORMANCE**

**A) Revenue**

S\$M	3Q2013	3Q2012	Growth		9M2013	9M2012	Growth	
			\$	%			\$	%
Personal Communications Solutions Services ("PCS")	103.7	82.4	21.3	26%	285.0	239.4	45.6	19%
Info-Comm Technology Services ("ICT")	27.5	20.5	7.0	34%	73.1	62.3	10.8	17%
Network Engineering Services ("Engineering")	18.2	15.9	2.3	14%	46.4	41.5	4.9	12%
Total	149.4	118.8	30.6	26%	404.5	343.2	61.3	18%

- **PCS** – Revenue increased by \$21.3M and \$45.6M in 3Q2013 and 9M2013 respectively from sales to a major Singapore customer, retail management services retainer fees and sales in Malaysia. These were offset by lower regional and prepaid cards sales.
- **ICT** – Revenue increased by \$7.0M and \$10.8M in 3Q2013 and 9M2013 respectively mainly due to larger-scale projects recognized, higher sales of enterprise solutions and new services. These were partially offset by lower IDD usage.
- **Engineering** – Revenue increased by \$2.3M and \$4.9M in 3Q2013 and 9M2013 respectively from transmission equipment and product sales in Singapore, Radio Network Planning and In-building Coverage projects in Indonesia, offset by lower power supply sales in Indonesia and lower In-building Coverage projects in Malaysia.

**B) PBT**

S\$M	3Q2013	3Q2012	Growth		9M2013	9M2012	Growth	
			\$	%			\$	%
PCS	1.6	1.0	0.6	60%	4.5	3.8	0.7	18%
ICT	0.7	0.2	0.5	250%	0.3	0.2	0.1	50%
Engineering	0.8	1.1	(0.3)	(27%)	2.2	2.3	(0.1)	(4%)
Group PBT	3.1	2.3	0.8	35%	7.0	6.3	0.7	11%

- **PCS** - PBT increased by \$0.6M and \$0.7M in 3Q2013 and 9M2013 respectively. Higher PBT in 3Q2013 was mainly due to increased contribution from Malaysia operations. Higher PBT in 9M2013 was due to rebates received and increased contribution from Malaysia operations, offset by rates reduction by a major customer in Singapore.
- **ICT** – PBT increased by \$0.5M and \$0.1M in 3Q2013 and 9M2013 respectively. Higher PBT in 3Q2013 was due to higher gross profit and lower operating expenses. Higher PBT in 9M2013 was due to lower share of losses of a jointly-controlled entity.
- **Engineering** – PBT decreased by \$0.3M and \$0.1M in 3Q2013 and 9M2013 respectively. Improvements in Singapore operations were offset by lower contribution from Malaysia and Indonesia operations. The weakening of the IDR in 3Q2013 resulted in higher exchange losses.

**9. VARIANCE FROM PROSPECT STATEMENT**

There are no material variances between the prospect statement set out in the 1H2013 announcement dated 14 August 2013 and the actual results for 9M2013.

**10. PROSPECTS**

Based on the current outlook and barring any unforeseen circumstances, the Group expects overall FY2013 operating performance to be better than last year's level.

*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.*

**11. DIVIDEND**

**(a) Any dividend declared for the current financial period reported on?** No

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

Any dividend declared for the corresponding period of the immediately preceding financial year? No



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**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

Not applicable.

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

In S\$M	Aggregate value of all interested person transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual			
	3Q2013	3Q2012	9M2013	9M2012
<b><u>Transactions for the sales of goods and services</u></b>				
Temasek Holdings (Private) Limited and its Associates	60.9	54.3	186.1	152.9
<b><u>Transactions for the purchases of goods and services</u></b>				
Temasek Holdings (Private) Limited and its Associates	16.2	15.6	53.6	48.8
<b>Total Interested Person Transactions</b>	<b>77.1</b>	<b>69.9</b>	<b>239.7</b>	<b>201.7</b>

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).

**14. Statement pursuant to Rule 705(5) of the SGX Listing Manual**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the above unaudited financial statements for the third quarter and nine months ended 30 September 2013 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

**Andrew Loh Sur Jin**  
**President**

Date: 13 November 2013