



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

FOR IMMEDIATE RELEASE

TELECHOICE POSTS NET PROFIT OF S\$1.2 MILLION ON HIGHER REVENUE OF S\$133.9 MILLION IN 1Q2016

- ICT registered biggest improvement with higher revenue and higher gross profits against 1Q2015

Singapore, 5 May 2016 – 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 first quarter (“1Q2016”) results for the financial period ended 31 March 2016.

RESULTS HIGHLIGHTS

S\$'M	1Q2016	1Q2015	+/- (%)
Revenue	133.9	126.3	6.1
Gross Profit	9.0	9.2	-1.4
Gross Margin	6.7%	7.2%	-0.5ppt
Operating Profit	1.9	1.7	11.0
One-off Loss on Disposal of a Joint Venture	-	(0.4)	nm
Profit Before Tax	1.9	1.3	47.0
Profit Attributable to Equity Holders	1.2	0.8	55.4
EPS (cents)	0.26	0.17	
	As at 31/03/16	As at 31/12/15	
NAV Per Share (cents)	16.65	16.32	

RESULTS OVERVIEW

- **Group revenue growth driven by contribution from all business divisions**

Group revenue for the period under review grew by 6.1% to S\$133.9 million due to higher revenue contribution by the three business divisions. Personal Communications Solutions Services’ (“PCS”) revenue improved by S\$0.6 million to S\$95.7 million from higher sales to a major Singapore customer and higher prepaid sales. Info-Communications Technology Services (“ICT”) also bettered its revenue by S\$5.7 million to S\$25.8 million due to higher equipment sales and more projects carried out in

1Q2016. Network Engineering Services (“Engineering”) booked revenue of S\$12.4 million, a S\$1.3 million increase over the same period last year, from higher Radio Network Planning projects in Indonesia.

- **Improved profitability with ICT making biggest stride; maintained strong balance sheet and cash position**

Group profit before tax increased by 47.0% to S\$1.9 million, translating into higher net profit of 55.4% to S\$1.2 million. Segmentally, profit before tax of PCS and Engineering declined by 9% and 50% to S\$2.0 million and S\$0.3 million respectively, on weaker contribution from Singapore operations. ICT narrowed its losses by 64% to S\$0.4 million as it achieved higher revenue with higher gross profits. It has also fully amortised the intangible assets acquired under the investment in S & I Systems Pte Ltd.

As at 31 March 2016, the Group’s balance sheet remained robust with cash and cash equivalents of S\$35.7 million, and net asset value per share of 16.65 cents.

CEO’S COMMENTARY

Mr Vincent Lim, President of TeleChoice said, “We have achieved a good first quarter performance even as the economic conditions have started to deteriorate. All our business divisions have bettered their performance, growing their revenue on opportunities which they had seized and capabilities that they have enhanced to verticalise their operations.

“Despite the weak retail outlook for Singapore, PCS will continue to benefit from the strong demand for smart devices and intelligent wearables with the Internet of Things (“IoT”). Through its subsidiaries, Planet Telecoms (S) Pte Ltd and Planet Managed Services Pte. Ltd., PCS will increase its retail footprint strategically. It will also strengthen its partnerships with customers and principals and capitalise on growth opportunities presented by business and consumer trends.

“ICT’s performance has strengthened steadily, as it builds its portfolio in the public sector and enterprise space. It has gained a leading position in the contact centre and unified communications space, particularly in the areas of healthcare, hospitality and finance.

“Engineering will further expand into markets such as Vietnam and the Philippines. It will extend its suite of products and services and will leverage on its close working relationships with operators and equipment vendors to penetrate these markets. Additionally, it will continue to capitalise on opportunities from telcos’ ongoing network upgrades both locally and regionally.”

OUTLOOK

Based on the current outlook and barring any unforeseen circumstances, the Group expects operating performance for 2Q2016 to be weaker, with operating performance for the full year not to be worse off than the preceding financial year.

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This press release is to be read in conjunction with TeleChoice’s announcement posted on the SGXNET on 5 May 2016.

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 Singapore Technologies Telemedia Pte Ltd, a strategic investor in communications, media and technology businesses around the globe.

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

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

Media & Investor Relations Contact:

Lim Siew Yin, 29 Communications, Mobile: +65 9858 4673, siewyin@29communications.com.sg
Angelina Pereira, 29 Communications, Mobile: +65 9191 4756, angiep@29communications.com.sg