

**OSCAR INVESTMENT PRIVATE LIMITED**

(Company Registration No. 1932572)

(Incorporated in the British Virgin Islands)

**TEE INTERNATIONAL LIMITED**

(Company Registration No. 200007107D)

(Incorporated in the Republic of Singapore)

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**JOINT ANNOUNCEMENT  
- PRIVATISATION SCHEME OF ARRANGEMENT**

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**1. INTRODUCTION**

- 1.1 This is a joint announcement by Oscar Investment Private Limited ("**Offeror**") and TEE International Limited ("**Company**" and together with its subsidiaries, "**Group**"), in relation to a proposed scheme of arrangement ("**Scheme**") by the Offeror to acquire all the issued and paid-up ordinary shares in the capital of the Company ("**Shares**" and each a "**Share**") (excluding treasury Shares) pursuant to Section 210 of the Companies Act (Chapter 50) of Singapore ("**Companies Act**") and the Singapore Code on Take-overs and Mergers ("**Code**") ("**Acquisition**").
- 1.2 The Offeror and the Company would like to jointly announce that they have today entered into a Scheme implementation agreement, setting out the terms and conditions upon which the Offeror and the Company will implement the Scheme ("**Implementation Agreement**"). Further details of the Scheme and Implementation Agreement are set out below.

**2. INFORMATION ON THE COMPANY**

- 2.1 The Company is incorporated on 15 August 2000 in Singapore and first listed on the SESDAQ of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 22 March 2001. It subsequently transferred its listing to the SGX-ST Mainboard on 3 September 2008. The Group has three business divisions, comprising its engineering business, real estate business, and infrastructure business. The board of directors of the Company comprises the following: (a) Mr. Bertie Cheng Shao Shiong (Chairman and Independent Director); (b) Mr. Phua Chian Kin (Group Chief Executive and Managing Director) ("**Mr. Phua**"); (c) Mr. Lee Ah Fong (Independent Director); (d) Mr. Gn Hiang Meng (Independent Director); (e) Mr. Aric Loh Siang Khee (Independent Director); (f) Mr. Phua Boon Kin (Deputy Group Managing Director); and (g) Ms. Saw Chin Choo (Executive Director).
- 2.2 As at the date hereof ("**Announcement Date**"), the issued and paid-up share capital of the Company of S\$58,432,128.19 comprises 501,952,233 Shares (excluding 1,270,400 treasury Shares), and an aggregate of 186,385,684 outstanding warrants ("**Warrants**" and each a "**Warrant**"), each of which is convertible into one Share at an exercise price of S\$0.25 per Warrant.

**3. INFORMATION ON THE OFFEROR**

- 3.1 The Offeror is a private company incorporated on 28 December 2016 in the British Virgin Islands for the sole purpose of the Acquisition and the Scheme. As at the Announcement Date, the Offeror is wholly-owned by Mr. Phua, who is also the sole director of the Offeror.

**4. THE SCHEME**

- 4.1 The Acquisition will be effected by way of the Scheme pursuant to Section 210 of the Companies Act, and in accordance with the Code and the terms and conditions of the Implementation Agreement. Upon the Scheme becoming effective and binding in accordance with its terms, all the Shares will be transferred to the Offeror: (a) fully paid; (b) free from all charges, mortgages, liens, hypothecations, judgment, encumbrances, easements, rights of pre-emption, security, title retention, preferential right, trust arrangement and other security interests or any other

agreements or arrangements having a commercial effect analogous to the conferring of security or a similar right in favour of any person; and (c) together with all rights, benefits and entitlements attaching thereto as of the date of the Implementation Agreement, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company on or after the date of the Implementation Agreement. The Company does not intend to declare any such dividends, rights and other distributions, pending the completion or termination of the Scheme (as the case may be), unless otherwise agreed with the Offeror.

4.2 In consideration of the transfer of such Shares, each shareholder of the Company (each a "**Shareholder**") as of the record date to be announced ("**Record Date**") may elect to receive one of the following in its entirety, either:

- (a) consideration of **S\$0.215** in cash ("**Cash Consideration**"); or
- (b) one (1) new ordinary share in the capital of the Offeror ("**Offeror Share**"),

for each Share held by such Shareholder as of the Record Date.

Shareholders may elect to receive entirely cash or Offeror Shares for all **(and not part of)** their Shares held as at the Record Date. The relevant form of election will be sent to Shareholders together with the Scheme Document convening the Scheme Meeting (both terms as defined below), and Shareholders may make their election at any time prior to the date the Scheme becomes effective in accordance with its terms ("**Effective Date**"). **Shareholders who do not make any election will receive the Cash Consideration.**

4.3 The Scheme is conditional upon the satisfaction (or where applicable, waiver) of the following conditions precedent ("**Conditions Precedent**") by no later than **30 September 2017** (unless otherwise extended by the Offeror) ("**Long Stop Date**"):

- (a) the approval of the Scheme by Shareholders in compliance with the requirements of Section 210(3AA) read with Section 210(3AB) of the Companies Act;
- (b) the waiver by The Securities and Exchange Commission of Thailand of the Offeror's obligation to undertake a tender offer for all the securities of Chewathai Public Company Limited (being an indirect associated company of the Company listed on the Market for Alternative Investment of the Stock Exchange of Thailand) pursuant to Clauses 6 and 11 of the Notification of the Capital Market Supervisory Board of Thailand No. Tor. Jor. 12/2554 issued by virtue of the Securities and Exchange Act 1992 (as amended), as a result of the implementation of the Scheme;
- (c) the grant of the order of the High Court of the Republic of Singapore ("**Court**") sanctioning the Scheme under Section 210 of the Companies Act ("**Court Order**") by the Court and such Court Order having become final;
- (d) the registration of the Court Order with the Accounting and Corporate Regulatory Authority of Singapore; and
- (e) the approval in-principle of the SGX-ST being obtained for the delisting of the Company from the Official List of the SGX-ST.

4.4 Pursuant to Section 210(3AA) read with Section 210(3AB) of the Companies Act, the Scheme is also subject to, *inter alia*:

- (a) approval by a majority in number of Shareholders representing at least 75% in value of the Shares, present and voting either in person or by proxy at the Scheme meeting of Shareholders to be convened ("**Scheme Meeting**"); and
- (b) the sanction of the Scheme by the Court.

- 4.5 Subject to and upon the Scheme becoming effective and binding, all the Shares will be owned by the Offeror. The Company will thereafter be delisted from the Official List of the SGX-ST upon approval being received from the SGX-ST.
- 4.6 As at the date of this Announcement, there are 186,385,684 outstanding Warrants. The Offeror will make a proposal to holders of Warrants ("**Warrantholders**") such that in consideration of a Warrantholder not exercising his Warrants into Shares, not exercising any of his rights as a Warrantholder and surrendering his Warrants for cancellation, such Warrantholder will receive a nominal cash amount of S\$0.00001 for each Warrant ("**Warrant Offer Price**"). The Warrant Offer Price is made in view that the Scheme consideration is substantially lower than the exercise price per Share of each Warrant. The Warrants proposal is subject to the Scheme becoming effective in accordance with its terms.

If a Warrantholder exercises his Warrants in order to transfer his newly issued Shares under the Scheme, he may not accept the Warrants proposal in respect of such Warrants. Conversely, if a Warrantholder wishes to accept the Warrants proposal in respect of his Warrants, he may not exercise those Warrants in order to transfer his newly issued Shares under the Scheme. Details of the Warrants proposal will be despatched to Warrantholders not later than the date of despatch of the Scheme Document.

## 5. TERMINATION

- 5.1 Shareholders should note that in the event any Condition Precedent is not satisfied (or where applicable, waived) by the Long Stop Date, the Scheme will terminate. In such event, the Implementation Agreement shall terminate (except for certain surviving provisions) and there will be no liability on the part of either party.

## 6. UNDERTAKINGS

- 6.1 The Offeror has obtained written undertakings from the following existing Shareholders (collectively, "**Undertaking Shareholders**"), holding an aggregate 349,255,241 Shares, comprising approximately 69.58% of the entire issued Shares, to vote in favour of the Scheme (to the extent they are not prohibited by applicable laws and regulations from doing so) and accept Offeror Shares as consideration for all their Shares:

- (a) Mr. Phua, holding 282,054,456 Shares, comprising approximately 56.19% of the entire issued Shares;
- (b) Mdm. Tay Kuek Lee, holding 10,742,080 Shares, comprising approximately 2.14% of the entire issued Shares;
- (c) 4 P Investments Pte. Ltd., holding 6,680,924 Shares, comprising approximately 1.33% of the entire issued Shares;
- (d) Bertie Cheng Shao Shiong, holding 11,400,000 Shares, comprising approximately 2.27% of the entire issued Shares;
- (e) Cheng Wei Ling, Deborah Anne, holding 1,125,000 Shares, comprising approximately 0.22% of the entire issued Shares;
- (f) Lincoln Capital Private Limited, holding 25,967,321 Shares, comprising approximately 5.17% of the entire issued Shares;

- (h) Yang Boon Kiat, holding 5,979,900 Shares, comprising approximately 1.19% of the entire issued Shares;
  - (i) Saw Chin Choo, holding 1,390,000 Shares, comprising approximately 0.28% of the entire issued Shares; and
  - (j) Lum Tuck Seng, holding 3,915,560 Shares, comprising approximately 0.78% of the entire issued Shares.
- 6.2 The Undertaking Shareholders will also not sell, transfer or otherwise dispose any of their Shares prior to the Effective Date (or the date the Scheme lapses or is terminated in accordance with its terms, whichever is earlier).

## **7. RULINGS FROM THE SECURITIES INDUSTRY COUNCIL**

- 7.1 Pursuant to an application made to the Securities Industry Council ("**SIC**"), the SIC has on 25 January 2017 and 27 March 2017:
- (a) confirmed that it has no objections to the Conditions Precedent;
  - (b) confirmed that it has no objections to Shareholders being entitled to elect Offeror Shares in lieu of Cash Consideration;
  - (c) exempted the Scheme from complying with Rules 14, 15, 16, 17, 20.1, 22, 28, 29, 33.2 and Note 1(b) to Rule 19 of the Singapore Code on Takeovers and Mergers ("**Code**"), subject to the following conditions:
    - (i) the common substantial shareholders, if any, of the Offeror and the Company abstain from voting on the Scheme;
    - (ii) the Offeror and its concert parties abstain from voting on the Scheme;
    - (iii) the directors of the Company who are also directors of the Offeror, if any, abstain from making a recommendation on the Scheme to the Shareholders;
    - (iv) the Company appoints an independent financial adviser to advise the Shareholders on the Scheme;
    - (v) the Scheme Document contains advice to the effect that by voting for the Scheme, the Shareholders are agreeing to the Offeror and its concert parties acquiring or consolidating effective control of the Company without having to make a general offer for the Company; and
    - (vi) the Scheme Document discloses the names of the Offeror and its concert parties, their current voting rights in the Company as of the latest practicable date and their voting rights in the Company after the Scheme; and
  - (d) confirmed that the Undertaking Shareholders will not be regarded as acting in concert with the Offeror by virtue only of their undertakings to vote in favour of and approve the Scheme and elect Offeror Shares in lieu of the Cash Consideration.

## 8. OFFEROR'S INTENTIONS FOR THE COMPANY

### 8.1 Intentions for the Company

The Offeror intends to delist the Company from the Official List of the SGX-ST upon the Scheme becoming effective and binding. The Offeror believes that the Acquisition and the privatisation of the Company would provide greater operational flexibility to the Group.

Save as announced by the Company, the Offeror has no current intention of (a) making material changes to the Group's existing business, (b) re-deploying the Group's fixed assets, or (c) discontinuing the employment of the employees of the Group, other than in the ordinary course of business. However, the Offeror retains the flexibility at any time to consider options or opportunities which may present themselves, and which it regards to be in the interests of the Offeror and/or the Company.

### 8.2 Opportunity for Shareholders to realise their investment

The Acquisition represents an opportunity for Shareholders to realise their investments in Shares.

## 9. FINANCIAL EVALUATION OF THE CASH CONSIDERATION

The Cash Consideration represents the following premia over the historical traded prices of the Shares:

Description	Share Price (S\$) (1)(2)	Premium over Share Price (%)
Last transacted price of the Shares on the SGX-ST on 24 March 2017, being the last market day on which the Shares were traded on the SGX-ST prior to the Announcement Date (" <b>Last Market Day</b> "), taking into account the trading halt and voluntary suspension in the Shares from 27 March 2017 to 31 March 2017	0.191	12.6
Volume weighted average price (" <b>VWAP</b> ") for the one-month period up to and including the Last Market Day	0.189	13.8
VWAP for the three-month period up to and including the Last Market Day	0.192	12.0
VWAP for the six-month period up to and including the Last Market Day	0.197	9.1
VWAP for the twelve-month period up to and including the Last Market Day	0.205	4.9

**Note:**

(1) The figures set out in this paragraph are based on the daily adjusted VWAP, as extracted from Bloomberg L.P. as at the Last Market Day.

(2) Rounded to the nearest three decimal places.

The highest and lowest closing prices of the Shares on the SGX-ST (as reported by Bloomberg L.P.) during the twelve month period up to and including the Last Market Day are S\$0.260 and S\$0.185, respectively. The Cash Consideration represents a discount of 17.3% over such highest closing price and a premium of 16.2% over such lowest closing price.

## 10. CONFIRMATION OF FINANCIAL RESOURCES

Hong Leong Finance Limited, being the financial adviser to the Offeror in connection with the Acquisition and the Scheme, has confirmed that sufficient financial resources are available to the Offeror to satisfy in full the aggregate Cash Consideration payable by the Offeror for all the Shares to be acquired by it under the Scheme in the event all Shareholders (other than the Undertaking Shareholders) elect the Cash Consideration.

## 11. INDEPENDENT FINANCIAL ADVISER

The directors of the Company who are considered independent and non-interested for purposes of the Scheme ("**Non-Interested Directors**") have appointed Provenance Capital Pte. Ltd. as independent financial adviser ("**IFA**") to advise them for the purpose of making a recommendation to the Shareholders in connection with the Scheme.

## 12. SCHEME DOCUMENT

The Scheme document to be issued by the Company to the Shareholders containing, *inter alia*, full details of the Scheme (including the formal opinion of the IFA and the recommendation of the Non-Interested Directors) and giving notice of the Scheme Meeting ("**Scheme Document**") will be despatched to Shareholders in due course.

In the meantime, Shareholders are advised to refrain from taking any action in relation to their Shares which may be prejudicial to their interests until they or their advisers have considered the information in the Scheme Document (including the advice of the IFA and the recommendations of the Non-Interested Directors) to be despatched in due course.

**Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.**

## 13. OVERSEAS SHAREHOLDERS

The applicability of the Scheme to persons not resident in Singapore may be affected by the laws of the relevant jurisdiction. Shareholders who are not resident in Singapore should keep themselves informed of and observe any applicable restrictions or prohibitions. Where there are potential restrictions on sending the Scheme Document to any overseas jurisdiction, the Offeror reserves the right not to send such documents to the Shareholders in such overseas jurisdiction. For the avoidance of doubt, the Scheme is being proposed to all Shareholders (including the overseas Shareholders), including those to whom the Scheme Document will not be, or may not be, sent, provided that the Scheme Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Scheme is not being proposed in any jurisdiction in which the introduction or implementation of the Scheme would not be in compliance with the laws of such jurisdiction.

Further details in relation to overseas Shareholders will be contained in the Scheme Document.

## 14. DISCLOSURES

### 14.1 Company

As at the Announcement Date, the interests in Shares held by the directors of the Company are set out below:

Name of Director	Direct Interest		Deemed Interest	
	No. of Shares	(%)( <sup>1</sup> )	No. of Shares	(%)( <sup>1</sup> )
Bertie Cheng Shao Shiong	7,500,000	1.49	3,900,000	0.78
Phua Chian Kin( <sup>2</sup> )	282,054,456	56.19	17,423,004	3.47
Phua Boon Kin	105,172	0.02	-	-
Saw Chin Choo	1,390,000	0.28	3,312	nm( <sup>3</sup> )
Lee Ah Fong	-	-	-	-
Gn Hiang Meng	-	-	-	-
Aric Loh Siang Khee	-	-	-	-

**Notes:**

- (1) Based on 501,952,233 issued Shares (excluding 1,270,400 treasury Shares).
- (2) Mr. Phua is deemed to have an interest in the 17,423,004 Shares held by his spouse, Mdm Tay Kuek Lee and 4 P Investments Pte. Ltd., where he is a shareholder. A total of 261,112,254 Shares held by Mr. Phua are registered in the name of Hong Leong Finance Nominees Pte Ltd, CIMB Securities (Singapore) Pte Ltd, SBS Nominees Pte Ltd, Phillip Securities Pte Ltd, Maybank Nominees (S) Pte Ltd, OCBC Securities Private Limited and RHB Securities Singapore Pte Ltd and KGI Fraser Securities Pte Ltd.
- (3) Not meaningful.

As at the Announcement Date, the interests in Warrants held by the directors of the Company are set out below:

Name of Director	Direct Interest		Deemed Interest	
	No. of Warrants	(%)( <sup>1</sup> )	No. of Warrants	(%)( <sup>1</sup> )
Bertie Cheng Shao Shiong	4,420,000	2.37	-	-
Phua Chian Kin( <sup>2</sup> )	96,109,262	51.56	6,400,505	3.43
Phua Boon Kin	68	nm( <sup>3</sup> )	-	-
Saw Chin Choo	451,365	0.24	1,324	nm( <sup>3</sup> )
Lee Ah Fong	-	-	-	-
Gn Hiang Meng	-	-	-	-
Aric Loh Siang Khee	-	-	-	-

**Notes:**

- (1) Based on 186,385,684 issued Warrants as at the date of this Announcement.
- (2) Mr. Phua is deemed to have an interest in the 6,400,505 Warrants held by his spouse, Mdm Tay Kuek Lee and 4 P Investments Pte. Ltd., where he is a shareholder. A total of 44,344,737 Warrants held by Mr. Phua are registered in the name of CIMB Securities (Singapore) Pte Ltd, SBS Nominees Pte Ltd, Phillip Securities Pte Ltd, Maybank Nominees (S) Pte Ltd, OCBC Securities Private Limited and RHB Securities Singapore Pte Ltd.
- (3) Not meaningful.

Save as set out herein, and otherwise publicly disclosed, no director or substantial Shareholder of the Company has any interest in the Scheme (other than by reason only of being a Shareholder or director of the Company), and there is no service contract with any director or any person proposed to be appointed as a director of the Company in connection with the Scheme.

#### 14.2 Offeror

As at the Announcement Date, save as set out in this announcement, none of the Offeror, Mr. Phua or any of their concert parties (collectively, the **"Concert Group"**):

- (a) owns, controls or has agreed to acquire any (i) Shares; (ii) securities which carry voting rights in the Company; or (iii) convertible securities, warrants, options or derivatives in respect of the Shares or securities which carry voting rights in the Company (collectively **"Securities"**);
- (b) has dealt for value in any Securities during the three-month period immediately preceding the Announcement Date;
- (c) has received any irrevocable undertaking to accept or reject the Acquisition, save from the Undertaking Shareholders;
- (d) has entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to shares of the Offeror or the Company which might be material to the Acquisition, save in connection with the financing of the Acquisition; and
- (e) has, in respect of any Securities:
  - (i) granted any security interest to another person, whether through a charge, pledge or otherwise;
  - (ii) borrowed from another person (excluding borrowed securities which have been on-lent or sold); or
  - (iii) lent to another person.

#### 14.3 Associates

Associates of the Company and the Offeror (as defined in the Code, and include substantial shareholders) are reminded to disclose their dealings in any securities of the Company and the Offeror under Rule 12 of the Code.

### 15. DOCUMENT FOR INSPECTION

A copy of the Implementation Agreement will be made available for inspection during normal business hours at the registered office of the Company at 25 Bukit Batok Street 22, TEE Building, Singapore 659591 from the date of this announcement until the Effective Date.



## **16. DIRECTORS' RESPONSIBILITY STATEMENTS**

### **16.1 Company**

The directors of the Company (including those who have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement which relate to the Group (excluding any information relating to the Offeror or any opinion expressed by the Offeror) have been arrived at after due and careful consideration and after having made all reasonable inquiries, to the best of their knowledge, are fair and accurate, and that no material facts which relate to the Group have been omitted from this announcement, the omission of which would make any statement in this announcement misleading, and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the directors of the Company has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources and/or reproduced in this announcement in its proper form and context. The directors of the Company do not accept any responsibility for any information relating to or any opinion expressed by the Offeror.

### **16.2 Offeror**

The sole director of the Offeror (strictly in his capacity as the sole director of the Offeror) has taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement (excluding any information relating to the Group or any opinion expressed by the Group) have been arrived at after due and careful consideration and after having made all reasonable inquiries, to the best of his knowledge, are fair and accurate, and that no material facts which relate to the Offeror has been omitted from this announcement, the omission of which would make any statement in this announcement misleading, and he accepts responsibility accordingly. Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the sole director of the Offeror has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources and/or reproduced in this announcement in its proper form and context. The sole director of the Offeror (strictly in his capacity as the sole director of the Offeror) does not accept any responsibility for any information relating to or any opinion expressed by the Group.

1 April 2017

BY ORDER OF THE BOARD  
**OSCAR INVESTMENT PRIVATE LIMITED**

BY ORDER OF THE BOARD  
**TEE INTERNATIONAL LIMITED**