



## **TEE INTERNATIONAL LIMITED**

(Incorporated in Singapore with limited liability)

(Company registration number: 200007107D)

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### **DISPOSAL OF SUBSIDIARY, INTERLIFT SALES PTE LTD**

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The Board of Directors of TEE International Limited (the “Company”, and collectively with its subsidiaries, the “Group”) wishes to announce that it had entered into a Sale and Purchase Agreement (“SPA”) with Messrs Lu Soon Hoe, Tang Kwok Keong, Tan Kim Huat, Tan Choon Kwang, Tan Nguan Heng and Tan Kim Pua (collectively, the “Purchasers”) for the disposal of its entire shareholding comprising 429,275 ordinary shares, representing 55% of the issued and paid-up share capital (the “Sale Shares”) of Interlift Sales Pte Ltd (“Interlift”) to the Purchasers (the “Disposal”). The Purchasers are the existing shareholders, holding a total of 45% shareholding in Interlift. Subsequent to the Disposal, Interlift would cease to be a subsidiary of the Company.

The rationale for the Disposal was mainly due to the Group's prioritising of its businesses to those businesses with direct synergies to its core competences in the Engineering and Construction, Real Estate and Infrastructure sectors. In view that Interlift is an ancillary business to the Group, the Board has considered that it would be in the best interest of the Group to dispose its entire stake in Interlift. The Company intends to use the sale proceeds from the Disposal to fund the general working capital requirements of the Group.

The consideration of Singapore Dollars Three Million Two Hundred and Two Thousand Four Hundred and Thirty One and Cents Forty Only (S\$3,202,431.40) payable by the Purchasers to the Company for the Disposal under the SPA was determined based on arm's length negotiations and arrived at on a willing-buyer and willing-seller basis. No valuation of the shares was conducted.

The Company shall receive part consideration of Singapore Dollars Two Million (S\$2,000,000.00) on the completion of the Disposal. The Deferred Consideration payable but unpaid by the Company to the Purchasers under the Principles Sales Agreement 2013 shall be set-off against the Sale Price as stipulated in the SPA. The remaining of the Sale Price of Singapore Dollars Eighty Thousand (S\$80,000.00) shall be paid to the Company within 3 months from the completion date of the Disposal.

The unaudited book value and unaudited net tangible asset value of the 55% shares in Interlift as at 31 May 2014 were both approximately S\$1.1 million.

None of the relative figures as computed on the applicable bases under Rule 1006 of the Listing Manual of Singapore Exchange Securities Trading Limited (“SGX-ST”) exceeds 5%. As such, the above transaction constitutes a non-discloseable transaction as defined under Rule 1010 of the Listing Manual of SGX-ST.

The directors do not anticipate that the above transaction will have any material impact on the earnings and net tangible assets per share of the Group for the current financial year ending 31 May 2015.

None of the Directors and controlling shareholders of the Company has any interest, directly or indirectly, in the aforesaid transaction, save for their shareholdings (if any) in the Company.

A copy of the SPA is available for inspection during normal business hours at the Company's registered office address at Block 2024 Bukit Batok Street 23 #03-48 Singapore 659529 for three months from the date of this announcement.

By Order of the Board

Yeo Ai Mei  
Company Secretary  
23 July 2014