



TEE INTERNATIONAL LIMITED

(Incorporated in Singapore with limited liability)
(Company registration number 200007107D)

RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE REGULATION IN RELATION TO THE COMPANY'S ANNOUNCEMENT DATED 14 FEBRUARY 2022 ON THE COMPANY'S FIRST QUARTER ENDED 31 DECEMBER 2021 RESULTS

The Board of Directors (the "**Board**" or the "**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 ("**SGX RegCo**") on 16 February 2022 in relation to the Company's announcement dated 14 February 2022 on the Company's First Quarter ended 31 December 2021 Results (the "**Announcement**").

Query

Please explain reasons for the write-off of allowance for impairment of trade receivables amounting to S\$7 million as disclosed in note E.11 on page 19 of the financial statement.

Company's Response

The reason for the write-off of allowance for impairment of trade receivables amounting to S\$7 million is due to the subsequent assessment of non-recoverability of trade receivables solely arising from a wholly owned subsidiary, Trans Equatorial Engineering Pte Ltd ("**Trans Equatorial**"), subject to the liquidator's final assessment. This is a write-off against trade receivables for which the allowance for impairment has been provided for in previous financial period. Hence, there is no impact to the profit or loss in the First Quarter ended 31 December 2021 ("**1QFY2022**").

On 16 December 2021, the Company had announced that it has commenced the winding-up process of Trans Equatorial by way of creditors' voluntary liquidation (the "**CVL**"). On 13 January 2022, the Company further announced the appointment of RSM Corporate Advisory Pte. Ltd. on 12 January 2022 as liquidators for the purposes of the CVL.

Please see below for the breakdown and details of the S\$7 million impairment of trade receivables:

	Job number	Contract value (S\$' mil)	Projected completion date	Write-off amount (S\$' mil)	Whether related/ interested parties	Reason for write-off
Debtor 1	J6212	11.7	NA	0.2	No	Project termination
Debtor 2	J3908 & J6202	228.0	NA	4.6	No	Project stoppage
Debtor 3	J3309	148.7	March 2018	2.0	No	Long aged outstanding

						amounts more than 3 years with disputes
Debtor 4	J3903	13.5	August 2019	0.2	No	Long aged outstanding amounts more than 2 years with disputes
Total				7.0		

By Order of the Board
TEE International Limited

Ong Beng Hong
Company Secretary
18 February 2022