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

ANNOUNCEMENT IN RELATION TO COMMENCEMENT OF ARBITRATION

The board of directors (the "**Board" or "Directors**") of TEE International Limited (the "**Company**", together with its subsidiaries, referred to as the "**Group**") wishes to announce that MDIS (Malaysia) Sdn Bhd ("**Claimant**") has on 6 March 2020 commenced two sets of arbitration proceedings, as follows:

1. Arbitration proceedings against TEE E&C (Malaysia) Sdn Bhd, a wholly-owned subsidiary of the Company ("**TEE Malaysia**") in Malaysia (the "**Malaysia Arbitration**"); and

2. Arbitration proceedings against the Company in Singapore (the "**Singapore Arbitration**").

(collectively "**Arbitration Proceedings**")

The Arbitration Proceedings are in respect of disputes between the Claimant and TEE Malaysia arising out of and/or in connection with a construction contract dated 30 June 2014 ("**Contract**"). The Company is the Guarantor under the Contract.

On 26 September 2019, prior to the Arbitration Proceedings filed by the Claimant against TEE Malaysia and the Company, TEE Malaysia had filed an Adjudication Application in Malaysia against the Claimant under the Construction Industry Payment and Adjudication Act 2012 Malaysia for outstanding payments. The Adjudication Determination was issued on 16 March 2020 ("**Adjudication Determination**") to both parties. Following the issuance of the Adjudication Determination, TEE Malaysia had proposed a settlement with the Claimant based on the conditions set out in the Adjudication Determination. The Claimant had rejected TEE Malaysia's proposed settlement and initiated the Arbitration Proceedings.

The Company has filed an application to stay the Singapore Arbitration pending the resolution of the Malaysia Arbitration, supported by the Company's undertaking be bound by the outcome of the Malaysia Arbitration.

The Group has sought legal advice as to TEE Malaysia's and the Company's rights under the Contract and intends to vigorously pursue its defense against the Claimant. The Group will continue to work closely with its legal counsels on the Arbitration Proceedings.

The Group will provide updates at the appropriate juncture if and when there are material developments in relation to the Arbitration Proceedings.

Shareholders, securityholders, and investors should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take or when dealing with their shares or securities of the Company.

By Order of the Board

Saw Chin Choo
Executive Director
19 September 2020