

PART I - UNAUDITED RESULTS FOR THE FULL YEAR ENDED 31 DECEMBER 2007
1(a)(i) STATEMENT OF PROFIT AND LOSS FOR THE 4TH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2007

| In S\$'000 | 2007 4Q | 2006 | +/- % | 2007 FY | 2006 | +/- % |
|---|----------------|----------------|----------|----------------|----------------|----------|
| Revenue | 125,745 | 133,183 | -5.6% | 420,404 | 459,757 | -8.6% |
| Cost of sales | (113,742) | (121,139) | -6.1% | (380,858) | (418,229) | -8.9% |
| Gross profit | 12,003 | 12,044 | -0.3% | 39,546 | 41,528 | -4.8% |
| <i>Gross Margin %</i> | 9.5% | 9.0% | 0.5% | 9.4% | 9.0% | 0.4% |
| Other income | 580 | 953 | -39.1% | 2,340 | 3,197 | -26.8% |
| Selling and marketing expenses | (1,637) | (1,838) | -10.9% | (6,352) | (7,491) | -15.2% |
| Administrative expenses | (4,580) | (3,839) | 19.3% | (16,414) | (14,076) | 16.6% |
| Other expenses | (790) | (191) | 313.6% | (1,286) | (930) | 38.3% |
| Finance costs | (122) | (9) | 1255.6% | (202) | (10) | 1920.0% |
| Share of profit of jointly-controlled entity and associate company (net of tax) | 84 | 30 | 180.0% | 154 | 114 | 35.1% |
| Profit before income tax | 5,538 | 7,150 | -22.5% | 17,786 | 22,332 | -20.4% |
| <i>% of revenue</i> | 4.4% | 5.4% | -1.0% | 4.2% | 4.9% | -0.6% |
| Income tax expense | (621) | (1,548) | -59.9% | (3,607) | (5,442) | -33.7% |
| Profit for the year | 4,917 | 5,602 | -12.2% | 14,179 | 16,890 | -16.1% |
| Attributable to: | | | | | | |
| Equity holders of the Company | 4,917 | 5,611 | -12.4% | 14,179 | 17,216 | -17.6% |
| <i>% of revenue</i> | 3.9% | 4.2% | -0.3% | 3.4% | 3.7% | -0.3% |
| Minority interest | - | (9) | -100.0% | - | (326) | -100.0% |
| | 4,917 | 5,602 | -12.2% | 14,179 | 16,890 | -16.1% |

| | | | | |
|---------------|---------|---------|---------|---------|
| No. of shares | 451,742 | 450,131 | 450,909 | 447,826 |
|---------------|---------|---------|---------|---------|

Earnings per share (in cents)

| | | | | |
|---------|------|------|------|------|
| Basic | 1.09 | 1.25 | 3.14 | 3.84 |
| Diluted | 1.09 | 1.24 | 3.14 | 3.82 |

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

| In S\$'000s | 2007 | 2006 | % | 2007 | 2006 | % |
|--|-------|-------|---------|--------|--------|--------|
| | 4Q | | | FY | FY | |
| Staff costs (note 1) | 6,198 | 6,214 | -0.2% | 22,246 | 21,522 | 3.4% |
| Value of employee services received for issue of share option, included in staff costs | (224) | (33) | 578.2% | 61 | 79 | -22.5% |
| Directors' remuneration | 112 | 174 | -35.6% | 463 | 822 | -43.7% |
| Depreciation of property, plant and equipment | 371 | 427 | -13.3% | 1,603 | 1,565 | 2.4% |
| Amortisation of intangible assets | 14 | 130 | -89.2% | 564 | 669 | -15.7% |
| Impairment losses on goodwill (note 2) | 522 | 0 | 100% | 522 | 0 | 100% |
| Allowance for doubtful receivables (note 3) | 1,323 | 75 | 1664.0% | 3,136 | 346 | 806.4% |
| Exchange loss (note 4) | 203 | 73 | 178.0% | 396 | 367 | 7.9% |
| Finance costs | 122 | 0 | 100% | 202 | 10 | 1920% |
| Other income comprises: | | | | | | |
| Service income | 268 | 304 | -11.8% | 1,038 | 1,144 | -9.3% |
| Interest income | | | | | | |
| -banks | 67 | 181 | -63.0% | 471 | 740 | -36.6% |
| -jointly controlled entity | 16 | 0 | 100% | 42 | 0 | 100% |
| Others | 229 | 468 | -51.0% | 789 | 1,313 | -39.9% |
| | 580 | 953 | -39.1% | 2,340 | 3,197 | -26.8% |

The Group renamed its Distribution Services to Personal Communications Solutions (or "PCS"), to better reflect the whole spectrum of value-added integrated fulfillment and management services (from logistics support to after sales customer service) offered by the business unit.

Notes:

- (1) The increase in staff costs for the year was mainly attributable to the increase in headcount to support the increase in engineering projects.
- (2) Impairment losses on goodwill recognized under "Other expenses" refer to benefits derived from customer base and distribution networks, attributable to the investment in N-Wave Telecom (Malaysia) Sdn Bhd and goodwill arising from additional acquisition of TeleChoice (Indonesia) Pte Ltd in 2006.
- (3) Allowance for doubtful receivables increased mainly from a major PCS Services customer in Indonesia.
- (4) The exchange loss and gain recognized under "Other expenses" was attributable to the revaluation of the loans from the parent company to its subsidiaries.

1(b)(i) BALANCE SHEET

| In S\$'000 | Group | | Company | |
|--|----------------|----------------|----------------|---------------|
| | 31/12/2007 | 31/12/2006 | 31/12/2007 | 31/12/2006 |
| <u>Non-current assets</u> | | | | |
| Subsidiaries | 0 | 0 | 12,950 | 14,170 |
| Jointly-controlled entities | 1,295 | 1,767 | 955 | 1,168 |
| Associates company (1) | 9,785 | 0 | 9,760 | 0 |
| Property, plant and equipment | 2,094 | 2,698 | 272 | 394 |
| Intangible assets | 1,015 | 1,918 | 0 | 0 |
| Deferred tax assets | 558 | 527 | 90 | 133 |
| | 14,747 | 6,910 | 24,027 | 15,865 |
| <u>Current Assets</u> | | | | |
| Inventories | 33,759 | 17,824 | 32,473 | 11,550 |
| Work-in-progress | 4,730 | 1,050 | 0 | 0 |
| Trade and other receivables | 71,575 | 48,726 | 46,900 | 34,935 |
| Cash and cash equivalent | 25,008 | 28,941 | 5,969 | 11,542 |
| | 135,072 | 96,541 | 85,342 | 58,027 |
| Total Assets | 149,819 | 103,451 | 109,369 | 73,892 |
| Equity attributable to equity holders of the parent | | | | |
| Share Capital | 20,770 | 20,439 | 20,770 | 20,439 |
| Other Reserves | 15,489 | 16,257 | 13,628 | 13,630 |
| Accumulated profits | 28,352 | 19,800 | 24,795 | 22,048 |
| Total equity | 64,611 | 56,496 | 59,193 | 56,117 |
| Non current liabilities | | | | |
| Deferred tax liabilities | 184 | 197 | 0 | 0 |
| Financial Liabilities | 0 | 14 | 0 | 0 |
| <u>Current Liabilities</u> | | | | |
| Trade and other payables | 67,943 | 38,775 | 36,538 | 14,466 |
| Provision for warranties | 434 | 487 | 362 | 420 |
| Current tax payable | 3,258 | 5,214 | 2,276 | 2,889 |
| Financial liabilities | 11,786 | 603 | 11,000 | 0 |
| Deferred income | 1,603 | 1,665 | 0 | 0 |
| | 85,024 | 46,744 | 50,176 | 17,775 |
| Total liabilities | 85,208 | 46,955 | 50,176 | 17,775 |
| Total equity and liabilities | 149,819 | 103,451 | 109,369 | 73,892 |

Note:

(1) This refers to the Group's investment in TeleFortune (China) Investment Ltd.



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Increase in total assets was attributable to the Group's investment in TeleFortune (China) Investment Ltd of \$9.8M and the increase in inventories, trade and other receivables, but partially offset by decrease in cash and cash equivalent. Inventories increased were from higher PCS sales in Singapore. The increase in trade and other receivables and the increase in trade and other payables were from increase in PCS and Engineering sales activities.

Increase in total liabilities was from short term bank borrowings to fund the Group's investment in TeleFortune (China) Investment Ltd and to prepay suppliers to enjoy early payment discount.

1(b)(ii) GROUP BORROWING IN S\$'000s

| | As at 31/12/2007 | As at 31/12/2006 |
|---|-----------------------------|-----------------------------|
| Amount repayable in one year or less | | |
| Unsecured | 11,772 | 561 |
| Amount repayable after one year | NIL | NIL |
| Details of any collateral | NIL | NIL |



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1(c) CASH FLOW STATEMENT FOR THE THE 4TH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2007

| In S\$'000 | 4Q2007 | 4Q2006 | FY2007 | FY2006 |
|--|----------------|----------------|-----------------|-----------------|
| Cash Flows From Operating Activities | | | | |
| Profit before taxation | 5,538 | 7,150 | 17,786 | 22,332 |
| Adjustments for: | | | | |
| Accretion of deferred income | 1 | 250 | (1,376) | (978) |
| Amortisation of intangible assets | 14 | 129 | 564 | 669 |
| Depreciation of property, plant and equipment | 371 | 427 | 1,603 | 1,565 |
| Interest expense | 122 | 9 | 202 | 10 |
| Interest income | (83) | (181) | (513) | (740) |
| Loss on disposal of property, plant and equipment | (11) | 8 | 31 | 14 |
| Impairment loss on goodwill | 522 | 0 | 522 | 0 |
| Provision for warranties | 1 | 58 | 22 | 74 |
| Share of profits of jointly-controlled entity/ associate company | (84) | (30) | (154) | (114) |
| Value of employees services received for issue of share options | (224) | (33) | 61 | 79 |
| Cash from operating profit before working capital changes | 6,167 | 7,787 | 18,748 | 22,911 |
| Changes in working capital: | 457 | 9 | (11,707) | (16,610) |
| Cash generated from operations | 6,624 | 7,796 | 7,041 | 6,301 |
| Income tax paid | (1,055) | (470) | (5,390) | (3,595) |
| Interest received | 83 | 249 | 513 | 740 |
| Net cash inflow from operating activities | 5,652 | 7,575 | 2,164 | 3,446 |
| Cash Flows From Investing Activities | | | | |
| Acquisition of additional equity interest in subsidiary | 0 | 0 | 0 | (960) |
| Acquisition of associate company | 0 | 0 | (9,760) | 0 |
| Loan to jointly-controlled entity | 261 | (263) | 0 | (263) |
| Proceeds from disposal of property, plant and equipment | 7 | 0 | 32 | 19 |
| Acquisition of business | 0 | 0 | 0 | (1,087) |
| Purchase of intangible assets | (180) | (582) | (401) | (228) |
| Purchase of property, plant and equipment | (347) | (501) | (1,082) | (1,263) |
| Net cash outflow from investing activities | (259) | (1,346) | (11,211) | (3,782) |
| Cash Flows From Financing Activities | | | | |
| Balances with related corporations (non-trade) | 194 | (43) | 162 | (219) |
| Dividend paid | 0 | 0 | (5,627) | (16,776) |
| Interest paid | (122) | (10) | (202) | (10) |
| Purchase of treasury shares | 0 | 0 | (72) | 0 |
| Proceeds from issue of shares under Share Option Scheme | 0 | 13 | 331 | 1,010 |
| Repayment of finance lease liability | (42) | 0 | (42) | 0 |
| (Repayment of)/Proceeds from short term bank loan/ bank facilities (unsecured) | (3,976) | 414 | 11,211 | 561 |
| Net cash inflow/(outflow) from financing | (3,946) | 374 | 5,761 | (15,434) |
| Net Increase/(decrease) In Cash And Cash Equivalents | 1,447 | 6,603 | (3,286) | (15,770) |
| Cash And Cash Equivalents At beginning of Period/Year | 23,918 | 22,407 | 28,941 | 44,626 |
| Effect of exchange rate differences on balances held in foreign currency | (357) | (69) | (647) | 85 |
| Cash And Cash Equivalents At End of Year | 25,008 | 28,941 | 25,008 | 28,941 |



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Net cash flow from operating activities

Decrease of \$1.9 M in net cash flow from operating activities in 4Q07 compared to 4Q06 was mainly from lower operating profit.

Decrease of \$1.3 M in net cash flow from operating activities in FY07 compared to FY06 was from lower operating profits and higher income tax payment, offset by lower negative changes in working capital. The lower negative changes in working capital were mainly from increase in trade and other payables.

Net cash flow from investing activities

In FY07, there was an investment of \$9.8 M (equivalent to HK\$50M) in an associate, TeleFortune (China) Investments Ltd, a company incorporated in Hong Kong, to provide logistic and fulfillment services for Nokia-branded mobile handsets throughout the People's Republic of China.

Net cash flow from financing activities

The higher cash inflow in FY07 compared to FY06 was from increased short term bank borrowings to fund the investment in TeleFortune (China) Investment Ltd and to prepay suppliers to enjoy early payment discounts. There was also a special dividend payment in 2006.

**1d(i) STATEMENT OF CHANGES IN EQUITY FOR THE 4TH QUARTER ENDED 31 DECEMBER
2006 and 2007**

| In \$'000 Group | Share capital | Accumulated profits | Other reserves | Minority Interest | Total equity |
|--|------------------|------------------------|-------------------|----------------------|---------------|
| At 1 October 2006 | 20,426 | 14,189 | 16,346 | 0 | 50,961 |
| Translation differences relating to financial statements of foreign subsidiaries | 0 | 0 | (56) | 9 | (47) |
| Net losses recognised directly in equity | 0 | 0 | (56) | 9 | (47) |
| Profit for the period | 0 | 5,611 | 0 | (9) | 5,602 |
| Total recognised income and expense for the period | 0 | 5,611 | (56) | 0 | 5,555 |
| Issue of 62,500 ordinary shares under share option scheme at \$0.2079 per share | 13 | 0 | 0 | 0 | 13 |
| Value of employee services received for issue of share option | 0 | 0 | (33) | 0 | (33) |
| At 31 December 2006 | 20,439 | 19,800 | 16,257 | 0 | 56,496 |
| At 1 October 2007 | 20,770 | 23,435 | 16,264 | 0 | 60,469 |
| Translation differences relating to financial statements of foreign subsidiaries | 0 | 0 | (479) | 0 | (479) |
| Net losses recognised directly in equity | 0 | 0 | (479) | 0 | (479) |
| Profit for the period | 0 | 4,917 | 0 | 0 | 4,917 |
| Total recognised income and expense for the period | 0 | 4,917 | (479) | 0 | 4,438 |
| Value of employee services received for issue of share option | 0 | 0 | (224) | 0 | (224) |
| Purchase of treasury shares | 0 | 0 | (72) | 0 | (72) |
| At 31 December 2007 | 20,770 | 28,352 | 15,489 | 0 | 64,611 |



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1d)(i) STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2006 and 2007

| In \$'000 Group | Share capital | Accumulated profits | Other reserves | Minority interest | Total equity |
|--|---------------|---------------------|----------------|-------------------|---------------|
| At 1 January 2006 | 8,906 | 19,360 | 26,589 | 494 | 55,349 |
| Translation differences relating to financial statements of foreign subsidiaries | 0 | 0 | 112 | 0 | 112 |
| Net losses recognised directly in equity | 0 | 0 | 112 | 0 | 112 |
| Profit for the year | 0 | 17,216 | 0 | (326) | 16,890 |
| Total recognised income and expense for the period | 0 | 17,216 | 112 | (326) | 17,002 |
| Transfer of share premium to share capital | 10,523 | 0 | (10,523) | 0 | 0 |
| Value of employee services received for issue of share option | 0 | 0 | 79 | 0 | 79 |
| Acquisition of additional interest in subsidiary | 0 | 0 | 0 | (168) | (168) |
| Issue of 4,858,000 ordinary shares at exercise price of \$0.2079 per share under share option scheme | 1,010 | 0 | 0 | 0 | 1,010 |
| FY2005 final dividend of 0.5 cents per ordinary share (one tier tax exempt) | 0 | (2,230) | 0 | 0 | (2,230) |
| FY2005 special dividend of 2.0 cents per ordinary share (one tier tax exempt) | 0 | (8,922) | 0 | 0 | (8,922) |
| FY2006 interim dividend of 1.25 cents per ordinary share (one tier tax exempt) | 0 | (5,624) | 0 | 0 | (5,624) |
| At 31 December 2006 | 20,439 | 19,800 | 16,257 | 0 | 56,496 |
| At 1 January 2007 | 20,439 | 19,800 | 16,257 | 0 | 56,496 |
| Translation differences relating to financial statements of foreign subsidiaries | 0 | 0 | (757) | 0 | (757) |
| Net losses recognised directly in equity | 0 | 0 | (757) | 0 | (757) |
| Profit for the year | 0 | 14,179 | 0 | 0 | 14,179 |
| Total recognised income and expense for the period | 0 | 14,179 | (757) | 0 | 13,422 |
| Issue of 1,593,000 ordinary shares under share option scheme | 331 | 0 | 0 | 0 | 331 |
| Value of employee services received for issue of share option | 0 | 0 | 61 | 0 | 61 |
| Purchase of treasury shares | 0 | 0 | (72) | 0 | (72) |
| FY2006 final dividend of 1.25 cents per share (one tier tax exempt) | 0 | (5,627) | 0 | 0 | (5,627) |
| At 31 December 2007 | 20,770 | 28,352 | 15,489 | 0 | 64,611 |



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1d)(i) STATEMENT OF CHANGES IN EQUITY FOR THE 4TH QUARTER and YEAR ENDED 31 DECEMBER 2006 and 2007

| In S\$'000 Company | Share capital | Accumulated profits | Other reserves | Total equity |
|---|---------------|---------------------|----------------|---------------|
| At 1 Oct 2006 | 20,426 | 15,922 | 13,628 | 49,976 |
| Profit for the period | 0 | 6,126 | 0 | 6,126 |
| Total recognised income for the period | 0 | 6,126 | 0 | 6,126 |
| Issue of 62,500 ordinary shares under share option scheme at \$0.2079 per share | 13 | 0 | 0 | 13 |
| Value of employee services received for issue of share option | 0 | 0 | 2 | 2 |
| As at 31 December 2006 | 20,439 | 22,048 | 13,630 | 56,117 |
| At 1 Oct 2007 | 20,770 | 25,111 | 13,719 | 59,600 |
| Profit for the period | 0 | (316) | 0 | (316) |
| Total recognised income for the period | 0 | (316) | 0 | (316) |
| Value of employee services received for issue of share option | 0 | 0 | (91) | (91) |
| As at 31 December 2007 | 20,770 | 24,795 | 13,628 | 59,193 |

| | | | | |
|--|---------------|---------------|---------------|---------------|
| At 1 January 2006 | 8,906 | 21,557 | 24,107 | 54,570 |
| Profit for the year | 0 | 17,266 | 0 | 17,266 |
| Total recognised income for the period | 0 | 17,266 | 0 | 17,266 |
| Issue of 4,795,000 ordinary shares under share option scheme | 1,010 | 0 | 0 | 1,010 |
| Value of employee services received for issue of share option | 0 | 0 | 46 | 46 |
| Transfer of share premium to share capital | 10,523 | 0 | (10,523) | 0 |
| FY2005 final dividend of 0.5 cents per ordinary share (one tier tax exempt) | 0 | (2,230) | 0 | (2,230) |
| FY2005 special dividend of 2.0 cents per ordinary share (one tier tax exempt) | 0 | (8,921) | 0 | (8,921) |
| FY2006 interim dividend of 1.25 cents per ordinary share (one tier tax exempt) | 0 | (5,624) | 0 | (5,624) |
| As at 31 December 2006 | 20,439 | 22,048 | 13,630 | 56,117 |
| At 1 January 2007 | 20,439 | 22,048 | 13,630 | 56,117 |
| Profit for the year | 0 | 8,374 | 0 | 8,374 |
| Total recognised income for the period | 0 | 8,374 | 0 | 8,374 |
| Issue of 1,593,000 ordinary shares under share option scheme | 331 | 0 | 0 | 331 |
| Value of employee services received for issue of share option | 0 | 0 | 70 | 70 |
| Purchase of treasury shares | 0 | 0 | (72) | (72) |
| FY2006 final dividend of 1.25 cents per share (one tier tax exempt) | 0 | (5,627) | 0 | (5,627) |
| At 31 December 2007 | 20,770 | 24,795 | 13,628 | 59,193 |

1d ii). CHANGES IN COMPANY'S SHARE CAPITAL
A) Movements in Issued and Paid up Capital

| | No of ordinary shares | Issued and paid up Capital |
|---|-----------------------|----------------------------|
| | | \$'000 |
| Balance as at 1 October 2007 | 451, 741,500 | 20,770 |
| Issues of ordinary shares under Pre-IPO Share Option scheme | 0 | 0 |
| Balance as at 31 December 2007 | 451,741,500 | 20,770 |

B) Employee Share Options

As at 31 December 2007, there were unexercised options of 4,457,000 (31 December 2006: 7,814,000) unissued ordinary shares of \$0.2079 each under the TeleChoice Pre-IPO Share Option Scheme.

C) Treasury Shares

In 3Q07, a total of 300,000 ordinary shares were repurchased by the Company from the market at a total consideration of \$72,000. These shares are held as treasury shares. As at 31 December 2007, these shares represented approximately 0.07% of the total issued share capital of the Company.

2. AUDIT

The results for the financial year 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 2006.

5. CHANGES IN 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 2006.

6. EARNINGS PER ORDINARY SHARE (EPS)

Based on weighted average number of ordinary shares on issue (in cents)

| Group | 4Q07 | 4Q06 | FY07 | FY06 |
|---------|------|------|------|------|
| Basic | 1.09 | 1.25 | 3.14 | 3.84 |
| Diluted | 1.09 | 1.24 | 3.14 | 3.82 |

7. NET ASSET VALUE

| | GROUP | | COMPANY | |
|--|------------|------------|------------|------------|
| | 31.12.2007 | 31.12.2006 | 31.12.2007 | 31.12.2006 |
| Net assets value per ordinary share based on issued share capital at the end of the financial year (in cents): | 14.30 | 12.55 | 13.10 | 12.47 |

8. REVIEW OF GROUP PERFORMANCE
A) Revenue
i) 4Q07 vs 4Q06

| S\$ M s | 4Q07 | 4Q06 | Growth | |
|--|-------|-------|--------|------|
| | | | \$ | % |
| Personal Communications Solutions Services (PCS) | 102.7 | 113.4 | (10.7) | -9% |
| Telecommunications Services (Telecom) | 6.0 | 7.3 | (1.3) | -18% |
| Network Engineering Services (Engineering) | 17.0 | 12.5 | 4.5 | 36% |
| Total | 125.7 | 133.2 | (7.5) | -6% |

- **PCS** – The increase in revenue from Singapore operations was offset by the decrease in overseas operations, resulting in an overall decrease in total revenue by \$10.7 M or 9%.
- **Telecom** – Total revenue decreased by \$1.3 M or 18% mainly from lower Singapore iDD usage attributable to the intense competitive environment. There was also lower mobile data usage. The decline was partially offset by contributions from Malaysia operations.
- **Engineering** – Projects in Singapore and Indonesia contributed to an increase in total revenue by \$4.5 M or 36%.

ii) FY07 vs FY06

| S\$ M s | FY07 | FY06 | Growth | |
|--|-------|-------|--------|------|
| | | | \$ | % |
| Personal Communications Solutions Services (PCS) | 345.2 | 395.5 | (50.3) | -13% |
| Telecommunications Services (Telecom) | 23.8 | 29.9 | (6.1) | -20% |
| Network Engineering Services (Engineering) | 51.4 | 34.4 | 17.0 | 49% |
| Total | 420.4 | 459.8 | (39.4) | -9% |

- **PCS** – Revenue from Singapore increased by \$19.0 M or 6%. This, however, was offset by the decrease in overseas operations resulting in an overall decrease in revenue by \$50.3 M or 13%
- **Telecom** – Revenue decreased by \$6.1 M or 20% mainly from lower Singapore iDD and mobile data usage. The decline was partially offset by contributions from Malaysian operations.
- **Engineering** - Projects in Singapore and Indonesia contributed to an increase in revenue by \$17 M or 49%.

B) PBT
i) 4Q07 vs 4Q06

| S\$ M s | 4Q07 | 4Q06 | Growth | |
|--|------|------|--------|------|
| | | | \$ | % |
| Personal Communications Solutions Services (PCS) | 3.7 | 4.2 | (0.5) | -12% |
| Telecommunications Services (Telecom) | 1.1 | 1.9 | (0.8) | -42% |
| Network Engineering Services (Engineering) | 0.7 | 1.0 | (0.3) | -30% |
| Total | 5.5 | 7.1 | (1.6) | -23% |

- **PCS** – The increase from Singapore operations was offset by a bad debt provision of approximately \$1.3 M for a major customer in Indonesia resulting in overall PBT to decrease by \$0.5 M or 12%. We have since ceased business with this major customer.
- **Telecom** – The \$0.8 M or 42% decrease was mainly from lower revenue and a partial impairment on the investment cost in Malaysia.
- **Engineering** – The decrease in PBT by \$0.3 M or 30% was largely due to the significantly lower margin projects that were recognized, resulting in lower profit.

ii) **FY07 vs FY06**

| S\$ M s | FY07 | FY06 | Growth | |
|--|------|------|--------|------|
| | | | \$ | % |
| Personal Communications Solutions Services (PCS) | 11.3 | 11.6 | (0.3) | -3% |
| Telecommunications Services (Telecom) | 4.3 | 8.3 | (4.0) | -48% |
| Network Engineering Services (Engineering) | 2.2 | 2.4 | (0.2) | -8% |
| Total | 17.8 | 22.3 | (4.5) | -20% |

- **PCS** – The improvement from Singapore and reduction of overseas losses were offset by a bad debt provision of approximately \$3.1 M for a major customer in Indonesia, resulting in overall PBT to decrease by \$0.3 M or 3%. We have since ceased business with this major customer.
- **Telecom** – The \$4.0 M or 48% decrease in PBT was due to lower revenue. There was also start up losses for the Malaysian operation and development costs for new services.
- **Engineering** – PBT decreased by \$0.2 M or 8% due to higher operating expenses partially offset by the increase in revenue.

9. VARIANCE FROM PROSPECT STATEMENT

No material variances from previous statement.

10. PROSPECTS

- *Personal Communications Solutions Services*

The Group expects its investment in TeleFortune (China) Investments Ltd to begin contributing to the Group from the second quarter of FY2008. Concurrently, the Group will continue to seek out other new value-added service opportunities, including the provision of integrated fulfillment and retail management services in Singapore and the region.

- *Telecommunications Services*

The Group will continue to seek out new cost effective voice & data services to provide to the marketplace. At the same time, it will explore growth opportunities in the expanding mobile broadband and IP telco space in Singapore and the region.

- *Network Engineering Services*

The outlook for the Group's Networking Engineering business remains positive as the regional telco operators are expected to continue to expand and/or upgrade their networks. The Group will also continue to explore opportunities to expand its product and service offerings.

Barring unforeseen circumstances (including from the current global economic uncertainties), the business outlook for the Group is expected to remain cautiously positive. Overall, the Group expects to maintain its operating performance for FY2008.

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. Yes

| | |
|-------------------------|-------------------------------------|
| Period | 4Q07 and FY07 |
| Name of Dividend | Final |
| Dividend Type | Cash |
| Dividend Rate | 2.5 cents per ordinary share |
| Tax Rate | one tier tax exempt |

(b) Corresponding Period of the Immediately Preceding Financial Year

| | |
|-------------------------|---|
| Period | 4Q06 and FY06 |
| Name of Dividend | Final |
| Dividend Type | Cash |
| Dividend Rate | 1.25 cents per ordinary share for 4Q06 |
| Tax Rate | one tier tax exempt |

(c) Date payable

The proposed dividends, if approved by shareholders, will be paid on 20 May 2008.

(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 from 7 May to 8 May 2008, both dates inclusive. Duly completed transfers received by the Company's Registrar, M & C Services Private Limited, 138 Robinson Road #17-00 The Corporate Office Singapore 068906, up to 5 p.m. on 6 May 2008 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

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

13. 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

| In \$'000 | Personal Communications Solutions Services | Telecommunications Services | Network Engineering Services | Eliminations | Consolidated |
|---|--|-----------------------------|------------------------------|--------------|----------------|
| FY2007 | | | | | |
| REVENUE AND EXPENSES | | | | | |
| Total revenue from external customers | 345,234 | 23,774 | 51,396 | 0 | 420,404 |
| Inrer-segment revenue | 32 | 26 | 0 | (58) | 0 |
| Total revenue | 345,266 | 23,800 | 51,396 | (58) | 420,404 |
| Segment results | 11,286 | 4,154 | 2,192 | 0 | 17,632 |
| Taxation | | | | | (3,607) |
| Share of profit of Jointly-controlled entity/associate company (net of tax) | | | | | 154 |
| Profit for the year | | | | | 14,179 |
| ASSETS AND LIABILITIES | | | | | |
| Segment assets | 89,184 | 13,998 | 40,396 | (5,397) | 138,181 |
| Investment in Jointly controlled entity | | | | | 1,295 |
| Investment in Associate company | | | | | 9,785 |
| Deferred tax assets | | | | | 558 |
| | | | | | 149,819 |
| Segment liabilities | 50,254 | 5,500 | 31,409 | (5,397) | 81,766 |
| Tax liabilities | | | | | 3,258 |
| Deferred tax liabilities | | | | | 184 |
| | | | | | 85,208 |
| OTHER SEGMENT INFORMATION | | | | | |
| Capital expenditure: | | | | | |
| -property plant and equipment | 408 | 301 | 366 | 0 | 1,075 |
| -intangible assets | 0 | 88 | 90 | | 178 |
| Depreciation charge | 367 | 754 | 482 | | 1,603 |
| Amortisation charge | 319 | 183 | 62 | | 564 |
| Impairment cost recognised on goodwill | 95 | 427 | 0 | | 522 |
| Value of employee services received for issued of share option | 70 | (26) | 17 | | 61 |



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| In S\$'000 | Personal Communications Solutions Services | Telecommunications Services | Network Engineering Services | Eliminations | Consolidated |
|---|--|-----------------------------|------------------------------|--------------|----------------|
| <u>FY2006</u> | | | | | |
| REVENUE AND EXPENSES | | | | | |
| Total revenue from external customers | 395,497 | 29,862 | 34,398 | 0 | 459,757 |
| Inter-segment revenue | 23 | 28 | 0 | (51) | 0 |
| Total revenue | 395,520 | 29,890 | 34,398 | (51) | 459,757 |
| Segment results | 11,655 | 8,159 | 2,404 | | 22,218 |
| Taxation | | | | | (5,442) |
| Share of profit of Jointly controlled entities/associate (net of tax) | | | | | 114 |
| Profit for the year | | | | | 16,890 |
| ASSETS AND LIABILITIES | | | | | |
| Segment assets | 66,758 | 14,660 | 22,486 | (2,747) | 101,157 |
| Investment in jointly-controlled entity | | | | | 1,767 |
| Deferred tax assets | | | | | 527 |
| | | | | | 103,451 |
| Segment liabilities | 24,268 | 5,735 | 14,288 | (2,747) | 41,544 |
| Tax liabilities | | | | | 5,214 |
| Deferred tax liabilities | | | | | 197 |
| | | | | | 46,955 |
| OTHER SEGMENT INFORMATION | | | | | |
| Capital expenditure: | | | | | |
| -property plant and equipment | 229 | 1,079 | 385 | (213) | 1,480 |
| -intangible assets | 774 | 1,054 | 70 | 0 | 1,898 |
| Depreciation charge | 400 | 681 | 484 | 0 | 1,565 |
| Amortisation charge | 429 | 197 | 43 | 0 | 669 |
| -value of employee services received for issue of share options | 35 | 55 | (11) | 0 | 79 |

(b) Geographical segments

| FY2007 | Singapore | Malaysia | Indonesia | Australia | Thailand | Hong Kong | Dubai | Other Countries | Consolidated |
|---------------------------------|------------------|-----------------|------------------|------------------|-----------------|------------------|--------------|------------------------|---------------------|
| In S\$'000 | | | | | | | | | |
| Revenue from external customers | 356,730 | 1,191 | 27,885 | 351 | 0 | 29,188 | 3,341 | 1,718 | 420,404 |
| Segment assets | 121,126 | 1,373 | 14,679 | 6 | 474 | 0 | 0 | 60 | 137,718 |
| Capital expenditure | | | | | | | | | |
| -property, plant and equipment | 808 | 29 | 238 | 0 | 0 | 0 | 0 | 0 | 1,075 |
| -intangible assets | 178 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 178 |

| FY2006 | Singapore | Malaysia | Indonesia | Australia | Thailand | Hong Kong | Dubai | Other countries | Consolidated |
|---------------------------------|------------------|-----------------|------------------|------------------|-----------------|------------------|--------------|------------------------|---------------------|
| In S\$'000 | | | | | | | | | |
| Revenue from external customers | 341,092 | 13,325 | 47,969 | 26 | 2,720 | 35,726 | 13,335 | 5,564 | 459,757 |
| Segment assets | 76,163 | 2,390 | 21,958 | 52 | 495 | 0 | 0 | 99 | 101,757 |
| Capital expenditure | | | | | | | | | |
| -property, plant and equipment | 900 | 456 | 124 | 0 | 0 | 0 | 0 | 0 | 1,480 |
| -intangible assets | 993 | 810 | 95 | 0 | 0 | 0 | 0 | 0 | 1,898 |

14. 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

Revenue from Hong Kong and Dubai are from the Group's export business. The scale down of PCS activities in Indonesia, Malaysia and Thailand has resulted in the reduction in revenue for these countries.

15. A breakdown of sales and profit

| In S\$'000s | FY07 | FY06 |
|---|--|---------|
| | Sales Reported for 1 st Quarter of the year | 100,824 |
| Profit reported for 1 st Quarter of the year | 3,066 | 3,853 |
| Sales Reported for 2 nd Quarter of the year | 101,071 | 118,934 |
| Profit reported for 2 nd Quarter of the year | 3,234 | 3,982 |
| Sales Reported for 3 rd Quarter of the year | 92,764 | 101,714 |
| Profit reported for 3 rd Quarter of the year | 2,962 | 3,453 |
| Sales Reported for 4 th Quarter of the year | 125,745 | 133,183 |
| Profit reported for 4 th Quarter of the year | 4,917 | 5,602 |
| Sales Reported for full year | 420,404 | 459,757 |
| Profit reported for full year | 14,179 | 16,890 |

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

| S\$ M s | Aggregate value of all transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX listing manual | | | |
|--|--|-------------|--------------|--------------|
| | 4Q07 | 4Q06 | FY07 | FY06 |
| <u>Transactions for the sales of goods and services</u> | 79.8 | 50.2 | 206.7 | 167.2 |
| Temasek Holdings (Private) Limited and its Associates | 79.8 | 50.2 | 206.7 | 167.2 |
| <u>Transactions for the purchases of goods and services</u> | 1.9 | 2.2 | 8.0 | 9.1 |
| Temasek Holdings (Private) Limited and its Associates | 1.5 | 1.5 | 6.0 | 6.1 |
| Singapore Telecommunications Limited and its Associates | 0.4 | 0.7 | 2.0 | 3.0 |
| Total Interested Person Transactions | 81.7 | 52.4 | 214.7 | 176.3 |

Note: All transactions are conducted under the shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual.



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17. Statement pursuant to Rule 705(4) 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 fourth quarter ended 31 December 2007 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Andrew Loh Sur Jin
President

Date: 27 February 2008