



TEE LAND

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

Unaudited Full Year Financial Statement and Dividend Announcement for the Year Ended 31 May 2017

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) %
	Fourth Quarter Ended			Full Year Ended		
	31/05/2017	31/05/2016 Restated		31/05/2017	31/05/2016 Restated	
Revenue	33,098	17,353	90.7	94,690	39,745	138.2
Cost of sales	(25,894)	(11,447)	126.2	(71,349)	(25,119)	184.0
Gross profit	7,204	5,906	22.0	23,341	14,626	59.6
Other operating income	6,488	1,908	240.0	8,126	3,469	134.2
Selling and distribution cost	(2,640)	(1,439)	83.5	(5,347)	(3,111)	71.9
Administrative expenses	(2,988)	(3,772)	(20.8)	(10,883)	(12,620)	(13.8)
Other operating expenses	(3,214)	(3,372)	(4.7)	(3,563)	(3,953)	(9.9)
Share of results of associates	(2,342)	6,622	N.M.	(2,090)	14,737	N.M.
Finance costs	(1,888)	(1,435)	31.6	(6,279)	(4,997)	25.7
Profit before tax	620	4,418	(86.0)	3,305	8,151	(59.5)
Income tax (expense) credit	(1,996)	173	N.M.	(3,016)	(21)	N.M.
(Loss) profit for the year	(1,376)	4,591	N.M.	289	8,130	(96.4)
(Loss) profit attributable to:						
Owners of the Company	(2,401)	4,715	N.M.	(1,048)	8,449	N.M.
Non-controlling interests	1,025	(124)	N.M.	1,337	(319)	N.M.
	(1,376)	4,591	N.M.	289	8,130	N.M.

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) %
	Fourth Quarter Ended			Full Year Ended		
	31/05/2017	31/05/2016 Restated		31/05/2017	31/05/2016 Restated	
(Loss) profit for the year	(1,376)	4,591	N.M.	289	8,130	(96.4)
Other comprehensive income:						
Currency translation differences, net of tax	(1,701)	(661)	157.3	1,911	(1,858)	N.M.
Total comprehensive (loss) income for the year	(3,077)	3,930	N.M.	2,200	6,272	N.M.

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) %
	Fourth Quarter Ended			Full Year Ended		
	31/05/2017	31/05/2016 Restated		31/05/2017	31/05/2016 Restated	
Total comprehensive income attributable to:						
Owners of the Company	(3,210)	4,034	N.M.	406	6,856	(94.1)
Non-controlling interests	133	(104)	N.M.	1,794	(584)	N.M.
	(3,077)	3,930	N.M.	2,200	6,272	(64.9)

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

	The Group S\$'000		Increase/ (Decrease) %	The Group S\$'000		Increase/ (Decrease) %
	Fourth Quarter Ended			Full Year Ended		
	31/05/2017	31/05/2016 Restated		31/05/2017	31/05/2016 Restated	
A Other operating income:						
Interest income	284	377	(24.7)	1,190	1,382	(13.9)
Fair value gain on investment properties, net	431	-	N.M.	431	-	N.M.
Gain on disposal of non-current asset held-for-sale	5,348	-	N.M.	5,348	-	N.M.
Financial guarantee income	75	96	(21.9)	511	348	46.8
Gain on dilution of equity in associates	-	1,254	N.M.	-	1,254	N.M.
Liquidated guarantee income	223	-	N.M.	223	180	23.9
Deposit forfeited	-	-	N.M.	173	-	N.M.
Others	127	181	(29.8)	250	305	(18.0)
	6,488	1,908	240.0	8,126	3,469	134.2
B Finance costs:						
Loan interests	1,396	944	47.9	4,329	3,042	42.3
Term note interest	492	491	0.2	1,950	1,955	(0.3)
	1,888	1,435	31.6	6,279	4,997	25.7
C Amortisation of term notes	45	45	N.M.	181	181	N.M.
D Amortisation of deferred sales commission expense	1,423	353	303.1	3,133	732	328.0
E Amortisation of show flat expenses	347	163	112.9	688	630	9.2
F Depreciation of property, plant and equipment	150	1,038	(85.5)	1,291	3,289	(60.7)
G Property, plant and equipment written off	542	-	N.M.	542	-	N.M.
H Reversal of impairment loss on property, plant and equipment	(168)	-	N.M.	(168)	-	N.M.
I Allowance for impairment loss on completed properties and land held for sale	2,894	534	441.9	2,894	534	441.9
J Loss on dissolution of joint development	-	2,911	N.M.	-	2,911	N.M.
K Foreign currency exchange adjustment (gain) loss	(53)	(73)	(27.4)	296	508	(41.7)
L Under provision of income tax in respect of prior years	-	-	N.M.	667	-	N.M.

N.M.-not meaningful

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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	
	31/05/2017	31/05/2016	01/06/2015	31/05/2017	31/05/2016
ASSETS					
Current assets		Restated	Restated		
Cash and bank balances	34,068	26,368	18,618	1,829	6,770
Trade receivables	18,571	7,933	37,824	-	-
Other receivables	12,285	24,640	16,928	142,449	150,443
Loans receivable from associates	25,860	22,895	15,759	2,883	2,950
Inventories	27	16	18	-	-
Development properties	147,854	115,614	123,035	-	-
Completed properties and land held for sale	47,584	46,231	14,973	-	-
Non-current asset held-for-sale	47,481	-	-	-	-
Total current assets	333,730	243,697	227,155	147,161	160,163
Non-current assets					
Investment in associates	40,269	47,667	36,066	-	-
Investment in subsidiaries	-	-	-	32,996	20,795
Property, plant and equipment	735	89,961	79,152	-	-
Investment properties	35,812	11,717	12,036	-	-
Deferred tax assets	2,947	2,192	1,054	-	-
Other receivables	6,000	6,000	10,475	3,830	-
Loans receivable from associates	-	5,883	19,216	-	-
Total non-current assets	85,763	163,420	157,999	36,826	20,795
Total assets	419,493	407,117	385,154	183,987	180,958
LIABILITIES AND EQUITY					
Current liabilities					
Bank loans	1,499	3,114	11,499	-	1,615
Trade payables	24,187	11,651	8,600	-	-
Other payables	25,746	25,627	20,493	8,458	2,011
Finance lease	12	12	12	-	-
Long-term borrowings	45,530	23,324	45,254	-	-
Financial guarantee liabilities	200	382	280	2,056	1,218
Long-term loan	-	4,050	-	-	-
Term notes	29,939	-	-	29,939	-
Income tax payable	3,522	3,465	1,289	73	27
Total current liabilities	130,635	71,625	87,427	40,526	4,871
Non-current liabilities					
Finance lease	38	51	69	-	-
Long-term loan	-	-	4,050	-	-
Deferred tax liabilities	374	210	2,012	-	-
Long-term borrowings	112,248	132,213	94,305	-	-
Term notes	-	29,758	29,577	-	29,758
Financial guarantee liabilities	301	631	568	833	1,878
Loan from non-controlling interest	3,680	-	-	-	-
Total non-current liabilities	116,641	162,863	130,581	833	31,636
Capital, reserves and non-controlling interests					
Share capital	142,238	142,238	142,238	142,238	142,238
Currency translation reserve	(873)	(2,327)	(734)	-	-
Merger reserve	(5,969)	(5,969)	(5,969)	-	-
Capital reserve	(6)	(6)	(6)	-	-
Accumulated profits	21,683	25,234	20,494	390	2,213
Equity attributable to owners of the Company	157,073	159,170	156,023	142,628	144,451
Non-controlling interests	15,144	13,459	11,123	-	-
Total equity	172,217	172,629	167,146	142,628	144,451
Total liabilities and equity	419,493	407,117	385,154	183,987	180,958

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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 As at 31/05/2017		The Group S\$'000 As at 31/05/2016	
Secured	Unsecured	Secured	Unsecured
47,041	29,939	26,450	-

Amount repayable after one year

The Group S\$'000 As at 31/05/2017		The Group S\$'000 As at 31/05/2016	
Secured	Unsecured	Secured	Unsecured
112,286	-	132,264	29,758

Details of any collateral

The total secured borrowings included the following:

- Obligations under finance lease secured on the motor vehicle of the Group and
- Bank loans and long-term bank loans secured by legal mortgages over the Group's development properties, property, investment properties, fixed deposit and corporate guarantee from the holding company.

Note: As at 31/05/2016, these borrowings exclude the long-term loan of S\$4,050,000 due to former 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	
	Fourth Quarter Ended		Full Year Ended	
	31/05/2017	31/05/2016 Restated	31/05/2017	31/05/2016 Restated
Operating activities				
Profit before tax	620	4,418	3,305	8,151
Adjustments for:				
Share of results of associates	2,342	(6,622)	2,090	(14,737)
Change in fair value of investment properties, net	(431)	-	(431)	-
Depreciation of property, plant and equipment	150	1,038	1,291	3,289
Gain on dilution of equity in associates	-	(1,254)	-	(1,254)
Property, plant and equipment written off	542	-	542	-
Reversal of impairment loss on property, plant and equipment	(168)	-	(168)	-
Gain on disposal of non-current asset held-for-sale	(5,348)	-	(5,348)	-
Allowance for diminution in value on completed properties and land held for sale	2,894	534	2,894	534
Loss on dissolution of joint development	-	2,911	-	2,911
Amortisation of deferred sales commission expense	1,423	353	3,133	732
Amortisation of show flat expenses	347	163	688	630
Amortisation of financial guarantee liabilities	(75)	(96)	(511)	(348)
Amortisation of term notes	45	45	181	181
Interest income	(284)	(377)	(1,190)	(1,382)
Interest expenses	1,888	1,435	6,279	4,997
Operating cash flows before movements in working capital	3,945	2,548	12,755	3,704
Trade receivables	(6,057)	3,952	(10,698)	29,565
Other receivables	(763)	(2,613)	8,005	(6,219)
Inventories	(5)	3	(11)	2
Development properties	15,496	34,272	(33,283)	8,411
Completed properties and land held for sale	(6,750)	(39,363)	(1,353)	(39,363)
Trade payables	2,029	375	12,748	3,022
Other payables	(4,532)	2,188	(1,525)	7,700
Unrealised currency translation gain	(487)	(1,776)	(580)	(1,348)
Cash from (used in) operations	2,876	(414)	(13,942)	5,474

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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	
	Fourth Quarter Ended		Full Year Ended	
	31/05/2017	31/05/2016 Restated	31/05/2017	31/05/2016 Restated
Interest paid	(623)	(392)	(3,114)	(2,482)
Income tax paid	(1,072)	(972)	(3,478)	(1,087)
Income tax refunded	-	-	-	280
Net cash from (used in) operating activities	1,181	(1,778)	(20,534)	2,185
Investing activities				
Sale proceed from property, plant and equipment	32,820	-	32,820	-
Purchase of property, plant and equipment	32	(307)	(8,073)	(15,965)
Dividend received from associates	2,528	6,324	6,535	6,324
Dissolution of joint development	-	1,031	-	1,031
Investment in associates	-	-	-	(2,722)
Repayment of loans from associates	1,446	1,589	4,272	10,851
Loans receivables granted to associates	(90)	(1,060)	(1,303)	(4,699)
Loans from non-controlling interests	3,680	-	3,680	-
Interest received	681	186	1,684	3,794
Net cash from (used in) investing activities	41,097	7,763	39,615	(1,386)
Financing activities				
Interest paid	(2,435)	(1,975)	(6,241)	(5,023)
Drawdown of bank loans	-	1,132	-	1,615
Repayment of bank loans	-	-	(1,615)	(10,000)
Drawdown of long-term bank loans	20,050	12,935	83,805	40,104
Repayment of long-term bank loans	(43,515)	(2,136)	(82,502)	(13,105)
Loan to former joint developer	-	(6,000)	-	(6,000)
Repayment of obligation under finance lease	(3)	5	(11)	(11)
Repayment of long-term loan	-	-	(4,050)	-
Deemed capital injection by non-controlling interest	-	(37)	-	2,430
Capital injection by non-controlling interest	-	490	1,732	490
Fixed deposit released (pledged)	-	-	2,037	(1,422)
Dividends paid	(671)	(983)	(2,503)	(3,709)
Net cash (used in) from financing activities	(26,574)	3,431	(9,348)	5,369
Net increase in cash and cash equivalents	15,704	9,416	9,733	6,168
Cash and cash equivalents at beginning of period/year	18,314	14,771	24,331	18,003
Effects of exchange rate changes of cash and cash equivalents	50	144	4	160
Cash and cash equivalents at end of year (Note A)	34,068	24,331	34,068	24,331

Note A: Cash and cash equivalents

	The Group S\$'000		The Group S\$'000	
	Fourth Quarter Ended		Full Year Ended	
	31/05/2017	31/05/2016 Restated	31/05/2017	31/05/2016 Restated
Cash at banks	21,501	13,894	21,501	13,894
Cash on hand	1	1	1	1
Fixed deposits	2,167	2,039	2,167	2,039
Projects accounts (see Note below):				
Cash at bank	6,380	8,434	6,380	8,434
Fixed deposits	4,019	2,000	4,019	2,000
Total cash and bank balances	34,068	26,368	34,068	26,368
Less: Encumbered bank deposit	-	(2,037)	-	(2,037)
Total cash and cash equivalents per statement of cash flows	34,068	24,331	34,068	24,331

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
The Group								
Balance at 01/06/2016 as restated	142,238	(2,327)	(6)	(5,969)	25,234	159,170	13,459	172,629
<i>Total comprehensive income for the year</i>								
(Loss) profit for the year	-	-	-	-	(1,048)	(1,048)	1,337	289
Other comprehensive income for the year	-	1,454	-	-	-	1,454	457	1,911
<i>Transactions with owners, recognised directly in equity:</i>								
Capital injection by non-controlling interests	-	-	-	-	-	-	1,732	1,732
Dividend payable to non-controlling interests	-	-	-	-	-	-	(1,841)	(1,841)
Dividends paid	-	-	-	-	(2,503)	(2,503)	-	(2,503)
Balance at 31/05/2017	142,238	(873)	(6)	(5,969)	21,683	157,073	15,144	172,217
Previous Corresponding Period								
Balance at 01/06/2015 as previously stated	142,238	(733)	(6)	(5,969)	20,429	155,959	11,123	167,082
Prior year adjustment	-	(1)	-	-	65	64	-	64
Balance at 01/06/2015 as restated	142,238	(734)	(6)	(5,969)	20,494	156,023	11,123	167,146
<i>Total comprehensive income for the year</i>								
Profit (loss) for the year as restated	-	-	-	-	8,449	8,449	(319)	8,130
Other comprehensive loss for the year	-	(1,593)	-	-	-	(1,593)	(265)	(1,858)
<i>Transaction with owners, recognised directly in equity:</i>								
Deemed equity injection by non-controlling interests	-	-	-	-	-	-	2,430	2,430
Capital injection by non-controlling interests	-	-	-	-	-	-	490	490
Dividends paid	-	-	-	-	(3,709)	(3,709)	-	(3,709)
Balance at 31/05/2016 as restated	142,238	(2,327)	(6)	(5,969)	25,234	159,170	13,459	172,629

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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 S\$'000	Accumulated profits S\$'000	Total S\$'000
<u>The Company</u>			
Balance at 01/06/2016	142,238	2,213	144,451
Total comprehensive income for the year	-	680	680
Dividends paid	-	(2,503)	(2,503)
Balance at 31/05/2017	142,238	390	142,628
<u>Previous Corresponding Period</u>			
Balance at 01/06/2015	142,238	2,654	144,892
Total comprehensive income for the year	-	3,268	3,268
Dividends paid	-	(3,709)	(3,709)
Balance at 31/05/2016	142,238	2,213	144,451

- 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 28/02/2017 and 31/05/2017

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

During the quarter ended 31 May 2017, there were no changes in the share capital of the Company.

As at 31/05/2017, 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	
	31/05/2017	31/05/2016
Total number of issued shares	446,876,000	446,876,000

- 1(d)(iv) A statement showing all sales, transfers, 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 year reported on.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

Not applicable.

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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

Except as disclosed in item 5 below, 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 2016.

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

In the current financial period, the Group adopted all the new and revised FRSs that are relevant to its operations and effective for annual periods beginning on or after 1 June 2016. The adoption of these new or revised FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current or prior periods/years.

The Group has also made a change to the accounting policy on revenue recognition for retail units as described below so as to reflect a fairer presentation of the Group's results.

In prior financial years, revenue from sale of retail units in a mixed use development in Malaysia has been recognised based on the completed contract method. However, based on management review of its revenue recognition policy, it was noted that this was overly conservative as such retail units have the same characteristics as the residential units, where transfer of significant risks and rewards of ownership occurs as construction progresses. As a result, management changed the accounting policy for revenue recognition for retail units in a mixed use development from completed contract method to percentage of completion method; with stage of completion measured based on certification by architects. This change in accounting policy resulted in prior year comparative figures being restated.

The changes in the abovementioned accounting policy has been accounted for retrospectively and comparative figures for the financial year ended 31 May 2016 have accordingly been restated. The effects of change on the income statement and statement of financial position are summarised below:

	The Group					
	31/05/2016			01/06/2015		
	Previously reported S\$'000	As adjusted S\$'000	Increase (Decrease) S\$'000	Previously reported S\$'000	As adjusted S\$'000	Increase (Decrease) S\$'000
<u>Statement of Financial Position</u>						
Other receivables	24,846	24,640	(206)	16,963	16,928	(35)
Development properties	113,796	115,614	1,818	122,658	123,035	377
Deferred tax assets	2,643	2,192	(451)	1,332	1,054	(278)
Currency translation reserve	(2,305)	(2,327)	(22)	(733)	(734)	(1)
Accumulated profits	24,051	25,234	1,183	20,429	20,494	65
	31/05/2016					
	Previously reported S\$'000	As adjusted S\$'000	Increase (Decrease) S\$'000			
<u>Statement of Comprehensive Income</u>						
Revenue	34,889	39,745	4,856			
Costs of sales	(21,755)	(25,119)	(3,364)			
Selling and distribution cost	(2,937)	(3,111)	(174)			
Income tax expense	179	(21)	(200)			

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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	
	Fourth Quarter Ended		Full Year Ended	
	31/05/2017	31/05/2016 Restated	31/05/2017	31/05/2016 Restated
Earnings per ordinary share ("EPS") of the Group based on net (loss) profit attributable to owners of the Company:				
(i) Based on the number of shares (cents)	(0.54)	1.06	(0.23)	1.89
(ii) On a fully diluted basis (cents)	N.A.	N.A.	N.A.	N.A.
(iii) Number of shares ('000)	446,876	446,876	446,876	446,876

The Company does not have any dilutive instruments as at 31/05/2017.

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 31/05/2017	As at 31/05/2016 Restated
	The Group	35.1
The Company	31.9	32.3

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

Income statement for FY2017 fourth quarter ("FY2017 Q4") and full year against FY2016 fourth quarter ("FY2016 Q4") and full year

Revenue for FY2017 Q4 increased by S\$15.7 million or 90.7% due mainly to higher progressive revenue recognised for development projects, particularly Third Avenue in Malaysia, Hilbre 28 and a new development project, 183 Longhaus in Singapore. The Group has also changed its revenue recognition policy for retail units in a mixed use development in Malaysia, from completed contract method to percentage of completion method. As the retail units in a mixed development are housed in the same building as the residential units and have similar characteristics, revenue recognition based on percentage of completion for such retail units is considered more appropriate. The prior year's comparative figures have been restated arising from this change of accounting policy. Revenue for FY2017 full year increased by S\$55.0 million or 138.2% due mainly to the same reason.

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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)

Cost of sales for FY2017 Q4 correspondingly increased by S\$14.5 million or 126.2%. However, gross margin decreased from 34.0% in FY2016 Q4 to 21.8% in FY2017 Q4. This was due mainly to the higher revenue contribution from development projects in FY2017 Q4, which have lower gross margin. On the other hand, FY2016 Q4 had proportionately higher revenue contribution from hotel operations and rental income. These were also the main reasons why cost of sales for FY2017 full year had also correspondingly increased by S\$46.2 million or 184.0%, and gross margin decreased from 36.8% in FY2016 to 24.6% in FY2017.

Other operating income for FY2017 Q4 increased by S\$4.6 million (240.0%) due mainly to gain on disposal of Quality Hotel in Sydney in FY2017 Q4, offset to some extent by the gain on dilution of equity in our Thailand associates, which was listed in April 2016. Other operating income for FY2017 full year increased by S\$4.6 million (134.2%) for the same reasons.

Selling and distribution costs for FY2017 Q4 increased by S\$1.2 million (83.5%) due mainly to higher sales and direct marketing expenses arising from the higher development project revenue recognised. Selling and distribution costs for FY2017 full year increased by S\$2.2 million (71.9%) largely for the same reason.

Administrative expenses for FY2017 Q4 decreased by S\$0.8 million (20.8%) due mainly to the cessation of depreciation for the two Australian hotels, as the two hotels were being classified as non-current assets held-for-sale. This was also the main reason administrative expenses for FY2017 full year decreased by S\$1.7 million (13.8%). The depreciation expense for FY2017 Q4 and full year decreased compared to the corresponding periods also for the same reason.

Other operating expenses for FY2017 Q4 and full year included an impairment of completed properties held for sale of S\$2.9 million.

Share of results of associates for FY2017 Q4 decreased by S\$8.9 million due mainly to provision of impairment and expected loss in some of the development projects in Singapore, and the completion of a number of development projects and full recognition of revenue in FY2016. Share of results of associates decreased by S\$16.8 million in FY2017 full year due mainly to the same reasons.

Finance costs for FY2017 Q4 increased by S\$0.5 million (31.6%) due mainly to additional loan required for the conversion of the 11th floor and penthouse in Larmont Building to hotel rooms, refinancing costs for the completed development project, Peak I, and the corporate building, and break-cost for early redemption of Quality Hotel loan when we sold the hotel. Finance costs for FY2017 full year increased by S\$1.3 million (25.7%) for the same reasons, and also additional loan for the acquisition of the 11th floor and penthouse in Larmont Building.

As a result of the above, profit before tax for FY2017 Q4 decreased by S\$3.8 million (86.0%) and FY2017 full year decreased by S\$4.9 million (59.5%).

Tax expense for FY2017 Q4 increased by S\$2.2 million due mainly to the gain from disposal of Quality Hotel and taxable profit from progressive revenue recognised for Third Avenue project. Tax expense for FY2017 full year increased by S\$3.0 million due mainly to the same reason.

Overall, profit after tax for FY2017 Q4 decreased by S\$6.0 million, from S\$4.6 million in FY2016 Q4 to a loss of S\$1.4 million in FY2017 Q4 and for FY2017 full year, decreased by S\$7.8 million, from S\$8.1 million in FY2016 to S\$0.3 million in FY2017.

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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

Financial position as at 31/5/2017 against financial position as at 31/5/2016

Cash and bank balances increased from S\$26.4 million to S\$34.1 million. This was due mainly to the net proceeds from the sale of Quality Hotel. A more detailed commentary on the increase in cash and bank balances is described in the commentary on Statement of Cash Flows.

Trade receivables increased from S\$7.9 million to S\$18.6 million due mainly to progressive billings for development property projects.

Other receivables (current portion) decreased from S\$24.6 million to S\$12.3 million due mainly to repayment of refundable deposit received from Thailand, payment received from our former joint development partner and transferring of land deposit for Lorong 35 Geylang to Development properties as the purchase of land was completed.

Loans receivable from associates (current and non-current portion) decreased from S\$28.8 million to S\$25.9 million due mainly to repayment of loans by associates.

Development properties increased from S\$115.6 million to S\$147.9 million due mainly to the land cost for Lorong 35 Geylang, acquisition of land at 241 Pasir Panjang Road and progressive capitalisation of construction and development costs as construction of our development properties progressed, offset to some extent by the reduction of development property cost for Hilbre 28 as this project was completed in May 2017.

Non-current asset classified as held-for-sale of S\$47.5 million was for Larmont Hotel in Australia. Similar to the sale of Quality Hotel, the intention was to dispose Larmont Hotel in order to realise its value.

Investment in associates decreased from S\$47.7 million to S\$40.3 million due mainly to payment of dividends by associates.

Property, plant and equipment decreased from S\$90.0 million to S\$735,000 due mainly to the sale of Quality Hotel, reclassification of Larmont Hotel as non-current asset held-for-sale and reclassification of the corporate building as investment property effective from April 2017. This was also the main reason investment properties increased from S\$11.7 million to S\$35.8 million.

Deferred tax assets increased from S\$2.2 million to S\$2.9 million due mainly to recognition of deferred tax for the losses in some of the subsidiaries.

Bank loans decreased from S\$3.1 million to S\$1.5 million due to the repayment of loan pledged with fixed deposit.

Trade payables increased from S\$11.7 million to S\$24.2 million due mainly to construction costs payable as construction of our development properties progressed.

Finance lease (current and non-current) decreased from S\$0.06 million to S\$0.05 million due to payment of instalments.

Financial guarantee liabilities (current and non-current) decreased from S\$1.0 million to S\$0.5 million due to the recognition of financial guarantee income.

Long-term loan (current portion) decreased by S\$4.1 million because of payment of amount due to our former joint development partner.

Term notes of S\$29.9 million were reclassified from non-current liability to current liability as the term notes are payable within the next 12 months.

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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)

Deferred tax liabilities increased from S\$0.2 million to S\$0.4 million due mainly to timing difference for capital allowance claimed.

Other payable (non-current portion) of S\$3.7 million was a shareholder's loan from non-controlling interest for our Lorong 35 Geylang development project.

Statement of Cash Flows

Full year ended 31/5/2017 ("FY2017")

Operating activities

The Group used cash of S\$20.5 million in operating activities in FY2017 due mainly to the increase in development properties, net increase in receivables and income tax paid, offset to some extent by net increase in payables.

Investing activities

Net cash of S\$39.6 million was generated from investing activities in FY2017 due mainly to the sales proceeds from disposal of property, plant and equipment (the disposal of Quality Hotel), dividends received from and net repayment of loans by associates, and loans from non-controlling interests, offset to some extent by the purchase of property, plant and equipment (renovation of the 11th floor and penthouse of Larmont Building to increase hotel rooms).

Financing activities

Net cash of S\$9.3 million was used in financing activities in FY2017 due mainly to the repayment of a long-term loan, payment of interest and dividends, offset to some extent by the release of fixed deposit pledged for loan purpose as the loan was repaid and capital injected by non-controlling interests.

As a result, there was a net increase in cash and cash equivalents of S\$9.7 million, thereby bringing the total cash and cash equivalents amount to S\$34.1 million as at 31/5/2017.

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

The actual results for FY2017 Q4 and full year are in line with the commentary in Paragraph 10 of the quarterly result announcement for FY2017 Q3 made on 27 March 2017.

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 expects the property market sentiments in Singapore and Malaysia to remain generally unchanged. For Thailand, demand for properties is expected to be relatively stable. In Australia, the Group will continue to explore opportunities to realise value in its investment in the remaining hotel in Sydney. The rebuilding work in Christchurch is a long-term project by the New Zealand government. Therefore, demand for workers' accommodation will remain stable.

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11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? NO

Name of Dividend	Final
Dividend Type	Not applicable
Dividend Amount per Share (in cents)	Not applicable
Tax Rate	Not applicable

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.15 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? YES

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.41 cents per ordinary share
Tax Rate	Tax exempt (One-Tier)

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.22 cents per ordinary share
Tax Rate	Tax exempt (One-Tier)

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been recommended for the current financial period.

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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

Summary of Interested Person Transaction for financial year ended 31 May 2017

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)
PBT Engineering Sdn Bhd (a wholly-owned subsidiary of TEE International Limited)	-	S\$35,689,000
TEE Projects Solutions Sdn Bhd (a wholly-owned subsidiary of TEE International Limited)	-	S\$236,000

- 14** Confirmation by the Company Pursuant to Rule 720(1) of the Listing Manual of SGX-ST

The Company confirms that it has procured undertakings from all the Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the listing Manual of the SGX-ST.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15 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 (continued)

By Business Segment

FY2017

Segment revenue

	Corporate and others S\$'000	Property Development S\$'000	Hotel Operations S\$'000	Investment Properties S\$'000	Elimination S\$'000	Group S\$'000
External sales	-	80,048	12,061	2,581	-	94,690
Inter-segment sales	-	-	-	1,282	(1,282)	-
Total revenue	-	80,048	12,061	3,863	(1,282)	94,690

Segment results

Segment results	1,752	15,811	7,400	1,083	(14,372)	11,674
Share of results of associates	-	(2,090)	-	-	-	(2,090)
Finance costs	(1,977)	(936)	(2,544)	(871)	49	(6,279)
(Loss) profit before tax	(225)	12,785	4,856	212	(14,323)	3,305
Income tax (expense) credit	(63)	(1,330)	(1,607)	(16)	-	(3,016)
(Loss) profit after tax	(288)	11,455	3,249	196	(14,323)	289
(Loss) profit attributable to:						
Owners of the Company	(288)	11,455	1,787	321	(14,323)	(1,048)
Non-controlling interests	-	-	1,462	(125)	-	1,337
(Loss) profit for the year	(288)	11,455	3,249	196	(14,323)	289

Other information

Depreciation of property, plant and equipment	-	326	358	607	-	1,291
Reversal of impairment loss for property, plant and equipment	-	-	-	(168)	-	(168)
Allowance for impairment loss on completed properties and land held for sale	-	2,894	-	-	-	2,894
Gain on disposal of non-current asset held-for-sale	-	-	(5,348)	-	-	(5,348)
Property, plant and equipment written off	-	-	542	-	-	542
Fair value gain on investment properties	-	-	-	(431)	-	(431)
Purchase of property, plant and equipment	-	32	7,739	302	-	8,073

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PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15 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 (continued)

By Business Segment

FY2016

	Corporate and others S\$'000	Property Development S\$'000 (Restated)	Hotel Operations S\$'000	Investment Properties S\$'000	Elimination S\$'000	Group S\$'000 (Restated)
Segment revenue						
External sales	1,204	26,272	10,871	1,398	-	39,745
Inter-segment sales	480	-	-	753	(1,233)	-
Total revenue	1,684	26,272	10,871	2,151	(1,233)	39,745
Segment results						
Segment result	5,506	3,136	1,361	332	(11,924)	(1,589)
Share of results of associates	-	14,737	-	-	-	14,737
Finance costs	(2,352)	(364)	(2,053)	(228)	-	(4,997)
Profit (loss) before tax	3,154	17,509	(692)	104	(11,924)	8,151
Income tax (expense) credit	(118)	(111)	237	(29)	-	(21)
Profit (loss) after tax	3,036	17,398	(455)	75	(11,924)	8,130
Profit (loss) attributable to:						
Owners of the Company	3,036	17,466	(250)	121	(11,924)	8,449
Non-controlling interests	-	(68)	(205)	(46)	-	(319)
Profit (loss) for the year	3,036	17,398	(455)	75	(11,924)	8,130
Other information						
Depreciation of property, plant and equipment	687	337	2,239	26	-	3,289
Gain on dilution of equity in associates	-	(1,254)	-	-	-	(1,254)
Purchase of property, plant and equipment	94	73	15,787	11	-	15,965
Allowance for impairment loss on completed properties and land held by sale	-	534	-	-	-	534
Loss on dissolution of joint development	-	2,911	-	-	-	2,911

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15 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 (Continued)

Geographical information:

Segment revenue: Segment revenue is analysed based on the location of customers regardless of where the goods are produced.

Segment non-current assets: Segment non-current assets (excluding deferred tax assets) are analysed based on the location of those assets.

	Revenue S\$'000		Non-current assets S\$'000		
	31/05/2017	31/05/2016 Restated	31/05/2017	31/05/2016 Restated	31/05/2015 Restated
Singapore	36,141	5,566	66,595	73,026	61,557
Malaysia	44,856	21,910	461	785	1,195
New Zealand	1,378	1,398	9,760	9,858	10,196
Australia	12,061	10,871	-	65,676	53,890
Vietnam	254	-	-	-	416
	94,690	39,745	76,816	149,345	127,254

Information about major customers:

The Group has a large number of customers and does not have any significant revenue arising from sales of development properties from any major contracts.

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the businesses or geographical segments

Revenue for Singapore increased from S\$5.6 million in FY2016 to S\$36.1 million in FY2017 due mainly to higher revenue recognition for our development projects. Revenue for Malaysia increased from S\$21.9 million in FY2016 to S\$44.9 million in FY2017 as construction of our Third Avenue development project progressed and revenue was recognised progressively. Revenue for Australia increased from S\$10.9 million in FY2016 to S\$12.1 million in FY2017 due mainly to higher rooms revenue achieved. The revenue for Vietnam was revenue arising from property development progressively completed and delivered.

Non-current assets for Singapore decreased from S\$73.0 million as at 31/5/2016 to S\$66.6 million as at 31/5/2017 due mainly to payments of dividends by associates. Non-current assets for Malaysia decreased from S\$0.8 million as at 31/5/2016 to S\$0.5 million as at 31/5/2017 due mainly to depreciation expense for property, plant and equipment. The non-current assets for Australia as at 31/5/2016 comprised the two hotels in Australia. As at 31/5/2017, there was no non-current asset because one of the hotels has been sold, and the other was reclassified to current asset as non-current asset held-for-sale.

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17 A breakdown of sales

	The Group S\$'000		Increase/ (Decrease) %
	Latest Full Year 31/05/2017	Previous Full Year 31/05/2016 (Restated)	
(a) Sales reported for first half year	37,807	13,194	186.5
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	1,511	2,407	(37.2)
(c) Sales reported for second half year	56,883	26,551	114.2
(d) Operating (loss) profit after tax before deducting non-controlling interests reported for second half year	(1,222)	5,723	N.M.

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

Ordinary

Interim Dividend
Proposed Final Dividend

Total

	The Group S\$'000	
	Latest Full Year 31/05/2017	Previous Full Year 31/05/2016
Interim Dividend	671	983
Proposed Final Dividend	-	1,832
Total	671	2,815

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- 19 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Phua Cher Chew	43	Nephew of Phua Chian Kin, Group Chief Executive & Managing Director of TEE International Limited, controlling shareholder of TEE Land Limited	Executive Director & Chief Executive Officer of TEE Land Limited since May 2013 Director of TEE Land Limited's Group of non-listed subsidiaries. since Mar 2011	None

On behalf of the Board of Directors

Phua Cher Chew
Chief Executive Officer
and Executive Director

Saw Chin Choo
Non-Executive Director

Dated 26 July 2017