



## Regulatory Announcement

3 March 2020

### SGX RegCo's Statement on Tee International Limited's External Investigator's Report

Singapore Exchange Regulation ("SGX RegCo") refers to Tee International Ltd's 3 March 2020 announcement of findings by external investigator, PricewaterhouseCoopers Risk Services Pte Ltd ("PwC").

PwC was engaged to undertake an independent investigation into the facts and circumstances surrounding unauthorised remittances to private entities of former Group Chief Executive and Managing Director ("Former GCE") of the company during the period from June 2017 to August 2019. The unauthorised remittances were the subject of disclaimer of opinion by the company's statutory auditors. The Board of Directors and the Executive Committee of the company were not aware of the unauthorised remittances at the material time.

PwC noted, inter alia, that payments made were under verbal instructions from the Former GCE and the company's Chief Financial Officer without supporting documents. In addition, the payment vouchers were approved only after funds were transferred. PwC further noted that there were failures to report interested person transactions ("IPTs") as there was no process in place to ensure that IPTs reported to the Audit Committee for review and approval were accurate and complete, potentially breaching Listing Rules 719, 905 and 906. PwC also noted potential breaches of s 199(2A) of the Companies Act (Cap. 50).

The Exchange expects issuers to have in place appropriate internal controls to monitor material disbursements of issuer's funds. The issuers and their directors must also ensure that procedures are in place to monitor IPTs for compliance with the Listing Rules.

In light of this, we will be carefully reviewing PwC's report as well as other matters to do with the company for potential breaches of the Listing Rules.