



TEE LAND

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

Unaudited Full Year Financial Statement and Dividend Announcement for the Year Ended 31 May 2018

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement for the group together with a comparative statement for the corresponding period of the immediately preceding financial year

	The Group S\$'000		Increase/ (Decrease) %	The Group S\$'000		Increase/ (Decrease) %
	Fourth Quarter Ended			Full Year Ended		
	31/05/2018	31/05/2017		31/05/2018	31/05/2017	
Revenue	33,854	33,098	2.3	111,921	94,690	18.2
Cost of sales	(24,549)	(25,894)	(5.2)	(86,154)	(71,349)	20.8
Gross profit	9,305	7,204	29.2	25,767	23,341	10.4
Other operating income	648	6,488	(90.0)	3,133	8,126	(61.4)
Selling and distribution costs	(3,873)	(2,640)	46.7	(11,896)	(5,347)	122.5
Administrative expenses	(2,238)	(2,988)	(25.1)	(9,022)	(10,883)	(17.1)
Other operating expenses	(1,832)	(3,214)	(43.0)	(11,020)	(3,563)	N.M.
Share of results of associates	(691)	(2,342)	(70.5)	2,838	(2,090)	N.M.
Finance costs	(1,052)	(1,888)	(44.3)	(4,479)	(6,279)	(28.7)
Profit/(loss) before tax	267	620	(56.9)	(4,679)	3,305	N.M.
Income tax credit/(expense)	266	(1,996)	N.M.	(187)	(3,016)	(93.8)
Profit/(loss) for the year	533	(1,376)	N.M.	(4,866)	289	N.M.
Profit/(loss) attributable to:						
Owners of the Company	564	(2,401)	N.M.	(4,982)	(1,048)	N.M.
Non-controlling interests	(31)	1,025	N.M.	116	1,337	(91.3)
	533	(1,376)	N.M.	(4,866)	289	N.M.

1(a)(ii) A statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year

	The Group S\$'000		Increase/ (Decrease) %	The Group S\$'000		Increase/ (Decrease) %
	Fourth Quarter Ended			Full Year Ended		
	31/05/2018	31/05/2017		31/05/2018	31/05/2017	
Profit/(loss) for the year	533	(1,376)	N.M.	(4,866)	289	N.M.
Other comprehensive income for the period:						
Currency translation differences	(670)	(1,701)	(60.6)	375	1,911	(80.4)
Total comprehensive (loss)/income for the year	(137)	(3,077)	(95.5)	(4,491)	2,200	N.M.

N.M.-not meaningful

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1(a)(ii) A statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year (Continued)

	The Group S\$'000		Increase/ (Decrease) %	The Group S\$'000		Increase/ (Decrease) %
	Fourth Quarter Ended			Full Year Ended		
	31/05/2018	31/05/2017		31/05/2018	31/05/2017	
Total comprehensive (loss)/income attributable to:						
Owners of the Company	30	(832)	N.M.	(4,411)	2,784	N.M.
Non-controlling interests	(167)	(2,245)	(92.6)	(80)	(584)	(86.3)
	(137)	(3,077)	(95.5)	(4,491)	2,200	N.M.

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

	The Group S\$'000		Increase/ (Decrease) %	The Group S\$'000		Increase/ (Decrease) %
	Fourth Quarter Ended			Full Year Ended		
	31/05/2018	31/05/2017		31/05/2018	31/05/2017	
A Other operating income:						
Interest income	163	284	(42.6)	827	1,190	(30.5)
Fair value gain on investment properties, net	-	431	N.M.	-	431	N.M.
Foreign currency exchange adjustment (loss)/gain	(445)	-	N.M.	965	-	N.M.
Dividend income	544	-	N.M.	544	-	N.M.
Gain on disposal of non-current asset held-for-sale	-	5,348	N.M.	-	5,348	N.M.
Financial guarantee income	47	76	(38.2)	255	512	50.2
Gain on disposal of stock dividend	160	-	N.M.	160	-	N.M.
Liquidated guarantee income	-	223	N.M.	-	223	N.M.
Management fees income	37	34	8.8	138	133	3.8
Others	142	92	54.3	244	289	(15.6)
	648	6,488	(90.0)	3,133	8,126	(61.4)
B Finance costs:						
Loan interests	1,052	1,396	(24.7)	3,684	4,329	(14.9)
Bank overdraft interest	-	-	N.M.	4	-	N.M.
Term note interest	-	492	N.M.	791	1,950	(59.4)
	1,052	1,888	(44.3)	4,479	6,279	(28.7)
C Amortisation of term notes	-	45	N.M.	60	181	(66.9)
D Amortisation of deferred sales commission expense	1,690	1,423	18.8	5,565	3,133	77.6
E Amortisation of show flat expenses	57	348	(83.6)	514	689	(25.4)
F Impairment loss on investment in associates	271	-	N.M.	7,568	-	N.M.
G Impairment loss on trade receivables	6	-	N.M.	6	-	N.M.
H Impairment loss on other receivables	181	-	N.M.	181	-	N.M.
I Fair value loss on investment properties, net	1,495	-	N.M.	1,495	-	N.M.
J Depreciation of property, plant and equipment	96	150	(36.0)	387	1,291	(70.0)
K Property, plant and equipment written off	-	542	N.M.	10	542	(98.2)
L Non-current asset held for sale written off	-	-	N.M.	83	-	N.M.
M Reversal of impairment loss on property, plant and equipment	-	(168)	N.M.	-	(168)	N.M.
N (Reversal)/allowance for impairment loss on completed properties and land held for sale	(115)	2,894	N.M.	1,684	2,894	(41.8)
O Foreign currency exchange adjustment (gain)/loss	-	(53)	N.M.	-	296	N.M.
P (Over)/under provision of income tax in respect of prior years	(487)	672	N.M.	(643)	667	N.M.

N.M.-not meaningful

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1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	The Group S\$'000		The Company S\$'000	
	31/05/2018	31/05/2017	31/05/2018	31/05/2017
ASSETS				
Current assets				
Cash and bank balances	28,997	34,068	858	1,829
Trade receivables	21,688	18,571	-	-
Other receivables	19,222	12,285	126,859	142,449
Loans receivable from associates	14,376	25,860	-	2,883
Inventories	58	27	-	-
Development properties	231,127	147,854	-	-
Completed properties and land held for sale	48,311	47,584	-	-
Non-current assets held for sale	47,617	47,481	-	-
Total current assets	411,396	333,730	127,717	147,161
Non-current assets				
Investment in associates	11,932	40,269	-	-
Investment in subsidiaries	-	-	32,861	32,996
Property, plant and equipment	370	735	-	-
Investment properties	33,905	35,812	-	-
Deferred tax assets	3,116	2,947	-	-
Other receivables	-	6,000	10,709	3,830
Total non-current assets	49,323	85,763	43,570	36,826
Total assets	460,719	419,493	171,287	183,987
LIABILITIES AND EQUITY				
Current liabilities				
Bank loans	6,499	1,499	5,000	-
Trade payables	31,731	24,187	-	-
Other payables	22,348	25,746	9,611	8,458
Finance lease	13	12	-	-
Long-term borrowings	97,658	45,530	10,000	-
Financial guarantee liabilities	186	200	907	2,056
Term notes	-	29,939	-	29,939
Income tax payable	541	3,522	93	73
Total current liabilities	158,976	130,635	25,611	40,526
Non-current liabilities				
Finance lease	27	38	-	-
Deferred tax liabilities	1,025	374	-	-
Long-term borrowings	128,999	112,248	-	-
Financial guarantee liabilities	235	301	1,027	833
Loans from non-controlling interests	8,056	3,680	-	-
Total non-current liabilities	138,342	116,641	1,027	833
Capital, reserves and non-controlling interests				
Share capital	142,238	142,238	142,238	142,238
Currency translation reserve	(302)	(873)	-	-
Merger reserve	(5,969)	(5,969)	-	-
Capital reserve	(6)	(6)	-	-
Accumulated profits	15,584	21,683	2,411	390
Equity attributable to owners of the Company	151,545	157,073	144,649	142,628
Non-controlling interests	11,856	15,144	-	-
Total equity	163,401	172,217	144,649	142,628
Total liabilities and equity	460,719	419,493	171,287	183,987

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1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

The Group S\$'000 As at 31/05/2018		The Group S\$'000 As at 31/05/2017	
Secured	Unsecured	Secured	Unsecured
89,170	15,000	47,041	29,939

Amount repayable after one year

The Group S\$'000 As at 31/05/2018		The Group S\$'000 As at 31/05/2017	
Secured	Unsecured	Secured	Unsecured
129,026	-	112,286	-

Details of any collateral

The total secured borrowings included the following:

- Obligations under finance lease secured on the motor vehicle of the Group and
- Bank loans and long-term borrowings are secured by legal mortgages over the Group's development properties, completed properties held for sale, non-current asset held for sale, investment properties and corporate guarantee by the Company.

Note: These borrowings exclude non-current loans from non-controlling interests.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	The Group S\$'000		The Group S\$'000	
	Fourth Quarter Ended		Full Year Ended	
	31/05/2018	31/05/2017	31/05/2018	31/05/2017
Operating activities				
Profit/(loss) before tax	267	620	(4,679)	3,305
Adjustments for:				
Share of results of associates	691	2,342	(2,838)	2,090
Fair value gain on investment properties, net	1,495	(431)	1,495	(431)
Depreciation of property, plant and equipment	96	150	387	1,291
Property, plant and equipment written off	-	542	10	542
Non-current asset held for sale written off	-	-	83	-
Reversal of impairment loss on property, plant and equipment	-	(168)	-	(168)
Gain on disposal of non-current asset held-for-sale	-	(5,348)	-	(5,348)
Gain on disposal of stock dividend	(160)	-	(160)	-
Dividend income	(544)	-	(544)	-
Impairment on investment in associates	271	-	7,568	-
Impairment on trade receivables	6	-	6	-
Impairment on other receivables	181	-	181	-
(Reversal)/allowance for diminution in value on completed properties and land held for sale	(115)	2,894	1,684	2,894
Amortisation of deferred sales commission expense	1,690	1,423	5,565	3,133
Amortisation of show flat expenses	57	348	514	689
Amortisation of financial guarantee liabilities	(47)	(76)	(255)	(512)
Amortisation of term notes	-	45	60	181
Interest income	(163)	(284)	(827)	(1,190)
Interest expenses	1,052	1,888	4,479	6,279
Operating cash flows before movements in working capital	4,777	3,945	12,729	12,755
Trade receivables	4,448	(6,057)	(2,984)	(10,698)
Other receivables	(1,118)	(763)	67	8,005
Inventories	2	(5)	(31)	(11)
Development properties	24,918	15,496	(62,014)	(33,283)
Completed properties and land held for sale	(23,994)	(6,750)	(18,778)	(1,353)
Trade payables	10,995	2,029	6,818	12,748
Other payables	(13,450)	(4,532)	1,245	(1,525)
Unrealised currency translation loss/(gain)	233	(1,776)	(73)	(580)
Cash from/ (used in) operations	6,811	1,587	(63,021)	(13,942)

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1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year (Continued)

	The Group S\$'000		The Group S\$'000	
	Fourth Quarter Ended		Full Year Ended	
	31/05/2018	31/05/2017	31/05/2018	31/05/2017
Interest paid	(535)	(623)	(2,225)	(3,114)
Income tax paid	(564)	(1,072)	(3,521)	(3,478)
Income tax refunded	790	-	790	-
Net cash from/(used in) operating activities	6,502	(108)	(67,977)	(20,534)
Investing activities				
Sale proceed from property, plant and equipment	-	32,820	-	32,820
Purchase of property, plant and equipment	(12)	32	(24)	(8,073)
Addition to non-current asset held for sale	(75)	-	(1,067)	-
Dividend received from associates	9,480	2,528	9,930	6,535
Proceed from disposal of investment in associate	-	-	4,856	-
Reduction in investment in associate	450	-	450	-
Repayment of loans from associates	5,418	1,446	12,488	4,272
Loans receivables from associates	(30)	(90)	(919)	(1,303)
Loans from non-controlling interests	-	3,680	-	3,680
Interest received	173	681	2,476	1,684
Net cash from investing activities	15,404	41,097	28,190	39,615
Financing activities				
Interest paid	(1,358)	(2,435)	(4,774)	(6,241)
Drawdown of bank loans	-	-	10,000	-
Repayment of bank loans	(5,000)	-	(5,000)	(1,615)
Drawdown of long-term bank loans	103	20,050	96,408	83,805
Repayment of long-term bank loans	(7,238)	(43,515)	(27,021)	(82,502)
Repayment of obligation under finance lease	(3)	(3)	(12)	(11)
Repayment of long-term loan	-	-	-	(4,050)
Repayment of term notes	-	-	(30,000)	-
Repayment of deemed capital to non-controlling interests	-	-	(4,345)	-
Capital injection by non-controlling interests	-	-	1,137	1,732
Fixed deposit released (pledged)	-	-	-	2,037
Dividend paid to non-controlling interests	-	-	(1,841)	-
Dividends paid	-	(671)	-	(2,503)
Net cash (used in)/from financing activities	(13,496)	(26,574)	34,552	(9,348)
Net increase/(decrease) in cash and cash equivalents	8,410	14,415	(5,235)	9,733
Cash and cash equivalents at beginning of year	20,282	18,314	34,068	24,331
Effects of exchange rate changes of cash and cash equivalents	305	1,339	164	4
Cash and cash equivalents at end of year (Note A)	28,997	34,068	28,997	34,068

Note A: Cash and cash equivalents

	The Group S\$'000		The Group S\$'000	
	Fourth Quarter Ended		Full Year Ended	
	31/05/2018	31/05/2017	31/05/2018	31/05/2017
Cash at banks	4,151	21,501	4,151	21,501
Cash on hand	2	1	2	1
Fixed deposits	2,804	2,167	2,804	2,167
Projects accounts (see Note below):				
Cash at banks	20,035	6,380	20,035	6,380
Fixed deposits	2,005	4,019	2,005	4,019
Total cash and cash equivalents per statement of cash flows	28,997	34,068	28,997	34,068

Note: Projects accounts are subject to restrictions under the Housing Developers (Project Account) Rules (1997 Ed). Withdrawals from these projects accounts are restricted to payments for project expenditure incurred until the completion of the project.

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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Share capital	Currency translation reserve	Capital reserve	Merger reserve	Accumulated profits	Equity attributable to owners of the company	Non-controlling interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group								
Balance at 01/06/2017	142,238	(873)	(6)	(5,969)	21,683	157,073	15,144	172,217
<i>Total comprehensive income for the year</i>								
(Loss)/profit for the year	-	-	-	-	(4,982)	(4,982)	116	(4,866)
Other comprehensive income for the year	-	571	-	-	-	571	(196)	375
<i>Transactions with owners, recognised directly in equity:</i>								
Capital injection by non-controlling interests	-	-	-	-	-	-	1,137	1,137
Repayment of deemed capital to non-controlling interests	-	-	-	-	-	-	(4,345)	(4,345)
Dividends payable	-	-	-	-	(1,117)	(1,117)	-	(1,117)
Balance at 31/05/2018	142,238	(302)	(6)	(5,969)	15,584	151,545	11,856	163,401
Previous Corresponding Period								
Balance at 01/06/2016 as restated	142,238	(2,327)	(6)	(5,969)	25,234	159,170	13,459	172,629
<i>Total comprehensive income for the year</i>								
(Loss)/profit for the year	-	-	-	-	(1,048)	(1,048)	1,337	289
Other comprehensive income for the year	-	1,454	-	-	-	1,454	457	1,911
<i>Transactions with owners, recognised directly in equity:</i>								
Capital injection by non-controlling interests	-	-	-	-	-	-	1,732	1,732
Dividend payable to non-controlling interests	-	-	-	-	-	-	(1,841)	(1,841)
Dividends paid	-	-	-	-	(2,503)	(2,503)	-	(2,503)
Balance at 31/05/2017	142,238	(873)	(6)	(5,969)	21,683	157,073	15,144	172,217

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- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (Continued)

	Share capital S\$'000	Accumulated profits S\$'000	Total S\$'000
The Company			
Balance at 01/06/2017	142,238	390	142,628
Total comprehensive income for the year	-	3,138	3,138
Dividends payable	-	(1,117)	(1,117)
Balance at 31/05/2018	142,238	2,411	144,649
Previous Corresponding Period			
Balance at 01/06/2016	142,238	2,213	144,451
Total comprehensive income for the year	-	680	680
Dividends paid	-	(2,503)	(2,503)
Balance at 31/05/2017	142,238	390	142,628

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Balance at 31/05/2018 and 31/05/2017

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

During the quarter ended 31 May 2018, there were no changes in the share capital of the Company.

As at 31/05/2018, there were no shares held as treasury shares and outstanding convertibles.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

	The Group and the Company	
	31/05/2018	31/05/2017
Total number of issued shares	446,876,000	446,876,000

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

The Company does not have treasury shares during or as at the end of the current financial year reported on.

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

Not applicable.

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- 2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

The figures presented have not been audited or reviewed.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)**

Not applicable.

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

The Group has adopted the same accounting policies and methods of computation for the current financial year as those adopted for the audited financial statements for the financial year ended 31 May 2017 except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for 1 June 2017.

- 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Not applicable.

- 6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

	The Group		The Group	
	Fourth Quarter Ended		Full Year Ended	
	31/05/2018	31/05/2017	31/05/2018	31/05/2017
Earnings/(loss) per ordinary share of the Group based on net profit/(loss) attributable to owners of the Company:				
(i) Based on the number of shares (cents)	0.13	(0.54)	(1.11)	(0.23)
(ii) On a fully diluted basis (cents)	N.A.	N.A.	N.A.	N.A.
(iii) Number of shares ('000)	446,876	446,876	446,876	446,876

The Company does not have any dilutive instruments as at 31/05/2018.

- 7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the: (a) current financial period reported on; and (b) immediately preceding financial year**

	Cents	
	As at 31/05/2018	As at 31/05/2017
The Group	33.9	35.1
The Company	32.4	31.9

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- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

Income Statement

Income statement for FY2018 fourth quarter ("FY2018 4Q") and full year against FY2017 fourth quarter ("FY2017 4Q") and full year

Revenue for FY2018 full year increased by S\$17.2 million or 18.2% due mainly to progressive revenue recognised for new development projects (Harvey Avenue, 24One Residences and Rezi 35) and higher progressive revenue recognised for one ongoing development project (183 Longhaus), offset to some extent by lower development project revenue recognised for Hilbre 28 for the balance of unsold units sold (as the project was completed in FY2017) and The Peak @ Cairnhill I (fewer units sold in FY2018 compared to FY2017), and lower revenue from hotel operations as Quality Hotel was sold in FY2017 4Q.

Cost of sales for FY2018 full year correspondingly increased by S\$14.9 million or 20.8%.

Gross margin for FY2018 4Q increased from 21.8% in FY2017 4Q to 27.5% in FY2018 4Q. This was due mainly to higher revenue contribution from certain development projects with higher gross margin and reversal of over provision of construction cost in FY2018 4Q. However, gross margin for FY2018 full year decreased from 24.6% in FY2017 to 23.0% in FY2018 due mainly to lower revenue contribution from hotel operations, which has higher gross margin in FY2018.

Other operating income for FY2018 4Q decreased by S\$5.9 million due mainly to gain on disposal of Quality Hotel in Sydney and fair value gain of TEE Building recognised in FY2017 4Q, offset to some extent by dividend in specie received from Chewathai in FY2018 4Q. Other operating income for FY2018 full year decreased by S\$5.0 million due mainly to the gain on disposal of Quality Hotel in Sydney and fair value gain of TEE Building recognised in FY2017.

Selling and distribution costs for FY2018 4Q increased by S\$1.3 million (46.7%) due mainly to one-off marketing costs incurred particularly for Third Avenue. Selling and distribution costs for FY2018 full year increased by S\$6.6 million (122.5%) due mainly to higher development project revenue recognised, one-off marketing costs incurred for Third Avenue and selling the balance of the unsold units of Hilbre 28, and complete write-off of showflat expenses for 24One Residences as the project was fully sold in FY2018 2Q.

Administrative expenses for FY2018 4Q decreased by S\$0.8 million (25.1%) due mainly to the absence of administrative expenses relating to the Australian hotel sold in FY2017 4Q and repair costs for The Peak @ Cairnhill I incurred in FY2017 4Q. Administrative expenses for FY2018 full year decreased by S\$1.9 million (17.1%) due mainly to the absence of administrative expenses relating to the Australian hotel sold in FY2017 4Q. The depreciation expense for FY2018 4Q decreased by S\$0.1 million due mainly to reclassification of TEE Building as investment property in FY2017 4Q. Depreciation expense for FY2018 full year decreased by S\$0.9 million mainly for the same reason and also the reclassification of the Australian hotels as non-current assets held for sale in FY2017 2Q.

Other operating expenses for FY2018 4Q decreased by S\$1.4 million due mainly to impairment of completed properties held for sale (unsold units of The Peak @ Cairnhill I) and property, plant and equipment write-off due to renovation work of Larmont Hotel in Australia in FY2017 4Q, offset to some extent by fair value loss of investment properties, namely Workotel in New Zealand and TEE Building, and impairment loss on investment in associates and other receivables in FY2018 4Q. Other operating expenses for FY2018 full year increased by S\$7.4 million due mainly to the loss on disposal of all the Group's shareholdings in Chewathai, including share of Chewathai's profit in FY2018 3Q up to 24 January 2018 (being the date the disposal was approved at general meeting), fair value loss of investment properties as mentioned above, offset to some extent by lower impairment of completed properties held for sale in FY2018.

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8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on (Continued)**

Income Statement (Continued)

Share of results of associates for FY2018 4Q (which was a loss) improved by S\$1.6 million due mainly to provision of impairment and expected loss in some of the development projects in Singapore in FY2017 4Q. The share of loss in FY2018 4Q was due mainly to the adjustment to gross margin for a development project. Share of results of associates improved from a share of loss of S\$2.1 million in FY2017 to a share of profit of S\$2.8 million in FY2018. The share of loss in FY2017 was due mainly to the provision of impairment and expected loss in some of the development projects in Singapore. The share of profit in FY2018 was due mainly to share of profit from Chewathai up to 24 January 2018 as mentioned above and reversal of over accrual of costs for two joint venture projects.

Finance costs for FY2018 4Q decreased by S\$0.8 million (44.3%) due mainly to the Australian hotel which was sold in FY2017 4Q as the bank loan was fully repaid upon sale, and other repayment of loans. Finance costs for FY2018 full year decreased by S\$1.8 million (28.7%) for the same reasons.

As a result of the above, the Group recorded a profit before tax of S\$0.3 million for FY2018 4Q compared to a profit before tax of S\$0.6 million for FY2017 4Q. The Group registered a loss before tax of S\$4.7 million for FY2018 full year compared to a profit before tax of S\$3.3 million for FY2017 full year. If non-cash one-off items were to be excluded (including loss on disposal of all the Group's shareholdings in Chewathai, fair value loss of investment properties, impairment of completed properties and impairment loss on investment in associates), the profit before tax for FY2018 would have been S\$5.4 million.

Tax expense for FY2018 4Q decreased from a tax expense of S\$2.0 million in FY2017 4Q to a tax credit of S\$0.3 million in FY2018 4Q. This was due mainly to tax refund, reversal of over accrual of tax and deferred tax asset, all pertaining to The Peak @ Cairnhill I, offset to some extent by tax expenses for some profitable subsidiaries in FY2018 4Q. The tax expense for FY2017 4Q was due mainly to tax on the gain from disposal of Quality Hotel in Australia and taxable profit for some profitable subsidiaries, offset to some extent by the deferred tax asset from impairment of the unsold units of The Peak @ Cairnhill I. Tax expense for FY2018 full year decreased by S\$2.8 million for the same reasons.

Overall, for FY2018 4Q, the Group recorded a profit after tax of S\$0.5 million compared to a loss after tax of S\$1.4 million in FY2017 4Q. For FY2018 full year, the Group registered a loss after tax of S\$4.9 million compared to a profit after tax of S\$0.3 million in FY2017 full year.

Statement of Financial Position

Financial position as at 31/5/2018 against financial position as at 31/5/2017

Cash and bank balances decreased from S\$34.1 million to S\$29.0 million. This was due mainly to the increase in development properties. A more detailed commentary on the decrease in cash and bank balances is described in the commentary on Statement of Cash Flows.

Trade receivables increased from S\$18.6 million to S\$21.7 million due mainly to progressive billings for development property projects.

Other receivables (current portion) increased from S\$12.3 million to S\$19.2 million due mainly to amount receivable from the disposal of Chewathai, offset to some extent by the repayment of interest receivable from associates and amortization of direct selling expenses.

Loans receivable from associates decreased from S\$25.9 million to S\$14.4 million due mainly to repayment of loans by associates.

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8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on (Continued)**

Statement of Financial Position (Continued)

Development properties increased from S\$147.9 million to S\$231.1 million due mainly to land and other preliminary development costs for the new land acquisition at Seraya Crescent and Gilstead Road, offset to some extent by the transfer of development property cost for the unsold unit of Harvey Avenue and unsold residential and shop units of Third Avenue to completed properties held for sale as these two developments have been fully completed.

Completed properties and land held for sale increased from S\$47.6 million to S\$48.3 million due mainly to the transfer of the unsold unit at Harvey Avenue and unsold residential and shop units of Third Avenue from development properties, offset to some extent by the sale of all unsold units at Hilbre 28, sale of one unit and impairment of the balance unsold units at The Peak @ Cairnhill I.

Investment in associates decreased from S\$40.3 million to S\$11.9 million due mainly to the disposal of all shareholdings in Chewathai and payment of dividends by associates.

Property, plant and equipment decreased from S\$735,000 to S\$370,000 due mainly to depreciation expense.

Deferred tax assets increased from S\$2.9 million to S\$3.1 million due mainly to the recognition of deferred tax assets for losses incurred in some of the subsidiaries.

Other receivables (non-current portion) of S\$6.0 million was fully repaid in FY2018 2Q.

Bank loans increased by S\$5.0 million because of the drawdown of a revolving credit facility.

Trade payables increased by S\$7.5 million due mainly to construction costs payable as construction of our development properties progressed.

Other payables decreased from S\$25.7 million to S\$22.3 million due mainly to the repayment of advances from associates as the advances were finalized as dividend payments.

Long-term borrowings (current and non-current) increased from S\$157.8 million to S\$226.7 million due mainly to loans taken for new development properties, Seraya Crescent and Gilstead Road, offset to some extent by the full repayment of loan for Hilbre 28 as the project has been completed and fully sold.

Financial guarantee liabilities (current and non-current) decreased from S\$0.5 million to S\$0.4 million due mainly to the progressive recognition of financial guarantee income.

The term notes were fully repaid upon maturity in October 2017.

Income tax payable decreased from S\$3.5 million to S\$0.5 million due mainly to payment of income tax

Deferred tax liabilities increased from S\$0.4 million to S\$1.0 million due mainly to profits from the progressive recognition of development project revenue.

Loans from non-controlling interests increased from S\$3.7 million to S\$8.1 million due mainly to shareholders' loans from non-controlling interests for the Gilstead Road development project.

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8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on (Continued)**

Statement of Cash Flows

Full year ended 31/5/2018 ("FY2018")

Operating activities

The Group used cash of S\$68.0 million in operating activities in FY2018 due mainly to the increase in development and completed properties and trade receivables, payment of interest and tax, offset to some extent by the increase in payables.

Investing activities

Net cash of S\$28.2 million was generated from investing activities in FY2018 due mainly to the proceeds from disposal of the Group's shareholdings in Chewathai, dividends received from and net repayment of loans by associates, and interest received.

Financing activities

Net cash of S\$34.6 million was generated from financing activities in FY2018 due mainly to the net drawdown of long-term borrowings and bank loan, offset to some extent by the full redemption of term notes upon maturity, repayment of deemed capital to non-controlling interests with the sale of one hotel in Australia, and the payment of interest.

As a result, there was a net decrease in cash and cash equivalents of S\$5.2 million, thereby bringing the total cash and cash equivalents amount to S\$29.0 million as at 31/5/2018.

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

The actual results for FY2018 Q4 and full year are in line with the commentary in Paragraph 10 of the quarterly result announcement for FY2018 Q3 made on 12 April 2018.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

The latest cooling measures announced in early July 2018 surprised Singapore's residential property market. The market may take time to acclimatize and digest these latest measures. In the meantime, the Group will seek to adapt and refine its sales strategy as it moves to launch its existing projects in a challenging environment.

Malaysia has just seen a change in its ruling party. With this change, policy changes affecting the market should be expected. In the meantime, the property market in Malaysia is also expected to be cautious. For the remaining hotel in Sydney, the Group is still actively engaging potential interested parties to realise its value. In Christchurch, New Zealand, although demand for workers' accommodation will continue, there is increasing competition in the rental market as more housing units become available for rental with progression in the rebuilding efforts.

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11 Dividend

(a) **Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? **YES**

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.15 cents per ordinary share
Tax Rate	Tax exempt (One-Tier)

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.25 cents per ordinary share
Tax Rate	Tax exempt (One-Tier)

(b) **Corresponding Period of the immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? **YES**

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

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.15 cents per ordinary share
Tax Rate	Tax exempt (One-Tier)

(c) **Date payable**

To be announced at a later date.

(d) **Books closure date**

To be announced at a later date.

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

Not applicable.

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- 13** If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

Summary of Interested Person Transaction for financial year ended 31 May 2018

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Mr. Phua Chian Kin (Substantial shareholder of the Company)	969,000	-
TEE International Limited (Holding company)	276,000	-
Rajah & Tann Singapore LLP (An independent non-executive director of the Company is a partner of a firm)	119,000	-

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

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

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15 **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year (continued)**

By Business Segment

FY2018

Segment revenue

	Corporate and others S\$'000	Property Development S\$'000	Hotel Operations S\$'000	Investment Properties S\$'000	Elimination S\$'000	Group S\$'000
External sales	-	102,261	7,178	2,482	-	111,921
Inter-segment sales	-	-	-	1,256	(1,256)	-
Total revenue	-	102,261	7,178	3,738	(1,256)	111,921

Segment results

Segment results	5,097	15,158	1,545	(262)	(24,576)	(3,038)
Share of results of associates	-	2,838	-	-	-	2,838
Finance costs	(1,873)	(817)	(1,160)	(629)	-	(4,479)
Profit/(loss) before tax	3,224	17,179	385	(891)	(24,576)	(4,679)
Income tax (expense)/credit	(85)	132	(128)	(106)	-	(187)
Profit/ (loss) after tax	3,139	17,311	257	(997)	(24,576)	(4,866)
Profit/(loss) attributable to:						
Owners of the Company	3,139	17,088	126	(759)	(24,576)	(4,982)
Non-controlling interests	-	223	131	(238)	-	116
Profit/(loss) for the year	3,139	17,311	257	(997)	(24,576)	(4,866)

Other information

Depreciation of property, plant and equipment	-	315	-	72	-	387
Allowance for impairment loss on completed properties and land held for sale	-	1,684	-	-	-	1,684
Impairment on investment in associated company	-	7,568	-	-	-	7,568
Impairment loss on trade receivables	-	-	6	-	-	6
Impairment loss other receivables	-	181	-	-	-	181
Property, plant and equipment written off	-	10	-	-	-	10
Non-current asset held for sale written off	-	-	83	-	-	83
Fair value(gain)/loss on investment properties	-	(72)	-	1,567	-	1,495
Purchase of property, plant and equipment	-	24	-	-	-	24
Addition to non-current asset held for sale	-	-	1,067	-	-	1,067

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PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year (continued)

By Business Segment

FY2017

Segment revenue

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

Segment results

Segment results	2,720	15,811	7,400	1,083	(15,340)	11,674
Share of results of associates	-	(2,090)	-	-	-	(2,090)
Finance costs	(1,977)	(936)	(2,544)	(871)	49	(6,279)
Profit/(loss) before tax	743	12,785	4,856	212	(15,291)	3,305
Income tax (expense)/credit	(63)	(2,126)	(1,607)	(16)	796	(3,016)
Profit/(loss) after tax	680	10,659	3,249	196	(14,495)	289
(Loss)/profit attributable to:						
Owners of the Company	680	10,659	1,787	321	(14,495)	(1,048)
Non-controlling interests	-	-	1,462	(125)	-	1,337
(Loss)/profit for the year	680	10,659	3,249	196	(14,495)	289

Other information

Depreciation of property, plant and equipment	-	326	358	607	-	1,291
Reversal of impairment loss for property, plant and equipment	-	-	-	(168)	-	(168)
Allowance for impairment loss on completed properties and land held for sale	-	2,894	-	-	-	2,894
Gain on disposal of non-current asset held-for-sale	-	-	(5,348)	-	-	(5,348)
Property, plant and equipment written off	-	-	542	-	-	542
Fair value gain on investment properties	-	-	-	(431)	-	(431)
Purchase of property, plant and equipment	-	32	7,739	2	-	7,773

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15 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year (Continued)

Geographical information:

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

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

	Revenue S\$'000		Non-current assets S\$'000	
	31/05/2018	31/05/2017	31/05/2018	31/05/2017
Singapore	59,957	36,141	37,768	66,595
Malaysia	42,987	44,856	180	461
New Zealand	1,268	1,378	8,259	9,760
Australia	7,177	12,061	-	-
Vietnam	532	254	-	-
	111,921	94,690	46,207	76,816

Information about major customers:

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

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

Revenue for Singapore increased from S\$36.1 million in FY2017 to S\$60.0 million in FY2018 due mainly to higher revenue recognition for our development projects, including new development projects. Revenue for Malaysia decreased from S\$44.9 million in FY2017 to S\$43.0 million in FY2018 as our Third Avenue development project was completed in May 2018 and we recognised in full the balance progressive revenue of all the residential and shop units that have been sold. Revenue for Australia decreased from S\$12.1 million in FY2017 to S\$7.2 million in FY2018 mainly because one of the hotels (Quality Hotel) was sold in May 2017. The revenue for Vietnam was revenue arising from property development progressively completed and delivered.

Non-current assets for Singapore decreased from S\$66.6 million as at 31/5/2017 to S\$37.8 million as at 31/5/2018 due mainly to the disposal of all the Group's shareholdings in Chewathai and the payments of dividends by associates. Non-current assets for Malaysia decreased from S\$0.5 million as at 31/5/2017 to S\$0.2 million as at 31/5/2018 due mainly to depreciation expense for property, plant and equipment. The non-current assets for New Zealand decreased from S\$9.8 million as at 31/5/2017 to S\$8.3 million as at 31/5/2018 due mainly to fair value loss of the investment properties.

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17 A breakdown of sales

	The Group S\$'000		Increase/ (Decrease) %
	Latest Full Year 31/05/2018	Previous Full Year 31/05/2017	
(a) Sales reported for first half year	46,786	37,807	23.7
(b) Operating(loss)/profit after tax before deducting non-controlling interests reported for first half year	(6,687)	1,511	N.M.
(c) Sales reported for second half year	65,135	56,883	14.5
(d) Operating profit/ (loss) after tax before deducting non-controlling interests reported for second half year	1,821	(1,222)	N.M.

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

Ordinary

	The Group S\$'000	
	Latest Full Year 31/05/2018	Previous Full Year 31/05/2017
Interim dividend	1,117	671
Final dividend (recommend)	670	-
Total	1,787	671

TEE Land Limited

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

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Phua Cher Chew	44	Nephew of Phua Chian Kin, Group Chief Executive & Managing Director of TEE International Limited, and controlling shareholder of TEE Land Limited	Executive Director & Chief Executive Officer of TEE Land Limited since May 2013 Director of TEE Land Limited's Group of non-listed subsidiaries. since Mar 2011	None

On behalf of the Board of Directors

Phua Cher Chew
Chief Executive Officer
and Executive Director

Saw Chin Choo
Non-Executive Director

Dated 25 July 2018