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

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**RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE REGULATION IN RELATION TO THE COMPANY'S ANNOUNCEMENT DATED 14 AUGUST 2023 ON THE COMPANY'S FINANCIAL STATEMENTS FOR THE NINE-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2023**

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The Board of Directors of TEE International Limited (the "**Company**", and together with its subsidiaries, the "**Group**") would like to respond to the following queries raised by Singapore Exchange Regulation on 7 September 2023 in relation to the Company's announcement dated 14 August 2023 on the Company's financial statements for the nine-month financial period ended 30 June 2023.

**Query 1**

We note that Amounts due to a former immediate holding company of a subsidiary under the Group's Other Payables increased from S$1.36 million as at 30 Sep 2022 to S$1.55 million as at 30 June 2023. Please provide a breakdown of the amount, including the name of the former immediate holding company of a subsidiary, the nature of the debts owed, the reason why the debt has increased and when they fall due.

**Company's Response**

The former immediate holding company of a subsidiary refers to Amcorp Global Limited. The Company acquired TEE Industrial Pte Ltd, currently a 100% owned subsidiary of the Company, from Amcorp Global Limited as one of the ancillary agreements from the disposal of TEE Land Limited. The transaction was announced on 2 February 2020 and completed on 24 March 2021.

The amounts owing to Amcorp Global Limited were incurred due to the following:

| | 30 June 2023 Unaudited S$'000 | 30 September 2022 Audited S$'000 |
|---|---|---|
| Debts owed by TEE Industrial Pte. Ltd. to Amcorp Global Limited before completion of the acquisition of TEE Industrial Pte. Ltd. | 1,347 | 1,347 |
| Interest on the debts owed at 9% per annum (FY2022: 7% per annum) | 103 | 16 |
| Relevant fees charged for the provision of the corporate guarantee provided by Amcorp Global Limited to TEE Industrial Pte. Ltd., being 1% on the outstanding mortgage loan with Hong Leong Finance Limited | 100 | - |
| | **1,551** | **1,363** |

The amounts will be settled after the completion of the Proposed Subscriber Transactions (defined in the Company's 18 August 2022 announcement) with Meta5 Pte Ltd.

**Query 2**

(i) We note that Amounts due to former subsidiaries under the Group's Other Payables increased significantly from S$24.8 million as at 30 Sep 2022 to S$49.8 million as at 30 June 2023. Please provide a breakdown of the amount, including the names of the former subsidiaries, the nature of the debts owed and when they fall due. To disclose why the amount of the debt has increased over the period and disclose the underlying transaction which resulted in the increase in amount; and

(ii) The Group also cited that "Trade and other payables increased by S$24.5 million mainly arising from the recognition of amount due to PBT Engineering Pte Ltd upon disposal of this former subsidiary". Please explain if the Group is intending to repay the entire amount of S$24.5 million, although this was initially disclosed in the circular to shareholders as written off to justify the low disposal consideration of the Disposal Target to its NAV when seeking shareholders' approval for the disposal of PBT Engineering Pte Ltd during the Group's EGM in 2022.

**Company's Response**

(i) Please see below the breakdown for further details:

| | 30 June 2023 Unaudited | 30 September 2022 Audited | Nature |
|---|---|---|---|
| | S$'000 | S$'000 | |
| *Former subsidiaries* | | | |
| Trans Equatorial Engineering Pte Ltd *(In Creditors' Voluntary Liquidation)* | 24,839 | 24,839 | Intercompany advances |
| PBT Engineering Pte Ltd *(now known as Tracebuild Pte. Ltd.)* | 24,913 | - | Intercompany advances |
| | **49,752** | **24,839** | |

The amount due to PBT Engineering Pte Ltd ("**PBT**") has been reclassified and recognised as an amount due to former subsidiaries (considered a third-party payable) in the last financial period ended 31 March 2023, as a result of the completion of the disposal of PBT. The amount is no longer an inter-company balance and is not eliminated at Group level during consolidation.

(ii) The amount due to PBT has been included as part of and will be settled via the Scheme of Arrangement of the Company.

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

Phua Cher Chuan
Group Chief Executive and Managing Director
11 September 2023