



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

FOR IMMEDIATE RELEASE

TELECHOICE ENDS FY2015 STRONGLY WITH REVENUE GROWTH OF 12.4% to S\$580.7 MILLION AND NET PROFIT IMPROVEMENT OF 9.5% to S\$10.3 MILLION

- 4Q2015 net profit of \$5.8 million, a 58.3% improvement over 4Q2014 on the back of 23.5% revenue increase; improved performance across all business divisions with strong showing from ICT
- Proposed final dividend of 1.6 cents per ordinary share translating to a dividend yield of 6.27%*

Singapore, 26 February 2015 – 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 fourth quarter (“4Q2015”) and full year (“FY2015”) results for the financial year ended 31 December 2015.

RESULTS HIGHLIGHTS

S\$'M	4Q2015	4Q2014	+/- (%)	FY2015	FY2014	+/- (%)
Revenue	162.3	131.4	23.5	580.7	516.8	12.4
Gross Profit	14.1	12.3	14.4	43.1	42.5	1.5
Gross Margin	8.7%	9.4%	-0.7ppt	7.4%	8.2%	-0.8ppt
Operating Profit	6.3	3.9	61.7	12.8	11.4	11.9
Loss on disposal of a Joint Venture	-	-	-	(0.4)	-	nm
Additional contingent consideration	(0.2)	-	nm	(0.2)	-	nm
Profit Before Tax	6.1	3.9	56.5	12.2	11.4	6.5
Profit Attributable to Equity Holders	5.8	3.7	58.3	10.3	9.4	9.5
EPS (cents)	1.28	0.81		2.26	2.06	
	As at 31/12/15	As at 31/12/14				
NAV Per Share (cents)	16.32	15.87				

TeleChoice’s FY2015 revenue climbed 12.4% to round off the year strongly at S\$580.7 million. Revenue improvements were registered by the three business divisions, Personal Communications Solutions Services (“PCS”), Info-Communications Technology Services (“ICT”) and Network Engineering Services (“Engineering”). The Group’s profit before tax (“PBT”) of S\$12.2 million was a 6.5% improvement over FY2014 on the back of higher gross profits. If not for a one-off loss of S\$0.4 million on disposal of a joint venture and S\$0.2 million of additional consideration payable on acquisition of NxGen Communications Pte Ltd, FY2015 PBT would stand at S\$12.8 million, a 11.9% increase over FY2014. Consequently, Group posted profit attributable to equity holders of S\$10.3 million, which was a 9.5% improvement over FY2014.

*Based on closing share price of \$0.255 on 31 December 2015

The Group's 4Q2015 revenue improvement of 23.5% to S\$162.3 million over 4Q2014 was partly driven by the significant revenue growth of 74% posted by ICT division due to higher software revenue from public sector projects and higher enterprise solutions sales. Group PBT in 4Q2015 of S\$6.1 million, a 56.5% gain over 4Q2014's PBT, likewise was led by ICT division which registered PBT improvement of 238% on account of higher gross profits and lower operating expenses.

Segmentally, in addition to ICT division, revenue of PCS and Engineering divisions registered improvement over FY2014. PCS's revenue of S\$413.7 million was 13% higher on account of higher prepaid sales offset by lower Singapore channel sales and lower revenue from Malaysia. Engineering division achieved 12% revenue growth to S\$57.4 million on transmission equipment sales in Singapore, higher Radio Network Planning projects and power supply product sales in Indonesia, offset by lower revenue from Malaysia. PCS division's PBT of S\$7.7 million was 13% higher, due to higher profit contribution from Singapore operations, offset by lower profit contribution from Malaysia. Engineering division maintained its PBT at S\$3.6 million due to higher Indonesian profit contribution offset by Malaysian operation losses.

As at 31 December 2015, the Group's financial position is robust with cash and cash equivalents of S\$44.6 million, and net asset value per share of 16.32 cents.

The Board of Directors has proposed a final dividend of 1.6 cents per ordinary share for FY2015, which is a dividend yield of 6.27% (based on closing share price of S\$0.255 as at 31 December 2015), subject to approval at the Group's forthcoming Annual General Meeting.

CEO'S COMMENTARY

Mr Vincent Lim, President of TeleChoice International Limited said, "We have outperformed our previous prospect statement with strong showing from all our business divisions, particularly ICT division. This positive set of results reflects the success of the Group's strategy of strengthening our relationships with our business partners, widening our capabilities and offerings to keep in trend with technological changes and customer demands, and seeking out new markets.

"The Internet of Things will continue to dictate consumer trends and push the boundaries of the mobile consumer market. Mobile devices manufacturers will continue to introduce newer and faster mobile devices and wearables. This, coupled with the increasing demand for "Infotainment", will afford growth opportunities for PCS division to capitalise on, given its market leadership and the strong relations forged with mobile devices manufacturers and telco partners.

"ICT division, with its steady build-up of public sector projects and increasing domain expertise in the hospitality, healthcare and education sectors, is well-placed to compete selectively for niche public and private sector projects. It will continue to explore growth avenues in the provision of integrated solutions arising from the government's Smart Nation Initiatives, and in the data centre and storage space industry.

"With ongoing regional upgrades and expansion of networks and bandwidths, there should be no let-up on possibilities for Network Engineering Services division. Maintaining our leadership position in Radio Network Planning and Optimisation and In-building Coverage will afford us a strong platform from which to grow our regional footprint which includes emerging markets such as Vietnam and Myanmar.

"Productivity enhancements, costs control and streamlined operations will also factor strongly in our initiatives for the coming year which has been forecasted to be a difficult one. We remain confident of our ability to weather any downturn, given our strong business fundamentals, clear strategy and wide capabilities."

OUTLOOK

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.

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This press release is to be read in conjunction with TeleChoice's announcement posted on the SGXNET on 26 February 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 leading info-communications group, Singapore Technologies Telemedia Pte Ltd, which operates in the Asia Pacific, the Americas and Europe.

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

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