



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

**FOR IMMEDIATE RELEASE**

**TELECHOICE REPORTS FY14 REVENUE OF S\$516.8 MILLION & NET PROFIT OF S\$9.4 MILLION**

- Proposed final dividend of 1.6 cents per ordinary share representing a dividend yield of 6.0%

**Singapore, 27 February 2015** – SGX mainboard-listed TeleChoice International Limited (“TeleChoice” or the “Group”), a regional diversified provider and enabler of innovative info-communications products and services, announced its fourth quarter (“4Q14”) and full year (“FY14”) results for the financial year ended 31 December 2014.

**RESULTS HIGHLIGHTS**

S\$'M	4Q14	4Q13	+/- (%)	FY14	FY13	+/- (%)
<b>Revenue</b>	131.4	151.8	-13.4	516.8	556.3	-7.1
<b>Gross Profit</b>	12.3	13.0	-5.1	42.5	43.5	-2.4
<b>Gross Margin</b>	9.4%	8.5%	0.9ppt	8.2%	7.8%	0.4ppt
<b>Profit Before Tax</b>	3.9	4.1	-4.3	11.4	11.1	3.1
<b>Profit Attributable to Equity Holders</b>	3.7	4.2	-12.3	9.4	9.7	-3.0
<b>EPS (cents)</b>	0.81	0.92	-12.0	2.06	2.13	-3.3
	<b>As at 31/12/14</b>	<b>As at 31/12/13</b>				
<b>NAV Per Share (cents)</b>	15.87	15.30				

The Group’s FY14 revenue declined by 7.1% to S\$516.8 million on the back of lower contribution from Personal Communications Solutions Services (“PCS”) division and Network Engineering Services (“Engineering”) division. Despite the lower contribution, both divisions secured better profit margins due to the change in sales mix for PCS division and improvement in Singapore and Malaysian operations for Engineering division, which translated into an improved gross margin of 8.2% (FY13: 7.8%). The Group also registered higher operating profit before tax (“PBT”) of S\$11.4 million, up 3.1% as compared to FY13.

For the segmental performance, revenue from PCS division in FY14 was 8% lower at S\$364.6 million due to lower sales to a major Singapore customer and lower prepaid card sales, while PBT increased by 13% to S\$6.8 million. For the Info-Communications Technology Services (“ICT”) division, revenue grew by 3% to S\$100.9 million while PBT declined by 23% to S\$1.0 million due to lower gross profit from the projects recognised during the year. Engineering division contributed full year revenue of S\$51.3 million, down by 17% due to lower transmission equipment sales and products sales in Singapore and lower revenue recognition from Radio Network Planning projects in Indonesia. These were partly mitigated by higher revenue from projects in Singapore and products sales in Malaysia. PBT decreased by 5% to S\$3.6 million led by lower profit contribution from Indonesia operations and partially offset by improved operations in Malaysia.

As at 31 December 2014, the Group maintains a strong financial position with cash and cash equivalents of S\$38.0 million, and net asset value per share of 15.87 cents.

To reward shareholders for their support, the Board of Directors has proposed a final dividend of 1.6 cents per ordinary share for FY14, which is equivalent to a dividend yield of 6.0% (based on closing share price of S\$0.265 as at 31 December 2014), subject to approval at the Group's forthcoming Annual General Meeting.

### **CEO'S COMMENTARY**

**Mr Vincent Lim, President of TeleChoice International Limited said, "Despite a challenging year with economic headwinds and weak markets, we have improved our FY14 operating performance and delivered margin improvement against last year's performance. Going forward, we will continue to raise productivity, optimise our resources and streamline and sharpen our business' focus to take advantage of new opportunities in 2015.**

**Smart phones, intelligent wearable devices, and products to facilitate the implementation of the Internet of Things will dominate the mobile consumer markets of 2015 and beyond. Sales of these devices will provide new growth opportunities for Personal Communication Solutions Services.**

**On the Network Engineering Services front, Telco operators in Singapore and the region will continue to upgrade and expand network speed and bandwidth to cater to the insatiable customer demand as consumer and enterprises gravitate towards newer mobile apps and devices.**

**Info-Communications Technology Services has managed to penetrate into the government sector in the latter half of 2014, with some significant wins. This will give impetus to the team as it positions itself to take on new projects in the Education sector and also the government's Smart Nation Initiatives."**

### **OUTLOOK**

Based on the current outlook and barring any unforeseen circumstances, the Group expects 1Q2015 operating performance to be lower than the same period last year, but the full year's operating performance will not be worse off than the operating performance of 2014.

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*This press release is to be read in conjunction with TeleChoice's announcement posted on the SGXNET on 27 February 2015.*

### **ABOUT TELECHOICE INTERNATIONAL LIMITED (REG. 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 offers a comprehensive suite of services and solutions for the info-communications industry under three business divisions, Personal Communications Solutions Services ("PCS"), Info-Communications Technology Services ("ICT") and Network Engineering Services ("Engineering").

For more information, please visit our website at [www.telechoice.com.sg](http://www.telechoice.com.sg)

*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.*

**Issued by 29 Communications LLP on behalf of TeleChoice International Limited**

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