



For immediate release

TeleChoice expands into Mobile Handset Retail with strategic stake in Planet Telecoms

- ***Planet Telecoms ranks amongst top mobile handset retailers in Singapore***
- ***TeleChoice to acquire 40% of Planet Telecoms for \$1.12 million In cash***

SINGAPORE – 14 JULY 2005 – Main-Board listed TeleChoice International Limited (“TeleChoice”), a leading regional provider of mobile telecommunications services and solutions, today announces its acquisition of a strategic stake in Planet Telecoms (S) Pte Ltd (“Planet”).

Singapore-incorporated Planet has an issued and paid-up capital of \$500,000 divided into 500,000 ordinary shares of \$1 each (each a “Planet Share”). TeleChoice will acquire 200,000 Planet Shares (representing 40% of Planet’s issued capital) from Planet’s existing shareholders for \$1.12M. The acquisition is targeted for completion by 31 August 2005, subject to final due diligence and other customary closing conditions.

Subject to the fulfillment of certain conditions (including there being no material adverse change in Planet’s business prospects and operating environment, and no breach of warranties under the investment agreement), TeleChoice will acquire an additional 30% stake in Planet, for \$0.84M, by 31 January 2006.

The consideration, which was arrived at on a willing-buyer and willing-seller basis, is payable in cash. Subject to final due diligence and the statutory audit of Planet's financials for its financial year ended 30 June 2005, Planet has an estimated net profit after tax of \$1.2M and net book value of \$1.3M as of 30 June 2005.

TeleChoice's President and Executive Director, Mr Clive Lim enthused, "Our strategic investment in Planet marks our maiden foray into the mobile handset retail arena which complements our forward integration distribution strategy. Our relationship with Planet dates back to 1998 when TeleChoice started our Distribution Services operations. We see strong synergies in coupling Planet's proven retail expertise with TeleChoice's strength in Distribution Services. The acquisition will broaden our Distribution Services capabilities, enable us to better add-value to our customers, principals and partners and to position us for higher margin business in retailing and after sale services."

Started in 1998, Planet today ranks amongst the top mobile handset retailers in Singapore with a strong retail network in key high consumer traffic locations throughout Singapore, including retail shops at Toa Payoh, Ang Mo Kio, and major shopping malls such as Raffles City, Plaza Singapura, Century Square and Tiong Bahru Plaza. The company was ranked 83rd in the 2004 SME500 by sales/ turnover. As a testament to its quality service and performance, Planet has received strong endorsement from its principals and partners including No.1 Nokia Priority Dealer.

Mr James Kan, Managing Director of Planet said, "We are pleased to have TeleChoice as our strategic investor. Planet is one of the leading mobile retail service providers in Singapore and we have been exploring opportunities to expand into the regional markets. TeleChoice's strength in Distribution Services and their established presence in the region will help us to accelerate our expansion plans and to bring Planet Telecoms into the region. At the same time, we remain deeply committed to serving the needs of all our customers, principals and partners in Singapore, and will continue to do what we do best – by offering best of breed, quality products and services that our customers, principals and partners have come to associate with the "Planet Telecoms" brand name."

There will be no changes to Planet's management and operations after the acquisition and Mr Kan will continue to be the Managing Director of Planet.

Mr Lim added, "We have been exploring a front-end integration platform for our distribution services business for some time and our acquisition of Planet is a strategic fit. Going forward, TeleChoice will continue to explore new business opportunities by acquiring synergistic and profitable businesses that can complement and add-value to our businesses, introducing new product and service offerings and to expand into the regional markets."

None of the directors or substantial shareholders of TeleChoice have any interest, direct or indirect, in the transaction, which is not material with regard to TeleChoice's overall operations and financial position.

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.

About TeleChoice International Limited (Regn No. 199802072R)

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 International Limited ("TeleChoice") is a leading regional provider of mobile telecommunications equipment and solutions. TeleChoice is a subsidiary of Singapore Technologies Telemedia Pte Ltd, a leading info-communications company with operations in Asia-Pacific, the Americas and Europe. DBS Bank Ltd was the manager, underwriter and placement agent for TeleChoice's initial public offering on the SGX-ST in June 2004.

TeleChoice offers a comprehensive suite of equipment and solutions for various segments of the telecommunications industry, which include mobile network equipment providers and mobile network operators, enterprises and retail customers requiring mobile handsets and accessories. In addition, it also offers telecommunication services such as international long distance call services and mobile network and engineering services and solutions.

Headquartered in Singapore, TeleChoice has operations in the Asia-Pacific region, including Indonesia, Australia, Malaysia and Thailand, and has established a presence in the Philippines. In recognition of its achievement for continuous and sustained corporate growth, TeleChoice was ranked amongst the Fastest Growing 50 in 2004. The Fastest Growing 50 award is an accolade reserved for Singapore companies with the highest 3-year compounded annual growth rates.

TeleChoice's major customers and principals include StarHub Ltd and PT Indosat Tbk, and Mitsubishi, Motorola, Nokia, Samsung and Sony Ericsson respectively.

About Planet Telecoms (S) Pte Ltd

Started in Singapore in 1998, Planet Telecoms is in the business of wholesale and retail of mobile communications products and services. The company has established a strong retail network located in key high consumer traffic locations such as Raffles City, Plaza Singapura, Century Square, Toa Payoh and Tiong Bahru. The company ranks

amongst the top mobile handset retailers in Singapore and was ranked 83rd in the 2004 SME500 by sales/turnover. As a testament to its high quality service and performance, Planet has received strong endorsement from its major principals including No 1 Nokia Priority Dealer.

>ends

For more information, please visit our website at www.telechoice.com.sg or contact:

Ms Kristin Lee
Marketing & Corporate Communications
TeleChoice International Limited (Reg. No: 1999802072R)
Tel : 6849 4029
Fax: 6466 8820
E-mail: kristin.lee@telechoice.com.sg

For media queries, please contact:

Ms Lim Siew Yin
29 Communications
Tel: 9858 4673
Fax: 6728 6029
Email: siewyin@29communications.com.sg

Ms Wong Yen San
29 Communications
Tel: 9112 1886
Fax: 6728 6029
Email: yensan@29communications.com.sg



Planet Telecoms (Raffles City)