



Company Registration No.: 200007107D

NEWS RELEASE – FOR IMMEDIATE RELEASE

TEE INTERNATIONAL'S NET PROFIT IMPROVES TO S\$4.7 MILLION IN 1HFY2015

- Current outstanding engineering order book stands at approximately S\$415 million
- Rewards shareholders with interim cash dividend of 0.18 Singapore cents per ordinary share
- Proposed dividend in specie of TEE Land shares worth approximately 1.90 Singapore cents per ordinary share
- Total dividend will amount to 2.08 Singapore cents per ordinary share

| FYE 31 May (S\$'m) | 2Q FY2015 | 2Q FY2014 | YoY Change | 1H FY2015 | 1H FY2014 | YoY Change |
|--------------------|--------------|--------------|---------------|--------------|--------------|---------------|
| Revenue | 43.0 | 50.1 | (14.2%) | 85.3 | 118.9 | (28.2%) |
| Gross profit | 7.7 | 4.3 | 77.6% | 11.3 | 12.0 | (5.9%) |
| Profit before tax | 3.5 | 2.2 | 57.1% | 5.7 | 3.8 | 49.6% |
| Net Profit | 2.6 | 2.1 | 23.3% | 4.7 | 3.2 | 46.8% |

SINGAPORE, 13 January 2015 – TEE International Limited (特毅国际有限公司) (“**TEE**” or together with its subsidiaries and associates, “**TEE Group**”), a rapidly growing regional player in the Engineering, Infrastructure and Real Estate space, announced that it had achieved a 23.3% growth in net profit to S\$2.6 million for the quarter ended 30 November 2014 (“**2QFY2015**”). For the half year period ended 30 November 2014 (“**1HFY2015**”), TEE’s net profit grew 46.8% to S\$4.7 million.

Gross profit margin expanded from 8.6% in 2QFY2014 to 17.9% in 2QFY2015 and from 10.1% in 1HFY2014 to 13.1% in 1HFY2015. This was mainly due to more higher-margin projects being recognised in 2QFY2015. With increased contribution from its Singapore real estate associates, TEE Group recorded improvements in net profit for both periods.

Ms Florence Saw, Executive Director of TEE said: ***“Our key focus is on delivering the pipeline of engineering projects on time, and at the same time, leverage on our core fundamentals in engineering, to build our integrated business platform and strengthen our position in key markets.”***

Financial Position

TEE Group’s financial position remained robust, with net assets of S\$96.3 million as at 30 November 2014. This translates to a net asset value per share of 19.2 Singapore cents.

As at 30 November 2014, cash and bank balances stood at S\$39.4 million. Investment properties increased from S\$33.1 million as at 31 May 2014 to S\$60.9 million as at 30 November 2014 as its subsidiary, TEE Land Limited (“**TEE Land**”), acquired a hotel in Sydney. The Term Notes of S\$29.5 million as at 30 November 2014 was for Tranche 1 of the Medium Term Notes Program raised in October 2014 by TEE Land.

Rewarding Shareholders

In rewarding shareholders, TEE has declared an interim cash dividend of 0.18 Singapore cents per ordinary share tax exempt one-tier. In addition, subject to the approval of shareholders, TEE is proposing an additional dividend, which will be distributed by way of a dividend *in specie* (“**Proposed Distribution**”) to shareholders, on the basis of 1 TEE Land share for every 15 TEE shares held by entitled shareholders. Based on the closing price of TEE Land’s share on 13 January 2015, the Proposed Distribution is worth approximately 1.90 cents per share tax exempt one-tier.

Distributing TEE Land shares through a dividend *in specie* will enable TEE Group to unlock value by giving shareholders, especially minority shareholders, direct ownership in its regional real estate developer, TEE Land at no cost to them.

The Proposed Distribution is consistent with TEE Group's strategy to conserve cash for potential strategic expansion opportunities. It will also improve the trading liquidity of TEE Land shares, potentially enhancing shareholder value.

Mr C K Phua, Group Chief Executive and Managing Director of TEE, said: ***"We remain committed in rewarding shareholders for their support, and we believe the Proposed Distribution is an effective way for them to participate directly in the growth of TEE Land and TEE Group."***

Post distribution, TEE will remain as the single largest shareholder of TEE Land. We intend to hold on to our stake in TEE Land as it is an integral part of TEE Group. TEE Land's progress is on track, and we remain positive on the company as it rides on real estate opportunities in the region."

#End#

Note to Editors: Please read this press release in conjunction with the related mandatory announcement filed by TEE International Limited on SGXNET.

About TEE International Limited (Bloomberg: TEE:SP; Reuters: TEEI.SI)

TEE International Limited ("TEE" or together with its subsidiaries and associate companies, "TEE Group") was established in the 1980s, and has grown from a general electrical contractor to an established Integrated Engineering, Real Estate and Infrastructure Group. With its operations spanning primarily in Singapore, Thailand, Malaysia, Hong Kong and New Zealand, TEE Group continues to focus on its core Engineering specialisation to grow its Infrastructure business alongside its complementary Real Estate business.

Listed on the Stock Exchange of Singapore Dealing and Automated Quotation System "SESDAQ" (now known as the SGX Catalyst) in 2001, TEE was upgraded to the SGX Mainboard in 2008. Over the years, TEE Group has established a strong track record in delivering quality and value-added services by providing integrated solutions to its customers. With a strong brand position, TEE has been able to secure prominent projects both locally and regionally.

With its people at the centre of the TEE Group's business model, TEE branches out through its integrated platform – Engineering, Infrastructure and Real Estate by tapping on the expertise, experience and capabilities of its people. TEE has expanded its regional presence

in the Asia-Pacific region either directly by TEE Group or through strategic partnerships and acquisitions.

For more information on the company, please visit www.teeintl.com

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