

PART I - UNAUDITED RESULTS FOR THE FULL YEAR ENDED 31 DECEMBER 2006

1(a)(i) STATEMENT OF PROFIT AND LOSS FOR THE 4TH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2006

In S\$'000	2006	2005	+/-	2006	2005	+/-
	4Q		%	FY		%
Revenue	133,183	154,130	-13.6%	459,757	569,931	-19.3%
Cost of sales	(121,139)	(140,839)	-14.0%	(418,229)	(524,952)	-20.3%
Gross profit	12,044	13,291	-9.4%	41,528	44,979	-7.7%
<i>Gross Margin %</i>	9.0%	8.6%	0.4%	9.0%	7.9%	1.1%
Other income	953	1,641	-41.9%	3,197	2,161	47.9%
Selling and marketing expenses	(1,838)	(3,019)	-39.1%	(7,491)	(8,967)	-16.5%
Administrative expenses	(3,839)	(3,638)	5.5%	(14,076)	(16,467)	-14.5%
Other expenses	(191)	(49)	289.8%	(930)	(258)	260.5%
Finance costs	(9)	(34)	-73.5%	(10)	(34)	-70.6%
Share of profit of jointly-controlled entity	30	52	-42.3%	114	102	11.8%
Profit before income tax	7,150	8,244	-13.3%	22,332	21,516	3.8%
<i>% of revenue</i>	5.4%	5.3%	0.1%	4.9%	3.8%	1.1%
Income tax expense	(1,548)	(1,990)	-22.2%	(5,442)	(4,342)	25.3%
Profit for the year	5,602	6,254	-10.4%	16,890	17,174	-1.7%
Attributable to:						
Equity holders of the parent	5,611	6,544	-14.2%	17,216	17,654	-2.5%
<i>% of revenue</i>	4.2%	4.2%	0.0%	3.7%	3.1%	0.6%
Minority interest	(9)	(290)	-96.9%	(326)	(480)	-32.1%
	5,602	6,254	-10.4%	16,890	17,174	-1.7%

No. of shares 450,131 445,258 447,826 443,356

Earnings per share (in cents)

Basic	1.25	1.47	3.84	3.98
Diluted	1.24	1.47	3.82	3.97

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

In S\$'000s	2006	2005	+/- %	2006	2005	+/- %
	4Q			FY		
Staff costs (note 1)	6,214	4,958	25.3%	21,522	17,295	24.4%
Value of employee services received for issue of share option, included in staff costs	(33)	(132)	-75.0%	79	333	-76.3%
Directors' remuneration	174	254	-31.5%	822	740	11.1%
Depreciation of property, plant and equipment	427	398	7.3%	1,565	1,343	16.5%
Amortisation of intangible assets (note 2)	129	137	-5.8%	669	228	193.4%
Bad debts written off	89	824	-89.2%	281	3,967	-92.9%
Write down of inventories	63	143	-55.9%	311	400	-22.2%
Loss on disposal of property, plant and equipment	8	10	-20.0%	13	78	-83.3%
Exchange loss (note 3)	73	8	812.5%	367	174	110.9%
Other income comprises:						
Service income	304	983	-69.1%	1,144	1,115	2.6%
Interest income						
-bank deposits	181	226	-19.9%	740	611	21.1%
Others	468	432	8.3%	1,313	435	201.8%
	953	1,641	-41.9%	3,197	2,161	47.9%

Note:

- (1) Staff cost increase is mainly attributable to increase in headcount in Indonesia to support the engineering projects.
- (2) Amortisation of intangible assets increased mainly from amortisation on benefits derived from a customer contract, attributable to the accounting of Planet Telecoms (S) Pte Ltd's financials with effect from 4Q05.
- (3) The exchange loss and gain recognized under "Other expenses" is attributable to the revaluation of the loans from the parent company to its subsidiaries. The loans were mainly denominated in United States Dollars in 2006 and Australia and United States Dollars in 2005.

1(b)(i) BALANCE SHEET

In S\$'000s	Group		Company	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
<u>Non-current assets</u>				
Subsidiaries	0	0	14,170	21,425
Jointly-controlled entities	1,767	1,371	1,168	0
Property, plant and equipment	2,698	2,792	394	454
Intangible assets	1,918	689	0	0
Deferred tax assets	527	425	133	92
	6,910	5,277	15,865	21,971
<u>Current Assets</u>				
Inventories	17,824	18,896	11,550	9,640
Work-in-progress	1,627	2,537	0	0
Trade and other receivables	48,726	53,672	34,935	26,202
Cash and cash equivalent	28,941	44,626	11,542	17,622
	97,118	119,731	58,027	53,464
Total Assets	104,028	125,008	73,892	75,435
<u>Equity attributable to equity holders of the parent</u>				
Share Capital	20,439	8,906	20,439	8,906
Share Premium	0	10,523	0	10,523
Other Reserves	16,257	16,066	13,630	13,584
Accumulated profits	19,800	19,360	22,048	21,557
	56,496	54,855	56,117	54,570
Minority Interest	0	494	0	0
Total equity	56,496	55,349	56,117	54,570
<u>Non current liabilities</u>				
Deferred tax liabilities	197	209	0	0
Finance lease liabilities	14	0	0	0
<u>Current Liabilities</u>				
Trade and other payables	39,352	63,019	14,466	18,495
Provision for warranties	487	745	420	398
Current tax payable	5,214	4,458	2,889	1,972
Deferred income	1,665	1,228	0	0
Finance lease liabilities	42	0	0	0
Short term bank loan (unsecured)	561	0	0	0
	47,321	69,450	17,775	20,865
Total liabilities	47,532	69,659	17,775	20,865
Total equity and liabilities	104,028	125,008	73,892	75,435

Total assets decreased by \$21.0 M mainly from decrease in trade and other receivables by \$4.9 M and decrease in cash and cash equivalent mainly from dividend payment of \$16.8 M (\$11.2 M in 2Q06 and \$5.6 M in 3Q06). The decrease in total liabilities of \$22.1 M was mainly attributable to prepayment to suppliers to enjoy early payment discount(s) and reduction in distribution activities in Malaysia and Thailand.



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

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

	As at 31/12/2006	As at 31/12/2005
Amount repayable in one year or less		
Unsecured	561	NIL
Amount repayable after one year	NIL	NIL
Details of any collateral	NIL	NIL



TELECHOICE INTERNATIONAL LIMITED

(REG. NO. 199802072R)

1(c) CASH FLOW STATEMENT FOR THE THE 4TH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2006

In S\$'000	2006	2005	2006	2005
	4Q		FY	
Operating Activities				
Profit before income tax	7,150	8,244	22,332	21,516
Adjustments for:				
Accretion of deferred income	250	0	(978)	(1,390)
Amortisation of intangible assets	129	137	669	228
Depreciation of property, plant and equipment	427	398	1,565	1,343
Interest expense	9	34	10	34
Interest income	(181)	(226)	(740)	(611)
Loss on disposal of property, plant and equipment	8	10	13	78
Negative goodwill recognized upon acquisition of additional interest in subsidiary	0	(84)	0	(84)
Provision for warranties	58	0	74	376
Share of profits of jointly-controlled entity	(30)	(52)	(114)	(102)
Value of employees services received for issue of share options	(33)	(132)	79	333
Cash from operating profit before working capital changes	7,787	8,329	22,910	21,721
Changes in working capital	9	(7,461)	(16,609)	5,679
Cash generated from operations	7,796	868	6,301	27,400
Income taxes paid	(470)	(652)	(3,595)	(3,829)
Interest received	249	226	740	611
Cash flows from operating activities	7,575	442	3,446	24,182
Investing Activities				
Balances with related corporations (non-trade)	0	0	0	2,009
Acquisition of additional equity interest in subsidiary	0	0	(960)	0
Additional investment in jointly-controlled entity	0	0	0	(478)
Loan to/Repayment from jointly-controlled entity	(263)	0	(263)	242
Net cash inflow from acquisition of subsidiary	0	1,245	0	125
Proceeds from disposal of property, plant and equipment	0	6	19	23
Purchase of intangible assets	(582)	(43)	(1,038)	(165)
Purchase of property, plant and equipment	(501)	(343)	(1,540)	(2,045)
Cash flows from investing activities	(1,346)	865	(3,782)	(289)
Financing Activities				
Balances with related corporations (non-trade)	(43)	145	(219)	(337)
Dividends paid	0	0	(16,776)	(8,903)
Interest paid	(10)	(34)	(10)	(34)
Proceeds from issue of shares under share option scheme	13	26	1,010	684
Proceeds from short term bank loan (unsecured)	414	(2,008)	561	0
Cash flow/ from financing activities	374	(1,871)	(15,434)	(8,590)
Net Increase In Cash And Cash Equivalents	6,603	(564)	(15,770)	15,303
Cash And Cash Equivalents At beginning of Period/Year	22,407	45,241	44,626	29,300
Effect of exchange rate differences on balances held in foreign currency	(69)	(51)	85	23
Cash And Cash Equivalents At End of Period/Year	28,941	44,626	28,941	44,626



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

Net cash flow from operating activities

Improvement of \$7.1 M in net cash flow from operating activities in 4Q06 compared to 4Q05 was mainly from working capital changes.

Decrease of \$20.7 M in net cash flow from operating activities in FY06 compared to FY05 was from operating profits offset by negative changes in working capital. The negative changes in working capital were mainly from reduction of payables from prepayment to suppliers to enjoy early payment discount(s) and reduction in distribution activities in Malaysia and Thailand.

Net cash flow from investing activities

The lower cash outflow in FY05 compared to FY06 was mainly due to the withdrawal of short term fixed deposits in 2005 placed with a related corporation.

There was also cash outflow for acquisition of additional equity interest in TeleChoice (Indonesia) Pte Ltd and Planet Telecoms (S) Pte Ltd in 2006.

Net cash flow from financing activities

The higher cash outflow in FY06 compared to FY05 is mainly due to dividend payout amounting to \$16.8 M, with \$11.2 M in 2Q06 and \$5.6 M in 3Q06.

In FY05, there was cash outflow of dividend payout of \$8.9 M.



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

1(d)(i) STATEMENT OF CHANGES IN EQUITY FOR THE 4TH QUARTER ENDED 31 DECEMBER 2005 and 2006

The Group \$'000	Share capital	Accumulated profits	Share premium	Merger reserve	Goodwill written off	Share option reserve	Exchange translation reserve	Total	Minority interest	Total equity
At 1 October 2005	8,903	12,545	10,500	17,591	(2,105)	1,087	44	48,565	125	48,690
Translation differences relating to financial statements of foreign subsidiaries	0	0	0	0	0	0	(147)	(147)	1	(146)
Net losses recognised directly in equity	0	0	0	0	0	0	(147)	(147)	1	(146)
Profit for the period	0	6,544	0	0	0	0	0	6,544	(290)	6,254
Total recognised income and expense for the period	0	6,544	0	0	0	0	(147)	6,397	(289)	6,108
Issues of 125,000 ordinary shares of \$0.02 each at premium of \$0.1879 per share under share option scheme	3	0	23	0	0	0	0	26	0	26
Acquisition of additional interest in subsidiary	0	0	0	0	0	0	0	0	(84)	(84)
Acquisition of subsidiary	0	0	0	0	0	0	0	0	742	742
Value of employee services received for issue of share option	0	271	0	0	0	(404)	0	(133)	0	(133)
At 31 December 2005	8,906	19,360	10,523	17,591	(2,105)	683	(103)	54,855	494	55,349
At 1 October 2006	20,426	14,189	0	17,591	(2,105)	795	65	50,961	0	50,961
Translation differences relating to financial statements of foreign subsidiaries	0	0	0	0	0	0	(56)	(56)	9	(47)
Net losses recognised directly in equity	0	0	0	0	0	0	(56)	(56)	9	(47)
Profit for the period	0	5,611	0	0	0	0	0	5,611	(9)	5,602
Total recognised income and expense for the period	0	5,611	0	0	0	0	(56)	5,555	0	5,555
Issues of 62,500 shares under share option scheme at \$0.2079 per share	13	0	0	0	0	0	0	13	0	13
Value of employee services received for issue of share option	0	0	0	0	0	(33)	0	(33)	0	(33)
At 31 December 2006	20,439	19,800	0	17,591	(2,105)	762	9	56,496	0	56,496



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

1(d)(i) STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2005

The Group (in S\$'000)	Share capital	Share premium	Accumulated profits	Merger reserve	Goodwill written off	Share option reserve	Exchange translation reserve	Total	Minority interest	Total equity
At 31 December 2004, as previously reported	8,840	9,905	10,862	17,591	(2,105)	0	(11)	45,082	317	45,399
Effects of adopting FRS 102	0	0	(350)	0	0	350	0	0	0	0
At 31 December 2004, restated	8,840	9,905	10,512	17,591	(2,105)	350	(11)	45,082	317	45,399
Effects of adopting FRS 103	0	0	97	0	0	0	0	97	0	97
At 1 January 2005, restated	8,840	9,905	10,609	17,591	(2,105)	350	(11)	45,179	317	45,496
Translation differences relating to financial statements of foreign subsidiaries	0	0	0	0	0	0	(92)	(92)	(1)	(93)
Net losses recognized directly in equity	0	0	0	0	0	0	(92)	(92)	(1)	(93)
Profit for the year	0	0	17,654	0	0	0	0	17,654	(480)	17,174
Total recognized income and expense for the year	0	0	17,654	0	0	0	(92)	17,562	(481)	17,081
Issue of 3,290,500 ordinary shares of \$0.02 each at a premium of \$0.1879 per share under share Option Scheme	66	618	0	0	0	0	0	684	0	684
Acquisition of subsidiary	0	0	0	0	0	0	0	0	742	742
Acquisition of additional interest in subsidiary	0	0	0	0	0	0	0	0	(84)	(84)
Value of employee services received for issue of share options	0	0	0	0	0	333	0	333	0	333
Interim dividend of:										
- 0.783 cents per share less tax at 20%	0	0	(2,787)	0	0	0	0	(2,787)	0	(2,787)
- 1.374 cents per share (one-tier tax exempt)	0	0	(6,116)	0	0	0	0	(6,116)	0	(6,116)
At 31 December 2005	8,906	10,523	19,360	17,591	(2,105)	683	(103)	54,855	494	55,349



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

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

The Group (in S\$'000)	Share capital	Accumulated profits	Share premium	Merger reserve	Goodwill written off	Share option reserve	Exchange translation reserve	Total	Minority interest	Total equity
AT 1 January 2006	8,906	19,360	10,523	17,591	(2,105)	683	(103)	54,855	494	55,349
Translation differences relating to financial statements of foreign subsidiaries	0	0	0	0	0	0	112	112	0	112
Net gains recognised directly in equity	0	0	0	0	0	0	112	112	0	112
Profit for the year	0	17,216	0	0	0	0	0	17,216	(326)	16,890
Total recognised income and expense for the year	0	17,216	0	0	0	0	112	17,328	(326)	17,002
Acquisition of additional interest in subsidiary	0	0	0	0	0	0	0	0	(168)	(168)
Issues of 4,858,000 shares under share option scheme at \$0.2079 per share	1,010	0	0	0	0	0	0	1,010	0	1,010
Value of employee services received for issue of share option	0	0	0	0	0	79	0	79	0	79
Transfer of share premium to share capital (note 1)	10,523	0	(10,523)	0	0	0	0	0	0	0
FY2005 final dividend of 0.5 cents per ordinary share (one tier tax exempt)	0	(2,230)	0	0	0	0	0	(2,230)	0	(2,230)
FY2005 special dividend of 2.0 cents per ordinary share (one tier tax exempt)	0	(8,922)	0	0	0	0	0	(8,922)	0	(8,922)
FY2006 interim dividend of 1.25 cents per ordinary share (one tier tax exempt)	0	(5,624)	0	0	0	0	0	(5,624)	0	(5,624)
At 31 December 2006	20,439	19,800	0	17,591	(2,105)	762	9	56,496	0	56,496

Note 1: Pursuant to the Companies (Amendment) Act wef 30 Jan 2006, the concept of authorized share capital was abolished, ordinary shares of the Company have no par value and amounts outstanding to the credit of the Company's share premium account became part of the Company's share capital



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

1(d)(i) STATEMENT OF CHANGES IN EQUITY FOR THE 4TH QUARTER ENDED 31 DECEMBER 2005 and 2006

The Company (in S\$'000)	Share capital	Share premium	Accumulated profits	Merger reserve	Share Option reserve	Total equity
At 1 October 2005	8,903	10,500	14,255	13,300	464	47,422
Profit for the period	0	0	7,191	0	0	7,191
Total recognized income for the period	0	0	7,191	0	0	7,191
Issue of 125,000 ordinary shares of \$0.02 each at premium of \$0.1879 per share under share Option Scheme	3	23	0	0	0	26
Value of employee services received for issue of share options	0	0	111	0	(180)	(69)
At 31 December 2005	8,906	10,523	21,557	13,300	284	54,570
At 1 October 2006	20,426	0	15,922	13,300	328	49,976
Profit for the period	0	0	6,126	0	0	6,126
Total recognized income for the period	0	0	6,126	0	0	6,126
Issues of 62,500 shares under share option scheme at \$0.2079 per share	13	0	0	0	0	13
Value of employee services received for issue of share options	0	0	0	0	2	2
At 31 December 2006	20,439	0	22,048	13,300	330	56,117



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

1(d)(i) STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2005

The Company (in S\$'000)	Share capital	Accumulated profits	Share premium	Merger reserve	Share option reserve	Total equity
At 31 December 2004, as previously reported	8,840	11,698	9,905	13,300	0	43,743
Effects of adopting FRS 102	0	(144)	0	0	144	0
At 1 January 2005, restated	8,840	11,554	9,905	13,300	144	43,743
Profit for the year	0	18,906	0	0	0	18,906
Total recognised income for the year	0	18,906	0	0	0	18,906
Issues of 3,290,500 ordinary shares of \$0.02 each at premium of \$0.1879 per share under share option scheme	66	0	618	0	0	684
Value of employee services received for issue of share option	0	0	0	0	140	140
Interim dividends declared of:						0
- 0.783 cents per share less tax at 20%	0	(2,787)	0	0	0	(2,787)
- 1.374 cents per share (one-tier tax exempt)	0	(6,116)	0	0	0	(6,116)
As at 31 December 2005	8,906	21,557	10,523	13,300	284	54,570



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

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

The Company (in S\$'000)	Share capital	Accumulated profits	Share premium	Merger reserve	Share option reserve	Total equity
At 1 January 2006	8,906	21,557	10,523	13,300	284	54,570
Profit for the year	0	17,266	0	0	0	17,266
Total recognised income for the year	0	17,266	0	0	0	17,266
Issues of 4,858,000 shares under share option scheme at \$0.2079 per share	1,010	0	0	0	0	1,010
Transfer of share premium to share capital (note 1)	10,523	0	(10,523)	0	0	0
Value of employee services received for issue of share option	0	0	0	0	46	46
FY2005 final dividend of 0.5 cents per ordinary share (one tier tax exempt)	0	(2,230)	0	0	0	(2,230)
FY2005 special dividend of 2.0 cents per ordinary share (one tier tax exempt)	0	(8,921)	0	0	0	(8,921)
FY2006 interim dividend of 1.25 cents per ordinary share (one tier tax exempt)	0	(5,624)	0	0	0	(5,624)
At 31 December 2006	20,439	22,048	0	13,300	330	56,117

Note 1: Pursuant to the Companies (Amendment) Act wef 30 Jan 2006, the concept of authorized share capital was abolished, ordinary shares of the Company have no par value and amounts outstanding to the credit of the Company's share premium account became part of the Company's share capital

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

A) Movements in Issued and Paid up Capital

	No of ordinary shares	Issued and paid up Capital (note 1)
		\$'000
Balance as at 1 October 2006	450, 086,000	20,426
Issues of ordinary shares under Pre-IPO Share Option scheme	62,500	13
Balance as at 31 December 2006	450,148,500	20,439

Note 1: Pursuant to the Companies (Amendment) Act wef 30 Jan 2006, the concept of authorized share capital was abolished, ordinary shares of the Company will have no par value and the amount outstanding to the credit of the Company's share premium account became part of the Company's share capital

B) Employee Share Options

As at 31 December 2006, there were unexercised options of 7,814,000 (31 December 2005: 14,322,000) un-issued ordinary shares of \$0.2079 each under the TeleChoice Pre-IPO Share Option Scheme.

2. AUDIT

The figures have yet to be 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 2005, except for the following revised Financial Reporting Standards ("FRS") that are effective from financial year beginning on or after 1 January 2006 and relevant to the Group's operations:

- FRS 21(revised) The Effects of Changes in Foreign Exchange
- FRS 39 (revised) Financial Instruments: Recognition and Measurement

There are no material effects on the results and retained earnings of the Group and Company as a result of application of the revised FRS.

5. CHANGES IN ACCOUNTING POLICIES

Refer to paragraph 4

6. EARNINGS PER ORDINARY SHARE (EPS)

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

Group	4Q06	4Q05	FY06	FY05
Basic	1.25	1.47	3.84	3.98
Diluted	1.24	1.47	3.82	3.97

7. NET ASSET VALUE

	GROUP		COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Net assets value per ordinary share based on issued share capital at the end of the financial year (in cents):	12.55	12.32	12.47	12.25

8. REVIEW OF GROUP PERFORMANCE

A) Revenue

i) 4Q06 vs 4Q05

S\$ M s	4Q06	4Q05	Growth	
			\$	%
Distribution Services	113.4	129.2	(15.8)	-12%
Telecommunications Services	7.3	6.7	0.6	9%
Network Engineering Services	12.5	18.2	(5.7)	-31%
Total	133.2	154.1	(20.9)	-14%

- Overall decrease in revenue of \$15.8 M or 12% was mainly due to lower revenue from Malaysia. However, there was an improvement in Singapore Distribution Services revenue.
- Telecommunications Services revenue increased by \$0.6 M or 9% mainly from the re-alignment of mobile data services revenue into Telecommunications Services from Jan 2006.
- There was an improvement in Singapore Network Engineering Services revenue. Included in 4Q05 was a one time hardware supply to telecom operators in Indonesia and mobile data services revenue resulting in an overall decrease in revenue by \$5.7M or 31%.

ii) FY06 vs FY05

S\$ M s	FY06	FY05	Growth	
			\$	%
Distribution Services	395.5	498.6	(103.1)	-21%
Telecommunications Services	29.9	27.1	2.8	10%
Network Engineering Services	34.4	44.2	(9.8)	-22%
Total	459.8	569.9	(110.1)	-19%

- The overall decrease in Distribution Services revenue resulted from the scale-down of operations in Australia and Indonesia. There was also lower revenue from Malaysia. There was an improvement in Singapore Distribution services revenue by \$32.3 M or 11%.
- The increase in revenue from Telecommunications Services revenue was mainly from the re-alignment of mobile data services revenue into Telecommunications Services from Jan 2006.
- There was an improvement in Singapore Network Engineering Services revenue. The overall decrease in revenue is attributed to a one time hardware supply to telecom operators in Indonesia and mobile data services revenue in FY05.

B) PBT

i) 4Q06 vs 4Q05

S\$ M s	4Q06	4Q05	Growth	
			\$	%
Distribution Services	4.2	4.0	0.2	5%
Telecommunications Services	1.9	1.6	0.3	19%
Network Engineering Services	1.0	2.6	(1.6)	-62%
Total	7.1	8.2	(1.1)	-13%

- PBT for Distribution Services increased by \$0.2 M or 5%. The improvements were mainly from Singapore operations.
- The \$0.3 M or 19% increase in PBT for Telecommunications Services was mainly from the re-alignment of mobile data services business into Telecommunications Services from Jan 2006. There were also losses from a new subsidiary, N-Wave Telecoms (Malaysia) Sdn Bhd in 4Q06.
- The decrease in PBT for Network Engineering by \$1.6 M or 62% was from lower revenue from Indonesia. Mobile data services revenue was also included in 4Q05.



TELECHOICE INTERNATIONAL LIMITED

(REG. NO. 199802072R)

ii) FY06 vs FY05

S\$ M s	FY06	FY05	Growth	
			\$	%
Distribution Services	11.6	10.0	1.6	16%
Telecommunications Services	8.3	6.6	1.7	26%
Mobile Network and Engineering Services	2.4	4.9	(2.5)	-51%
Total	22.3	21.5	0.8	4%

- PBT for Distribution Services increased by \$1.6 M or 16%. The improvements were mainly from reduction of losses in Australia and Indonesia. FY06 also included losses from Planet Telecoms (S) Pte Ltd.
- The \$1.7 M or 26% increase in PBT for Telecommunications Services was mainly from the re-alignment of mobile data services business into Telecommunications Services from Jan 2006. There were also losses from a new subsidiary, N-Wave Telecoms (Malaysia) Sdn Bhd in FY06.
- PBT for Network Engineering Services decrease by \$2.5 M or 51% mainly from the re-alignment of mobile data services revenue into Telecommunications Services from Jan 2006 and lower margins for the projects in Singapore.

9. VARIANCE FROM PROSPECT STATEMENT

No material variances from previous statement.

10. PROSPECTS

Barring unforeseen circumstances, the business outlook for the Group is expected to remain positive. Overall, the Group expects to maintain its operating performance for FY2007.

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

For 1H06, an interim dividend of 1.25 cents per share (one tier tax exempt) was declared on 7 August 2006 and paid to shareholders on 6 September 2006.

The company expects to declare and pay annual dividends of up to 25-30% of the annual net profit after tax for the foreseeable future. However, the declaration and payment of any dividends, and the timing and amount of any dividends, is subject to the discretion of the Directors. Any future determination by the Directors to pay dividends will be based upon the Group's earnings, cash flow, financial condition and capital requirements and other conditions the Directors deem relevant.

(b) Corresponding Period of the Immediately Preceding Financial Year

Period	4Q05 and FY05	4Q05 and FY05
Name of Dividend	Final	Special
Dividend Type	Cash	Cash
Dividend Rate	0.5 cents per ordinary share	2.0 cents per ordinary share
Tax Rate	one tier tax exempt	one tier tax exempt

For 1H05, an interim dividend of 2 cents per share (net/exempt of tax) was declared on 12 August 2005 and paid to shareholders on 12 September 2005.

(c) Date payable

21 May 2007 (subject to approval by shareholders)

(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 8 May to 9 May 2007, 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 7 May 2007 will be registered to determine shareholders' entitlement to the proposed final dividend. In respect of ordinary shares in securities accounts with The Central Depository (Pte) Ltd ("CDP"), the Dividends will be paid by the Company to CDP which will, in turn, distribute the dividend entitlement to the shareholders. The proposed final dividend, if approved by shareholders, will be paid on 21 May 2007.

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 S\$'000	Distribution Services	Telecommunications Services	Network Engineering Services	Eliminations	Consolidated
FY06					
REVENUE AND EXPENSES					
Total revenue from external customers	395,497	29,862	34,398		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
Share of profit of jointly-controlled entity					114
Taxation					(5,442)
Profit for the year					16,890
ASSETS AND LIABILITIES					
Segment assets	66,758	14,660	23,063	(2,747)	101,734
Investment in jointly-controlled entity					1,767
Deferred tax assets					527
					104,028
Segment liabilities	24,266	5,735	14,852	(2,747)	42,106
Tax liabilities					5,214
Deferred tax liabilities					197
					47,517
OTHER SEGMENT INFORMATION					
Capital expenditure:					
-property plant and equipment	229	1,079	385	(213)	1,480
-intangible assets	774	1,054	70		1,898
Depreciation charge	400	681	484		1,565
Amortisation charge	429	197	43		669



TELECHOICE INTERNATIONAL LIMITED

(REG. NO. 199802072R)

In S\$'000	Distribution Services	Telecommunications Services	Mobile Network & Engineering Services	Eliminations	Consolidated
FY05					
REVENUE AND EXPENSES					
Total revenue from external customers	498,642	27,115	44,174		569,931
Inter-segment revenue	181	15	280	(476)	0
Total revenue	498,823	27,130	44,454	(476)	569,931
Segment results	9,861	6,636	4,917		21,414
Share of jointly-controlled entity					102
Taxation					(4,342)
Profit for the year					17,174
ASSETS AND LIABILITIES					
Segment assets	80,311	18,106	29,507	(4,712)	123,212
Investment in jointly-controlled entity					1,371
Deferred tax assets					425
					125,008
Segment liabilities	44,056	7,419	18,229	(4,712)	64,992
Tax liabilities					4,458
Deferred tax liabilities					209
					69,659
OTHER SEGMENT INFORMATION					
Capital expenditure:					
-property plant and equipment	580	692	966	(105)	2,133
-intangible assets	625	130	35		790
Depreciation charge	413	370	560		1,343
Amortisation charge	104	90	34		228

(b) Geographical segments

FY06	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	76,740	2,390	21,958	52	495	0	0	99	101,734
Capital expenditure									
-property, plant and equipment	900	456	124	0	0	0	0	0	1,480
-intangible assets	1,088	810	0	0	0	0	0	0	1,898

FY05	Singapore	Malaysia	Indonesia	Australia	Thailand	Hong Kong	Dubai	Other countries	Consolidated
In S\$'000									
Revenue from external customers	317,846	66,135	85,683	11,361	5,007	77,400	5,414	1,085	569,931
Segment assets	95,238	13,008	11,714	294	2,865	0	0	93	123,212
Capital expenditure									
-property, plant and equipment	1,422	5	563	10	133	0	0	0	2,133
-intangible assets	790	0	0	0	0	0	0	0	790

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 export. The scale down of activities in Australia, Indonesia, Malaysia and Thailand has resulted in the reduction in revenue for these countries.



TELECHOICE INTERNATIONAL LIMITED

(REG. NO. 199802072R)

15. A breakdown of sales and profit

In S\$'000s	FY06	FY05
Sales Reported for 1 st Quarter of the year	105,926	125,264
Profit reported for 1 st Quarter of the year	3,853	4,189
Sales Reported for 2 nd Quarter of the year	118,934	139,974
Profit reported for 2 nd Quarter of the year	3,982	3,482
Sales Reported for 1 st Half of the year	224,860	265,238
Profit reported for 1 st Half of the year	7,835	7,671
Sales Reported for 3 rd Quarter of the year	101,714	150,563
Profit reported for 3 rd Quarter of the year	3,453	3,249
Sales Reported for 9 months of the year	326,574	415,801
Profit reported for 9 months of the year	11,288	10,920
Sales Reported for 4 th Quarter of the year	133,183	154,130
Profit reported for 4 th Quarter of the year	5,602	6,254
Sales Reported for Full Year	459,757	569,931
Profit for Full Year	16,890	17,174



TELECHOICE INTERNATIONAL LIMITED

(REG. NO. 199802072R)

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			
	4Q06	4Q05	FY06	FY05
<u>Transactions for the sales of goods and services</u>	50.2	51.6	167.2	163.7
Temasek Holdings (Private) Limited and its Associates	50.2	51.6	167.2	162.9
Singapore Telecommunications Limited and its Associates	0.0	0.0	0.0	0.8
<u>Transactions for the purchases of goods and services</u>	2.2	1.9	9.1	8.2
Temasek Holdings (Private) Limited and its Associates	1.5	1.0	6.1	4.4
Singapore Telecommunications Limited and its Associates	0.7	0.9	3.0	3.8
Total Interested Person Transactions	52.4	53.5	176.3	171.9

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

BY ORDER OF THE BOARD

Andrew Loh Sur Jin
President

Date: 28 February 2007