



TEE INTERNATIONAL LIMITED

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

RESPONSE TO THE QUERIES FROM THE SINGAPORE EXCHANGE REGULATION (“SGX REGCO”)

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 SGX RegCo on 26 July 2021.

Query No 1a.

We refer to the Company’s announcement of cessation of CFO released on 19 July 2021 which is the third CFO resignation since August 2020. The Company’s current CFO Ng Kok Peng was only appointed to his position on 10 November 2020, approximately 9 months ago. His predecessor, former CFO Ewe Tuck Foong was appointed on 9 June 2020 and resigned within after 5 months, on 13 November 2020.

- a. Please disclose whether the AC had looked into the circumstances for the unusually high turnover rate of CFOs and if so, whether any concerns were raised to the AC by the two short-tenured former CFOs. Please provide details of these matters and how they were resolved by the AC;

Company’s Response

Mr Ewe Tuck Foong (“**Mr Ewe**”) submitted his resignation on 16 October 2021 to seek new challenges and other career opportunities after accepting a new job offer. Accordingly, the AC and the Board interviewed Mr Ewe and was satisfied that there were no material reasons for the cessation of Mr Ewe as Chief Financial Officer (“**CFO**”) of the Company.

Mr Ng Kok Peng (“**Mr Ng**”) had given notice of his intention to resign on 24 March 2021 due to a mismatch of expectations between the management of the Company and Mr Ng. The Company had been discussing with him to remain as CFO. However, Mr Ng had re-affirmed his decision to leave and to pursue other career opportunities after being given some time by the AC and the Board to reconsider his resignation. The Company had on 19 July 2021 reached an agreement with Mr Ng on his effective date of cessation.

The AC and the Board wishes to reiterate that, as stated in the 19 July 2021 announcement, there are no unresolved differences in opinion on material matters between Mr Ng and the Board that would have a material impact on the group or its financial reporting. There were no disagreements between Mr Ng and the Board with regards to practices that would have an impact on the Company’s financial reporting.

Query No 1b.

- b. Please elaborate whether the financial reporting processes of the Group had been impacted by the resignations of the two CFOs (Ewe Tuck Foong and Ng Kok Peng) within a year of their appointment. To provide details to explain why or why not. To disclose whether and how the Company had ensured that its financial reporting processes remain robust and effective in the midst of its spate of CFO resignations.

Company's Response

The role of the CFO is primarily to conduct the Group's consolidated financial reporting, compliance matters, as well as support the Company's corporate exercises including fund raising and divestments of assets.

At present, the CFO is supported by two financial controllers who are involved in the day-to-day operational accounting and finance related matters of the Company's two business segments, namely the Engineering & Construction ("**E&C**") business and Infrastructure business. The said financial controllers are qualified and experienced. The senior financial controller for the E&C business is a Fellow Chartered and Certified Accountant of the Association of Chartered Certified Accountants ("**ACCA**") and a member of the ASEAN Chartered Professional Accountants. The financial controller for the Infrastructure Business is a member of the Institute of Singapore Chartered Accountant, a member of the ACCA and a member of the Institute of Internal Auditors.

In the absence of a CFO, the interim plan is for the senior financial controller from the E&C business, who has more than five years of experience within the Group and is a chartered accountant, to perform the duties of a CFO for the time being by handling the Group's consolidated financial reporting while at the same time carrying out the day-to-day operational accounting and finance related matters at the operating entity level. In light of this, the Company takes the view that the financial reporting processes of the Group is not impacted by the resignations of the CFO.

Query No 1c.

- c. As the Company has not appointed any interim CFO, please explain who will be managing the company's financial reporting processes after 18 August 2021 upon Ng Kok Peng's resignation. To also explain how the lack of handover of CFO's roles and responsibilities to the successor CFO will affect the effectiveness of the finance function.

Company's Response

As set out in the response to Query No 1b., the interim plan is for the senior financial controller from the E&C business, who has more than five years of experience within the Group and is a chartered accountant, to perform the duties of a CFO for the time being by handling the Group's consolidated financial reporting while at the same time carrying out the day-to-day operational accounting and finance related matters at the operating entity level. As such, the Company takes the view that the lack of handover of CFO's roles and responsibilities to the successor CFO will not affect the effectiveness of the finance function.

Query No 1d.

- d. Please disclose the timeline which the Board has set for the appointment of the replacement CFO.

Company's Response

The Board has advised management to find a suitable replacement CFO as soon as possible but the Board wishes to caution shareholders that it may not be possible to find a suitable replacement CFO given the current circumstances of the Group.

By Order of the Board
TEE International Limited

Ong Beng Hong
Company Secretary
28 July 2021