



# TEE LAND

TEE Land Limited  
Incorporated in the Republic of Singapore  
Company Registration No: 201230851R

## Unaudited Second Quarter Financial Statement and Dividend Announcement for the Period Ended 30 November 2013

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

	The Group S\$'000		Increase/ (Decrease) %	The Group S\$'000		Increase/ (Decrease) %
	Second Quarter Ended			Half Year Ended		
	30/11/2013	30/11/2012	30/11/2013	30/11/2012		
<b>Revenue</b>	2,441	3,184	(23.3)	16,014	6,785	136.0
<b>Cost of sales</b>	(1,373)	(2,600)	(47.2)	(13,321)	(5,133)	159.5
<b>Gross profit</b>	1,068	584	82.9	2,693	1,652	63.0
Other operating income	584	452	29.2	921	910	1.2
Administrative expenses	(1,378)	(722)	90.9	(3,035)	(1,662)	82.6
Other operating expenses	-	(30)	N.M.	(753)	(82)	818.3
Share of results of associates	1,686	(372)	N.M.	2,936	15	N.M.
Finance costs	(191)	(4)	N.M.	(277)	(4)	N.M.
<b>Profit/(Loss) before tax</b>	1,769	(92)	N.M.	2,485	829	199.8
Income tax (expense)/credit	(132)	14	N.M.	(270)	(163)	65.6
<b>Profit/(Loss) for the period</b>	<b>1,637</b>	<b>(78)</b>	<b>N.M.</b>	<b>2,215</b>	<b>666</b>	<b>232.6</b>
Profit/(Loss) attributable to:						
Owners of the Company	1,654	(78)	N.M.	2,232	670	233.1
Non-controlling interests	(17)	-	N.M.	(17)	(4)	325.0
	<b>1,637</b>	<b>(78)</b>	<b>N.M.</b>	<b>2,215</b>	<b>666</b>	<b>232.6</b>

### 1(a)(ii) A statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year

	The Group S\$'000		Increase/ (Decrease) %	The Group S\$'000		Increase/ (Decrease) %
	Second Quarter Ended			Half Year Ended		
	30/11/2013	30/11/2012	30/11/2013	30/11/2012		
Profit/(Loss) for the period	1,637	(78)	N.M.	2,215	666	232.6
Other comprehensive income:						
Currency translation differences	(120)	(49)	144.9	(392)	(76)	415.8
Other comprehensive income for the period	(120)	(49)	144.9	(392)	(76)	415.8
<b>Total comprehensive income for the period</b>	<b>1,517</b>	<b>(127)</b>	<b>N.M.</b>	<b>1,823</b>	<b>590</b>	<b>209.0</b>

N.M.-not meaningful

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### 1(a)(ii) A statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year (Continued)

	The Group S\$'000		Increase/ (Decrease) %	The Group S\$'000		Increase/ (Decrease) %
	Second Quarter Ended			Half Year Ended		
	30/11/2013	30/11/2012		30/11/2013	30/11/2012	
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	1,534	(127)	N.M.	1,840	594	209.8
Non-controlling interests	(17)	-	N.M.	(17)	(4)	325.0
	<b>1,517</b>	<b>(127)</b>	<b>N.M.</b>	<b>1,823</b>	<b>590</b>	<b>209.0</b>

### 1(a)(iii) Notes to the income statement

	The Group S\$'000		Increase/ (Decrease) %	The Group S\$'000		Increase/ (Decrease) %
	Second Quarter Ended			Half Year Ended		
	30/11/2013	30/11/2012		30/11/2013	30/11/2012	
A Other operating income:						
Interest income	400	401	(0.2)	776	820	(5.4)
Foreign currency exchange adjustment gain	114	-	N.M.	16	3	433.3
Financial guarantee income	36	37	(2.7)	72	73	(1.4)
Others	34	14	142.9	57	14	307.1
	<b>584</b>	<b>452</b>	<b>29.2</b>	<b>921</b>	<b>910</b>	<b>1.2</b>
B Finance costs:						
Bank borrowings	191	4	N.M.	277	4	N.M.
	<b>191</b>	<b>4</b>	<b>N.M.</b>	<b>277</b>	<b>4</b>	<b>N.M.</b>
C Depreciation of property and equipment	20	6	233.3	28	8	250.0
D Foreign currency exchange adjustment loss	-	30	N.M.	317	82	286.6
E Adjustment for over provision of income tax in respect of prior years	(82)	-	N.M.	(82)	-	N.M.

## COMPARATIVE STATEMENTS

Pursuant to the Restructuring Exercise in respect of the Company's IPO as disclosed in the prospectus dated 29 May 2013, the Company entered into the restructuring agreement dated 22 February 2013 with the ultimate holding company to acquire the property development businesses of the ultimate holding company.

The consolidated financial statements incorporated the financial statements of the Company and its subsidiaries which had been prepared using the principles of merger accounting and on the assumption that the re-organisation of entities under common control has been effected as at the beginning of the earliest period presented in these consolidated financial statements.

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

	The Group S\$'000		The Company S\$'000	
	30/11/2013	31/05/2013	30/11/2013	31/05/2013
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and bank balances	34,620	29,057	10,196	3,108
Trade receivables	13,712	10,261	-	-
Other receivables	8,181	4,539	112,910	85,244
Current portion of loans receivable from associates	16,741	7,394	6,184	-
Development properties	112,207	112,843	-	-
Total current assets	185,461	164,094	129,290	88,352
<b>Non-current assets</b>				
Investment in associates	16,298	12,597	-	-
Investment in subsidiaries	-	-	16,808	15,969
Property and equipment	9,928	119	-	-
Investment property	8,071	-	-	-
Deferred tax assets	375	400	-	-
Other receivables	6,309	8,028	-	-
Loans receivable from associates	29,284	25,554	-	-
Total non-current assets	70,265	46,698	16,808	15,969
<b>Total assets</b>	<b>255,726</b>	<b>210,792</b>	<b>146,098</b>	<b>104,321</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Bank loans	9,193	7,500	-	3,000
Trade payables	3,462	4,472	-	-
Other payables	11,889	24,629	616	13,571
Current portion of long-term bank loans	1,707	10,162	-	-
Current portion of financial guarantee liabilities	73	145	340	42
Income tax payable	365	424	-	-
Total current liabilities	26,689	47,332	956	16,613
<b>Non-current liabilities</b>				
Long-term loan	4,050	4,050	-	-
Deferred tax liabilities	374	244	-	-
Long-term bank loans	81,492	72,668	-	-
Financial guarantee liabilities	-	-	662	182
Total non-current liabilities	85,916	76,962	662	182
<b>Capital, reserves and non-controlling interests</b>				
Share capital	142,238	82,969	142,238	82,969
Currency translation reserve	(557)	(165)	-	-
Merger reserve	(5,969)	(5,969)	-	-
Capital reserve	(6)	(6)	-	-
Accumulated profits	5,527	7,764	2,242	4,557
Equity attributable to owners of the Company	141,233	84,593	144,480	87,526
Non-controlling interests	1,888	1,905	-	-
Total equity	143,121	86,498	144,480	87,526
<b>Total liabilities and equity</b>	<b>255,726</b>	<b>210,792</b>	<b>146,098</b>	<b>104,321</b>

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

#### Amount repayable in one year or less, or on demand

The Group S\$'000 <u>As at 30/11/2013</u>		The Group S\$'000 <u>As at 31/05/2013</u>	
Secured	10,900	Unsecured	-
		Secured	14,662
		Unsecured	3,000

#### Amount repayable after one year

The Group S\$'000 <u>As at 30/11/2013</u>		The Group S\$'000 <u>As at 31/05/2013</u>	
Secured	81,492	Unsecured	-
		Secured	72,668
		Unsecured	-

#### Details of any collateral

The total secured borrowings are represented by bank loans and long-term bank loans which are secured by legal mortgages over the Group's development properties, property and corporate guarantee from the ultimate holding company.

Note: These borrowings exclude the long-term loan of \$4,050,000 due to joint developer.

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

	The Group S\$'000		The Group S\$'000	
	Second Quarter Ended		Half Year Ended	
	30/11/2013	30/11/2012	30/11/2013	30/11/2012
<b>Operating activities</b>				
Profit/(Loss) before tax	1,769	(92)	2,485	829
Adjustments for:				
Share of results of associates	(1,686)	372	(2,936)	(15)
Depreciation of property and equipment	20	6	28	8
Amortisation of financial guarantee liabilities	(36)	(37)	(72)	(73)
Interest income	(400)	(401)	(776)	(820)
Interest expense	191	4	277	4
Operating cash flows before movements in working capital	(142)	(148)	(994)	(67)
Trade receivables	(1,058)	(1,851)	(3,451)	(1,947)
Other receivables	4,708	(2,155)	(1,323)	(2,223)
Development properties	(5,013)	(27,821)	1,727	(29,545)
Trade payables	(1,713)	219	(1,010)	(247)
Other payables	445	(1,046)	(13,185)	7,699
Cash used in operations	(2,773)	(32,802)	(18,236)	(26,330)
Interest paid	(687)	(396)	(1,299)	(758)
Income tax paid	(75)	(438)	(174)	(438)
Net cash used in operating activities	(3,535)	(33,636)	(19,709)	(27,526)

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### 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year (Continued)

	The Group S\$'000		The Group S\$'000	
	Second Quarter Ended		Half Year Ended	
	30/11/2013	30/11/2012	30/11/2013	30/11/2012
<b>Investing activities</b>				
Acquisition of non-controlling interests in subsidiary	-	-	-	(8)
Purchase of property and equipment	(328)	(38)	(9,837)	(127)
Investment property	(8,071)	-	(8,071)	-
Investment in associates	(784)	(454)	(784)	(454)
Loans receivable from associates	(6,099)	1,402	(13,077)	949
Interest received	163	462	176	535
Net cash (used in) from investing activities	(15,119)	1,372	(31,593)	895
<b>Financing activities</b>				
Drawdown of bank loans	140	3,000	4,693	3,000
Repayment of bank loans	-	-	(3,000)	-
Drawdown of long-term bank loans	2,303	22,282	9,980	22,894
Repayment of long-term bank loans	(2,457)	-	(9,611)	-
Proceeds on issue of shares	-	1,000	62,100	1,000
Payment of share issue expenses	-	-	(2,831)	-
Dividends paid	(4,469)	-	(4,469)	-
Net cash (used in) from financing activities	(4,483)	26,282	56,862	26,894
Net (decrease) increase in cash and cash equivalents	(23,137)	(5,982)	5,560	263
Cash and cash equivalents at beginning of period	57,768	14,756	29,057	8,513
Effect of foreign exchange rate changes	(11)	2	3	-
<b>Cash and cash equivalents at end of period (Note A)</b>	<b>34,620</b>	<b>8,776</b>	<b>34,620</b>	<b>8,776</b>

#### Note A: Cash and cash equivalents

	The Group S\$'000		The Group S\$'000	
	Second Quarter Ended		Half Year Ended	
	30/11/2013	30/11/2012	30/11/2013	30/11/2012
Cash at banks	11,107	252	11,107	252
Cash on hand	1	1	1	1
Fixed deposits	6,011	-	6,011	-
Projects accounts (see Note below):				
Cash at banks	12,495	8,523	12,495	8,523
Fixed deposit	5,006	-	5,006	-
<b>Total cash and cash equivalents</b>	<b>34,620</b>	<b>8,776</b>	<b>34,620</b>	<b>8,776</b>

Note:

Projects accounts are subject to restrictions under the Housing Developers (Project Account) Rules (1997 Ed). Withdrawals from these projects accounts are restricted to payments for project expenditure incurred until the completion of the project.

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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

	Share capital	Currency translation reserve	Capital reserve	Merger reserve	Accumulated profits	Equity attributable to owners of the company	Non-controlling interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>The Group</b>								
<b>Balance at 31/05/2013</b>	82,969	(165)	(6)	(5,969)	7,764	84,593	1,905	86,498
Total comprehensive income for the period	-	(392)	-	-	2,232	1,840	(17)	1,823
Issue of shares	62,100	-	-	-	-	62,100	-	62,100
Share issue expenses	(2,831)	-	-	-	-	(2,831)	-	(2,831)
Dividends paid	-	-	-	-	(4,469)	(4,469)	-	(4,469)
<b>Balance at 30/11/2013</b>	<b>142,238</b>	<b>(557)</b>	<b>(6)</b>	<b>(5,969)</b>	<b>5,527</b>	<b>141,233</b>	<b>1,888</b>	<b>143,121</b>
<b>Previous Corresponding Period</b>								
<b>Balance at 31/05/2012</b>	9,000	(355)	-	-	5,736	14,381	(6)	14,375
Total comprehensive income for the period	-	(76)	-	-	670	594	(4)	590
Effect of acquiring part of non-controlling interests in a subsidiary	-	-	(6)	-	-	(6)	(2)	(8)
Issue of shares	1,000	-	-	-	-	1,000	-	1,000
<b>Balance at 30/11/2012</b>	<b>10,000</b>	<b>(431)</b>	<b>(6)</b>	<b>-</b>	<b>6,406</b>	<b>15,969</b>	<b>(12)</b>	<b>15,957</b>

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- 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 (Continued)

	Share capital	Accumulated profits	Total
	S\$'000	S\$'000	S\$'000
<b>The Company'</b>			
<b>Balance at 31/05/2013</b>	82,969	4,557	87,526
Total comprehensive income for the period	-	2,154	2,154
Issue of shares pursuant to initial public offering ("IPO")	62,100	-	62,100
Share issue expenses	(2,831)	-	(2,831)
Dividends paid	-	(4,469)	(4,469)
<b>Balance at 30/11/2013</b>	<b>142,238</b>	<b>2,242</b>	<b>144,480</b>

- 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

Balance at 31/08/2013 and 30/11/2013

The Company	
No of shares	Capital (S\$,000)
446,876,000	142,238

During the quarter ended 30 November 2013, there were no changes in the share capital of the Company.

As at 30/11/2013, there were no shares held as treasury shares and outstanding convertibles.

- 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

	The Group and the Company	
	30/11/2013	31/05/2013
Total number of issued shares	446,876,000	331,876,000

*Footnotes:*

1. There are no comparative figures from 31 May 2012 to 30 November 2012 as the Company was incorporated on 18 December 2012.
2. On 6 June 2013, the Company issued additional 115,000,000 new ordinary shares pursuant to the listing of the Company raising gross proceeds of S\$62,100,000. As a result, the post-Invitation share capital of the Company is 446,876,000.

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**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**

The Company does not have treasury shares during or as at the end of the current financial period reported on.

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

The figures presented have not been audited or reviewed.

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

Not applicable.

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

Other than the adoption of certain revisions to various existing Financial Reporting Standards ("FRS"), the new FRS and Interpretations of FRS ("INT FRS") that are mandatory for the financial year beginning on 1 June 2013, the Group has adopted the same accounting policies and methods of computation for the current financial period as those adopted for the audited financial statements for the financial year ended 31 May 2013.

**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 adoption of the various revised FRS, new FRS and INT FRS effective for the financial year commencing on 1 June 2013 does not have a material financial effect on the Group and the Company.

**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**

	The Group		The Group	
	Second Quarter Ended		Half Year Ended	
	30/11/2013	30/11/2012	30/11/2013	30/11/2012
Earnings per ordinary share ("EPS") of the Group based on net profit/(loss) attributable to owners of the Company:				
(i) Based on the weighted average number of shares (cents)	0.37	(0.02)	0.50	0.15
(ii) On a fully diluted basis (cents)	N.A.	N.A.	N.A.	N.A.
- Weighted average number of shares ('000)	446,876	446,876	446,876	446,876

The Company does not have any dilutive instruments as at 30/11/2013.

For comparison purposes, EPS for respective period has been computed based on the profit/(loss) attributable to owners of the Company and the post-Invitation share capital of 446,876,000 shares.



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- 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**

	Cents	
	As at 30/11/2013	As at 31/05/2013
The Group	31.6	18.9
The Company	32.3	19.6

For comparison purposes, our net asset value per share as at 30/11/2013 and 31/05/2013 have been computed based on the equity attributable to owners of the Company and the post-Invitation share capital of 446,876,000 shares.

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

### **Income Statement**

Revenue in the second quarter (September 2013 to November 2013) decreased by S\$0.7 million or 23.3% to S\$2.4 million compared to the previous corresponding period in FY2013 of S\$3.2 million. The Group recognized revenue this quarter from its development at The Peak @ Cairnhill I as well as rental income earned from the "Workotel" development in New Zealand. This was lower than the progressive revenue recognized by the Group in the previous corresponding period which comprised its development at The Peak @ Cairnhill I and 448@East Coast which has since obtained its Temporary Occupation Permit ("TOP").

Revenue for the first half year (June 2013 to November 2013) increased by S\$9.2 million or 136.0% to S\$16.0 million compared to S\$6.8 million in the previous first half year as a result of revenue recognized from the development at 91 Marshall. 91 Marshall in the previous corresponding half year had not commenced construction.

Administrative expenses in the second quarter increased by S\$0.7 million or 90.9% from S\$0.7 million in the previous corresponding period to S\$1.4 million due mainly to higher staff costs and professional fees in line with our expanding property development activities. Similarly, administrative expenses for first half year increased by S\$1.3 million or 82.6% from S\$1.7 million in the previous first half year to S\$3.0 million due mainly to higher staff costs, professional fees and travel expenses in line with our continued expanding property development activities post-IPO.

Other operating expenses in the first half year increased by S\$0.7 million from S\$0.1 million in the previous first half year to S\$0.8 million due mainly to unrealized foreign exchange loss of S\$0.3 million that resulted from the depreciation of the Malaysian Ringgit and Thai Baht against the Singapore Dollar. The remainder of this increase were remaining IPO expenses that were incurred as a result of the successful listing of TEE Land Limited on the SGX-ST in June 2013.

Share of results of associates for the second quarter improved to a gain of S\$1.7 million as compared to a loss of S\$0.4 million in the previous corresponding period due mainly to positive results generated by our Singapore associates as construction progresses as well as completion and transfer of units to owners of our associate's projects in Thailand during the quarter. Share of results of associates for the first half year increased to a gain of S\$2.9 million as compared to S\$0.02 million in the previous first half year mainly due to the foregoing reasons. There was no significant revenue contribution from Singapore and Thailand associates in the previous half year.

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

### **Income Statement (Continued)**

Finance costs for the second quarter increased to S\$0.2 million from S\$0.01 million in the previous corresponding period due to higher drawdown of current bank borrowings. By the same token, finance costs for the first half year increased to S\$0.3 million from S\$0.01 million in the previous first half year.

The Group recorded a profit before tax in the second quarter of S\$1.8 million vis-à-vis a loss of S\$0.1 million in previous corresponding period. Considering this, the Group's profit before tax in the first half year increased to S\$2.5 million from S\$0.8 million in the previous first half year, which resulting in a total increase of S\$1.7 million or 199.8% for the six month period.

Because of the higher profit before tax, the tax expense has also increased compared to the corresponding periods.

### **Statement of Financial Position**

Cash and bank balances increased to S\$34.6 million as at 30 November 2013 from S\$29.1 million as at 31 May 2013 due largely to the net proceeds received from the successful IPO on 6 June 2013 as well as the usage of the proceeds in line with that stated in the IPO prospectus. Cash raised from the IPO was used for the repayment of loans due to the ultimate holding company, TEE International Limited, working capital loans and the loans granted to the associated companies for the purchase of lands both in Thailand and Singapore. The Group also paid its maiden dividend which was paid out to shareholders in October 2013.

Trade receivables increased to S\$13.7 million as at 30 November 2013 from S\$10.3 million as at 31 May 2013 due mainly to progressive billings to owners for our development at 91 Marshall and The Peak @ Cairnhill I in line with the progress in construction. This increase was partially offset by a decrease in trade receivables from our project at 448@ East Coast which obtained its TOP as a result of subsequent receipts after 31 May 2013.

Loans made to associates increased by S\$13.1 million. These loans were used for funding the acquisition of lands in Bangkok by our associated company in Thailand. The lands purchased included industrial plots in Amata City as well as residential sites at Bang Pho and Cross Point. Loans were also made to our associated companies based in Singapore to fund capital requirements in relation to the acquisition of 160 Changi Road.

Development properties decreased slightly to S\$112.2 million as at 30 November 2013 from S\$112.8 million as at 31 May 2013. This represents a net decrease of S\$0.6 million due mainly to the progressive capitalization of construction and development costs as construction of our development properties progresses which was reduced by the recognition of cost of sales in line with the progressive recognition of revenue from 91 Marshall and The Peak @ Cairnhill I.

Investment in associates increased to S\$16.3 million as at 30 November 2013 from S\$12.6 million as at 31 May 2013 due mainly to contributions derived from associated companies in Singapore and Thailand as well as increase in investments in these associates.

Property and equipment increased to S\$9.9 million as at 30 November 2013 from S\$0.1 million due to the acquisition of a building at 25 Bukit Batok Street 22.

Investment property increased to S\$8.1 million as at 30 November 2013 due to the purchase and development of an investment property, namely the "Workotel" project in Christchurch, New Zealand.

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

### **Statement of Financial Position(Continued)**

Bank loans increased to S\$9.2 million as at 30 November 2013 from S\$7.5 million as at 31 May 2013 due to the net increase of the Group drawing down a working capital loan facility to finance its New Zealand project.

Trade payables decreased to S\$3.5 million as at 30 November 2013 from S\$4.5 million as at 31 May 2013 despite increased construction activities of our property developments. This decrease was due to settlement of trade payables relating to the project at 448@East Coast which obtained its TOP in May 2013.

Other payables decreased to S\$11.9 million as at 30 November 2013 from S\$24.6 million as at 31 May 2013 largely as a result of the repayment of loans to the ultimate holding company, TEE International Limited from the proceeds received from its IPO in June 2013.

Current portion of long-term bank loans decreased to S\$1.7 million as at 30 November 2013 from S\$10.2 million as at 31 May 2013 due to the settlement of loans for the substantially completed and the fully sold property development at 448@East Coast which obtained its TOP in May 2013.

Long-term bank loans increased to S\$81.5 million as at 30 November 2013 from S\$72.7 million as at 31 May 2013 due mainly to the draw-down of bank loans to finance the purchase of a building at 25 Bukit Batok Street 22 and additional draw-downs for the other developments at The Peak @ Cairnhill I and Twelve Residences.

### **Statement of Cash Flows**

#### **Operating activities**

The Group utilised cash of S\$19.7 million for operating activities as at first half year due mainly to the repayment of intercompany loans back to the ultimate holding company, TEE International Limited using the IPO proceeds received and payments to contractors for the substantial completion of our project at 448@East Coast.

#### **Investing activities**

Net cash used in investing activities was S\$31.6 million as at first half year due mainly to the purchase of a building at 25 Bukit Batok Street 22 and the acquisition of the investment property known as "Workotel" in Christchurch, New Zealand. Loans were also extended to the associated company in Thailand for the acquisition of 2 plots of lands in Bangkok, Thailand. Similarly, loans were also granted to the associated company in Singapore to complete the purchase of the property at 160 Changi Road and to fund development activities.

#### **Financing activities**

Net cash generated from financing activities was S\$56.9 million for the first half year due mainly to the net proceeds received from the IPO partially netted off with repayment of existing bank loans and drawdown of certain project loan facilities as well as payment of the Group's maiden dividends.

As a result of the above cash flow activities, there was a net increase in cash and cash equivalents of S\$5.6 million for the half year, thereby bringing the total cash and cash equivalents amount to S\$34.6 million as at 30 November 2013.

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**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 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 has contracted sales of S\$64.0 million for its on-going residential property development projects in Singapore (excluding joint venture projects).

In Thailand, the Group's associate has also contracted sales of approximately S\$16.7 million for its on-going residential property development projects. The Group has also completed the acquisition of 2 plots of land in Bangkok, Thailand.

In the upcoming quarter, the Group has a few property launches lined up in Singapore and the region. Local launches include Rezi 3Two, Twelve Residences and TRIO. Twelve Residences is a 100% owned 12-unit strata terrace development at Hillside Drive, whilst Rezi3Two is a 65-unit residential joint venture development at Lorong 32 Geylang. TRIO, on the other hand, is a 4-storey retail and F&B mall jointly developed by the Group and its partners, situated at Sam Leong Road. The overseas launches include the Group's maiden project in Malaysia, Third Avenue at Cyberjaya, a 100% owned mixed commercial and residential development.

Going forward, the Board of Directors and Management remain cautious in view of increased challenges in Singapore. The Group is carefully monitoring the recent political developments in Thailand and will factor into account these developments in assessing the Group's ongoing investments in Thailand. In the meantime, the Group continues to take a long term view of these investments.

Nonetheless, we continue to see growth opportunities, particularly in the ASEAN region and will seek to capitalize on those opportunities.

**11 Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? **YES**

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.5 cents per ordinary share
Tax Rate	Tax exempt (One-Tier)

**(b) Corresponding Period of the immediately Preceding Financial Year**

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

No.

**(c) Date payable**

To be announced at a later date.

**(d) Books closure date**

To be announced at a later date.

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

Not applicable.

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**13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect**

The Group does not have an IPT mandate.

**14 General-Please disclose the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the state use**

<b>Use of proceeds</b>	<b>Amount allocated as disclosed in Prospectus (S\$ million)</b>	<b>Total amount utilised as at 02 January 2014 (S\$ million)</b>	<b>Balance Amount (S\$ million)</b>
Fund expansion by way of new property, development projects, joint ventures, acquisitions, investments and others	26.0	(21.3)	4.7
Repayment of loans and advances to TEE International Limited, our controlling shareholder	15.0	(14.7)	0.3
Repayment of bank loans	6.0	(3.0)	3.0
Working capital purposes <sup>1</sup>	10.8	(2.0)	8.8
<b>Total</b>	<b>57.8</b>	<b>(41.0)</b>	<b>16.8</b>

1. S\$0.5 million has been used for start up expenses for our operations in New Zealand, S\$0.4 million is used for expenses incurred for our joint development at The Peak @ Cairnhill I and The Peak @ Cairnhill II, the remaining S\$1.1 million being administrative expenses incurred from our operations in Singapore.

The use of proceeds is in accordance with the stated use as disclosed in the IPO prospectus.

**NEGATIVE ASSURANCE CONFIRMATION BY THE BOARD  
PURSUANT TO RULE 705(5) OF THE LISTING MANUAL**

We, Phua Cher Chew and Boon Choon Kiat, being two Directors of TEE Land Limited (the "Company"), do hereby confirm on behalf of the Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the second quarter ended 30 November 2013 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Phua Cher Chew  
Chief Executive Officer  
and Executive Director

Boon Choon Kiat  
Finance Director  
and Executive Director

Dated 8 January 2014

*SAC Capital Private Limited was the issue manager for the initial public offer of TEE Land Limited (the "Company"). This announcement has been prepared and released by the Company.*