



TELECHOICE INTERNATIONAL LIMITED  
(REG. NO. 199802072R)

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**PROPOSED ACQUISITION OF 100% OF THE TOTAL NUMBER OF ISSUED SHARES IN THE SHARE CAPITAL OF NXGEN COMMUNICATIONS PTE LTD IN TWO TRANCHES**

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The Board of Directors ("**Board**") of TeleChoice International Limited ("**Company**") refers to the Company's announcement of 10 October 2011 ("**Announcement**") and its further announcements on 13 October 2011, 1 November 2011 and 21 May 2012 relating to the abovementioned matter. All capitalised terms used in this announcement and defined in the Announcement bear the meanings ascribed to them in the Announcement.

The Board wishes to announce that the consolidated financial statements of the NxGen Group for the Relevant Period for the purposes of Tranche 2 Consideration have been finalised and determined by the Independent Auditor, and the Actual Relevant NPAT has been determined to be approximately S\$4.87 million. As the Actual Relevant NPAT is lower than the Agreed Relevant NPAT of S\$5.20 million, the Tranche 2 Consideration has been adjusted proportionately from S\$6.30 million to approximately S\$5.90 million (the "**Adjusted Tranche 2 Consideration**").

The Tranche 2 Completion at the Adjusted Tranche 2 Consideration has taken place on 15 July 2015 in accordance with the terms and conditions of the SPA. Following Tranche 2 Completion, the Company's shareholding in NxGen has been increased from 55% to 100%, and NxGen has become a wholly-owned subsidiary of the Company.

The Actual Relevant NPAT of approximately S\$4.87 million determined by the Independent Auditor took into account preliminary provisions relating to (among other things) certain stocks and impairment of certain fixed assets that could not be ascertained as at the end of the Relevant Period ("**Preliminary Provisions**"). The Company and the Tranche 2 Vendors have therefore further agreed that the Preliminary Provisions will be reviewed and finally ascertained as at 31 December 2015 in accordance with Singapore Financial Reporting Standards in the NxGen Group's audited financial statements as at and for the period ending 31 December 2015 ("**Final Provisions**"). The Tranche 2 Consideration will thereafter be further adjusted depending on the change (if any) to the Actual Relevant NPAT due to the Final Provisions. The Tranche 2 Vendors will pay to the Company, or the Company will pay to the Tranche 2 Vendors, such amount as may be necessary to take into account such further adjustment (if any) to the Tranche 2 Consideration, but the Tranche 2 Consideration, as may be further adjusted, will in any event not exceed S\$6.30 million. Payment to take into account the further adjustment (if any) will be made within thirty (30) days from the date on which the NxGen Group's audited financial statements as at and for the period ending 31 December 2015 are finalised and signed.

By Order of the Board

Lim Shuh Moh Vincent  
President  
15 July 2015