

TELEDATA (SINGAPORE) LIMITED

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Full Year Financial Statement And Dividend Announcement

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PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) (i) **An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

CONSOLIDATED INCOME STATEMENT

	YEAR ENDED		%
	31.12.10	31.12.09	
	Unaudited	Audited	Change
	S\$'000	S\$'000	
Revenue	17,585	17,897	(2)
Cost of sales	(12,483)	(15,319)	(19)
Gross profit	5,102	2,578	98
Other income	384	479	(20)
Distribution expenses	(2,772)	(3,319)	(16)
Administrative expenses	(3,644)	(6,378)	(43)
Other expenses	(3,057)	(1,218)	151
Operating Loss	(3,987)	(7,858)	(49)
Finance Costs	(4,529)	-	nm
Loss before taxation	(8,516)	(7,858)	8
Income tax expense	(30)	(38)	(21)
Loss for the year	(8,546)	(7,896)	8
Attributable to :			
Equity holders of the Company	(8,541)	(7,900)	8
Non-controlling interests	(5)	4	nm
Loss for the year	(8,546)	(7,896)	8

nm - not meaningful

* Included in the Profit and Loss Account of the Group were the following items:

Depreciation	295	379
Foreign exchange loss, net	679	70
Interest income	(10)	(15)
Operating lease expenses	1,183	801
Professional fee paid to a firm in which a director has an interest	-	197

1(a) (ii) Statement of Comprehensive Income for the Year Ended 31 December

	Year ended		%
	31.12.10 Unaudited S\$'000	31.12.09 Audited S\$'000	
The Group			Change
Loss attributable to the equity holders	(8,541)	(7,900)	8.1
Other comprehensive (expense)/income			
Translation gain relating to financial statements of foreign subsidiaries, net of tax	116	26	346.1
Other comprehensive (expense)/income for the year, net of tax	116	26	346.1
Total comprehensive (expense) for the year, net of tax	(8,425)	(7,874)	7.0

	Year ended		%
	31.12.10 Unaudited S\$'000	31.12.09 Audited S\$'000	
The Company			Change
Loss attributable to the equity holders	(10,310)	(6,877)	49.9
Other comprehensive (expense)/income	-	-	
Total comprehensive expense for the year, net of tax	(10,310)	(6,877)	49.9

1(b)(i) **A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

BALANCE SHEETS

	The Group		The Company	
	31.12.10 Unaudited S\$'000	31.12.09 Audited S\$'000	31.12.10 Unaudited S\$'000	31.12.09 Audited S\$'000
Non-current assets				
Property, plant and equipment	378	898	157	-
Goodwill	982	982	-	-
Subsidiaries	-	-	1,002	2,408
Other unquoted investments	834	834	834	834
Club membership, at cost	-	47	-	47
Deferred tax assets	1,153	863	-	-
	<u>3,347</u>	<u>3,624</u>	<u>1,993</u>	<u>3,289</u>
Current assets				
Inventories	741	1,332	121	533
Project work-in-progress	457	364	103	186
Trade and other receivables	7,478	7,824	1,297	2,264
Balances with related parties	-	-	2,328	3,800
Cash and cash equivalents	1,945	2,727	390	311
	<u>10,621</u>	<u>12,247</u>	<u>4,239</u>	<u>7,094</u>
Total assets	<u>13,968</u>	<u>15,871</u>	<u>6,232</u>	<u>10,383</u>
Equity				
Attributable to equity holders of the Company				
Share capital	19,690	18,290	19,690	18,290
Reserves	(14,766)	(10,345)	(23,340)	(17,034)
	<u>4,924</u>	<u>7,945</u>	<u>(3,650)</u>	<u>1,256</u>
Non-controlling interests	<u>26</u>	<u>31</u>	<u>-</u>	<u>-</u>
Total equity	<u>4,950</u>	<u>7,976</u>	<u>(3,650)</u>	<u>1,256</u>
Non-current liabilities				
Deferred tax liabilities	4	4	-	-
Balances with related parties	-	-	6,798	6,835
Other payables	343	310	113	-
	<u>347</u>	<u>314</u>	<u>6,911</u>	<u>6,835</u>
Current liabilities				
Excess of progress billings over project work-in-progress	520	309	355	135
Trade and other payables	7,644	7,020	2,616	2,157
Current tax payable	507	252	-	-
	<u>8,671</u>	<u>7,581</u>	<u>2,971</u>	<u>2,292</u>
Total liabilities	<u>9,018</u>	<u>7,895</u>	<u>9,882</u>	<u>9,127</u>
Total equity and liabilities	<u>13,968</u>	<u>15,871</u>	<u>6,232</u>	<u>10,383</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31.12.2010		As at 31.12.2009	
Secured	Unsecured	Secured	Unsecured
Unaudited	Audited	Unaudited	Audited
S\$	S\$	S\$	S\$
-	-	-	-

Amount repayable after one year

As at 31.12.2010		As at 31.12.2009	
Secured	Unsecured	Secured	Unsecured
Unaudited	Audited	Unaudited	Audited
S\$	S\$	S\$	S\$
-	-	-	-

- 1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENT OF CONSOLIDATED CASH FLOW FOR THE YEAR ENDED 31 DEC 2010

	31.12.10 Unaudited S\$'000	31.12.09 Audited S\$'000
Operating activities		
Loss from ordinary activities before income tax	(8,516)	(7,858)
Adjustments for:		
Depreciation of property, plant and equipment	306	379
Effect of exchange rate changes	475	60
Reversal of impairment loss on trade receivables	(478)	-
Interest income	(10)	(15)
Gain on disposal of property, plant and equipment	(1)	(1)
(Reversal of)/Impairment of property, plant and equipment	(9)	171
Warrant expenses	4,004	-
Impairment of club membership	-	14
	<u>(4,229)</u>	<u>(7,250)</u>
Operating loss before working capital changes		
Changes in working capital:		
Inventories, projects work-in-progress and excess of progress billings over project work-in-progress	679	3,360
Trade and other receivables	430	3,981
Trade and other payables	591	(1,273)
Cash used in operations	<u>(2,529)</u>	<u>(1,182)</u>
Income tax paid	(2)	(367)
Interest paid	(4)	-
Cash flows from operating activities	<u>(2,535)</u>	<u>(1,549)</u>
Investing activities		
Purchase of property, plant and equipment	(404)	(713)
Proceeds from disposal of property, plant and equipment	836	4
Interest received	10	15
Cash flows from investing activities	<u>442</u>	<u>(694)</u>
Financing activities		
Deposit pledged with the banks	-	(1)
Allotment and issue of 35,000,000 new ordinary shares	1,400	-
Repayment of obligation under finance lease	(27)	-
Cash flows from/(used in) financing activities	<u>1,373</u>	<u>(1)</u>
Net decrease in cash and cash equivalents	(720)	(2,244)
Cash and cash equivalents at the beginning of year	2,701	4,901
Effect of exchange rate changes on balances held in foreign currencies	(59)	44
Cash and cash equivalents at the end of year	<u><u>1,922</u></u>	<u><u>2,701</u></u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Group	Share Capital	Capital reserve	Share option reserve	Exchange translation reserve	Accumulated Losses	Total attributable to equity holders of the Company	Non-Controlling Interest	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2009	18,290	-	249	380	(3,100)	15,819	27	15,846
Total comprehensive income/(expense)	-	-	-	26	(7,900)	(7,874)	4	(7,870)
At 31 Dec 2009	18,290	-	249	406	(11,000)	7,945	31	7,976
At 1 January 2010	18,290	-	249	406	(11,000)	7,945	31	7,976
Issue of New Shares	1,400	-	-	-	-	1,400	-	1,400
Share warrants issuable	-	4,004	-	-	-	4,004	-	4,004
Total comprehensive income/(expense)	-	-	-	116	(8,541)	(8,425)	(5)	(8,430)
At 31 Dec 2010	19,690	4,004	249	522	(19,541)	4,924	26	4,950

Company	Share Capital	Capital reserve	Share option reserve	Accumulated Losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2009	18,290	-	249	(10,406)	8,133
Total comprehensive income/(expense)	-	-	-	(6,877)	(6,877)
At 31 Dec 2009	18,290	-	249	(17,283)	1,256
At 1 January 2010	18,290	-	249	(17,283)	1,256
Issue of new Shares	1,400	-	-	-	1,400
Share warrants issuable	-	4,004	-	-	4,004
Total comprehensive income/(expense)	-	-	-	(10,310)	(10,310)
At 31 Dec 2010	19,690	4,004	249	(27,593)	(3,650)

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

During the year ended 31 December 2010, the company issued 35,000,000 new shares at the subscription price of S\$0.04 per Subscription Share.

	Number of shares '000	Amount S\$'000
Issued share capital as at 31/12/2009	1,184,610	18,290
Allotment and issue of new ordinary shares	35,000	1,400
Issued share capital as at 31/12/2010	<u>1,219,610</u>	<u>19,690</u>

As at 31 December 2010, there were 2,136,000 unexercised options (31 December 2009: 3,696,000) under the Teledata Share Option Scheme.

Under the Equity Line of Credit from GEM Global Yield Fund, 220 million warrants were issuable by 30 September 2010. The warrants have not been issued as GEM Global Yield Fund have not yet agreed to the conditions imposed by the Singapore Exchange under their in principle approval.

- 1 (d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	2010	2009
Balance at beginning of year	1,184,610,000	1,184,610,000
Allotment and issue of new ordinary shares	35,000,000	-
Balance at end of year	1,219,610,000	1,184,610,000

- 1 (d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

N.A.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The financial results have not been audited nor reviewed.

The financial statements of the Company's 100% owned subsidiary, Teledatacom Philippines, Inc, have only just been completed. The Board of Directors does not expect the financial results of the Group to be significantly changed after completion of the audit of the financial statements of the Group. Nevertheless, if there are any significant changes, the Company will make another announcement immediately.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

N.A.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and computation methods used in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2010, except for the adoption of accounting standards (including consequential amendments) and interpretations applicable for the financial period beginning 1 January 2011.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted new/revised Financial Reporting Standards (FRS) and interpretations that are mandatory for financial years beginning on or after 1 January 2010. These do not have any material financial impact on the Group's results.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	GROUP	
	31.12.10 Unaudited	31.12.09 Audited
(i) Operating loss after tax as a percentage of turnover	(54.4)%	(44.1)%
(ii) Operating loss after tax attributable to members of the Company as a percentage of issued capital and reserves at end of the period	(193.7)%	(99.4)%
Loss Per Ordinary Share (EPS) for the period based on net loss attributed to shareholders:		
iii) Based on the weighted average number of ordinary share on issue	(0.78) cents	(0.67) cents
Weighted average number of shares ('000)	1,219,610	1,184,610
(iv) On a basic and fully diluted basis	(0.78) cents	(0.67) cents

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

(a) current financial period reported on; and

(b) immediately preceding financial year.

	COMPANY		GROUP	
	31.12.10 Unaudited	31.12.09 Audited	31.12.10 Unaudited	31.12.09 Audited
Net Asset/(Net Liability) Value per Ordinary Share based on issued share capital at the end of the year	(0.30) cents	0.11 cents	0.39 cents	0.67 cents

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

Group Revenue for FY2010 was \$17.6 million which is a 2% decrease from the \$17.9 million in FY2009. The increase in Indonesia was offset by decreases in Singapore, Thailand and Philippines.

Gross profit for FY2010 was \$5.1 million, a 98% (\$2.5 million) increase from FY2009. In FY2009, provision for inventory obsolescence was \$1.5 million whilst in FY2010 there was a \$800,000 partial reversal for the provision for inventory obsolescence due to sales of obsolete stocks. Without taking into account inventory obsolescence, gross profit increased by \$224,000.

The Group's total operating cost decrease by 13% from \$10.9 million in FY2009 to \$9.5 million in FY2010. The decrease is mainly due to reversal of provision for doubtful debts of \$1.0 million for both Indonesia and Philippines from collections of debts where doubtful debts provisions were previously made. During the year, the company also incurred legal cost of \$358K and cost related to the Equity Line of Credit from GEM Global Yield Fund amounting to \$0.7 million.

Finance Cost comprises mainly of a \$4 million fair value of the 220 million warrants, issuable under the Equity Line of Credit from GEM Global Yield Fund, accounted for under FRS32.

The Group's Net Loss before Tax for the year is \$9.5 million, compared with FY2009 of \$7.9 million, an increase of \$1.6 million or 20%.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Inventory decreased by \$0.6 million from \$1.3 million in FY2009 to \$0.7 million in FY2010. This is mainly due to better inventory management.

Trade Receivables also decreased by \$0.2 million from \$6.1 million in FY2009 to \$5.9 million in FY2010 mainly due to partial collections of a long outstanding debt.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or a prospect statement, has been previously disclosed to shareholders

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group is cautiously optimistic on its prospects for the next 12 months especially with a reconstituted board of directors and new management. The prospects in the core telecommunication industry remain challenging in the countries that we have presence but the new management team is gearing itself up for growth.

Legal issues continue, as previously announced by the Group, but we will continue to work with our external legal advisors to minimize the impact to the Group.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None

(c) Date payable

N.A.

(d) Books closure date

N.A.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend had been declared / recommended.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

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.

	Singapore		Asia (excl Singapore)		Elimination		Consolidated	
	2010 Unaudited S\$'000	2009 Audited S\$'000	2010 Unaudited S\$'000	2009 Audited S\$'000	2010 Unaudited S\$'000	2009 Audited S\$'000	2010 Unaudited S\$'000	2009 Audited S\$'000
Segment revenue								
Sales to external customer	4,066	4,945	13,518	12,952	-	-	17,584	17,897
Inter-segment sales	269	1,876	-	251	(269)	(2,127)	-	-
Total revenue	4,335	6,821	13,518	13,203	(269)	(2,127)	17,584	17,897
Segment result	(10,213)	(7,982)	466	(3,570)	1,221	3,679	(8,526)	(7,873)
Interest from fixed deposits							10	15
(Loss) before income tax							(8,516)	(7,858)
Income tax							(30)	(38)
Net (Loss)							(8,546)	(7,896)
Segment Assets	6,926	17,166	10,946	11,392	(5,596)	(14,413)	12,276	14,145
Deferred tax assets							835	863
Fixed deposits							23	29
Investments							834	834
Total assets							13,968	15,871
Segment liabilities	27,564	27,316	15,164	16,283	(33,886)	(35,960)	8,842	7,639
Income tax/deferred tax							176	256
Total liabilities							9,018	7,895
Capital expenditure	256	57	321	656	-	-	577	713
Significant non-cash items								
Depreciation of property, plant and equipment	95	250	200	300	-	-	295	550

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.

Revenue for the 2 geographical segments of Singapore and Asia (excluding Singapore) remain fairly consistent for FY2010. Within Asia (excluding Singapore) revenue increase in Indonesia was somewhat offset by decreases in Philippines and Thailand.

The segment result for Singapore shows a decrease of \$2.2 million mainly from an increase in gross profit of \$351,000 and reduction in provisions for inter-company debts and investments of \$2.2 million offset by \$358,000 legal costs and \$5.2 million costs related to Equity Line of Credit from GEM Global Yield Fund. The segment result for Asia (excluding Singapore) improved mainly from the increase in gross profit of \$1.4 million and reversals in provisions for bad debts and inventory obsolescence of \$1.9 million.

15. A breakdown of sales.

	GROUP		Change %
	2010	2009	
	Unaudited S\$'000	Audited S\$'000	
Sales reported for first half year	9,433	8,338	13.1
Operating loss after tax for first half year	(2,522)	(1,688)	49.4
Sales reported for second half year	8,152	9,559	(14.7)
Operating loss after tax for second half year	(6,024)	(6,208)	2.9

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Total Annual Dividend

	Latest Full Year (\$'000)	Previous Full Year (\$'000)
	Unaudited	Audited
Ordinary	Nil	Nil
Preference	Nil	Nil
Total:	Nil	Nil

17. Interested Persons Transactions.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
	2010 S\$'000	2009 S\$'000	2010 S\$'000	2009 S\$'000
	-	-	-	-

For and on behalf of the Board of Directors,

**Executive Director and Chairman
Irene Valencia Goutama**

**Director
Husni Heron**