TEE INTERNATIONAL LIMITED
(Incorporated in Singapore with limited liability)
(Company registration number 200007107D)

DIFFERENCES BETWEEN UNAUDITED AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2020

The Board of Directors (the "**Board**" or the "**Directors**") of TEE International Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's unaudited full year financial results announcement for the financial year ended 31 May 2020 ("**FY2020**") released via SGXNet on 30 July 2020 (the "**Unaudited FY2020 Financial Statements**").

The audit of the financial statements of the Group has been completed after the release of the Unaudited FY2020 Financial Statements. Pursuant to Rule 704(6) of the SGX-ST Listing Manual, the Company wishes to inform that there have been adjustments made to the Unaudited FY2020 Financial Statements, as attached in the Appendix hereto, following the audit.

Shareholders are advised to exercise caution in trading their Shares. The Company will make further announcements as appropriate or when there are further developments. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

By Order of the Board

Saw Chin Choo
Executive Director
12 October 2020

APPENDIX

Extract of the consolidated statement of comprehensive income for FY2020

	Unaudited Financial Statements S$'000	Adjustments S$'000	Reclassifications S$'000	Audited Financial Statements S$'000	Explanatory Note
Revenue	329,945	-	-	329,945	
Cost of sales	(331,718)	-	688	(331,030)	(a)
Gross profit	(1,773)	-	688	(1,085)	(a)
Other operating expenses	(4,378)	-	(466)	(4,844)	(b)
Impairment loss on financial assets and contract assets	-	(957)	(222)	(1,179)	(c)
Loss for the year from continuing operations	(28,243)	(957)	-	(29,200)	(d)
Loss for the year	(63,608)	(957)	-	(64,565)	(d)

Extract of the consolidated statement of financial position for FY2020

	Unaudited Financial Statements S$'000	Adjustments S$'000	Reclassifications S$'000	Audited Financial Statements S$'000	Explanatory Note
Contract assets	147,201	(957)	-	146,244	(d)
Total Current assets	253,783	(957)	-	252,826	(d)
Other receivables	1,132	-	180	1,312	(e)
Lease receivables	180	-	(180)		(e)
Property, plant and equipment	6,791	-	1,598	8,389	(a)
Rights-of-use assets	12,615	-	(12,615)	-	(a)
Investment properties	23,909	-	11,017	34,926	(a)
Deferred tax assets	651	-	(33)	618	(e)
Total Non-current assets	55,364	-	(33)	55,331	(e)
Total Assets	309,147	(957)	(33)	308,157	(c)
Lease liabilities	1,796	-	323	2,119	(a)
Current portion of finance leases	497	-	(497)		(a)
Current portion of long-term borrowings	2,635	-	174	2,809	(e)
Total Current liabilities	257,775	-	-	257,775	

	Unaudited Financial Statements S$'000	Adjustments S$'000	Reclassifications S$'000	Audited Financial Statements S$'000	Explanatory Note
Long-term borrowings	16,404	-	351	16,755	(e)
Lease liabilities	14,805	-	(351)	14,454	(e)
Deferred tax liabilities	211	-	(33)	178	(e)
Total Non-current liabilities	31,766	-	(33)	31,733	(e)
Accumulated losses	(50,406)	(957)	-	(51,363)	(d)
Equity attributable to Owners of the Company	23,124	(957)	-	22,167	(d)
Net equity	19,606	(957)	-	18,649	(d)
Total liabilities and equity	309,147	(957)	(33)	308,157	(c)

Extract of the Company' statement of financial position for FY2020

	Unaudited Financial Statements S$'000	Adjustments S$'000	Reclassifications S$'000	Audited Financial Statements S$'000	Explanatory Note
Other receivables	17,235	(3,070)	-	14,165	(f)
Total Current assets	29,973	(3,070)	-	26,903	(f)
Rights-of-use assets	2,409	-	(2,409)	-	(a)
Investment properties	21,500	-	2,409	23,909	(a)
Total Non-current assets	68,653	-	-	68,653	
Total Assets	98,626	(3,070)	-	95,556	(f)
Accumulated losses	(54,767)	(3,070)	-	(57,837)	(f)
Equity attributable to Owners of the Company	17,884	(3,070)	-	14,814	(f)
Net equity	17,884	(3,070)	-	14,814	(f)
Total liabilities and equity	98,626	(3,070)	-	95,556	(f)

Explanatory note:

(a) Reclassifications made in respect of new Singapore Financial Reporting Standards (International) ("SFRS(I) 16) on Rights-of-used of assets and Lease liabilities.

(b) Net impact of reclassifications from (a) and other reclassifications made for presentation purposes.

(c) Reclassifications made for presentation purposes and contract assets adjustment from (d).

(d) An audit adjustment for Expected credit loss of the Group's Contract assets of S$957,000.

(e) Reclassifications made for presentation purposes.

(f) An audit adjustment for Expected credit loss of the Company's inter-companies' receivables of S$3,070,000.