CIRCULAR DATED 25 MARCH 2020

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Circular is issued by TEE International Limited ("Company"). If you are in any doubt about its contents or the action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional advisers immediately.

If you have sold or transferred all your shares in the capital of the Company held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular with the Notice of EGM (as defined herein) and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of EGM and the attached Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s), you should at once hand this Circular with the Notice of EGM and the attached Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited ("SGX-ST") assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

YOUR ATTENTION IS DRAWN TO PARAGRAPH 2.2(D) ENTITLED "TERMINATION AND THIRD PARTY SALE" OF THIS CIRCULAR WHICH HIGHLIGHTS THE INDEMNITY TO BE PROVIDED BY THE COMPANY TO THE VENDOR IN CONNECTION WITH THE PROPOSED ACQUISITION. SHAREHOLDERS ARE ADVISED TO TAKE THESE TERMS INTO CONSIDERATION WHEN DECIDING ON THE PROPOSED ACQUISITION. IF SHAREHOLDERS' APPROVAL FOR THE PROPOSED ACQUISITION IS NOT OBTAINED AT THE EGM, THE CONDITION PRECEDENT IN THE SPA AS SET OUT IN PARAGRAPH 2.2(A)(II) WOULD NOT BE SATISFIED AND THIS WOULD CONSTITUTE AN EVENT OF DEFAULT ON THE PART OF THE COMPANY UNDER THE SPA. IN SUCH EVENT, THE VENDOR WOULD BE ENTITLED TO TERMINATE THE SPA AND EFFECT THE THIRD PARTY SALE. PURSUANT TO WHICH THE COMPANY WOULD BE LIABLE TO INDEMNIFY THE VENDOR. IN ADDITION, IF THE PROPOSED ACQUISITION OR THIRD PARTY SALE IS NOT EFFECTED, THIS WOULD CONSTITUTE A BREACH OF JTC CORPORATION'S APPROVAL-IN-PRINCIPLE OF THE PROPOSED ACQUISITION AND JTC CORPORATION WOULD BE ENTITLED TO ENFORCE ANY OF ITS RIGHTS UNDER THE HEAD LEASE WITH TEE INDUSTRIAL, INCLUDING WITHOUT LIMITATION THE RIGHT OF RE-ENTRY TO THE PROPERTY. IF THE COMPANY BECOMES LIABLE TO INDEMNIFY THE VENDOR AND/OR IF JTC CORPORATION CHOOSES TO ENFORCE ANY OF ITS RIGHTS UNDER THE HEAD LEASE WITH TEE INDUSTRIAL, THE GROUP'S BUSINESS, FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS COULD BE MATERIALLY AND ADVERSELY AFFECTED. IN SUCH CASES, THE TRADING PRICES OF THE SHARES COULD DECLINE AND YOU MAY LOSE ALL OR PART OF YOUR INVESTMENTS.



CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF TEE INDUSTRIAL PTE. LTD. AS A MAJOR TRANSACTION

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form Date and time of Extraordinary General Meeting Place of Extraordinary General Meeting

- : 7 April 2020 at 2.30 p.m.
- : 9 April 2020 at 2.30 p.m.
- : York Hotel Singapore, 21 Mount Elizabeth, Singapore 228516

CONTENTS

DEFI	NITIONS	3		
1.	INTRODUCTION	6		
2.	PROPOSED ACQUISITION	7		
3.	FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION	13		
4.	INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS	14		
5.	DIRECTORS' RECOMMENDATION	15		
6.	EXTRAORDINARY GENERAL MEETING	16		
7.	ACTION TO BE TAKEN BY SHAREHOLDERS	16		
8.	DIRECTORS' RESPONSIBILITY STATEMENT	16		
9.	CONSENT	16		
10.	DOCUMENTS AVAILABLE FOR INSPECTION	16		
APPE	ENDIX I PROPERTY VALUATION REPORT	18		
APPE	ENDIX II EXTRACT OF IFA LETTER	55		
NOTI	NOTICE OF EXTRAORDINARY GENERAL MEETING			
PROX	(Y FORM			

DEFINITIONS

In this Circular, the following definitions apply throughout unless the context otherwise requires:

"Announcement"	:	The announcement dated 3 February 2020 by the Company in relation to the Proposed Acquisition
"Announcement Date"	:	3 February 2020
"Board"	:	The board of directors of the Company
"Business Day"	:	A day (other than a Saturday, Sunday or a public holiday) on which commercial banks in Singapore are open for business
"CDP"	:	The Central Depository (Pte) Limited
"Circular"	:	This circular to Shareholders dated 25 March 2020
"Code"	:	The Singapore Code on Take-overs and Mergers
"Companies Act"	:	The Companies Act (Chapter 50 of Singapore), as amended, modified or supplemented from time to time
"Company"	:	TEE International Limited
"Completion"	:	The completion of the Proposed Acquisition
"Directors"	:	The directors of the Company as at the date of this Circular, and each a "Director"
"Disposal"	:	The sale by the Company and the purchase by Amcorp Supreme Pte. Ltd. of 282,777,678 ordinary shares, representing 63.28% of the total issued and paid-up capital of the Vendor
"EGM"	:	The extraordinary general meeting of the Company to be held on 9 April 2020 at 2.30 p.m., notice of which is set out on page 59 of this Circular
"Group"	:	The Company and its subsidiaries
"Independent Valuation"	:	The market value of the Property as at 30 November 2019 of S\$21.50 million, based on the valuation report by the Independent Valuer dated 11 December 2019 that was commissioned by the Vendor
"Independent Valuer"	:	Jones Lang LaSalle Property Consultants Pte. Ltd.
"Latest Practicable Date"	:	The latest practicable date prior to the printing of this Circular, being 18 March 2020
"Listing Manual"	:	The Listing Manual of the SGX-ST as may be amended, modified or supplemented from time to time
"LPS"	:	Loss per Share
"Mortgage Loan"	:	The mortgage loan owing by TEE Industrial to Hong Leong Finance Limited for the Property
"NAV"	:	Net asset value

DEFINITIONS

"New Lease"	:	The new lease to be entered into between TEE Industrial and the Vendor upon Completion for certain premises at the Property where the Vendor is currently operating at
"Notice of EGM"	:	The notice of EGM which is set out on page 59 of this Circular
" NTA "	:	Net tangible assets
"Ordinary Resolution"	:	The ordinary resolution proposed to approve the Proposed Acquisition, as set out in the Notice of EGM
"Outstanding Payables"	:	The outstanding payables owing by TEE Industrial to the Vendor
"Property"	:	The property located at 25 Bukit Batok Street 22, Singapore 659591, colloquially referred to as "TEE Building"
"Proposed Acquisition"	:	The proposed acquisition of the one (1) ordinary share, representing the entire issued and paid-up share capital of TEE Industrial
"Register"	:	The register of members of the Company
"Sale Share"	:	The one (1) ordinary share, representing 100% of the issued and paid-up share capital of TEE Industrial
"sf"	:	Square feet
"SFA"	:	The Securities and Futures Act (Chapter 289 of Singapore), as amended, modified or supplemented from time to time
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Shareholders"	:	Holders of Shares as indicated on the Register and Depositors who have Shares entered against their names in the Depository Register
"Shares"	:	Ordinary shares in the capital of the Company
"SPA"	:	The sale and purchase agreement dated 3 February 2020 between the Company and the Vendor in relation to the Proposed Acquisition
"sqm"	:	Square metres
"Substantial Shareholder"	:	A person who, in accordance with the Companies Act, has an interest in not less than five per cent. of the issued voting Shares
"TEE Industrial"	:	TEE Industrial Pte. Ltd., a wholly-owned subsidiary of the Vendor, and which is the current lessee of the Property from JTC Corporation
"Vendor"	:	TEE Land Limited
"S\$" and "cents"	:	Singapore dollars and cents, respectively, being the lawful currency for the time being of the Republic of Singapore
"%" or " per cent. "	:	Per centum or percentage

The terms "**associate**" and "**associated company**" shall have the meanings ascribed to them respectively in the Listing Manual.

The terms "**Depositor**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The term "**subsidiary**" shall have the meaning ascribed to it in Section 5 of the Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons, where applicable, shall include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act, the SFA, the Listing Manual or any modification thereof and used in this Circular shall, where applicable, have the meaning assigned to that word under the Act, the SFA, the Listing Manual or that modification, as the case may be.

Any reference to a time of day or date in this Circular shall be a reference to a time of day or date, as the case may be, in Singapore unless otherwise specified.

In this Circular, unless otherwise stated, the total number of issued Shares in the capital of the Company is 646,882,476 Shares (excluding treasury shares) as at the Latest Practicable Date. All percentages calculated with reference to the issued Shares are rounded to the nearest two decimal places.

Any discrepancies in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures that precede them.

TEE INTERNATIONAL LIMITED

(Incorporated in Singapore with limited liability) (Company Registration Number: 200007107D)

Directors:

Registered Office:

25 Bukit Batok Street 22

Singapore 659591

Mr. Phua Boon Kin	(Interim Group Chief Executive & Managing Director)
Ms. Saw Chin Choo	(Executive Director)
Mr. Gn Hiang Meng	(Independent Director)
Mr. Aric Loh Siang Khee	(Independent Director)
Professor. Siow Yuen Khong Alex	(Independent Director)

25 March 2020

To: The Shareholders of the Company

Dear Sir/Madam

THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF TEE INDUSTRIAL AS A MAJOR TRANSACTION

1. INTRODUCTION

1.1 Proposed Acquisition

On 3 February 2020, the Board announced that the Company had entered into the SPA with TEE Land Limited ("**Vendor**") pursuant to which the Vendor has agreed to sell, and the Company has agreed to purchase, one (1) ordinary share, representing 100% of the issued and paid-up share capital of TEE Industrial Pte. Ltd. ("**TEE Industrial**") ("**Sale Share**"), subject to the terms and conditions set out in the SPA ("**Proposed Acquisition**").

Prior to 3 February 2020, the Vendor was a 63.28% subsidiary of the Company. The Company had on 3 February 2020 disposed of its entire stake in the Vendor to an independent third party, Amcorp Supreme Pte. Ltd., for an aggregate consideration of S\$50.62 million, and the latter has accordingly made a mandatory unconditional cash offer for shares of the Vendor pursuant to its obligations under the Code. The Disposal was made in accordance with the mandate approved by Shareholders at the extraordinary general meeting of the Company held on 6 May 2019.

The Vendor has therefore ceased to be a subsidiary of the Company. The Company does not hold any interest whatsoever in the Vendor.

Pursuant to the Proposed Acquisition, the Company will purchase the Sale Share from the Vendor for a nominal amount of S\$1, in view of TEE Industrial's negative net asset position of S\$0.88 million as at 30 November 2019. On Completion, the Company will further repay or procure the repayment of all outstanding payables owing by TEE Industrial to the Vendor ("**Outstanding Payables**") (amounting to S\$9.23 million as at 30 November 2019) and the Mortgage Loan owing by TEE Industrial to Hong Leong Finance Limited (amounting to S\$15.78 million as at 30 November 2019).

The Outstanding Payables comprise as follows:

- a S\$7.58 million cash advance from the Vendor to TEE Industrial in connection with construction of the Property (including construction costs, loan and accrued interest thereof);
- (ii) S\$1.13 million of shared payroll costs for the preceding 6 years;
- (iii) S\$0.403 million in back-charge of office rental; and
- (iv) S\$0.117 million in back-charge of other miscellaneous expenses.

The aggregate amount payable by the Company for the Proposed Acquisition is therefore S\$24.13 million as at 30 November 2019 (i.e. being the sum of the Outstanding Payables and Mortgage Loan after deducting the net negative asset amount of TEE Industrial), with the final amount to be determined based on the payables owing by TEE Industrial to the Vendor, the Mortgage Loan owing to Hong Leong Finance and the negative net asset position of TEE Industrial on the date of Completion. The SPA provides that in respect of the negative net asset amount of TEE Industrial to be deducted as part of the consideration payable, such amount shall not exceed S\$1 million.

Based on the Independent Valuation of the Property dated 11 December 2019 by Jones Lang LaSalle Property Consultants Pte. Ltd. commissioned by the Vendor, the market value of the Property as at 30 November 2019 is S\$21.50 million.

1.2 EGM

The purpose of this Circular is to provide Shareholders with information relating to the Proposed Acquisition, including the rationale and financial effects of the Proposed Acquisition, and to seek Shareholders' approval at the EGM for the Proposed Acquisition as an ordinary resolution ("Ordinary Resolution").

The SGX-ST assumes no responsibility for the contents of this Circular, including the accuracy of any of the statements or opinions made or reports contained in this Circular. If any Shareholder is in any doubt as to the action he should take, he should consult his bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

2. PROPOSED ACQUISITION

2.1 Information on TEE Industrial and the Vendor

(a) **TEE Industrial**

TEE Industrial currently owns the Property, a 6-storey industrial property with an aggregate gross floor area of 5,164 sqm located at 25 Bukit Batok Street 22, Singapore 659591, which is known as TEE Building.

The Property has a leasehold period of 30 years expiring on 30 April 2022, with option to renew another 30 years to 30 April 2052. TEE Industrial first acquired the property on 12 August 2013. After TEE Industrial acquired the property, the existing building was demolished and rebuilt, construction commenced in February 2014 and completed in May 2015.

The Property is 100% occupied by the Group and the Vendor and its subsidiaries as follows:

- (i) 1,422.33 sqm by the Vendor;
- (ii) 1,628.33 sqm by the Company at S\$32.06 per sqm per month;
- (iii) 765.17 sqm by Trans Equatorial Engineering Pte Ltd (being a subsidiary of the Company) at S\$30.97 per sqm per month; and
- (iv) 813.17 sqm by PBT Engineering Pte Ltd (being a subsidiary of the Company) at S\$30.06 per sqm per month.

As such, approximately 69.27% of net lettable area of the Property is occupied by the Group. Other than ownership and leasing of the Property, TEE Industrial does not have any other business. Accounting-wise, the rental income was defined as inter-company income which was fully eliminated at the Group level before the Disposal.

There is no available open market value of the Sale Share as TEE Industrial is a whollyowned subsidiary of the Vendor.

Following Completion of the Proposed Acquisition and upon entry into by TEE Industrial and the Vendor of the New Lease, the Vendor will continue to occupy premises at the Property with an area of approximately 8,052.8 square feet (representing approximately 14.5% of the gross floor area of the Property) for S\$17,716.16 per month. The rental amount is derived from a market rental rate of S\$2.20 per square foot per month as concluded in the independent valuation report by Suntec Real Estate Consultants Pte. Ltd. dated 27 December 2019 commissioned by the Vendor, which took into account the rental rates of similar properties in the vicinity and comparable localities.

(b) The Vendor

The Vendor was incorporated in Singapore on 18 December 2012 and was subsequently listed on the Main Board of the SGX-ST on 6 June 2013. The Vendor is a regional real estate developer and investor, with a presence in Singapore, Malaysia, Australia and New Zealand. The Vendor and its subsidiaries undertake residential, commercial and industrial property development projects, as well as invest in income-generating properties. As at the date of this announcement, the total paid-up capital of the Vendor is S\$142,238,075, comprising 446,876,000 ordinary shares.

Prior to the Disposal on 3 February 2020, the Vendor was a subsidiary of the Company in which the Company had a shareholding interest of 63.28% of the total issued and paid up share capital of the Vendor. The Company had on 13 January 2020 entered into a conditional sale and purchase agreement with Amcorp Supreme Pte. Ltd., an independent third party, for the sale by the Company and the purchase by the Purchaser of 282,777,678 ordinary shares in the capital of the Vendor, representing the Company's entire interest in the Vendor, for the aggregate consideration of S\$50.62 million. The Disposal was undertaken in accordance with the mandate approved by Shareholders at the extraordinary general meeting of the Company held on 6 May 2019.

Following completion of the Disposal on 3 February 2020, the Vendor has ceased to be a subsidiary of the Company.

The current controlling shareholder of the Vendor is Amcorp Supreme Pte. Ltd., a special purpose vehicle incorporated under the laws of Singapore on 27 June 2018 for the purpose of investment holding. Its sole shareholder is Amcorp Group Berhad ("Amcorp"). Amcorp Supreme Pte. Ltd. has not carried on any business since its incorporation, except for matters in connection with the Disposal and the unconditional mandatory cash offer by Maybank Kim Eng Securities Pte. Ltd., for and on behalf of Amcorp Supreme Pte. Ltd., for all the issued and paid-up ordinary shares in the capital of the Vendor other than those already owned, controlled or agreed to be acquired by Amcorp Supreme Pte. Ltd. ("MGO").

Amcorp is an investment holding company incorporated in Malaysia and is wholly-owned by Clear Goal Sdn Bhd, which in turn is controlled by Amcorp's Executive Chairman, Tan Sri Azman Hashim ("**TSAH**"). Amcorp is principally involved in the business of financial services, property development, property management and engineering. Its portfolio of investments includes interest in listed companies AMMB Holdings Berhad (12.98%), RCE Capital Berhad (54.42%) and Amcorp Properties Berhad (69.34%).

Neither Amcorp nor TSAH holds any Shares in the Company.

The terms of the Proposed Acquisition were negotiated at arm's length between the Company, Amcorp and their respective professional advisers as part of the negotiations involving the terms of the Disposal. Amcorp negotiated the terms of the Proposed Acquisition on behalf of the Vendor, as the parties recognised that Amcorp would become the controlling shareholder of the Vendor on completion of the Disposal and the SPA would only be entered into, and the Proposed Acquisition completed, subsequent to Amcorp becoming the controlling shareholder of the Vendor. The terms of the SPA and Proposed Acquisition were therefore fully determined on a willing-buyer, willing-seller basis between the Company and the Vendor as independent third parties.

2.2 Key Terms of the Proposed Acquisition

(a) **Conditions Precedent**

The Proposed Acquisition is subject to and conditional upon:

(i) Provenance Capital Pte. Ltd., the independent financial adviser to the Vendor for the purposes of *inter alia* the MGO, the Proposed Acquisition and the New Lease (and appointed by the Vendor) publicly stating in its opinion that the terms of the SPA and the New Lease are fair and reasonable so far as shareholders of the Vendor are concerned in the context of Rule 10 of the Code.

This condition precedent has been satisfied with the independent financial adviser having opined that it is of the opinion that the terms of the Proposed Acquisition, the New Lease and the TSA are fair and reasonable so far as the shareholders of the Vendor are concerned in the context of Rule 10 of the Code in the offeree circular by the Vendor to its shareholders dated 4 March 2020, a copy of which is available at <u>www.sgx.com</u>. In arriving at its recommendation, the independent financial adviser had taken into account considerations set forth in paragraphs 9 and 10 of the letter dated 4 March 2020 from the independent financial adviser to the directors of the Vendor for the purposes of the MGO ("**IFA Letter**"), an extract of which is set out in Appendix II to this Circular for the reference of Shareholders;

(ii) the approval of the Proposed Acquisition by Shareholders at the EGM;

This condition precedent is pending satisfaction.

(iii) the approval of the Proposed Acquisition by shareholders of the Vendor at an extraordinary general meeting of the Vendor to be convened;

This condition precedent is pending satisfaction, and the Vendor is concurrently convening its extraordinary general meeting for its shareholders to approve the Proposed Acquisition.

(iv) discharge by the Company (whether by refinancing or full repayment of all outstanding amounts) of the Mortgage Loan in favour of Hong Leong Finance Limited;

This condition precedent will be satisfied concurrently with completion of the Proposed Acquisition.

(v) the approval from JTC Corporation for the Proposed Acquisition and the New Lease; and

This condition precedent has been satisfied.

(vi) the relevant licences and approvals from all relevant authorities (if required) for the Vendor's intended use of the demised premises specified in the New Lease being obtained by the Vendor.

This condition precedent has been satisfied.

(b) Consideration

The Company will purchase the Sale Share from the Vendor for a nominal amount of S\$1, in view of TEE Industrial's negative net asset position of S\$0.88 million as at 30 November 2019. On Completion, the Company will further repay or procure the repayment of all the Outstanding Payables owing by TEE Industrial to the Vendor (amounting to S\$9.23million as at 30 November 2019) and the Mortgage Loan owing by TEE Industrial to Hong Leong Finance Limited (amounting to S\$15.78 million as at 30 November 2019).

The aggregate consideration for the Proposed Acquisition is therefore S\$24.13 million as at 30 November 2019 (i.e. being the sum of the Outstanding Payables and Mortgage Loan after deducting the net negative asset amount of TEE Industrial), with the final amount to be determined based on the payables owing by TEE Industrial to the Vendor, the Mortgage Loan owing to Hong Leong Finance and the negative net asset position of TEE Industrial on the date of Completion. The SPA provides that in respect of the negative net asset amount of TEE Industrial to be deducted as part of the consideration payable, such amount shall not exceed S\$1 million.

Based on the Independent Valuation of the Property dated 11 December 2019 by Jones Lang LaSalle Property Consultants Pte. Ltd. commissioned by the Vendor, the market value of the Property as at 30 November 2019 is S\$21.50 million.

The foregoing was arrived at after arm's length negotiations between the Company and Amcorp (as incoming controlling shareholder of the Vendor), on a willing-seller and willingbuyer basis, and was determined after taking into account TEE Industrial's negative net asset position, the Outstanding Payables, the Mortgage Loan and the Independent Valuation of the Property. The Proposed Acquisition will be funded by the Company through a combination of internal resources and bank borrowings.

(c) **Completion**

Completion is expected to take place within five business days after the date on which all conditions are fulfilled (or such other date as the parties may agree in writing).

(d) Termination and Third Party Sale

In the event that (i) the conditions precedent under the SPA are not fulfilled or waived by 30 June 2020 (or such other date as may be agreed in writing between the Company and the Vendor), or (ii) the completion deliverables as set out in the SPA have not been complied with by any party to the SPA on Completion, an event of default would have occurred and the party not in default shall be entitled to elect to terminate the Proposed Acquisition under the SPA by notice to the other party in writing.

Upon such termination of the SPA by the Vendor in the event of default by the Company, the Vendor may at its option (but is not obliged to) effect a bona fide sale of the registered leasehold estate in the Property to any third party as may be approved by JTC Corporation ("**Third Party Sale**").

Upon the completion of the Third Party Sale, the Company shall indemnify the Vendor for, inter alia, (i) any shortfall arising from the Third Party Sale being effected at a price which values the Property at less than the Independent Valuation; (ii) all costs, expenses and other liabilities in any case of any nature whatsoever reasonably incurred by the Vendor in connection with the Third Party Sale; (iii) all fees, costs and charges of any nature imposed by JTC Corporation in connection with Completion not occurring or the Third Party Sale and all interest thereon; and (iv) the net outstanding payables owing to TEE Industrial from the Company and its subsidiaries comprising of rental payments in connection with the lease agreements dated 1 June 2015 entered into between TEE Industrial and each of the Company, PBT Engineering Pte. Ltd. and Trans Equatorial Engineering Pte. Ltd. (as amended or extended from time to time) and expenses incurred in relation to such lease arrangements, and any other outstanding amounts due from the Company or any of its subsidiaries to TEE Industrial (less any outstanding amounts due from TEE Industrial to the Company or any of its subsidiaries). The indemnity is computed on the basis that the Company will be liable for any loss suffered by the Vendor due to the non-Completion of the Proposed Disposal in the event of default by the Company under the SPA and after taking into account the Third Party Sale. The indemnity amount cannot be determined at this juncture as it is dependent on the price of the Property in the Third Party Sale, charges imposed by JTC Corporation, costs reasonably incurred by the Vendor in the Third Party Sale and net outstanding payables owing by the Company and its subsidiaries to TEE Industrial at completion of the Third Party Sale. The Company has agreed to the indemnity on arm's length basis as it is commercially reasonable for a company to be liable for losses arising out of its default. As (i) the terms of the Proposed Acquisition (including the inclusion of such indemnity) were negotiated on arm's length between the Company, Amcorp and their respective professional advisers (on behalf of the Vendor) as part of the negotiations involving the terms of the Disposal, and (ii) the Company's liability under such indemnity only arises in the circumstance where termination under the SPA occurs as a result of the Company's default, and taking into account the rationale for the Proposed Acquisition as well as the Proposed Acquisition having been approved in-principle by JTC Corporation as part of a corporate restructuring following the Disposal, the Company is of the view that the inclusion of the indemnity in the Proposed Acquisition is at arm's length and not prejudicial to the interest of Shareholders. For the avoidance of doubt, if Shareholders' approval for the Proposed Acquisition is not obtained at the EGM, the condition precedent in the SPA as set out in paragraph 2.2(a)(ii) would not be satisfied and this would constitute an event of default on the part of the Company under the SPA. In such event, the Vendor would be entitled to terminate the SPA and effect the Third Party Sale, pursuant to which the Company would be liable to indemnify the Vendor. In addition, if the Proposed Acquisition or Third Party Sale is not effected, this would constitute a breach of JTC Corporation's approval in-principle of the Proposed Acquisition and JTC Corporation would be entitled to enforce any of its rights under the head lease with TEE Industrial, including without limitation the right of re-entry to the Property.

2.3 Rationale for the Proposed Acquisition

The Directors believe that the Proposed Acquisition is beneficial to the Company as the Company and its subsidiaries are currently the main tenants of the building representing 69.3% of the net lettable area of the Property, and have been conducting their business operations out of the Property since completion of its construction and obtaining of temporary occupation licence on 7 May 2015. The Company and its subsidiaries currently pay an aggregate monthly rent of S\$100,339.09 in respect of the premises which they occupy. Taking into account the costs to maintain and manage the Property, the Group nonetheless expects to enjoy substantial savings in terms of potential relocation costs otherwise to be incurred and better cashflow arrangements within the Group through the Proposed Acquisition.

The Property is also intended to be held as a long-term investment to enhance the fixed asset base of the Company and would also provide a hedge against rental increases in the property market.

In addition, the existing lease for the Property is entered into by TEE Industrial with JTC Corporation as the head lessor of the land on which the Property is located, the terms of which includes a condition that the Company is required to hold not less than 51% effective interest in TEE Industrial. Following completion of the Disposal, the Company has ceased to hold any shares in the Vendor and indirectly, in TEE Industrial. Accordingly, TEE Industrial has sought and JTC Corporation has provided TEE Industrial a grace period of up to 30 July 2020 to complete the Proposed Acquisition. The Company has also provided an irrevocable undertaking to Amcorp Supreme Pte. Ltd. (being the new controlling shareholder of the Vendor) and the Vendor that it will comply with all of the obligations of TEE Industrial specified by JTC Corporation in connection with *inter alia* the Proposed Acquisition.

2.4 Independent Valuation of the Property

Based on the valuation report by Jones Lang LaSalle Property Consultants Pte. Ltd., the Independent Valuer that was commissioned by the Vendor dated 11 December 2019, the market value of the Property as at 30 November 2019 was S\$21.50 million (equivalent to S\$431.5 per sf).

The Independent Valuation was made using the direct comparison method and income capitalisation method. In arriving at its opinion, the Independent Valuer had taken into consideration the prevailing market conditions and had made adjustments for differences between the Property and the comparables used by the Independent Valuer (details of which are set out under paragraph

14.2 of the valuation report) in terms of locations, tenure, size, shape, design, and layout, age and condition, of buildings, dates of transactions and other factors affecting the value. The following are major assumptions made in arriving at the valuation:

- (i) the Property is free of encumbrances other than the mortgage registered in favour of Hong Leong Finance Limited in connection with the Mortgage Loan;
- (ii) the concept of market value is consistent with the concept of fair value under the Financial Reporting Standard (FRS 113);
- (iii) market value means the estimated amount for which an asset should be exchanged on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion; and
- (iv) the existing use of the Property is at its highest and best use.

All other assumptions employed by the Independent Valuer can be found under paragraph 17 of the valuation report. The Independent Valuer did not employ any extraordinary assumption in arriving at the valuation.

The valuation report from the Independent Valuer is set out in the **Appendix** to this Circular.

Having reviewed the aforesaid valuation report, and taking into account the reputability of the Independent Valuer as part of the Jones Lang Lasalle leading global network of real estate services and having been recognised as the number one real estate investment advisory firm in Asia Pacific for the 7th consecutive year in the Real Capital Analytics Rankings for 2016, the Directors have therefore not considered it necessary to obtain a separate valuation report.

2.5 **Relative Figures under Chapter 10 of the Listing Manual**

The relative figures computed pursuant to Rule 1006 of the Listing Manual in respect of the Proposed Acquisition are set out below:

Bases in Rule 1006

Base	es in Rule 1006	Size of Relative Figure
(a)	Net asset value of the Sale Share, compared with the Group's net asset value as at 30 November 2019	N.A. ⁽¹⁾
(b)	Net loss ⁽²⁾ of S\$0.18 million attributable to the Sale Share, compared with the Group's net loss ⁽²⁾ for the six months ended 30 November 2019 of S\$40.31 million	0.4%
(c)	Aggregate consideration of S\$24.13 million ⁽³⁾ as compared with the Group's market capitalisation of S\$31.70 million ⁽⁴⁾	76.1%
(d)	Number of equity securities issued by the Company as consideration for the Proposed Acquisition, compared with the number of equity securities previously in the issue	N.A. ⁽⁵⁾
(e)	Aggregate volume of proved and probable reserves to be disposed of compared with the Group's proved and probable reserves	N.A. ⁽⁶⁾

Notes:

This is not applicable as the Company is not disposing of any assets pursuant to the Proposed Acquisition. (1)

⁽²⁾ "Net loss" means loss before income tax, minority interests and extraordinary items.

- (3) For the purpose of Rule 1006(c), the aggregate consideration is S\$24.13 million comprising S\$1 for the Sale Share, settlement of outstanding payables of approximately S\$9.23 million and the Mortgage Loan of S\$15.78 million, less the negative net asset position of TEE Industrial of approximately S\$0.88 million based on the management accounts of the Vendor as at 30 November 2019.
- (4) The Company's market capitalisation is determined by multiplying the number of Shares in issue (being 646,882,476 Shares (excluding 1,270,400 treasury shares)) by the volume-weighted average price of the Shares (being S\$0.049 transacted on 29 January 2020 (being the last Market Day on which Shares were traded preceding the date of the SPA).
- (5) This is not applicable as the Proposed Acquisition does not involve any issuance of consideration shares.
- (6) This is not applicable as the Company is not a mineral, oil and gas company.

Rule 1014 of the Listing Manual states, *inter alia*, that where any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual exceeds 20%, the transaction is classified as a 'major transaction' and must be made conditional upon approval by the Shareholders in general meeting. As the relative figures for the Proposed Acquisition as computed on the basis set out in Rule 1006(c) of the Listing Manual exceeds 20%, the Proposed Acquisition constitutes a "major transaction" for the purpose of Chapter 10 of the Listing Manual, which requires Shareholders' approval.

3. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

The pro forma financial effects of the Proposed Acquisition on the number of issued and outstanding Shares and the fully-diluted earnings per Share for FY2019 are set out below.

(a) **Bases and Assumptions**

The following pro forma financial effects of the Proposed Acquisition are for illustrative purposes only and have been prepared based on the audited consolidated financial statements of the Group for the financial year ended 31 May 2019 ("**FY2019**"), being the most recently completed financial year, and on the following key bases and assumptions:

- (i) for the purposes of illustrating the financial effects of the Proposed Acquisition on the net tangible assets ("NTA") per Share of the Group, it is assumed that the Disposal and the Proposed Acquisition had been completed on 31 May 2019;
- (ii) for the purposes of illustrating the financial effects of the Proposed Acquisition on the Loss per Share ("LPS") of the Group, it is assumed that the Disposal and the Proposed Acquisition had been completed on 1 June 2018;
- (iii) the NTA per Share is computed based on the 646,882,476 Shares (excluding 1,270,400 treasury shares) in issue as at 31 May 2019, and the LPS of the Group is computed based on the weighted average number of 554,077,058 Shares (excluding 1,270,400 treasury shares) Shares in issue for FY2019; and
- (iv) transaction costs in relation to the Disposal amount to approximately S\$2.35 million and transaction costs to be incurred by the Company in relation to the Proposed Acquisition amount to approximately S\$0.09 million.

For the avoidance of doubt, save as set out above, these pro forma financial effects do not take into account (i) any corporate actions announced and undertaken by the Group; and (ii) any issuance of new Shares, on or after 1 June 2019.

(b) **NTA**

		Before the Disposal and the Proposed Acquisition	After the Disposal but before the Proposed Acquisition	After the and Disposal Proposed Acquisition
	NTA attributable to the Shareholders (S\$ million)	80.87	56.43	56.43(1)
	NTA per Share (cents)	12.5	8.7	8.7
(c)	LPS			
		Before the Disposal and the Proposed Acquisition	After the Disposal but before the Proposed Acquisition	After the and Disposal Proposed Acquisition
	Loss attributable to the Shareholders (S\$ million)	18.17	52.73	53.16 ⁽¹⁾
	LPS (cents)	3.28	9.52	9.59

Note:

(1) Does not take into account the fair value loss of S\$0.50 million which was recorded by TEE Industrial for the six months ended 30 November 2019.

4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors as recorded in the register of Directors' shareholdings of the Company and interests of the substantial shareholders of the Company as at the Latest Practicable Date are set out below:

Name of Shareholder	Direct I	Direct Interest		Interest
	No. of Shares	% ⁽¹⁾	No. of Shares	%(1)
Director				
Mr. Phua Boon Kin	145,132	0.02	-	_
Ms. Saw Chin Choo ⁽²⁾	1,925,100	0.3	3,312	N/M ⁽³⁾
Mr. Gn Hiang Meng	_	_	-	_
Mr. Aric Loh Siang Khee	_	_	-	_
Professor. Siow Yuen Khong Alex	_	_	-	_
Substantial Shareholder				
Mr. Phua Chian Kin	253,822,746	39.24	41,237,501 ⁽⁴⁾	6.37
Wayfoong Global Pte. Ltd.	_	_	150,000,000(5)	23.19
Mr. Low Ee Chin	-	_	150,000,000(5)	23.19

Notes:

- (1) Based on the issued share capital of the Company of 646,882,476 Shares (excluding 1,270,400 treasury shares) as at the Latest Practicable Date.
- (2) Ms. Saw Chin Choo is deemed to have an interest in the 3,312 Shares held by her spouse.
- (3) Not meaningful.
- (4) Mr. Phua Chian Kin is deemed to have an interest in the 1,237,501 ordinary shares held by his spouse, Mdm. Tay Kuek Lee and 40,000,000 ordinary shares held by OCBC Securities Private Ltd. A total of 246,817,779 ordinary shares held by Mr. Phua Chian Kin are registered in the name of Hong Leong Finance Nominees Pte Ltd, CGS-CIMB Securities (Singapore) Pte Ltd, Phillip Securities Pte Ltd and RHB Securities Singapore Pte Ltd.
- (5) Pursuant to section 4(7) of the SFA, Wayfoong Global Pte. Ltd. is deemed to have an interest in 150,000,000 ordinary shares of the Company pursuant to a binding term sheet dated 16 September 2019 entered into between Wayfoong Global Pte. Ltd. and Mr. Phua Chian Kin. Mr. Low Ee Chin, through his 100% shareholding in Wayfoong Global Pte. Ltd., is deemed to have an interest in all the ordinary shares in the Company in which Wayfoong Global Pte. Ltd. is interested. Completion under the binding term sheet has not taken place as at the Latest Practicable Date.

Mr. Phua Boon Kin and Ms. Saw Chin Choo are shareholders of the Vendor and have interests (direct and deemed) of approximately 0.02% and 0.06% of its issued and paid-up share capital respectively. Accordingly, Mr. Phua Boon Kin and Ms. Saw Chin Choo's respective shareholding interests in the Vendor are considered to be negligible.

None of the Directors (i) have abstained from making any decision or recommendation to Shareholders on the Proposed Acquisition and/or (ii) are required to abstain from voting on the Ordinary Resolution at the EGM.

Mr. Phua Chian Kin, legally and beneficially holding 293,822,746 Shares, representing approximately 45.42% of the total issued Shares as at the Latest Practicable Date, has undertaken to vote in favour of the Proposed Acquisition ("**Undertaking Letter**").

Save as disclosed in this Circular and save for their shareholdings in the Company, none of the Directors or Substantial Shareholders has any interest, direct or indirect, in the Proposed Acquisition.

No person is proposed to be appointed as a Director in connection with the Proposed Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

5. DIRECTORS' RECOMMENDATION

Having considered the rationale for the Proposed Acquisition set out in Paragraph 2.3 of this Circular, and taking into account the valuation report from the Independent Valuer, the Directors are of the opinion that the Proposed Acquisition is in the best interests of the Company. Accordingly, the Directors recommend that the Shareholders vote in favour of the Ordinary Resolution as set out in the Notice of EGM.

In giving the above recommendation, the Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As different Shareholders would have different investment objectives and profiles, the Directors recommend that any individual Shareholder who may require specific advice in relation to his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax advisor or other professional advisers.

6. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 59 of this Circular, will be held at York Hotel Singapore, 21 Mount Elizabeth, Singapore 228516, on 9 April 2020 at 2.30 p.m. for the purpose of considering and, if thought fit, passing with or without any modification, the Ordinary Resolution as set out in the Notice of EGM.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf, should complete, sign and return the Proxy Form attached to the Notice of EGM in accordance with the instructions printed thereon as soon as possible and in any event so as to reach the office of the Company's Share Registrar, B.A.C.S. Private Limited at 8 Robinsons Road, #03-00 ASO Building Singapore 084544, not less than 48 hours before the time fixed for the EGM. The completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM, if he wishes to do so, in place of his proxy.

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register at least 72 hours before the time fixed for the EGM, as certified by CDP to the Company.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm, after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Acquisition, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

9. CONSENT

The Independent Valuer has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and the valuation certificate and all references thereto, in the form and context in which they are included in this Circular.

10. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection during normal business hours at the registered office of the Company at 25 Bukit Batok Street 22, Singapore 659591, for a period of three months commencing from the Announcement Date:

- (a) the SPA;
- (b) the valuation report of the Independent Valuer dated 11 December 2019;
- (c) the written consent of the Independent Valuer;
- (d) the Undertaking Letter;

- (e) the annual report of the Company for FY2019; and
- (f) the Company's financial results for the half year ended 30 November 2019.

Yours faithfully

For and on behalf of the Board of Directors of **TEE INTERNATIONAL LIMITED**

Mr. Phua Boon Kin Interim Group Chief Executive & Managing Director

)

Valuation Report Of 25 Bukit Batok Street 22 Tee Building Singapore 659591 (the "Property")

Prepared for TEE Land December 2019

Jones Lang LaSalle Property Consultants Pte Ltd 1 Paya Lebar Link #10-08 Paya Lebar Quarter Tower 2 Singapore 408533 tel +65 6220 3888 fax +65 6200 4283

Company Reg No: 198004794D Agency Licence No. L3007326E

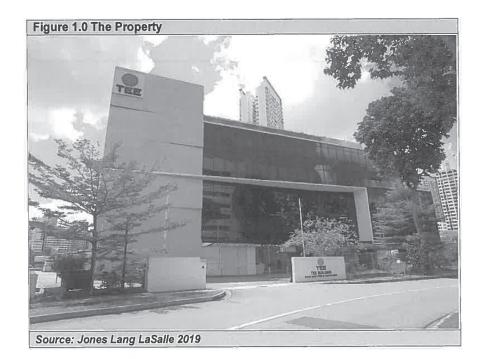
LL.

Table of Contents

1.0	Introduction	1
2.0	Terms of Reference	1
3.0	Location	2
4.0	Details of Titles and Tenure	3-4
5.0	Town Planning	5
6.0	Existing Improvements	6
7.0	Accommodation and Finishes	7-9
8.0	Gross Floor Area	10
9.0	Condition and Repair	10
10.0	Tenancy Details	10
11.0	Property Tax	10
12.0	Other Details	10
13.0	SWOT Analysis	11
14.0	Valuation Consideration	12
	14.1 Basis of Valuation 14.2 Methods of Valuation	12 12
15.0	Valuation	13
16.0	Recommendations/Comments	13
17.0	General Principles Adopted In The Preparation Of Valuation And Reports	13
	Annexures	

- Lease Agreement Variation of Lease

() JLL



1.0 INTRODUCTION

This valuation and report is prepared for TEE Land on the basis of their recent instructions to value 25 Bukit Batok Street 22 TEE Building Singapore 659591 (the "Property") for an intending sale to TEE International Limited.

2.0 TERMS OF REFERENCE

We have been instructed to determine the market value of the Property as at November 30, 2019. The Property to be valued comprises a 6-storey detached factory with ancillary office known as TEE Building.

()) JLL

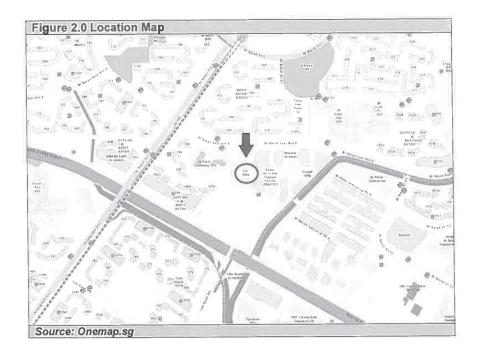
3.0 LOCATION

The Property is located along Bukit Batok Street 22, some 100 m from the junction of Bukit Batok Street 22 and Bukit Batok East Avenue 6, approximately 16.6 km from the city centre at Collyer Quay.

The Bukit Batok industrial estate is located at the southern fringe of HDB's Bukit Batok Town and comprises mainly low-rise industrial buildings and terrace workshops. Other prominent developments nearby include the Bukit Batok Swimming Complex and Singapore Hotel And Tourism Education Centre (SHATEC).

The vicinity is well-served by retail amenities, with Westmall, Bukit Batok Town Centre, IMM, Westgate, Jem and Jurong East Town Centre, all a short distance away. Labour is also abundantly available as the Property is surrounded by public and private housing estates.

This estate is well served by the Pan-Island Expressway which links it to the Jurong Industrial Estate and other major commercial and industrial centres. The Bukit Batok MRT Station is also located about 800 m from the Property.



()) JLL

4.0 DETAILS OF TITLES AND TENURE

Legal Description

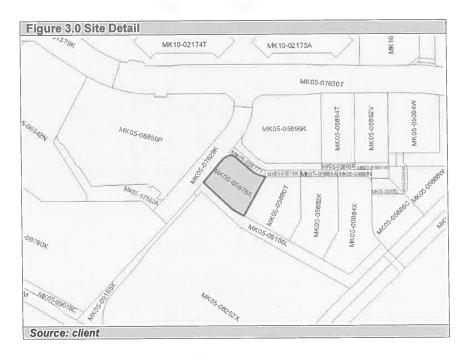
Lot 5878A Mukim 5

20

:

Site Area

2,600.1 sq.m.



Tenure :		30 years lease commencing from May 1, 1992 with an option to renew for a further term of 30 years, subject to no breach of any covenants and conditions stipulated by Housing and Development Board in the Lease.		
Registered Lessor	1	Jurong Town Corporation		
Registered Lessee	ž	TEE Industrial Pte. Ltd.		
Encumbrance	it.	The Property is mortgaged to Hong Leong Finance Limited.		

25 Bukit Batok Street 22 TEE Building Singapore 659591 TKC:PSE:kl:191491 December 11, 2019

()) JLL

4.0 DETAILS OF TITLES AND TENURE (CONT'D)

Authorised Use	:	Not to use or to permit or suffer the demised premises and any building thereon or any part of the demised premises and the building thereon to be used otherwise than for its own occupation and sole use as "warehousing, production, assembly of equipment and ancillary office".
Annual Land Rent	:	S\$96,515.71/- per annum excluding GST for period May 1, 2019 to April 30, 2020.
Other Details		A copy of the Lease Agreement and Variation of Lease are enclosed as attachments to this report.

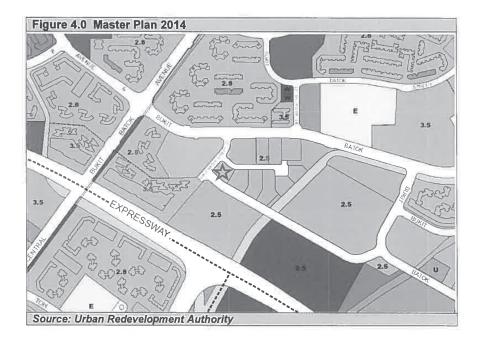


Page 4



5.0 TOWN PLANNING

Master Plan Zoning Business 1 with a plot ratio of 2.5. (2014 Edition)



()) JLL

6.0 EXISTING IMPROVEMENTS

The Property comprises a 6-storey purpose-built factory building. It is erected on an almost trapezoidal-shaped plot of land at the access road level.

Construction of the building is of reinforced concrete frames with infill brickwalls, reinforced concrete floors, reinforced concrete staircases and reinforced concrete flat roof. Fenestration generally comprises anodised aluminium/aluminium framed glass windows.

Vertical transportation within the building is facilitated by passenger lifts, cargo lifts and reinforced concrete staircases.

Fire protection systems provided within the Property include fire alarm system, fire sprinkler system, fire hosereel and fire extinguishers.

Other site improvements include a guard house, surface/sheltered car park lots and enclosed by plastered boundary walls/chain-link fencing complete with metal gates and car park barriers.

The Temporary Occupation Permit of the Property was issued in May 7, 2015.



Page 6



7.0 ACCOMMODATION AND FINISHES

The main accommodation of the Property generally includes:

1st Storey

Lift lobby area, reception area, waiting area, display area, toilets, meeting rooms, production area, store room and loading/unloading area

2nd Storey

Lift lobby area, production area and toilets

3rd to 6th Storey

Lift lobby area, waiting area, ancillary office areas with partitioned rooms/executive offices, store room, production area, pantry, boardroom, training room, conference room, meeting rooms and wash area/toilets

Internal finishes generally include granite flooring to the reception area/waiting area/display area/lift lobby area, carpet flooring to the general office areas/meeting rooms/executive offices/partitioned offices/partitioned rooms/conference room/boardroom/production area/store room, epoxy or cement-sand screed flooring to the production area, vinyl sheet flooring to the pantry and homogeneous tiled floor and walls to the toilets.



7.0 ACCOMMODATION AND FINISHES (CONT'D)





7.0 ACCOMMODATION AND FINISHES (CONT'D)









Page 9



8.0 **GROSS FLOOR AREA** - according to the architectural floor plans provided by the client and subject to survey

Approximately 5,164 sq.m.

9.0 CONDITION AND REPAIR

The building on site was generally in good condition as at the date of our inspection on November 26, 2019.

We are not instructed to carry out a structural survey or to test any of the services, but in the course of our inspection, we did not note any items of disrepair which we regard as serious, we are not, however, able to give any assurance that the Property is free from defect.

10.0 TENANCY DETAILS

The Property is tenanted and owner-occupied by the registered lessee as at the date of our inspection. We understand that the factory and general office areas are leased to multiple tenants, which are all within the TEE Group of companies.

11.0 PROPERTY TAX

The Property is currently being assessed at an annual value of S\$901,000/- for the year 2019.

12.0 OTHER DETAILS

We have not applied for Road and Drainage Interpretation Plans and the Railway Protection Plan for the Property as this is outside our terms of reference. Our valuation is therefore made on the assumption that the Property is not adversely affected by any approved/proposed road/drainage/railway schemes. It is recommended that the valuation be referred back to us for a review should your solicitors subsequently discover the existence of any such schemes after legal requisitions with the various competent authorities have been completed by them.



13.0 SWOT ANALYSIS

Strengths

- Ample labour supply from surrounding HDB estates at Bukit Batok, Jurong East, Jurong West and Clementi.
- Close proximity to Jurong East and Bukit Batok MRT Stations and easy access to highways such as Pan Island Expressway (PIE), Ayer Rajah Expressway (AYE) and public transportation.
- Adequate loading and unloading spaces.
- Size and regular layout on each floor are ideal for single or multiple users

Weaknesses

Competition from existing factories in the vicinity.

Opportunities

- Sound management of the economy and political stability will continue to attract investment in Singapore.
- The Economic Development Board has a new and enhanced programme to attract more company headquarters operations to Singapore which allow EDB to reach out to all types of HQs - big and small, from all industries and geographies.

Threats

- Future supply of factory/warehouse developments in the vicinity.
- Volatile political environment in the world may affect investor confidence.



14.0 VALUATION CONSIDERATIONS

14.1 Basis of Valuation

Our valuations are made on the basis of Market Value, defined by the International Valuation Standards (IVS) and SISV Valuation Standards and Practice Guidelines as follows:

"Market Value is the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion."

14.2 Methods of Valuation

Income Method

This method entails the estimation of the gross rental income less the necessary expenses such as property tax and land rental to derive a net rental income. This is then capitalised at an appropriate yield rate for the remaining period of the lease to arrive at the current market value.

Direct Comparison Method

Our valuation is based on direct comparison with recent transactions of comparable properties within the vicinity.

In arriving at our valuation figure, we have taken into consideration the prevailing market conditions and have made due adjustments for differences between the Property and the comparables in terms of location, tenure, size, shape, design and layout, age and condition of buildings, dates of transactions and other factors affecting its value.

Sales Comparables

Address	Site Area (sq.m.)	Approximate Gross Floor Area (sq.m.)	Tenure	Transacted Price	Date of Contract
16 Chin Bee Avenue	3,991.1	4,157.74	30+17 years wef 1/1/2004	S\$9,488,000/- (S\$2,282 psm)	September 6, 2019
35 Gul Lane	5,374.9	2,396.69	30+30 years wef 16/1/1981	S\$6,200,000/- (S\$2,587 psm)	May 21, 2019
10 Fishery Port Road	3,489.6	3,129.97	30 years wef 1/11/2007	S\$8,000,000/- (S\$2,556 psm)	February 12, 2019

Source: Jurong Town Corporation and URA Realis

25 Bukit Batok Street 22 TEE Building Singapore 659591 TKC:PSE:kl:191491 December 11, 2019 Page 12



15.0 VALUATION - as at November 30, 2019

Having regard to all relevant information, we are of the opinion that the market value of the unexpired leasehold interest in the Property, free from all encumbrances, is S\$21,500,000/- (Singapore Dollars Twenty-One Million And Five Hundred Thousand).

16.0 RECOMMENDATION/COMMENTS

The plot ratio of the Property has not been fully utilised as at the date of our valuation. Our valuation is on the assumption that the Property is fully utilised, subject to formal planning approval from the relevant authorities, less off the construction cost of the additions and alterations.

17.0 GENERAL PRINCIPLES ADOPTED IN THE PREPARTION OF VALUATION AND REPORTS

Please see attached.

Tan Keng Chiam B.Sc. (Est. Mgt.) MSISV, MRICS Appraiser Licence No: AD041-2004796D Senior Director JONES LANG LASALLE

25 Bukit Batok Street 22 TEE Building Singapore 659591 TKC:PSE:kl:191491 December 11, 2019 Page 13



GENERAL PRINCIPLES ADOPTED IN THE PREPARATION OF VALUATIONS AND REPORTS

These are the general principles upon which our Valuations and Reports are normally prepared; they apply unless we have specifically mentioned otherwise in the body of the report.

1) VALUATION STANDARDS

All work are carried out in accordance with the Singapore Institute of Surveyors and Valuers (SISV) Valuation Standards and Guidelines and International Valuation Standards (IVS), subject to variations to meet local laws, customs, practices and market conditions,

2) VALUATION BASIS

Our valuations are made on the basis of Market Value, defined by the SISV and IVSC as follows:

"Market Value is the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

3) CONFIDENTIALITY

Our Valuations and Reports are confidential to the party to whom they are addressed or their other professional advisors for the specific purpose(s) to which they refer. No responsibility is accepted to any other parties and neither the whole, nor any part, nor reference thereto may be included in any published document, statement or circular, or published in any way, nor in any communication with third parties, without our prior written approval of the form and context in which they will appear.

4) SOURCE OF INFORMATION

Where it is stated in the report that information has been supplied by the sources listed, this information is believed to be reliable and we shall not be responsible for its accuracy nor make any warranty or representation of the accuracy of the information. All other information stated without being attributed directly to another party is obtained from our searches of records, examination of documents or enquiries with the relevant authorities.

5) DOCUMENTATION

We do not normally read leases or documents of title and, where appropriate, we recommend that lawyer's advice on these aspects should be obtained. We assume, unless informed to the contrary, that all documentation is satisfactorily drawn and that good title can be shown and there are no encumbrances, restrictions, easements or other outgoings of an onerous nature which would have an effect on the value of the interest under consideration.

6) TOWN PLANNING AND OTHER STATUTORY REGULATIONS

Information on Town Planning is obtained from the set of Master Plan, Development Guide Plans (DGP) and Written Statement published by the competent authority. Unless otherwise instructed, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes such as road and drainage improvements. If reassurance is required, we recommend that verification be obtained from your lawyers.

Our valuations are prepared on the basis that the premises and any improvements thereon comply with all relevant statutory regulations. It is assumed that they have been, or will be issued with a Certificate of Statutory Completion by the competent authority.

7) TENANTS

Enquiries as to the financial standing of actual or prospective tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is therefore assumed that the tenants are capable of meeting their obligations under the lease and that there are no arrears of rent or undisclosed breaches of covenant.

8) STRUCTURAL SURVEYS

We have not carried out a building survey nor any testing of services, nor have we inspected those parts of the property which are inaccessible. We cannot express an opinion about or advise upon the condition of uninspected parts and this Report should not be taken as making any implied representation or statement about such parts. Whilst any defects or items of disrepair are noted during the course of inspection, we are not able to give any assurance in respect of rot, termite or past infestation or other hidden defects.

9) SITE CONDITIONS

We do not normally carry out investigations on site in order to determine the suitability of the ground conditions and services for the existing or any new development, nor have we undertaken any archaeological, ecological or environmental surveys. Unless we are otherwise informed, our valuations are on the basis that these aspects are satisfactory and that, where development is proposed, no extraordinary expenses or delays will be incurred during the construction period.

10) OUTSTANDING DEBTS

In the case of buildings where works are in hand or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

/Page 2



11) INSURANCE VALUE

INSURANCE VALUE Our opinion of the insurance value is our assessment of the reinstatement cost for insurance purpose and it comprises the total cost of completely rebuilding the property to be insured, together with allowances for inflation, demolition and debris removal, professional fees, the prevailing G.S.T. (goods and services tax) and, if applicable, compliance with current regulations and by-laws.

12) DIMENSIONS, MEASUREMENTS & AREAS Dimensions, measurements and areas included in the report are based on information contained in copies of documents provided to us and are therefore approximations. No on site measurements have been taken. We have no reason to doubt the truth and accuracy of the information provided. Our valuation is totally dependent on the adequacy and accuracy of the information supplied and/or the assumptions made. Should these prove to be incorrect or inadequate, the accuracy of the valuation may be affected.

13) ACCURACY, ERRORS & OMISSIONS

Whilst care has been taken in the preparation of the report, no representation is made or responsibility is accepted for errors, omissions and the accuracy of the whole or any part.

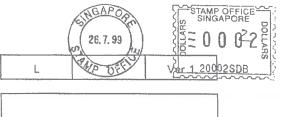
© Copyright Jones Lang LaSalle Year 2019



Page 2

ANNEXURES

- LEASE AGREEMENT
- VARIATION OF LEASE



I 099775M

(For Official use only)

THE LAND TITLES ACT

LEASE

DESCRIPTION OF LAND

СТ		МК	TS	Lot No.	Property Address Whole or part (If part lot, to state
Vol	Fol				approved lot/strata lot No)
432	19	5	-	5878	The whole.
				· ·	25 Bukit Batok Street 22 Singapore 659591.

LESSOR

Co regn. no:	N.A.
Name:	HOUSING AND DEVELOPMENT BOARD
Address: (Within Singapore for service of Notice)	HDB Centre, 3451 Jalan Bukit Merah, Singapore 159459.

Ę

Ĺ

(the registered proprietor) HEREBY LEASES the registered estate or interest in the land above described (hereinafter called "the demised premises") to:

LESSEE

Co regn. no:	199004310E
Name:	ALLIED TECHNOLOGIES (S) PTE LTD
Place of incorporation:	Singapore
Address: (Within Singapore for service of Notice)	25 Bukit Batok Street 22 Singapore 659591.

to hold as

2



Manner of Holding

N.A.

TERM OF LEASE:

as tenant for the unexpired portion of a term of thirty (30) years commencing from the 1st day of May 1992 YIELDING AND PAYING therefor during the said term the rent in the manner and at the rate as hereinafter set out SUBJECT to the following prior encumbrances and the covenants and conditions hereinafter set out:

SUBJECT TO:

PRIOR ENCUMBRANCES (to state "nil" if there are none):

NIL

AND the following:

COVENANTS AND CONDITIONS

- 1. The Lessee for itself and its successors and assigns hereby covenants with the Lessor as follows:
 - (1) To pay the yearly rent of Dollars Seventy Thousand and Four Hundred and Sixty Only (\$70,460.00) without deductions and in advance every quarterly without demand on the <u>1st</u> and shall be at the rate of \$27.10 per square metre per annum with effect from the 1st day of May 1992 (hereinafter referred to as "the First Term Initial Rent") which rate shall be subject to revision on the 1st day of May 1993 and the 1st day of May of every year thereafter to a rate based on the market rent on the respective dates of such revision determined in the manner following but so that the increase shall not exceed 10% compounded annually from the First Term Initial Rent, that is to say, the rent per square metre for any year (as hereinafter represented by the letter "n") of the said term shall not exceed the rate calculated as follows:-

n-1 First Term Initial Rent x (1.1)

The market rent in this context shall mean the rent per square metre per annum of the demised premises excluding the buildings and other structures erected thereon and shall be determined by the Lessor on or about the dates mentioned (and payable retrospectively with effect from the dates mentioned if determined after the dates mentioned) and the decision of the Lessor shall be final.

(2) To pay interest at the rate of 8.5% per annum or such higher rate as may be determined

from time to time by the Lessor in respect of any arrears of rent or other outstanding sums due and payable under the Lease from the due dates thereof until payment in full is received by the Lessor;

(3) Not to demise, transfer, assign, mortgage, let, sublet, underlet, license or part with the possession of the demised premises or any part thereof in whatsoever manner and not to effect any form of reconstruction howsoever brought about including any form of amalgamation or merger with or take-over by another company, firm or body or party, without first obtaining the consent of the Lessor in writing. Section 17 of the Conveyancing Law of Property Act (Chapter 61) shall not apply. Any consent, if granted by the Lessor shall be given on such terms and conditions as the Lessor may in its entire and unfettered discretion deem fit to impose and shall include :-

(a) full revision of the rental to the prevailing market rate from the date of assignment;
(b) payment of such administrative fee as determined by the Lessor;

- (4) On or before the execution of the Lease, the Lessee shall supply to the Lessor in writing a list of the names of its existing shareholders and particulars of the classes of shares held by each and every shareholder and the value thereof and such list shall be duly certified to be correct by a director of the company;
- (5) Not to use or to permit or suffer the demised premises or any building thereon or any part of the demised premises and building thereof to be used otherwise that as Mould Manufacturing subject to the approval of the Competent Authority appointed under Section 3 of the Planning Act;

(6) Not to use the demised premises or any part thereof for any illegal or immoral purpose.

Ę

- (7) Not without the consent in writing of the Lessor to affix or exhibit to erect or paint or permit or suffer to be affixed or exhibited or erected or painted on or upon any part of the exterior of the demised premises or the buildings thereon or of the external walls or rails or fences thereof any nameplate signboard placard poster or other advertisement or hoarding;
- (8) To make reasonable provision against and be responsible for all loss injury or damage to any person or property including that of the Lessor for which the Lessee may be held liable arising out of or in connection with the occupation and use of the demised premises and to indemnify the Lessor against all proceedings claims costs and expenses which it may

3

incur or for which it may be held liable as a result of any act neglect or default of the Lessee its servants contractors or agents;

4

- (9) Not to effect a change of name without the prior consent in writing of the Lessor PROVIDED THAT on every change of name the Lessee shall pay to the Lessor a fee to be specified by the Lessor in relation to such consent;
- (10) Not to install and/or use any electrical installations, machines or apparatus that may cause or causes heavy power surge, high frequency voltage and current, air borne noise, vibration or any electrical or mechanical interference or disturbances whatsoever which may prevent or prevents in any way the service or use of any communication system or affects the operation of other equipment, installations, machinery, apparatus or plants of other Lessees and in connection therewith, to allow the Lessor or any authorised persons to inspect at all reasonable times, such installations, machines or apparatus in the demised premises to determine the source of the interference or disturbance and thereupon, to take suitable measures, at the Lessee's own expense, to eliminate or reduce such interference or disturbance to the Lessor's satisfaction, if it is found by the Lessor or such authorised person that the Lessee's electrical installations, machines or apparatus is causing or contributing to the said interference or disturbance;
- (11) To indemnify the Lessor against any claims, proceedings, action, losses, penalties, damages, expenses, costs, demands which may arise in connection with sub-clause (10) above;
- (12) To make good and sufficient provision for the safe and efficient disposal of all waste including but not limited to pollutants generated at the demised premises to the requirements and satisfaction of the Lessor and other relevant Government authorities **PROVIDED THAT** in the event of any default by the Lessee under this covenant the Lessor may carry out such remedial measures as it thinks necessary and all costs and expenses incurred thereby shall be recoverable forthwith from the Lessee as a debt;

l

- (13) Not to erect permit or suffer to be carried out any construction of chimneys or ducts of any kind whatsoever in or at any part of the building for the purpose of discharging smoke gas fume or any other substance connected directly or indirectly with the manufacturing processes;
- (14) At the termination of the said term or at the earlier determination thereof to yield up to the Lessor the demised premises together with all buildings, structures and fixtures therein in

good and tenantable repair.

2.

C

To perform, observe and be bound by:

 the covenants, conditions and powers implied by law in instruments of lease (or to such of them as are not expressly negatived or modified by this Instrument or the Memorandum of Lease hereinafter referred to); and

5

- (b) the covenants and conditions set forth in the Memorandum of Lease filed in the Registry of Titles and numbered as ML/24 all of which terms and conditions shall form part of this Instrument as if fully set out herein and shall apply hereto insofar as they are not expressly negatived or modified by this Instrument.
- 3. The Lessor hereby covenants with the Lessee that the Lessor shall at the written request of the Lessee made not less than twelve (12) months before the expiry of the said term but not earlier than the twenty-eighth (28th) year of the said term grant to the Lessee a Lease of the demised premises for a further term of 30 years (hereinafter referred to as "the further term") which shall commence from the date immediately following the expiration of the said term on the same terms and conditions and containing like covenants as are herein contained with the exception of the present covenant for renewal or such variations or modifications as shall be imposed by the Lessor PROVIDED that :-
 - (i) There be no existing breach(es) or non-observances(s) of any of the covenants and conditions herein contained on the part of the Lessee to be observed or performed;
 (ii) The rental payable for the further term shall be as set out hereunder :-
 - (a) The yearly rent for the further term commencing on the 1st day of May 2022 shall be at the rate based on the market rent at the commencement of the further term (hereinafter referred to as "the Second Initial Rent") which rate shall however be subject to a revision on the <u>1st</u> day of <u>May</u> 2023 and the <u>1st</u> day of <u>May</u> of every year thereafter to a rate based on the market rent on the dates of such revision determined in the manner following but so that the increase shall not exceed 10 percent compounded annually from the Second Initial Rent; that is to say, the rent per square metre for any year as hereinafter represented by the letter "p") of the said term shall not exceed the rate calculated as follows:

p-1 Second Term Initial Rent x (1.1)

(b)

The market rent in this context shall mean the rent per square metre per annum of the demised premises excluding the buildings and other structures erected thereon and shall be determined by the Lessor on or

about the dates mentioned (and payable retrospectively with effect from the dates mentioned if determined after the dates mentioned) and the decision of the Lessor shall be final.

The market rent and the time of payment of the yearly rent shall be as aforesaid;

(d)

(c)

Any demise, transfer, assignment or parting of possession of the demised premises or any part thereof by the Lessee in whatsoever manner within 5 years of the commencement of the further term will be approved by the Lessor only upon payment by the Lessee of a fee (hereinafter called "the additional fee") which shall be equivalent to the value of the buildings and there shall also be a full revision of the rental to the prevailing market rate from the date of assignment and payment of such administrative fee as determined by the Lessor as provided under Clause 1(3) herein contained. The value of the building shall be final and conclusive and not be subject or open to review by the Lessee. PROVIDED THAT the Lessee shall not be required to pay the additional fee for any demise, transfer, assignment or parting with possession of the demised premises or any part thereof by the Lessee in whatsoever manner after the aforesaid 5 years period;

(e)

All costs expenses charges legal or otherwise including stamp duty and the Lessor's legal costs of or connected with the preparation completion and registration of the Lease for the further term of 30 years shall be borne by the Lessee.

(iii) The interest chargeable shall be at the rate of 8.5% per annum or such higher rate as may be determined from time to time by the Lessor in respect of any arrears of rent or other outstanding sums due and payable under the Lease from the due dates thereof until payment in full is received by the Lessor.

4. PROVIDED ALWAYS that if the said rent hereby reserved or any part thereof shall be in arrear for the space of fourteen (14) days next after being payable (whether the same shall have been formally demanded or not) or if any covenant on the part of the Lessee hereinbefore contained shall not be performed or observed or if the Lessee or other person or persons in whom for the time being the term hereby created shall be vested shall become bankrupt or make an assignment for the benefit of its or their creditors or enter into an agreement or make any arrangement with its or their creditors for liquidation of its or their debts by composition or otherwise then and in any such case it shall be lawful for the

6

Lessor to impose such penalties as it deems fit as well as to enter upon and take possession of the demised premises or any part thereof in the name of the whole and thereupon the term hereby created shall absolutely cease and determine without prejudice to any right of action or remedy of the Lessor in respect of any antecedent breach of any of the Lessee's covenants hereinbefore contained. Provided Always that if the demised premises and the buildings thereon have been assigned by way of mortgage and there should be any breach of the Lessee's covenants as aforesaid, the Lessor or the officer authorised as aforesaid shall not enter upon and take possession of the demised premises and buildings nor shall the term hereby created cease and determine until the Lessor has served upon the mortgagee a notice in writing that such breach has occurred and the 'mortgagee has failed to remedy such breach within one (1) calendar month-from the date 'of service of such notice.

Sub-clauses (vi), (vii) and (xiv) of Clause 1 and Clause 4 of the said Memorandum of Lease
 ML/24 shall be deleted therefrom and shall not apply to this instrument.

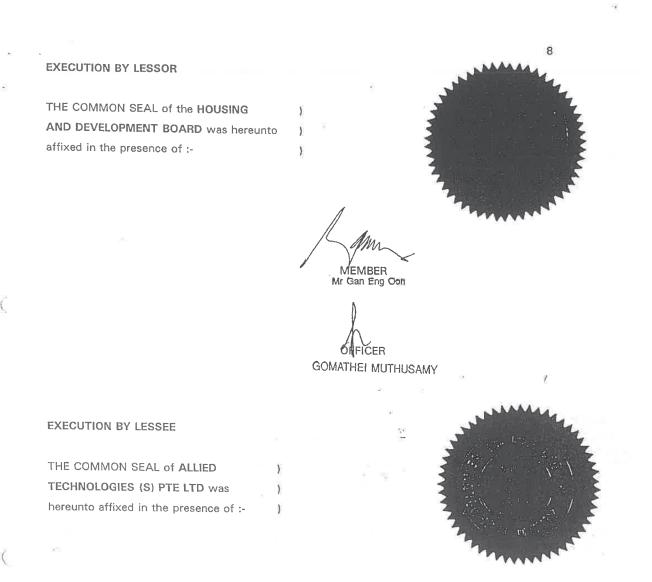
ſ

į

- 6. The Lessee shall pay all costs and fees legal or otherwise including the Lessors' costs as between solicitor and client in connection with the enforcement of the covenants and conditions of the Lease.
- 7. The Lessee shall pay any goods and services tax or any other taxes levies or charges whatsoever which are now or hereafter required imposed or enforced by law (including but not limited to the Goods and Services Tax Act 1993) or required to be paid on or in respect of any land rent or any sums payable to the Lessor or any moneys received or receivable by the Lessor or any moneys paid or costs or expenses incurred by the Lessor or any other matters under or relating to these presents and the Lessee shall pay to the Lessor on demand a sum equivalent to the amount of such goods and services tax or other taxes, levies or charges.

Dated this 23-1 day of July 1999

7



C. Y.H.

DIRECTOR

" show went theoup.

SECRETARY/DIRECTOR

CERTIFICATES PURSUANT TO THE RESIDENTIAL PROPERTY ACT AND THE LAND TITLES RULES AND PRACTICE CIRCULARS:

I, the solicitor for the Lessee hereby certify that the place of incorporation of the said Lessee, and the registration number allocated by the Registry of Companies of the said Lessee, as abovementioned specified in the within instrument has been verified from the Certificate of Incorporation produced and shown to me and is found to be correct.

Dated this 23-d day of July 1999. WEE WOON HONG

NAME & SIGNATURE OF SOLICITOR FOR THE LESSEE

SIMILAR INTEREST CONFIRMATION

ĺ

I, the Solicitor for the Lessee hereby confirm that the interest of the Lessee is similar to that in Caveat CV/61745CF EW/033093G

WEE WOON HONG

q

NAME & SIGNATURE OF SOLICITOR FOR THE LESSEE

CERTIFICATE OF CORRECTNESS:

I, the solicitor for the Lessor hereby certify that this instrument is correct for the purposes of the Land Titles Act.

TAN YEOW CHOO NAME & SIGNATURE OF SOLICITOR FOR THE LESSOB

I, the solicitor for the Lessee hereby certify that this instrument is correct for the purposes of the Land Titles Act. $$\bigwedge$$

WEE WOON HONG

NAME & SIGNATURE OF SOLICITOR FOR THE LESSEE

I, April Glenys Tay the Solicitor for ALLIED TECHNOLOGIES (S) PTE LTD (the Transferee) hereby certify that according to the information supplied to me by the Chief Planner within the last 8 weeks (i.e. 8 weeks immediately preceding the date of the instrument on which the certificate is endorsed or to which the certificate is attached), the within land is zoned as Light Industry and the within property is for industrial use and the specific use approved is factory.

Dated this 18th day of August 1999.

Signature of Solicitor

(

MPORTANT NOTICE

4

Ц.

1

÷

5.2

The information contained in this instrument forms part of the public records available for inspection and search by members of the public upon payment of a fee. The information is collected and used for the purpose of maintaining the land register pursuant to the Land Titles Act.

.

THE LAND TITLES ACT

VARIATION OF LEASE

Based On
0.04
pull

DESCRIPTION OF LAND (Leasehold Title)

	Title		Lot No	Extent	Property Address
Туре	Vol	Fol	LOLINO	Extern	r Toperty Address
СТ	540	115 /	MK5-5878A	Whole	25 Bukit Batok Street 22 Singap ore 659591
		•			``````````````````````````````````````

REGISTERED LEASE NO

1/99775M				
1/99//51/				
100011014	/			

LESSOR

ID / Co Regn No :	T08GB0018F
Name :	Housing And Development Board
Citizenship / Place of incorporation :	SINGAPORE
Address (within Singapore for service of notice) :	480 Lorong 6 Toa Payoh HDB Hub Singapore 310480

LESSEE

ID / Co Regn No :	201307139Z
Name :	TEE INDUSTRIAL PTE. LTD. /
Address (within Singapore for service of notice) :	25 Bukit Batok Street 22 Singapore 659591

IMPORTANT NOTICE

The information contained in this instrument forms part of the public records available for inspection and search by members of the public upon payment of a fee. The information is collected and used for the purpose of maintaining the land register pursuant to the Land Titles Act.

TERMS AND COVENANTS VARIED

* HEREBY AGREE that the above Instrument of Lease (the "Lease") as varied by the Variations of Lease Nos. I/37161P and IB/59430J shall be further varied as follows :-

Please see attached document.

DATE OF INSTRUMENT: 27/09/2017

EXECUTION BY LESSOR

The Common Seal of Housing And Development	Board was hereunto affixed in the p	resence of:-
	mountaining	
Signature :	Mr Tham Sai Choy	4
ognature .	Member	and a
Signature :	K.C. C.C.Y	_
	Officer	

* Lessee: Tee Industrial Pte. Ltd. Address: 25 Bukit Batok Street 22 Singapore 659591 Lot 5878A of Mukim 5 1

ŝ

IMPORTANT NOTICE

×.

The information contained in this instrument forms part of the public records available for inspection ar.J search by members of the public upon payment of a fee. The information is collected and used for the purpose of maintaining the land register pursuant to the Land Titles Act.

EXECUTION BY LESSEE

The Common Seal of TEE INDUSTRIAL PTE. LT	D. was hereunto affixed in the presence of:-
	And an interior
Signature :	Director
Signature :	Director/Secretary

CERTIFICATE OF CORRECTNESS

I, solicitor for the LESSOR hereby certify t hold a practising certificate which is in force	hat this instrument is correct for the purposes of the Land Titles Act and that I be as at the date of the instrument.
	NOREEN ONG KHIN TUAN
Name of Solicitor :	·
Signature :	(h)

* Lessee: Tee Industrial Pte. Ltd. Address: 25 Bukit Batok Street 22 Singapore 659591 Lot 5878A of Mukim 5

12

IMPORTANT NOTICE

The information contained in this instrument forms part of the public records available for inspection and search by members of the public upon payment of a fee. The information is collected and used for the purpose of maintaining the land register pursuant to the Land Titles Act.

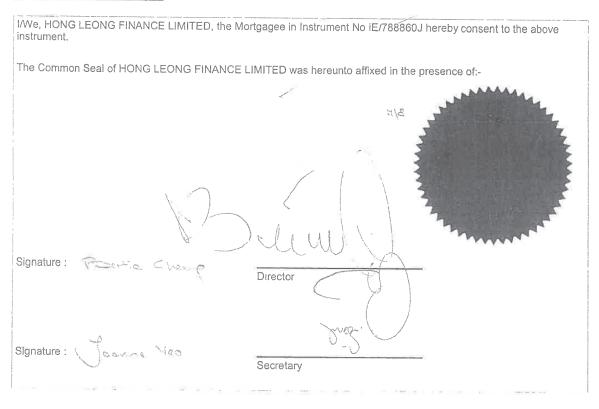
CERTIFICATE OF CORRECTNESS

I, solicitor for the LESSEE hereby certify that this instrument is correct for the purposes of the Land Titles Act and that I hold a practising certificate which is in force as at the date of the instrument.

Name of Solicitor :

LEE LUEN KEAT
Signature :

MORTGAGEE'S CONSENT



* Lessee: Tee Industrial Pte. Ltd. Address: 25 Bukit Batok Street 22 Singapore 659591 Lot 5878A of Mukim 5

Page 4

Attached document

Annexure to Instrument of Variation of Lease No. IE/85144T

Property Address: 25 Bukit Batok Street 22 Singapore 659591

Lot / Mukim No.: Lot 5878A of Mukim 5

The Parties HEREBY AGREE that the terms of the Instrument of Lease No. **I/99775M** (the "Lease" which expression shall include such other instruments, documents and deeds required by the Lessor including any amendment, supplement or waiver thereof) as varied by the Variations of Lease Nos. **I/37161P** (the "First Variation of Lease") and IB/59430J (the "Second Variation of Lease") shall be further varied as follows :-

- 1. The Lease shall be varied as follows :-
 - 1.1 Clause 1(1) under the heading "COVENANTS AND CONDITIONS" on page 2 of the Lease as varied by the First Variation of Lease and the Second Variation of Lease shall be further amended by deleting clause 1 of the First Variation of Lease and clause 1 of Annex A of the Second Variation of Lease and substituting it with the following clause :-
 - "1(1) To pay the yearly rent of Dollars One Hundred And Five Thousand Eight Hundred And Seventy Six (\$105,876.00) calculated at the rate of \$40.72 per square metre per annum and the Goods and Services Tax ("GST") thereon via a monthly rent of Dollars Eight Thousand Eight Hundred And Twenty Three (\$8,823.00) and the GST thereon without deductions and in advance every month without demand on the 1st day of every month from the date of the transfer i.e. 12 August 2013 till 30 April 2014 which rate shall be subject to revision on 1 May 2014 and thereafter annually on the 1st day of May of each succeeding year and the Lessee shall pay the monthly rent and the GST thereon through inter-bank GIRO. The revision on 1 May 2014 and each subsequent annual revision shall be at the fixed rate of 5.5% of the yearly rent of the immediate preceding year or subject to the prevailing approved Posted Land Rental Rate (as determined by the Lessor and the determination of the Lessor as to the prevailing approved Posted Land Rental Rate shall be final and conclusive), whichever is lower. '
 - 1.2 Clause 1(5) under the heading "COVENANTS AND CONDITIONS" on page 3 of the Lease shall be deleted and substituted with the following clause :-
 - "1(5) Not to use or to permit or suffer the demised premises and any building thereon or any part of the demised premises and the building thereon to be used otherwise than for its own occupation and sole use as "warehousing, production, assembly of equipment and ancillary office." The Lessee shall obtain and comply with the terms and conditions stated in the approvals given by the relevant authorities for the

2

aforesaid use. The Lessee shall confine all activities within the boundary of the demised premises and shall not place or allow any articles and goods to be placed or to spill over on the common area outside the boundary of the demised premises at all times."

- 1.3 References to "market rent" and "market rate" in the Lease, the First Variation of Lease and the Second Variation of Lease shall mean the prevailing approved Posted Land Rental Rate as determined by the Lessor and the determination of the Lessor as to the prevailing approved Posted Land Rental Rate shall be final and conclusive.
- 1.4 The existing clauses 4, 5 and 6 of the Lease shall be renumbered 13, 14 and 15 respectively and the existing clause 7 deleted and the following new clauses shall be added under the heading "COVENANTS AND CONDITIONS" of the Lease and numbered as follows :-
 - "4. The Lessee has represented to the Lessor that the Lessee's related companies i.e. subsidiary companies under "TEE International Limited" in the engineering business will be operating at the demised premises as sub-tenants. The list of companies in Table A below under TEE International Group is allowed to operate at the demised premises and shall comply with the requirements of the relevant Competent Authority that a minimum of sixty per cent (60%) of the gross floor area shall be used for light industrial activities under the Industrial "Business 1" usage. The remaining forty per cent (40%) of gross floor area shall be distributed among other uses by the Lessee and its sub-tenants such as ancillary offices, showrooms, neutral areas and communal facilities and other uses as approved in writing by the Lessor and the relevant Competent Authorities.

Table A

S/No.	Parent/Holding/Subsidiary Companies occupying 25 Bukit Batok Street 22	Trades	Relationship to Tee Industrial Pte Ltd
1	TEE International Limited	Ancillary Office	Parent Company
2	TEE Land Limited	Ancillary Office	Holding Company of Tee Industrial Pte Ltd (70% owned by TEE International Limited and balance 30% in public shares)

S/No.	Parent/Holding/Subsidiary Companies occupying 25 Bukit Batok Street 22	Trades	Relationship to Tee Industrial Pte Ltd		
3	100% owned subsidiaries of TEE	International Limited			
(i)	TEE Resources Pte Ltd	Ancillary Office	Ancillary Office		
(ii)	Security Pro-Telco Pte Ltd	Warehouse, production and assembly of fire-alarm systems, security systems, building automated systems			
(iii)	TEE Management Pte Ltd	Ancillary Office			
(iv)	Next Frontiner Solutions Pte Ltd	Warehouse, production and assembly of equipment			
(v)	PBT Engineering Pte Ltd	Warehouse, production and assembly of equipment			
(vi)	Trans Equatorial Pte Ltd	Warehouse, production and assembly of equipment			

- The Lessee shall submit the separate applications to the Lessor for the consent for each of the companies listed in Table A to operate at the demised premises.
- 6. In the event that TEE International Pte Ltd holds less than 51% share equity in any of the listed subsidiaries or in TEE Land Ltd., the Lessor has the absolute discretion to review and not to allow the continued occupation of the companies listed in Table A.
- 7. Subject to the Lessor's written approval, the Lessee shall seek and obtain, at the Lessee's own cost and expense, the approval of the Urban Redevelopment Authority ("the URA") to any change of classification of industry use of the demised premises and pay any administrative fee imposed by the URA for any change of classification of industry use as determined by the URA.
- 8. The Lessee shall pay all differential premium, if any, as may be imposed by the Lessor or the relevant Competent Authorities in connection with any increase in the existing gross floor area or any alteration or addition works or re-development works thereon Provided Always that any increase to the existing gross floor area or any alteration or addition works or re-development works thereon must be with the prior written consent of the Lessor or the relevant Competent Authorities. This clause is without prejudice to the terms of the Memorandum of Lease.

÷

	4
9.	The Lessee shall comply, at the Lessee's own cost and expense, with the requirements, terms and conditions of the relevant Competent Authorities.
10.	The Lessee shall pay and indemnify the Lessor against GST chargeable in respect of any payment made by the Lessee under the terms of or in connection with the Lease or in respect of any payment made by the Lessor where the Lessee agrees in the Lease to reimburse the Lessor for such payment. Any interest or penalty incurred for late payment of the GST shall be borne by or chargeable to the Lessee who shall keep the Lessor fully indemnified in respect of the same.
11.	The Lessee shall not demise, transfer or assign the demised premises within three (3) years from the date of completion of transfer of the Lease i.e. 12 August 2013. This clause is without prejudice to the terms of the Memorandum of Lease.
12.	Unless expressly provided to the contrary in the Lease, a person or party who is not a party to the Lease has no right under the Contracts (Rights of Third Parties) Act to enforce or enjoy the benefit of any term or condition of the Lease."
	hereby agrees to pay all legal costs (including the Lessor's solicitor and fees and other expenses relating to the preparation and issuance of this

3. Save as varied by this Variation of Lease, the reservations, covenants and conditions of the Lease, the First Variation of Lease and the Second Variation of Lease shall be binding and shall continue in full force and effect in all respects.

4

. <u>1</u>. 4 **IMPORTANT NOTICE**

5

28 30

÷

, eri Virit

The information contained in this instrument forms part of the public records available for inspection and search by members of the public upon payment of a fee. The information is collected and used for the purpose of maintaining the land register pursuant to the Land Titles Act.

CASE FILE / STAMP DUTY CERTIFICATE REFERENCE

Law firm case file reference :	KT/wy/HDB-VL.74
Stamp Duty Certificate reference :	082203-01 0 T1-1-437602217

Page 5

APPENDIX II EXTRACT OF IFA LETTER

Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the IFA Letter.

9. OUR EVALUATION OF THE TEE INDUSTRIAL DISPOSAL, THE NEW LEASE AND THE TSA

Our evaluation of the TEE Industrial Disposal, New Lease and the TSA pursuant to Rule 10 of the Code is as follows:

9.1 TEE Industrial Disposal

The basis of determining the cash consideration for the TEE Industrial Disposal after taking into account the recent independent market valuation of TEE Building is reasonable as TEE Industrial is essentially an asset backed company, owning and leasing the single property, TEE Building.

TEE Industrial is in negative NAV position as its paid-up share capital is only a nominal amount of S\$1 and has accumulated losses of S\$0.88 million as at 30 November 2019. Technically, TEE Industrial is in negative net worth and hence its one share has zero value. Hence, the one share is to be transferred to TI for a nominal sum of S\$1.

TEE Industrial has been a wholly-owned subsidiary of the Company. As such, the Company could fund the operations of TEE Industrial by way of paid-up share capital and/or intercompany loans or advances, which are usually interest-free and with no fixed terms of repayment. Either method of funding or combination of such funding options is common funding options between the parent company and its wholly-owned subsidiaries, has no material impact to the Group and is not prejudicial to the interests of the Company or its Shareholders. Such inter-company loans or advances are seen as quasi-equity to the subsidiary company. Accordingly, losses incurred by such subsidiary company will affect the recoverable amount of the inter-company loans or advances by the parent company. In the case where the subsidiary company is funded by equity instead of inter-company loans, the losses incurred will result in reducing the net equity or NAV of the company. In terms of ranking in the return of monies in the event of a liquidation of the company, inter-company loans and advances are normally regarded as unsecured creditors which will rank ahead of equity but will rank after all secured debts of the company.

We note that in the case of TEE Industrial, the operations of TEE Industrial which holds TEE Building are funded mainly by way of the Mortgage Loan and the outstanding payables owing from TEE Industrial to the Company. The Mortgage Loan are secured on the property, TEE Building, and the corporate guarantee from the Company, while the amount owing to the Company are interest free and has no fixed repayment terms. Following from our analysis of the funding options above, outstanding payables owing to the Company can be considered as quasi-equity, and the accumulated losses incurred by TEE Industrial will reduce the recoverable amount of the outstanding payables owing from TEE Industrial to the Company.

Hence, the cash consideration which is derived ultimately by deducting the accumulated losses of TEE Industrial against the outstanding payables owing to the Company is reasonable, as the one share of TEE Industrial has zero value given the negative NAV of the company and is to be transferred to TI at a nominal sum of S\$1.

The extent of the deduction of accumulated losses or negative NAV is capped at S\$1.0 million. As at 30 November 2019, the negative NAV of TEE Industrial was S\$0.88 million. Management is of the opinion that the negative NAV position of TEE Industrial as at 30 November 2019 is not expected to deviate materially by the time of the completion of the TEE Industrial Disposal. The above cap is also to the advantage of the Company as it limits the Company's exposure to further losses, if any, that TEE Industrial may incur after 30 November 2019 and up to the date of completion of the TEE Industrial Disposal.

APPENDIX II EXTRACT OF IFA LETTER

Pursuant to the terms of the TEE Industrial Disposal, the outstanding Mortgage Loan will be fully repaid or refinanced by TI. This will release the Company of its obligations under the corporate guarantee which it had extended to HLF for the Mortgage Loan.

Accordingly, the terms of the TEE Industrial Disposal are fair and reasonable so far as Shareholders are concerned in the context of Rule 10 of the Code.

9.2 New Lease

The basis of determining the Rental Rate for the premises to be leased back to the Company following the TEE Industrial Disposal which is based on SREC's independent assessment of the fair market rental rate is at arm's length and reasonable.

The New Lease is for the interim period of up to 1 year (6 months plus option to renew for another 6 months period) and does not have any option to renew further. In addition, the Company has the right to terminate the New Lease at any time and for any reasons by giving at least one (1) month's written notice of termination. This is consistent with the intent of the Company that the New Lease is to help minimize disruptions to the Company's operations subsequent to the TEE Industrial Disposal.

The Security Deposit is commonly required by landlord for property leases. The Security Deposit of 1 month for the duration of the New Lease of up to 12 months is reasonable in that context.

As an illustration, based on the Rental Rate, if the Company were to lease the premises for the full 12 months period, the Company would pay total rent of \$\$212,594 to TI.

Accordingly, the terms of the New Lease are fair and reasonable so far as Shareholders are concerned in the context of Rule 10 of the Code.

9.3 TSA

TI has been providing certain IT/Technology, Human Resources and General Administrative services to the Company pursuant to a master service agreement dated 1 June 2016, the terms of which have not changed since then. The fees chargeable per month by TI to the Company for the IT/Technology, Human Resources and General Administrative services are \$\$2,150, \$\$2,300 and \$\$1,550, totalling \$\$6,000 per month.

In addition to the above services, TI has provided to the Company services in relation to strategic planning and business development, tax, accounts, communications and public affairs, corporate legal, business control and risk, and management ("Strategic Planning and Other Services"), which are also chargeable on a monthly basis to the Company, and at a higher amount of *S*\$17,000 per month in view of the nature and scope of these services.

With the completion of the Acquisitions, the Offeror had identified the need for TI to continue to provide IT/Technology, Human Resources and General Administrative services to the Company for an interim period to minimize disruptions to the Company's operations subsequent to the completion of the Acquisitions. However, the Offeror does not require the continuation of the Strategic Planning and Other Services from TI but has identified the need for TI to assist in the Migration Services following the completion of the Acquisition.

Hence, the Transitional Services have been identified to pertain to IT/Technology, Human Resources, General Administrative and Migration Services and the Service Fees payable by the Company for these Transitional Services are set out in the table in Section 8.3(d) above, totalling *S*\$7,200 per month.

APPENDIX II EXTRACT OF IFA LETTER

We have had a discussion with Management and representative from TI to understand the basis of the Service Fees payable for the Transitional Services. They are as follows:

- (a) the Service Fees for IT/Technology, Human Resources and General Administrative under the TSA are 20% higher than the existing fees to take into account inflation, higher staff cost and expanded scope of work on compliance matters as the existing rates have not been revised over the last 3½ years and the scope of work has not been reviewed since then;
- (b) as a cross-check, TI had estimated the costings of each of these departments based on the head-count, payroll and related cost, office rental and equipment depreciation, etc and apportionment of the monthly cost allocation to the Company, and had arrived at the monthly fees higher than the Service Fees payable under the TSA;
- (c) in respect of the Migration Services, the Company and TI envisage that in view of the nature of the services, the Company would require approximately 1 to 2 staff from the IT and HR departments over a period of 1 to 2 days to assist the Company to migrate the IT systems and handover all such services currently serviced by TI to the employees in the Company. As such, total fees for the Migration Services would be small, of up to S\$2,000 in total.

As an illustration, if the Company were to utilise the TSA services (IT/Technology, Human Resources and General Administrative) for the full Service Term of 12 months (6 months plus option to renew for another 6 months period) and the maximum estimated time and resources required for the Migration Services, a total of S\$88,400 would be payable by the Company to TI.

Pursuant to the TSA, the Company has the right to terminate any of the Transitional Services during the Service Term by giving at least one (1) month's written notice of termination. TI, as the service provider, can also terminate any of the Transitional Services if TI and the Company agree that the Transitional Service(s) has/have been completed prior to the end of the Service Term and the Company no longer requires that particular Transitional Service(s).

The above is consistent with the intent of the Company that the TSA is to help minimize disruptions to the Company's operations subsequent to the completion of the Acquisitions, and is on a "need-to" basis as such Transitional Services can be terminated once it is no longer required by the Company.

Accordingly, the terms of the TSA are fair and reasonable so far as Shareholders are concerned in the context of Rule 10 of the Code.

10. OUR RECOMMENDATION TO THE DIRECTORS ON THE OFFER AND OUR OPINION ON THE TEE INDUSTRIAL DISPOSAL, NEW LEASE AND TSA PURSUANT TO RULE 10 OF THE CODE

In arriving at our recommendation in respect of the Offer, we have taken into account, reviewed and deliberated on the following key considerations which we considered to be pertinent in our assessment of the Offer:

- (a) Market quotation and trading activity of the Shares;
- (b) Financial analysis of the Group;
- (c) Historical Share price performance compared to the reported NAV per Share;
- (d) Comparison with precedent non-privatisation takeover offers of companies listed on the SGX-ST;

- (e) Comparison of valuation ratios of selected listed companies which are broadly comparable to the Group;
- (f) Dividend track record of the Company; and
- (g) Other relevant considerations in relation to the Offer.

Based on our analysis and after having considered carefully the information available to us as at the Latest Practicable Date, overall, we are of the view that the financial terms of the Offer are fair and reasonable. Accordingly, we advise the Directors to recommend Shareholders to ACCEPT the Offer.

Overall, based on our evaluation of the terms of the TEE Industrial Disposal, the New Lease and the TSA, our understanding from Management of the commercial arrangements with TI and the information made available to us as at the Latest Practicable Date, we are of the opinion that the terms of the TEE Industrial Disposal, the New Lease and the TSA are fair and reasonable so far as the Shareholders are concerned in the context of Rule 10 of the Code.

In rendering the above advice, we have not given regard to the specific investment objectives, financial situation, tax position, risk profiles or particular needs and constraints of any individual Shareholder. As each individual Shareholder may have different investment objectives and profiles, we would advise that any individual Shareholder who may require specific advice in relation to his investment objectives or portfolio should consult his legal, financial, tax or other professional adviser immediately. The Directors should advise Shareholders that the opinion and advice of Provenance Capital should not be relied upon by any Shareholder as the sole basis for deciding whether or not to reject the Offer.

Our recommendation on the Offer is addressed to the Directors for their benefit, in connection with and for the purposes of their consideration of the Offer and may not be used or relied on for any other purposes (other than for the purpose of the Offer) without the prior written consent of Provenance Capital. The recommendation to be made by the Directors to Shareholders in respect of the Offer shall remain the responsibility of the Directors.

This Letter is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

TEE INTERNATIONAL LIMITED

(Incorporated in Singapore with limited liability) (Company Registration Number: 200007107D)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting ("**EGM**") of the shareholders ("**Shareholders**") of TEE International Limited ("**Company**") will be held at York Hotel Singapore, 21 Mount Elizabeth, Singapore 228516 on 9 April 2020 at 2.30 p.m. for the purposes of considering and, if thought fit, passing (with or without modifications) the following resolution:

Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning as used in the circular dated 25 March 2020 issued by the Company ("**Circular**").

ORDINARY RESOLUTION – THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF TEE INDUSTRIAL PTE. LTD.

THAT:

- (1) approval be and is hereby given, for the purposes of Chapter 10 of the Listing Manual, for the Company to acquire the one (1) ordinary share, representing the entire issued and paid-up share capital of TEE Industrial Pte. Ltd., according to the terms of the SPA as described in Paragraph 2 of the Circular ("Proposed Acquisition"); and
- (2) the Directors and any of them be and are hereby authorised to do all acts and things (including without limitation, executing all such documents and approving any amendments, alterations, or modifications to any such documents as may be required in connection with the Proposed Acquisition) as they or each of them deem desirable, necessary or expedient to give effect to the matters referred to in the above paragraph of this Ordinary Resolution as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Group.

By Order of the Board

Josephine Toh Company Secretary

Singapore 25 March 2020

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- (1) A member who is not a relevant intermediary (as defined in Note 2 below) is entitled to appoint not more than two proxies to attend, speak and vote at the EGM. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
- (2) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore (the "Act").

- (3) A corporation which is a member may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Act.
- (4) A proxy need not be a member of the Company.
- (5) The instrument appointing a proxy or proxies, together with the power of attorney or other authority under which it is signed (if applicable) or a notarially certified copy thereof, must be deposited at the registered office of the Company at 25 Bukit Batok Street 22, Singapore 659591 (Attention: The Company Secretary) not less than 48 hours before the time appointed for holding the EGM, and in default the instrument of proxy shall not be treated as valid.
- (6) The instrument appointing a proxy or proxies must be signed by the appointor or his attorney duly authorised in writing. Where the instrument of proxy is executed by a corporation, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney.
- (7) The submission of an instrument appointing a proxy or proxies by a member of the Company does not preclude him from attending and voting in person at the EGM if he is able to do so. In such an event, the instrument appointing the proxy or proxies will be deemed to be revoked, and the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy or proxies, to the EGM.
- (8) The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies.
- (9) In the case of a member whose shares are entered against his/her name in the Depository Register, the Company may reject any instrument of proxy lodged if such member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and / or representative(s) to attend, speak and vote at the Extraordinary General Meeting and / or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and / or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and / or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and / or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and / or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Important Notice from the Company on COVID-19

As the COVID-19 situation continues to evolve, the Company is closely monitoring the situation, including any precautionary measures which may be required or recommended by government agencies to minimise the risk of spread of COVID-19. The Company reserves the right to take appropriate measures to minimise any risk to Shareholders and others attending the EGM, which may include conducting temperature checks and requiring the signing of health declaration forms (which may also be used for the purposes of contact tracing, if required).

Shareholders and other attendees who are feeling unwell on the date of the EGM are advised not to attend the EGM. Shareholders and other attendees are also advised to arrive early at the EGM venue given that the above-mentioned measures may cause delay in the registration process.

TEE INTERNATIONAL LIMITED	IMPORTANT:
(Incorporated in Singapore with limited liability) (Company Registration Number: 200007107D)	 A relevant intermediary may appoint more than two proxies to attend the Extraordinary General Meeting and vote (please see note 4 for the definition of "relevant intermediary").
PROXY FORM	 For investors who have used their CPF monies to buy TEE International Limited's shares, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
(Please see notes overleaf before completing this form)	This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
I/We (Name)	(NRIC/Passport Number)

of _

____ (Address)

being a *member/members of TEE INTERNATIONAL LIMITED ("Company") hereby appoint:

Name	NRIC/Passport Number	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport Number	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting as *my/our proxy/ proxies to vote for *me/us on *my/our behalf at the Extraordinary General Meeting ("**Meeting**") of the Company to be held at York Hotel Singapore, 21 Mount Elizabeth, Singapore 228516 on 9 April 2020 at 2.30 p.m. and at any adjournment thereof. *I/We direct *my/our *proxy/proxies to vote for, against and/or abstain from voting on the resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion, as he/she/they will on any other matter arising at the Meeting and at any adjournment thereof.

Ordinary Resolution	¹ No. of Votes	¹ No. of Votes	¹ No. of Votes
	For	Against	Abstaining
To approve the Proposed Acquisition (Ordinary Resolution)			

If you wish to exercise all your votes "For" or "Against" the relevant Resolution, please tick (✓) within the relevant box provided. Alternatively, if you wish to exercise some and not all of your votes "For" and "Against" the resolution and/or if you wish to abstain from voting in respect of the resolution, please indicate the number of votes "For", the number "Against" and/or the number "Abstaining" in the boxes provided for the resolution.

Dated this _____ day of _____ 2020

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature of Shareholder(s) or, Common Seal of Corporate Shareholder * Delete where inapplicable

Notes:

- 1. Please insert the total number of shares of the Company ("Shares") held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
- 2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
- 3. Where a member appoints two proxies, the member shall specify the proportion of his/her shares to be represented by each proxy, failing which the appointment shall be deemed to be in the alternative.
- 4. A member who is a relevant intermediary entitled to attend and vote at the meeting is entitled to appoint more than two proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

"Relevant intermediary" means:

- (a) a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
- 5. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.
- 6. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 25 Bukit Batok Street 22, Singapore 659591 not less than 48 hours before the time appointed for the Meeting.
- 7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy, failing which the instrument of proxy may be treated as invalid.
- A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 25 March 2020.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.