



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

PART I - UNAUDITED RESULTS FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2015

1(a)(i) INCOME STATEMENT FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2015

In S\$'000	4Q2015	4Q2014	+/- %	FY2015	FY2014	+/- %
Revenue	162,275	131,425	23.5%	580,653	516,804	12.4%
Cost of sales	(148,201)	(119,124)	24.4%	(537,541)	(474,328)	13.3%
Gross profit (Note 1a)	14,074	12,301	14.4%	43,112	42,476	1.5%
Gross Margin % (Note 1b)	8.7%	9.4%	-0.7 ppt	7.4%	8.2%	-0.8 ppt
Other income (Note 2)	209	97	115.5%	631	610	3.4%
Selling and marketing expenses (Note 3)	(2,778)	(2,492)	11.5%	(11,257)	(10,155)	10.9%
Administrative expenses (Note 4)	(4,913)	(5,183)	-5.2%	(18,135)	(19,036)	-4.7%
Other expenses (Note 5)	(88)	(621)	-85.8%	(1,105)	(1,692)	-34.7%
Net finance costs (Note 6)	(190)	(197)	-3.6%	(479)	(791)	-39.4%
Operating profit before income tax	6,314	3,905	61.7%	12,767	11,412	11.9%
% of revenue	3.9%	3.0%	0.9 ppt	2.2%	2.2%	0.0 ppt
Loss on disposal of a joint venture (Note 7)	-	-	-	(409)	-	nm
Additional contingent consideration (Note 8)	(203)	-	nm	(203)	-	nm
Profit before income tax	6,111	3,905	56.5%	12,155	11,412	6.5%
% of revenue	3.8%	3.0%	0.8 ppt	2.1%	2.2%	-0.1 ppt
Income tax expense (Note 9)	(332)	(181)	83.4%	(2,137)	(2,199)	-2.8%
Profit for the period/year	5,779	3,724	55.2%	10,018	9,213	8.7%
Attributable to:						
Equity holders of the Company	5,811	3,672	58.3%	10,254	9,368	9.5%
% of revenue	3.6%	2.8%	0.8 ppt	1.8%	1.8%	0.0 ppt
Non-controlling interests	(32)	52	nm	(236)	(155)	52.3%
	5,779	3,724	60.2%	10,018	9,213	8.7%
Weighted average number of shares (in '000)	454,422	454,421		454,207	454,198	
Earnings per share (in cents)						
Basic	1.28	0.81		2.26	2.06	
Diluted	1.28	0.81		2.26	2.06	



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

STATEMENT OF COMPREHENSIVE INCOME FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2015

In S\$'000	4Q2015	4Q2014	+/- %	FY2015	FY2014	+/- %
Profit for the period/year	5,779	3,724	55.2%	10,018	9,213	8.7%
<u>Items that will not be reclassified to profit or loss:</u>						
Defined benefit plan remeasurements	56	52	7.7%	56	52	7.7%
Tax on items that will not be reclassified to profit or loss	(15)	(13)	15.4%	(15)	(13)	15.4%
	41	39	5.1%	41	39	5.1%
<u>Items that may be reclassified subsequently to profit or loss:</u>						
Translation differences relating to financial statements of foreign subsidiaries	822	(169)	nm	(903)	178	nm
Foreign currency translation differences on disposal of foreign joint venture reclassified to profit or loss	-	-	-	409	-	nm
Exchange differences on monetary items forming part of net investment in a foreign operations	258	114	126.3%	50	201	-75.1%
	1,080	(55)	nm	(444)	379	nm
Other comprehensive income for the period/year, net of tax	1,121	(16)	nm	(403)	418	nm
Total comprehensive income for the period/year	6,900	3,708	86.1%	9,615	9,631	-0.2%
Attributable to:						
Equity holders of the Company	6,556	3,561	84.1%	9,436	9,717	-2.9%
Non-controlling interests	344	147	134.0%	179	(86)	nm
Total comprehensive income for the period/year	6,900	3,708	86.1%	9,615	9,631	-0.2%

nm - not meaningful

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

In S\$'000	4Q2015	4Q2014	+/- %	FY2015	FY2014	+/- %
Staff costs	11,889	11,154	6.6%	45,350	42,182	7.5%
Directors' remuneration, included in staff costs	112	104	7.7%	454	456	-0.4%
Depreciation of property, plant and equipment (Note 10)	453	441	2.7%	1,561	1,652	-5.5%
Amortisation of intangible assets (Note 11)	216	431	-49.9%	1,350	1,726	-21.8%
Provision for bad debts and bad debts written off (Note 12)	27	122	-77.9%	54	129	-58.1%
Property, plant and equipment written off	-	131	-100.0%	-	131	-100.0%
Exchange (gain)/loss (Note 13)	(18)	68	nm	(5)	85	nm
Write down of inventories to net realisable value (Note 14)	64	74	-13.5%	492	820	-40.0%
Adjustments for under/(over)provision of tax in respect of prior years (Note 15)	(4)	26	nm	74	26	184.6%



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

Notes:

- (1a) In 4Q2015, all business divisions reported higher gross profit against 4Q2014. In FY2015, ICT and Engineering divisions reported lower gross profit against FY2014.
- (1b) In 4Q2015 and FY2015, ICT and Engineering divisions reported lower gross margins against previous periods.
- (2) Higher other income in 4Q2015 was from government grants for the wage credit and temporary employment credit scheme.
- (3) Higher selling and marketing expenses in 4Q2015 and FY2015 were mainly from higher payroll cost and expenses relating to the new master distributorship for prepaid cards.
- (4) Lower administrative expenses in 4Q2015 and FY2015 were due to lower payroll cost, lower rental expenses and lower amortisation of computer software.
- (5) Lower other expenses in 4Q2015 and FY2015 were due to amortisation of intangible assets for S & I Systems Pte Ltd ("S&I") being fully amortised in October 2015 and foreign exchange gain. In 4Q2014 and FY2014 there were also property, plant and equipment written off.
- (6) Lower net finance costs in FY2015 was due to higher interest income arising from changes in amortised costs of long term receivables.
- (7) Loss on disposal of a joint venture was related to the disposal of a foreign joint venture. The loss arose from reclassification of exchange reserve to income statement.
- (8) Additional contingent consideration relating to the Tranche 2 consideration payable on acquisition of NxGen Communications Pte Ltd ("NxGen").
- (9) The higher income tax expense in 4Q2015 was due to higher profits. For FY2015, there was lower income tax expense due to lower profit contribution from overseas entities that have higher statutory tax rates.
- (10) Lower depreciation in 4Q2015 and FY2015 were due to certain assets being fully depreciated.
- (11) Lower amortisation in 4Q2015 and FY2015 were mainly due to the ePlanet ecommerce portal having been fully amortised in 2014 and the intangible assets of S&I being fully amortised in October 2015.
- (12) Lower provision for bad debts in 4Q2015 and FY2015 were attributed to ICT customers.
- (13) Net exchange gain in 4Q2015 arose mainly from USD receivables. Net exchange gain in FY2015 arose mainly from exchange gain from USD cash balances partially offset by exchange loss from MYR receivables. Net exchange loss in 4Q2014 and FY2014 arose mainly from USD payables.
- (14) Lower write down of inventories in FY2015 was due to lower inventory of slow moving mobile phones held.
- (15) Adjustments for the under provision of taxation in FY2015 were due to the differences in final tax assessment and tax estimates made in prior year.



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

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

In S\$'000	Group		Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
<u>Non-current assets</u>				
Subsidiaries	-	-	37,559	37,124
Joint venture	-	-	-	-
Property, plant and equipment	3,703	3,336	661	899
Intangible assets	12,964	14,046	168	110
Deferred tax assets	1,022	730	-	-
Trade and other receivables	6,669	6,237	-	-
	24,358	24,349	38,388	38,133
<u>Current assets</u> (Note 1)				
Inventories	25,221	13,119	20,983	5,483
Work-in-progress	26,109	19,629	-	-
Trade and other receivables	73,599	91,658	24,923	45,109
Cash and cash equivalents	44,584	37,986	14,371	11,901
	169,513	162,392	60,277	62,493
Total assets	193,871	186,741	98,665	100,626
<u>Equity</u>				
Share capital	21,987	21,987	21,987	21,987
Other reserves	8,368	9,346	13,393	13,512
Accumulated profits	43,799	40,775	15,319	12,913
Equity attributable to equity holders of the Company	74,154	72,108	50,699	48,412
Non-controlling interests	11	169	-	-
Total equity	74,165	72,277	50,699	48,412
<u>Non-current liabilities</u> (Note 2)				
Deferred tax liabilities	187	366	41	22
Loans and borrowings	4,987	-	4,987	-
Trade and other payables	4,912	2,734	-	-
	10,086	3,100	5,028	22
<u>Current liabilities</u> (Note 3)				
Trade and other payables	89,299	85,598	37,738	41,938
Excess of progress billings over work-in-progress	62	303	-	-
Provision for warranties	209	229	3	25
Current tax payable	849	396	197	229
Loans and borrowings	14,473	19,968	5,000	10,000
Deferred revenue	4,728	4,870	-	-
	109,620	111,364	42,938	52,192
Total liabilities	119,706	114,464	47,966	52,214
Total equity and liabilities	193,871	186,741	98,665	100,626



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

Notes:

- (1) Group current assets were higher by \$7.1M mainly due to higher inventories purchased for forecasted mobile phones sales and prepaid card sales for 1Q2016 and higher work-in-progress for ICT public sector projects. These were offset by lower trade receivables due from related corporations.
- (2) Group non-current liabilities were higher by \$7.0M mainly due to draw down of a 3-Year S\$5M loan in 3Q2015.
- (3) Group current liabilities were lower by \$1.7M due to repayment of short term bank loans and payment of the Tranche 2 contingent consideration of \$5.9M for the acquisition of the remaining shares in NxGen. These were partially offset by higher trade payables for inventories purchased for forecasted sales in 1Q2016.

1(b)(ii) GROUP BORROWING

In S\$'000	As at 31/12/2015	As at 31/12/2014
Amount repayable in one year or less		
Bank loans – unsecured	14,473	19,968
Amount repayable after one year		
Bank loan - unsecured	4,987	-
Total	<u>19,460</u>	<u>19,968</u>

Details of any collateral

Nil

1(c) CONSOLIDATED CASH FLOW STATEMENT FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2015

In S\$'000	4Q2015	4Q2014	FY2015	FY2014
Operating Activities				
Profit before income tax	6,111	3,905	12,155	11,412
Adjustments for:				
Additional contingent consideration paid on business combination	203	-	203	-
Amortisation of intangible assets	216	431	1,350	1,726
Depreciation of property, plant and equipment	453	441	1,561	1,652
Finance costs	304	314	999	1,072
Finance income	(114)	(117)	(520)	(281)
(Gain)/Loss on disposal of property, plant and equipment and intangible assets	(17)	14	(20)	49
Loss on disposal of a joint venture	-	-	409	-
Gains on disposal of subsidiaries	-	-	-	(11)
Property, plant and equipment written off	-	131	-	131
Reversal for foreseeable losses	-	(39)	-	(39)
(Reversal)/Provision for warranties	(24)	(25)	(13)	22
Share-based payments expenses	106	126	419	348
Cash from operating profit before working capital changes	7,238	5,181	16,543	16,081
Changes in working capital	14,689	2,787	9,431	(12,757)
Cash generated from operations	21,927	7,968	25,974	3,324
Income tax paid	(54)	(615)	(1,280)	(1,942)
Net cash inflow from operating activities	21,873	7,353	24,694	1,382
Investing Activities				
Dividend paid to selling shareholders of a subsidiary	-	-	(440)	(1,438)
Disposal of subsidiary, net of cash disposed of	-	-	-	(13)
Payment of contingent consideration	-	-	(5,900)	-
Purchase of intangible assets	(131)	(66)	(270)	(298)
Purchase of property, plant and equipment	(1,148)	(269)	(1,993)	(2,741)
Proceeds from disposal of property, plant and equipment	27	6	35	18
Interest received	11	15	129	156
Bank deposit pledged	-	-	-	22
Net cash outflow from investing activities	(1,241)	(314)	(8,439)	(4,294)
Financing Activities				
Acquisition of non-controlling interests	(304)	-	(337)	-
Dividend paid	-	-	(7,271)	(7,270)
Interest paid	(240)	(192)	(816)	(684)
Proceeds from issue of shares under Pre-IPO Share Option Scheme	-	-	-	77
Purchase of treasury shares	-	-	(674)	(293)
Proceeds from bank loans	6,172	1,160	21,883	6,941
Repayment of short term bank loans	(10,847)	(691)	(22,391)	(6,833)
Net cash (outflow)/inflow from financing activities	(5,219)	277	(9,606)	(8,062)
Net increase in cash and cash equivalents	15,413	7,316	6,649	(10,974)
Cash and cash equivalents at beginning of period/year	28,659	30,640	37,986	48,884
Effect of exchange rate changes on balances held in foreign currency	512	30	(51)	76
Cash and cash equivalents at end of period/year	44,584	37,986	44,584	37,986



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

Cash flows from operating activities

Higher net cash inflow in 4Q2015 and FY2015 were mainly due to higher operating profits and positive change in working capital from lower trade receivables and higher payables offset by higher inventories.

Cash flows from investing activities

Higher net cash outflow in 4Q2015 was mainly due to higher capital expenditure incurred for testing equipment for projects in Indonesia. Higher net cash outflow in FY2015 was mainly due to the payment of the Tranche 2 contingent consideration of \$5.9M for the acquisition of the remaining shares in NxGen.

Cash flow from financing activities

Net cash outflow in 4Q2015 and higher cash outflow in FY2015 were mainly due to buyback of shares from the minority shareholder of Planet Telecoms (S) Pte Ltd and higher repayment of bank loans.

1(d)(i) STATEMENT OF CHANGES IN EQUITY FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2015

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 2014	21,987	37,064	9,370	68,421	22	68,443
Total comprehensive income for the period	-	3,711	(150)	3,561	147	3,708
Share-based payments expenses	-	-	126	126	-	126
At 31 December 2014	21,987	40,775	9,346	72,108	169	72,277
At 1 October 2015	21,987	37,947	7,558	67,492	(29)	67,463
Total comprehensive income for the period	-	5,852	704	6,556	344	6,900
Acquisition of non-controlling interests	-	-	-	-	(304)	(304)
Share-based payments expenses	-	-	106	106	-	106
At 31 December 2015	21,987	43,799	8,368	74,154	11	74,165
At 1 January 2014	21,893	38,638	8,928	69,459	255	69,714
Total comprehensive income for the year	-	9,407	310	9,717	(86)	9,631
Issue of 368,000 ordinary shares at exercise price of \$0.2079 per share under share option scheme	77	-	-	77	-	77
Share options exercised	17	-	(17)	-	-	-
Purchase of treasury shares	-	-	(293)	(293)	-	(293)
Transfer from treasury shares to share-based payments reserve	-	-	70	70	-	70
Share-based payments expenses	-	-	348	348	-	348
FY2013 final dividend of 1.6 cents per share (one-tier tax exempt)	-	(7,270)	-	(7,270)	-	(7,270)
At 31 December 2014	21,987	40,775	9,346	72,108	169	72,277
At 1 January 2015	21,987	40,775	9,346	72,108	169	72,277
Total comprehensive income for the year	-	10,295	(859)	9,436	179	9,615
Purchase of treasury shares	-	-	(674)	(674)	-	(674)
Transfer from treasury shares to share-based payments reserve	-	-	136	136	-	136
Share-based payments expenses	-	-	419	419	-	419
FY2014 final dividend of 1.6 cents per share (one-tier tax exempt)	-	(7,271)	-	(7,271)	-	(7,271)
Acquisition of non-controlling interests	-	-	-	-	(337)	(337)
At 31 December 2015	21,987	43,799	8,368	74,154	11	74,165



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

In S\$'000	Share capital	Accumulated profits	Other reserves	Total equity
<u>COMPANY</u>				
At 1 October 2014	21,987	11,347	13,386	46,720
Total comprehensive income for the period	-	1,566	-	1,566
Share-based payments to employees of Company's subsidiaries	-	-	28	28
Share-based payments expenses	-	-	98	98
At 31 December 2014	21,987	12,913	13,512	48,412
At 1 October 2015	21,987	9,869	13,287	45,143
Total comprehensive income for the period	-	5,450	-	5,450
Share-based payments to employees of Company's subsidiaries	-	-	34	34
Share-based payments expenses	-	-	72	72
At 31 December 2015	21,987	15,319	13,393	50,699
At 1 January 2014	21,893	16,548	13,404	51,845
Total comprehensive income for the year	-	3,635	-	3,635
Issue of 368,000 ordinary shares at exercise price of \$0.2079 per share under share option scheme	77	-	-	77
Share options exercised	17	-	(17)	-
Purchase of treasury shares	-	-	(293)	(293)
Transfer from treasury shares to share-based payments reserve	-	-	70	70
Share-based payments to employees of Company's subsidiaries	-	-	109	109
Share-based payments expenses	-	-	239	239
FY2013 final dividend of 1.6 cents per share (one-tier tax exempt)	-	(7,270)	-	(7,270)
At 31 December 2014	21,987	12,913	13,512	48,412
At 1 January 2015	21,987	12,913	13,512	48,412
Total comprehensive income for the year	-	9,677	-	9,677
Purchase of treasury shares	-	-	(674)	(674)
Transfer from treasury shares to share-based payments reserve	-	-	136	136
Share-based payments to employees of Company's subsidiaries	-	-	131	131
Share-based payments expenses	-	-	288	288
FY2014 final dividend of 1.6 cents per share (one-tier tax exempt)	-	(7,271)	-	(7,271)
At 31 December 2015	21,987	15,319	13,393	50,699



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

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

A) Share Capital

As at 31 December 2015, the share capital of the Company amounted to \$21.987 million comprising 454,421,918 issued ordinary shares excluding treasury shares. (31 December 2014: 454,421,498 ordinary shares excluding treasury shares).

During the fourth quarter ended 31 December 2015, there was no issuance of new ordinary shares.

B) Employee Share Options

The TeleChoice Pre-IPO Share Option Scheme had expired on 17 May 2014. As at 31 December 2015 and 31 December 2014, there were no unexercised options.

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

As at 31 December 2015, the number of outstanding shares granted under the Company's RSP and PSP were 5,702,600 (31 December 2014: 5,055,280) and 2,043,890 (31 December 2014: 1,923,570) respectively.

D) Treasury Shares

During the fourth quarter ended 31 December 2015, the Company did not purchase any of its ordinary shares from the market.

For the full year ended 31 December 2015, a total of 2,449,300 ordinary shares were repurchased from the market at a total consideration of \$673,888 and 2,449,720 treasury shares were transferred to participants of the Company's share plans.

As at 31 December 2015, there were 582 (31 December 2014: 1,002) treasury shares representing approximately 0.0001% of the total issued share capital of the Company.

2. AUDIT

The results have not been audited or reviewed by the Company's 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 2014.

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 2015. 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	4Q2015	4Q2014	FY2015	FY2014
Basic	1.28	0.81	2.26	2.06
Diluted	1.28	0.81	2.26	2.06

7. NET ASSET VALUE

	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Net asset value per ordinary share based on issued share capital at the end of the financial period/year (in cents):	16.32	15.87	11.16	10.65

8. REVIEW OF GROUP PERFORMANCE

A) Revenue

S\$M	4Q2015	4Q2014	Growth		FY2015	FY2014	Growth	
			\$	%			\$	%
Personal Communications Solutions Services (“PCS”)	99.2	90.8	8.4	9%	413.7	364.6	49.1	13%
Info-Communications Technology Services (“ICT”)	41.6	23.9	17.7	74%	109.6	100.9	8.7	9%
Network Engineering Services (“Engineering”)	21.5	16.7	4.8	29%	57.4	51.3	6.1	12%
Total	162.3	131.4	30.9	24%	580.7	516.8	63.9	12%

- **PCS** – Revenue increased by \$8.4M and \$49.1M in 4Q2015 and FY2015 respectively. There were higher prepaid sales with the appointment as the new master distributor offset by lower channel sales in Singapore and lower revenue from Malaysia. In 4Q2015, there were also lower sales to a major customer in Singapore.
- **ICT** – Revenue increased by \$17.7M and \$8.7M in 4Q2015 and FY2015 respectively. Higher revenue in 4Q2015 was mainly due to higher software revenue from public sector projects as well as higher enterprise solutions sales. Higher revenue in FY2015 was mainly due to higher enterprise solutions sales and more projects completed.
- **Engineering** – Revenue increased by \$4.8M and \$6.1M in 4Q2015 and FY2015 respectively. There were higher transmission equipment sales in Singapore, higher Radio Network Planning projects and power supply product sales in Indonesia offset by lower revenue from Malaysia.

B) PBT

S\$M	4Q2015	4Q2014	Growth		FY2015	FY2014	Growth	
			\$	%			\$	%
PCS	2.0	2.0	-	-	7.7	6.8	0.9	13%
ICT	2.7	0.8	1.9	238%	1.5	1.0	0.5	50%
Engineering	1.6	1.1	0.5	45%	3.6	3.6	-	-
Operating PBT	6.3	3.9	2.4	62%	12.8	11.4	1.4	12%
Additional contingent consideration	(0.2)	-	(0.2)	nm	(0.2)	-	(0.2)	nm
Loss on disposal of a joint venture	-	-	-	-	(0.4)	-	(0.4)	nm
Group PBT	6.1	3.9	2.2	56%	12.2	11.4	0.8	7%

- **PCS** – PBT was maintained at \$2.0M in 4Q2015. PBT increased by \$0.9M in FY2015 mainly due to higher profit contribution from Singapore operations. The weakening of the Malaysian Ringgit has also impacted the profit contribution from Malaysia.
- **ICT** – PBT increased by \$1.9M and \$0.5M in 4Q2015 and FY2015 respectively. Higher PBT in 4Q2015 was due to higher gross profits and lower operating expenses. Higher PBT in FY2015 was due to lower operating expenses partially offset by lower gross profits. Excluding the amortisation of intangible assets arising from the acquisitions and interest accretion, operating PBT for FY2015 and FY2014 maintained at \$2.5M.
- **Engineering** – PBT increased by \$0.5M in 4Q2015 due to higher profit contributions from Singapore and Indonesia. PBT was maintained at \$3.6M in FY2015. Higher profit contribution from Indonesia despite the translation loss due to the weakening of the Indonesian Rupiah was partially offset by losses from the Malaysian operations.
- Additional contingent consideration relating to the Tranche 2 consideration payable on acquisition of NxGen.
- Loss on disposal of a joint venture is related to the disposal of a foreign joint venture. The loss arose from reclassification of exchange reserve to income statement.

9. VARIANCE FROM PROSPECT STATEMENT

The Group's operating performance for FY2015 was better compared to FY2014. This varied from the prospect statement set out in the 9M2015 financial results announcement dated 12 November 2015 which stated that the Group expects operating performance for the full year 2015 to be lower than that of 2014.

10. PROSPECTS

Based on the current economic outlook and barring any unforeseen circumstances, the Group expects the operating performance for 1Q2016 to be maintained at the same level as 1Q2015. Overall, 2016 full-year's operating performance is not expected to be lower than the operating performance of 2015.

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	4Q2015 and FY2015
Name of Dividend	Proposed Final
Dividend Type	Cash
Dividend Rate	S\$0.016 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	4Q2014 and FY2014
Name of Dividend	Proposed Final
Dividend Type	Cash
Dividend Rate	S\$0.016 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 2016.

(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 6 May 2016. 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 5 May 2016 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.

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-ST Listing Manual			
	4Q2015	4Q2014	FY2015	FY2014
<u>Transactions for the sales of goods and services</u>				
Temasek Holdings (Private) Limited and its Associates	56.7	62.6	229.8	215.8
<u>Transactions for the purchases of goods and services</u>				
Temasek Holdings (Private) Limited and its Associates	31.3	11.1	127.1	60.2
<u>Management services</u>				
Temasek Holdings (Private) Limited and its Associates	0.1	-	0.1	-
Total Interested Person Transactions	88.1	73.7	357.0	276.0

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. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the SGX-ST Listing Manual.



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

PART II -- ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15. **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-Communications Technology Services		Network Engineering Services		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and expenses								
Total revenue from external customers	413,653	364,632	109,586	100,897	57,414	51,275	580,653	516,804
Inter-segment revenue	-	53	197	317	-	-	197	370
Total revenue	413,653	364,685	109,783	101,214	57,414	51,275	580,850	517,174
Interest income	89	65	398	145	120	121	607	331
Interest expenses	288	161	417	501	381	460	1,086	1,122
Depreciation of property, plant and equipment	601	628	318	517	642	507	1,561	1,652
Amortisation of intangible assets	127	320	1,199	1,374	24	32	1,350	1,726
Reportable segment profit before income tax	7,651	6,817	1,320	998	3,593	3,597	12,564	11,412
Loss on disposal of a joint venture	-	-	(409)	-	-	-	(409)	-
Other material non-cash items:								
Property, plant and equipment written off	-	-	-	(131)	-	-	-	(131)
Reportable segment assets	70,242	73,142	78,345	72,880	45,284	40,719	193,871	186,741
Capital expenditure								
- Property, plant and equipment	467	1,200	128	570	1,398	971	1,993	2,741
- Intangible assets	215	85	55	169	-	44	270	298
Reportable segment liabilities	46,636	45,933	48,716	47,832	24,354	20,699	119,706	114,464



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

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

	2015 \$'000	2014 \$'000
Revenue		
Total revenue for reportable segments	580,850	517,174
Elimination of inter-segment revenue	(197)	(370)
Consolidated revenue	580,653	516,804
Profit or loss		
Total profit or loss for reportable segments	12,564	11,412
Loss on disposal of a joint venture	(409)	-
Consolidation profit before income tax	12,155	11,412
Assets		
Total assets for reportable segments	193,871	186,741
Liabilities		
Total liabilities for reportable segments	119,706	114,464

	Other material items 2015			Other material items 2014		
	Reportable segment totals	Adjustments	Consolidated totals	Reportable segment totals	Adjustments	Consolidated totals
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Interest income	(607)	87	(520)	(331)	50	(281)
Interest expenses	1,086	(87)	999	1,122	(50)	1,072
Capital expenditure						
- Property, plant and equipment	1,993	-	1,993	2,741	-	2,741
- Intangible assets	270	-	270	298	-	298

(b) Geographical segments

	31 December 2015		31 December 2014	
	Revenue \$'000	Non-current assets \$'000	Revenue \$'000	Non-current assets \$'000
Singapore	513,016	21,680	439,918	22,665
Indonesia	33,039	1,602	28,540	830
Malaysia	13,202	54	25,255	106
Hong Kong	20,342	-	19,946	-
Other countries	1,054	-	3,145	18
Consolidated total	580,653	23,336	516,804	23,619



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

16. 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 15 (b)

17. Breakdown of sales

In S\$'000s	FY2015	FY2014
Total revenue reported for first half year	273,208	253,835
Operating profit after tax before deducting minority interests reported for first half year	2,772	3,306
Total revenue reported for second half year	307,445	262,969
Operating profit after tax before deducting minority interests reported for second half year	7,246	5,907

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

	FY2015 S\$'000	FY2014 S\$'000
Ordinary shares (tax exempt 1- tier) - Final (Proposed)	7,271	7,271
Total Annual Dividend	7,271	7,271

19. 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 Company 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

Lim Shuh Moh Vincent
President

Date: 26 February 2016