



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 2014

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		
	31/05/2014	31/05/2013		31/05/2014	31/05/2013	
Revenue	8,637	15,426	(44.0)	40,301	29,676	35.8
Cost of sales	(6,478)	(12,943)	(49.9)	(31,576)	(24,239)	30.3
Gross profit	2,159	2,483	(13.0)	8,725	5,437	60.5
Other operating income	2,216	556	298.6	3,769	1,950	93.3
Administrative expenses	(2,295)	(2,871)	(20.1)	(6,489)	(5,387)	20.5
Other operating expenses	(735)	(1,349)	(45.5)	(1,600)	(1,469)	8.9
Share of results of associates	4,614	2,002	130.5	8,473	1,912	343.1
Finance costs	(133)	(46)	189.1	(520)	(79)	558.2
Profit before tax	5,826	775	651.7	12,358	2,364	422.8
Income tax expense	(218)	(52)	319.2	(1,082)	(364)	197.3
Profit for the period/year	5,608	723	675.7	11,276	2,000	463.8
Profit attributable to:						
Owners of the Company	5,573	723	670.8	11,251	2,028	454.8
Non-controlling interests	35	-	N.M.	25	(28)	N.M.
	5,608	723	675.7	11,276	2,000	463.8

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		
	31/05/2014	31/05/2013		31/05/2014	31/05/2013	
Profit for the period/year	5,608	723	675.7	11,276	2,000	463.8
Other comprehensive income:						
Currency translation differences	(276)	43	N.M.	(692)	190	N.M.
Other comprehensive (loss)/ income for the period/year	(276)	43	N.M.	(692)	190	N.M.
Total comprehensive income for the year	5,332	766	596.1	10,584	2,190	383.3

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		
	31/05/2014	31/05/2013		31/05/2014	31/05/2013	
Total comprehensive income attributable to:						
Owners of the Company	5,300	766	591.9	10,562	2,218	376.2
Non-controlling interests	32	-	N.M.	22	(28)	N.M.
	5,332	766	596.1	10,584	2,190	383.3

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		
	31/05/2014	31/05/2013		31/05/2014	31/05/2013	
A Other operating income:						
Interest income	528	402	31.3	1,951	1,678	16.3
Fair value gain on investment property	1,205	-	N.M.	1,205	-	N.M.
Foreign currency exchange adjustment gain	242	102	137.3	177	85	108.2
Financial guarantee income	37	36	2.8	146	146	-
Others	204	16	N.M.	290	41	607.3
	2,216	556	298.6	3,769	1,950	93.3
B Finance costs:						
Bank borrowings	133	46	189.1	520	79	558.2
	133	46	189.1	520	79	558.2
C Depreciation of property, plant and equipment	148	7	N.M.	191	22	768.2
D Property, plant and equipment written off	2	-	N.M.	2	-	N.M.
E Impairment loss on development property	733	-	N.M.	733	-	N.M.
F Foreign currency exchange adjustment loss	-	-	N.M.	429	120	257.5
G Adjustment for under/(over) provision of income tax in respect of prior years	-	15	N.M.	(82)	32	N.M.

COMPARATIVE STATEMENTS

Pursuant to the Restructuring Exercise in respect of the Company's IPO as disclosed in the prospectus dated 29 May 2013, the Company entered into the restructuring agreement dated 22 February 2013 with the ultimate holding company to acquire the property development businesses of the ultimate holding company.

The consolidated financial statements incorporated the financial statements of the Company and its subsidiaries which had been prepared using the principles of merger accounting and on the assumption that the re-organisation of entities under common control has been effected as at the beginning of the earliest period presented in these consolidated financial statements.

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	
	31/05/2014	31/05/2013	31/05/2014	31/05/2013
ASSETS				
Current assets				
Cash and bank balances	25,884	29,057	562	3,108
Trade receivables	16,685	10,261	-	-
Other receivables	10,280	4,539	124,524	85,244
Current portion of loans receivable from associates	19,361	7,394	10,326	-
Development properties	157,468	112,843	-	-
Completed property held for sale	1,216	-	-	-
Total current assets	230,894	164,094	135,412	88,352
Non-current assets				
Investment in associates	21,966	12,597	-	-
Investment in subsidiaries	-	-	18,478	15,969
Property, plant and equipment	12,087	119	-	-
Investment property	10,120	-	-	-
Deferred tax assets	96	400	-	-
Other receivables	11,111	8,028	-	-
Loans receivable from associates	28,652	25,554	-	-
Total non-current assets	84,032	46,698	18,478	15,969
Total assets	314,926	210,792	153,890	104,321
LIABILITIES AND EQUITY				
Current liabilities				
Bank loans	13,358	7,500	-	3,000
Trade payables	5,369	4,472	-	-
Other payables	21,905	24,629	6,949	13,571
Current portion of finance lease	12	-	-	-
Current portion of long-term bank loans	21,307	10,162	-	-
Current portion of financial guarantee liabilities	-	145	743	42
Income tax payable	92	424	-	-
Total current liabilities	62,043	47,332	7,692	16,613
Non-current liabilities				
Finance lease	86	-	-	-
Long-term loan	4,050	4,050	-	-
Deferred tax liabilities	1,043	244	-	-
Long-term bank loans	98,056	72,668	-	-
Financial guarantee liabilities	-	-	1,662	182
Total non-current liabilities	103,235	76,962	1,662	182
Capital, reserves and non-controlling interests				
Share capital	142,238	82,969	142,238	82,969
Currency translation reserve	(854)	(165)	-	-
Merger reserve	(5,969)	(5,969)	-	-
Capital reserve	(6)	(6)	-	-
Accumulated profits	12,312	7,764	2,298	4,557
Equity attributable to owners of the Company	147,721	84,593	144,536	87,526
Non-controlling interests	1,927	1,905	-	-
Total equity	149,648	86,498	144,536	87,526
Total liabilities and equity	314,926	210,792	153,890	104,321

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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 <u>As at 31/05/2014</u>		The Group S\$'000 <u>As at 31/05/2013</u>	
Secured	34,677	Unsecured	-
		Secured	14,662
		Unsecured	3,000

Amount repayable after one year

The Group S\$'000 <u>As at 31/05/2014</u>		The Group S\$'000 <u>As at 31/05/2013</u>	
Secured	98,142	Unsecured	-
		Secured	72,668
		Unsecured	-

Details of any collateral

The total secured borrowings are represented:

- Obligations under finance lease secured on the motor vehicle of the Group and
- Bank loans and long-term bank loans secured by legal mortgages over the Group's development properties, property, investment property and corporate guarantee from the ultimate holding company.

Note: These borrowings exclude the long-term loan of S\$4,050,000 due to joint developer.

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	
	31/05/2014	31/05/2013	31/05/2014	31/05/2013
Operating activities				
Profit before tax	5,826	775	12,358	2,364
Adjustments for:				
Share of results of associates	(4,614)	(2,002)	(8,473)	(1,912)
Change in fair value of investment property	(1,205)	-	(1,205)	-
Depreciation of property and equipment	148	7	191	22
Property, plant and equipment written off	2	-	2	-
Impairment loss on development property	733	-	733	-
Amortisation of financial guarantee liabilities	(37)	(36)	(146)	(146)
Interest income	(528)	(402)	(1,951)	(1,678)
Interest expense	133	46	520	79
Operating cash flows before movements in working capital	458	(1,612)	2,029	(1,271)
Trade receivables	(4,557)	(4,185)	(6,424)	(7,975)
Other receivables	(6,677)	(1,151)	(7,064)	290
Development properties	(30,112)	4,765	(43,100)	(20,177)
Completed property held for sale	(1,216)	-	(1,216)	-
Trade payables	1,089	2,003	897	2,655
Other payables	7,591	(177)	(3,712)	9,597
Cash used in from operations	(33,424)	(357)	(58,590)	(16,881)
Interest paid	(881)	(1,099)	(2,586)	(2,074)
Income tax paid	(18)	(15)	(312)	(553)
Net cash used in from operating activities	(34,323)	(1,471)	(61,488)	(19,508)

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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	
	31/05/2014	31/05/2013	31/05/2014	31/05/2013
Investing activities				
Acquisition of non-controlling interests in subsidiary	-	-	-	(8)
Purchase of property and equipment	(2,189)	(8)	(12,162)	(141)
Investment property	(207)	-	(8,915)	-
Investment in associates	-	(150)	(784)	(607)
Loans receivable from associates	(390)	(184)	(15,065)	(2,258)
Interest received	4	-	192	537
Net cash used in investing activities	(2,782)	(342)	(36,734)	(2,477)
Financing activities				
Drawdown of bank loans	3,998	8,108	8,858	7,500
Repayment of bank loans	-	-	(3,000)	-
Drawdown of long-term bank loans	36,912	-	47,542	28,088
Repayment of long-term bank loans	(758)	-	(11,009)	-
Proceeds from finance lease	98	-	98	-
Capital contribution from non-controlling interests	-	-	-	1,941
Proceeds on issue of shares	-	4,000	62,100	5,000
Payment of share issue expenses	-	-	(2,831)	-
Dividends paid	(2,234)	-	(6,703)	-
Net cash from financing activities	38,016	12,108	95,055	42,529
Net increase (decrease) in cash and cash equivalents	911	10,295	(3,167)	20,544
Cash and cash equivalents at beginning of period/year	24,989	18,762	29,057	8,513
Effect of foreign exchange rate changes	(16)	-	(6)	-
Cash and cash equivalents at end of year (Note A)	25,884	29,057	25,884	29,057

Note A: Cash and cash equivalents

	The Group S\$'000		The Group S\$'000	
	Fourth Quarter Ended		Full Year Ended	
	31/05/2014	31/05/2013	31/05/2014	31/05/2013
Cash at banks	4,551	8,056	4,551	8,056
Cash on hand	1	1	1	1
Fixed deposit	2	-	2	-
Projects accounts (see Note below):				
Cash at banks	13,317	16,000	13,317	16,000
Fixed deposit	8,013	5,000	8,013	5,000
Total cash and cash equivalents	25,884	29,057	25,884	29,057

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 31/05/2013	82,969	(165)	(6)	(5,969)	7,764	84,593	1,905	86,498
Total comprehensive income for the year	-	(689)	-	-	11,251	10,562	22	10,584
Issue of shares	62,100	-	-	-	-	62,100	-	62,100
Share issue expenses	(2,831)	-	-	-	-	(2,831)	-	(2,831)
Dividends paid	-	-	-	-	(6,703)	(6,703)	-	(6,703)
Balance at 31/05/2014	142,238	(854)	(6)	(5,969)	12,312	147,721	1,927	149,648
Previous Corresponding Period								
Balance at 31/05/2012	9,000	(355)	-	-	5,736	14,381	(6)	14,375
Total comprehensive income for the year	-	190	-	-	2,028	2,218	(28)	2,190
Adjustment upon Restructuring Exercise ¹	(9,000)	-	-	(5,969)	-	(14,969)	-	(14,969)
Issue of new shares ¹	82,969	-	-	-	-	82,969	-	82,969
Effect of acquiring part of non-controlling interests in a subsidiary	-	-	(6)	-	-	(6)	(2)	(8)
Capital contribution from non-controlling interests	-	-	-	-	-	-	1,941	1,941
Balance at 31/05/2013	82,969	(165)	(6)	(5,969)	7,764	84,593	1,905	86,498

Footnotes:

1. This was adjustment made following the Restructuring Exercise as per the Restructuring Agreement dated on 22 February 2013.

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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 31/05/2013	82,969	4,557	87,526
Total comprehensive income for the year	-	4,444	4,444
Issue of shares pursuant to initial public offering ("IPO")	62,100	-	62,100
Share issue expenses	(2,831)	-	(2,831)
Dividends paid	-	(6,703)	(6,703)
Balance at 31/05/2014	142,238	2,298	144,536
Previous Corresponding Period			
Issue of shares at date of incorporation, 18 December 2012	*	-	*
Total comprehensive income for the year	-	4,557	4,557
Issue of shares	82,969	-	82,969
Balance at 31/05/2013	82,969	4,557	87,526

* Denotes amount less than S\$1,000.

- 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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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

Balance at 28/02/2014 and 31/05/2014

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

During the quarter ended 31 May 2014, there were no changes in the share capital of the Company.

As at 31/05/2014, 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	
	31/05/2014	31/05/2013
Total number of issued shares	446,876,000	331,876,000

On 6 June 2013, the Company issued additional 115,000,000 new ordinary shares pursuant to the listing of the Company raising gross proceeds of S\$62,100,000. As a result, the post-Invitation share capital of the Company was 446,876,000.

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1(d)(iv) A statement showing all sales, transfers, disposal, 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.

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

Other than the adoption of certain revisions to various existing Financial Reporting Standards ("FRS"), the new FRS and Interpretations of FRS ("INT FRS") that are mandatory for the financial year beginning on 1 June 2013, 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 2013.

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

The adoption of the various revised FRS, new FRS and INT FRS effective for the financial year commencing on 1 June 2013 does not have a material financial effect on the Group and the Company.

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

Earnings per ordinary share ("EPS") of the Group based on net profit attributable to owners of the Company:

- (i) Based on the weighted average number of shares (cents)
- (ii) On a fully diluted basis (cents)
 - Weighted average number of shares ('000)

The Group		The Group	
Fourth Quarter Ended		Full Year Ended	
31/05/2014	31/05/2013	31/05/2014	31/05/2013
1.25	0.16	2.52	0.45
N.A.	N.A.	N.A.	N.A.
446,876	446,876	446,876	446,876

The Company does not have any dilutive instruments as at 31/05/2014.

For comparison purposes, EPS for respective period/year has been computed based on the profit attributable to owners of the Company and the post-Invitation share capital of 446,876,000 shares.

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- 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 31/05/2014	As at 31/05/2013
The Group	33.1	18.9
The Company	32.3	19.6

For comparison purposes, our net asset value per share as at 31/05/2014 and 31/05/2013 have been computed based on the equity attributable to owners of the Company and the post-Invitation share capital of 446,876,000 shares.

- 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

Revenue in FY2014 fourth quarter ("Q4") (March 2014 to May 2014) decreased by S\$6.8 million (44.0%) from S\$15.4 million in FY2013 Q4 to S\$8.6 million in FY2014 Q4. This was due mainly to higher progressive revenue recognised for 91 Marshall and 448@East Coast in FY2013 Q4. This decrease in revenue was reduced to some extent by higher progressive revenue from The Peak @ Cairnhill I, progressive revenue recognised for new development, Aura 83, and rental income earned for "Workotel" development in New Zealand in FY2014 Q4.

Revenue for FY2014 full year increased by S\$10.6 million (35.8%) from S\$29.7 million in FY2013 to S\$40.3 million in FY2014. This was mainly due to higher progressive revenue recognised from the development at 91 Marshall and The Peak @ Cairnhill I, progressive revenue recognised for new development, Aura 83, and rental income earned from the "Workotel" development in New Zealand. Revenue in FY2014 was reduced to some extent mainly due to the absence of recognition of progressive revenue from 448@East Coast which has obtained its Temporary Occupation Permit ("TOP") in FY2013.

Cost of sales for FY2014 Q4 decreased by S\$6.4 million (49.9%) from S\$12.9 million in FY2013 Q4 to S\$6.5 million in FY2014 Q4 in line with the decrease in revenue. Gross margin improved from 16.1% in FY2013 Q4 to 25.0% in FY2014 Q4. The increase in gross margin in FY2014 Q4 was due mainly to adjustment of project financing interest cost for 91 Marshall in FY2014 Q4 as the development project was completed in FY2014 Q4. The rental income from "Workotel" in New Zealand further enhanced the gross margin in FY2014 Q4.

Cost of sales for FY2014 full year increased by S\$7.4 million (30.3%) from S\$24.2 million in FY2013 to S\$31.6 million in FY2014 in line with the increase in revenue. Gross margin improved from 18.3% in FY2013 to 21.6% in FY2014. The improvement in gross margin was due mainly to the rental income from "Workotel" in New Zealand as mentioned above, and slightly higher margin from progressive revenue recognised for development projects in FY2014 compared to FY2013.

Other operating income for FY2014 Q4 increased by S\$1.6 million (298.6%) from S\$0.6 million in FY2013 Q4 to S\$2.2 million in FY2014 Q4 due mainly to gain from revaluation of investment property "Workotel" in New Zealand and recognition of sales option deposit forfeited. Similarly, other operating income for FY2014 full year increased by S\$1.8 million (93.3%) from S\$2.0 million in FY2013 to S\$3.8 million in FY2014 due mainly to the aforesaid reasons and an increase in interest income.

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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)

Administrative expenses in FY2014 Q4 decreased by S\$0.6 million (20.1%) from S\$2.9 million in FY2013 Q4 to S\$2.3 million in FY2014 Q4 due mainly to higher marketing cost incurred for a new development project launched in FY2013 Q4. Administrative expenses for FY2014 full year increased by S\$1.1 million (20.5%) from S\$5.4 million in FY2013 to S\$6.5 million in FY2014 due mainly to higher staff costs in line with our continued expanding property development activities post-IPO.

Other operating expenses for FY2014 Q4 decreased by S\$0.6 million, from S\$1.3 million in FY2013 Q4 to S\$0.7 million in FY2014 Q4 due mainly to IPO expenses incurred as a result of the successful listing of TEE Land Limited on the SGX-ST in June 2013 and expensed off in FY2013 Q4. Other operating expenses for FY2014 full year increased by S\$0.1 million, from S\$1.5 million in FY2013 to S\$1.6 million in FY2014 due mainly to impairment loss on development properties in Vietnam and unrealised foreign exchange loss in FY2014, which was reduced to some extent by IPO expenses recognised in FY2013 as mentioned above.

Share of results of associates for FY2014 Q4 improved by S\$2.6 million, from S\$2.0 million in FY2013 Q4 to S\$4.6 million in FY2014 Q4, due mainly to positive results generated by our Singapore associates as construction progressed during the quarter and our share of fair value gain from the revaluation of our Thailand associated company's investment property. Share of results of associates for FY2014 full year improved significantly by S\$6.6 million (343.1%), from S\$1.9 million in FY2013 to S\$8.5 million in FY2014 also due mainly to positive results generated by our Singapore associates, transfer of units to owners of our associate's projects in Thailand, and our share of fair value gain from the revaluation of our Thailand associated company's investment property in FY2014.

Finance costs for FY2014 Q4 increased by S\$0.08 million, from S\$0.05 million in FY2013 Q4 to S\$0.13 million in FY2014 Q4, due mainly to bank borrowing for our New Zealand project. Finance costs for FY2014 full year increased by S\$0.4 million, from S\$0.1 million in FY2013 to S\$0.5 million in FY2014 due mainly to bank borrowings for our New Zealand project and working capital purpose in line with our continued expanding property development activities post-IPO.

As a result of the above, profit before tax for FY2014 Q4 improved by S\$5.0 million, from S\$0.8 million in FY2013 Q4 to S\$5.8 million in FY2014 Q4. Similarly, profit before tax for FY2014 full year improved by S\$10.0 million, from S\$2.4 million in FY2013 to S\$12.4 million in FY2014.

Because of the higher profit before tax, the tax expense for FY2014 Q4 and FY2014 full year have also increased compared to the corresponding periods.

Statement of Financial Position

Cash and bank balances decreased from S\$29.1 million as at 31 May 2013 to S\$25.9 million as at 31 May 2014. This was due largely to the net proceeds received from the successful IPO on 6 June 2013 and utilisation of funds for repayment of loan due to the ultimate holding company, TEE International Limited, loans granted to associated companies for the purchase of lands both in Thailand and Singapore, increase in property development, purchase of a building in Singapore and development of an investment property in New Zealand. The Group had also paid its maiden dividend to shareholders in October 2013.

Trade receivables increased from S\$10.3 million as at 31 May 2013 to S\$16.7 million as at 31 May 2014 due mainly to progressive billings to owners for our development at 91 Marshall and The Peak @ Cairnhill I in line with the progress in construction. This increase was partially offset by a decrease in trade receivables from our project at 448@ East Coast, which obtained its TOP, as a result of subsequent receipts after 31 May 2013.

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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)

Other receivables in total (current and non-current) increased from S\$12.6 million as at 31 May 2013 to S\$21.4 million as at 31 May 2014 due mainly to increase in associated company receivables as a result of interest charged and advances, and deposits for acquisition of properties in Malaysia and Australia.

Loans made to associates in total (current and non-current) increased from S\$32.9 million as at 31 May 2013 to S\$48.0 million as at 31 May 2014. These loans were used for funding the acquisition of lands in Bangkok by our associated company in Thailand. The lands purchased included industrial plots in Amata City as well as residential sites at Bang Pho, Cross Point and Chaengwattana. Loan was also made to our associated company based in Singapore to fund capital requirements in relation to the acquisition of 160 Changi Road.

Development properties increased from S\$112.8 million as at 31 May 2013 to S\$157.5 million as at 31 May 2014. This represented a net increase of S\$44.7 million due mainly to purchase of lands both in Singapore and Malaysia, and the progressive capitalisation of construction and development costs as construction of our development properties progressed. This was reduced by the recognition of cost of sales in line with the progressive recognition of revenue from 91 Marshall, which was completed in FY2014 Q4.

Completed property held for sale of S\$1.2 million as at 31 May 2014 was for 91 Marshall which was completed and was thus reclassified.

Investment in associates increased from S\$12.6 million as at 31 May 2013 to S\$22.0 million as at 31 May 2014 due mainly to contributions derived from associated companies in Singapore and Thailand as well as increase in investments in these associates.

Property and equipment increased from S\$0.1 million as at 31 May 2013 to S\$12.1 million as at 31 May 2014 due mainly to the acquisition of a building at 25 Bukit Batok Street 22.

Investment property of S\$10.1 million as at 31 May 2014 was due to the purchase and development of an investment property, namely the "Workotel" project in Christchurch, New Zealand.

Bank loans increased from S\$7.5 million as at 31 May 2013 to S\$13.4 million as at 31 May 2014 due to the net increase of the Group drawing down its working capital loan facility to finance its New Zealand project and for working capital purpose.

Trade payables increased from S\$4.5 million as at 31 May 2013 to S\$ 5.4 million as at 31 May 2014 due mainly to the continued expanding property development activities post-IPO.

Other payables decreased from S\$24.6 million as at 31 May 2013 to S\$21.9 million as at 31 May 2014 largely as a result of the repayment of loan to the ultimate holding company, TEE International Limited from the proceeds received from its IPO in June 2013, and reduced to some extent by advances from joint venture partners and accrual of development cost for joint development and other expenses.

Long-term bank loans (current and non-current) increased from S\$82.8 million as at 31 May 2013 to S\$119.4 million as at 31 May 2014 mainly due to additional loans obtained to finance the continued acquisition of land and construction activities, reduced to some extent by the repayment of loans mainly for 448@East Coast which was completed in FY2013.

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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

Operating activities

The Group utilised cash of S\$34.3 million for operating activities for FY2014 Q4 due mainly to the acquisition of lands and progressive capitalisation of construction and development costs for development properties of S\$30.1 million, and increase in trade receivables (S\$4.6 million) and other receivables (S\$6.7 million). This was offset to some extent by increase in other payables of S\$7.6 million.

For FY2014 full year, net cash of S\$61.5 million was utilised for operating activities due mainly to increase in development properties (S\$43.1 million), increase in trade receivables (S\$6.4 million), increase in other receivables (S\$7.1 million), decrease in other payables (S\$3.7 million) and interest paid (S\$2.6 million).

Investing activities

Net cash of S\$2.8 million was used in investing activities for FY2014 Q4 due mainly to increase in property and equipment, being the additional payment for the building at 25 Bukit Batok Street 22 and renovation expenditure.

Net cash used in investing activities for FY2014 full year was S\$36.7 million due mainly to the purchase of the building at 25 Bukit Batok Street 22 (S\$10.3 million) and the acquisition and development of the investment property known as "Workotel" in Christchurch, New Zealand (S\$8.9 million). Loans were also extended to the associated company in Thailand for the acquisition of lands in Bangkok, Thailand (S\$10.2 million). Similarly, loans were also granted to the associated company in Singapore to complete the purchase of the property at 160 Changi Road and to fund development activities (S\$4.5 million).

Financing activities

Net cash generated from financing activities for FY2014 Q4 was S\$38.0 million due mainly to drawdown of long-term bank loan to finance our land acquisition in Singapore (S\$36.2 million).

Net cash generated from financing activities for FY2014 full year was S\$95.1 million due mainly to the net proceeds received from the IPO (S\$59.3 million) and drawdown of certain project loan facilities (S\$47.5 million). This was offset to some extent by repayment of long-term bank loans (S\$11.0 million).

As a result of the above cash flow activities, there was a net increase in cash and cash equivalents of S\$0.9 million for FY2014 Q4 and a net decrease of S\$3.2 million for FY2014 full year.

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

No forecast or prospect statement has been previously disclosed to shareholders.

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 Group has contracted sales of S\$47.0 million for its on-going residential property development projects in Singapore (excluding joint venture projects). In Thailand, the Group's associates have also contracted sales of approximately S\$9.2 million for their on-going residential property development projects.

During the year, the Group has completed the acquisition of 4 plots of land in Bangkok, Thailand, completed a residential property development project in Singapore and launched its residential cum commercial development project in Malaysia. The Group has also signed a contract for sale agreement to acquire a hotel in Sydney, Australia.

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- 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 (Continued)**

In the coming quarters, the Group has planned a number of property launches in Singapore, including the recently acquired Long House property.

Going forward, the Group remains cautious as the business environment in Singapore and the region remains challenging. The Group will continue to be mindful of developments in places where the Group has presence and ongoing investments. Additionally, the Group continues to take a long term view of these investments. Overall, we continue to see selective growth opportunities, in the ASEAN, Australia and New Zealand regions, and will seek to capitalize on those opportunities.

- 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)	0.75 cents per ordinary share
Tax Rate	Tax exempt (One-Tier)

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.50 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	First and Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.00 cent 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.

- 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**

The Group does not have an IPT mandate.

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PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

- 14 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**

The Group is engaged in real estate development. The Group's operations are pre-dominantly focused in Singapore and substantively the Group's turnover and contribution to profit from operations are derived from the sales of properties. The Group's property development works have similar characteristics and exhibit similar long-term financial performance. Accordingly, no analysis of results and financial information by business segment or geographical area of operations is available to the chief operating decision maker for the purpose of resource allocation and assessing performance.

Therefore, the Group comprises only one operating segment and all its significant operations are within the same geographical area.

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

Please refer to note 8.

- 16 A breakdown of sales**

	The Group S\$'000		Increase/ (Decrease) %
	Latest Full Year 31/05/2014	Previous Full Year 31/05/2013	
(a) Sales reported for first half year	16,014	6,785	136.0
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	2,215	664	233.6
(c) Sales reported for second half year	24,287	22,891	6.1
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	9,061	1,336	578.2

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

	The Group S\$,000	
	Latest Full Year 31/5/2014	Previous Full Year 31/5/2013
Ordinary		
Interim Dividend	2,234	-
Proposed Final Dividend	3,352	4,469
Total	5,586	4,469

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- 18 **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	40	Nephew of Phua Chian Kin, Group Chief Executive & Managing Director of TEE International Limited, controlling shareholder of TEE Land Limited	<p>Executive Director & Chief Executive Officer of TEE Land Limited since May 2013</p> <p>Director of TEE Homes Pte. Ltd. since May 2011</p> <p>Director of Development 83 Pte. Ltd. since April 2011</p> <p>Director of TEE Property Pte. Ltd. since April 2011</p> <p>Director of TEE Development Pte Ltd since Mar 2011</p> <p>Director of TEE Realty Pte Ltd since Mar 2011</p> <p>Director of Development 72 Pte Ltd since Aug 2012</p> <p>Director of TEE Hospitality Pte Ltd since Aug 2012</p> <p>Director of TEE Industrial Pte Ltd since Mar 2013</p> <p>Director of Development 16 Pte Ltd since Mar 2013</p> <p>Director of TEE Ventures Pte Ltd since June 2013</p> <p>Director of Klang City Development Pte Ltd since Dec 2013</p> <p>Director of TEE Vista Pte Ltd since Jan 2014</p>	None

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19 General-Please disclose the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the state use

Use of proceeds	Amount allocated as disclosed in Prospectus (\$ million)	Total amount utilised as at 30 June 2014 (\$ million)	Balance Amount (\$ million)
Fund expansion by way of new property, development projects, joint ventures, acquisitions, investments and others	26.0	(26.0)	-
Repayment of loans and advances to TEE International Limited, our controlling shareholder	15.0	(14.7)	0.3
Repayment of bank loans	6.0	(4.4)	1.6
Working capital purposes ¹	10.8	(9.0)	1.8
Total	57.8	(54.1)	3.7

1. Start-up expenses for our operations in New Zealand (\$0.5 million)
 Expenses incurred for our development projects in Singapore (\$0.9 million)
 Expenses incurred for our development project in Malaysia (\$0.4 million)
 Expenses incurred for our joint development at The Peak @ Cairnhill I and The Peak @ Cairnhill II (\$0.5 million)
 Loans for our Thailand development projects (\$3.6 million)
 Loans to our associates for our joint venture development projects (\$0.7 million)
 Administrative expenses incurred from our operations in Singapore (\$2.4 million)

The use of proceeds is in accordance with the stated use as disclosed in the IPO prospectus.

On behalf of the Board of Directors

Phua Cher Chew
 Chief Executive Officer
 and Executive Director

Boon Choon Kiat
 Finance Director
 and Executive Director

Dated 21 July 2014

SAC Capital Private Limited was the issue manager for the initial public offer of TEE Land Limited (the "Company"). This announcement has been prepared and released by the Company.