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

DISPOSAL OF SHARES IN AN ASSOCIATED COMPANY

The Company's wholly-owned subsidiary, TEE Infrastructure Private Limited ("**TEE Infrastructure**"), has on 28 February 2019 entered into an agreement ("**Disposal Agreement**") with Asia Enviro Services Ltd. ("**Asia Enviro**") to dispose its entire 45% stake in TEE Medical Services Pte. Ltd. ("**TEE Medical**") ("**Disposal**"), which is engaged in the treatment and disposal of biohazardous, cytotoxic and pharmaceutical waste.

Asia Enviro is the other 55% shareholder of TEE Medical and is a wholly-owned subsidiary of Dymon Asia Private Equity (S.E. Asia) Fund II Pte. Ltd..

The Disposal consideration of S$5 million was determined after arm's length negotiations taking into account, amongst others, the book value of TEE Medical, and is at an approximately 7.4% premium over the Company's initial investment of S$4,657,500 on 31 August 2018. The Disposal is intended to realise value from this investment and the net proceeds will be applied towards working capital of TEE Infrastructure. This can be viewed as a reallocation of resources into TEE Infrastructure's general waste business to strategically move up the value chain and further expand its material recovery and recycling business.

Completion of the Disposal has taken place on 28 February 2019. The Disposal is subject to certain conditions subsequent, including *inter alia* all necessary regulatory and third-party approvals, consents and waivers being obtained.

Relative Figures

The Disposal constitutes a discloseable transaction under Rule 1010 of the SGX-ST Listing Manual, as computed below based on the latest announced unaudited consolidated financial statements of the Group for the six months' period ended 30 November 2018 ("**1H2019**"):

Rule 1006		*Relative Figure*
(a)	*The net asset value of the assets to be disposed of, compared with the group's net asset value. This basis is not applicable to an acquisition of assets.*	*5.9%* *The net asset value attributable to the stake being disposed is approximately S$4,816,000.* *The net asset value of the Group as at 30 November 2018 is approximately S$81,885,000.*
(b)	*The net profits(1) attributable to the assets acquired or disposed of, compared with the group's net profit.*	*(2.7)%* *The net profits attributable to the stake being disposed, based on the unaudited financial statements of TEE*

		Medical for the period year ended 31 January 2019, is approximately S$181,000. *The net loss of the Group for 1H2019 is approximately S$6,690,000.*
(c)	*The aggregate value of the consideration given or received, compared with the issuer's market capitalisation(2) based on the total number of issued shares excluding treasury shares.*	*7.7%* *The market capitalisation of the Company is approximately S$64,688,000.*
(d)	*The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.*	*Not applicable, as this is not an acquisition.*
(e)	*The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such asset.*	*Not applicable, as this does not relate to a mineral, oil and gas asset.*

Notes:
(1) "Net profits" means profit before income tax, minority interests and extraordinary items.

(2) *Market capitalisation of the Company is determined by multiplying the existing number of shares in issue excluding treasury shares by the weighted average price of the Company's shares transacted on 28 February 2019, being the full market day preceding the release of this announcement.*

Financial Effects

The proforma financial effects of Group after completion as set out below are for illustrative purposes only and should not be taken as an indication of the actual future financial performance or position of the Group following completion, nor a projection of the future financial performance or position of the Group after completion.

The proforma financial effects of completion are based on the Company's audited financial statements for the financial year ended 31 May 2018 ("**FY2018**") and the following assumptions:

(a) completion having taken place on 31 May 2018 for purposes of the financial effect on the net tangible asset value ("**NTA**") per share; and

(b) completion having taken place on 1 June 2017 for purposes of the financial effect on the loss per share.

NTA per Share

	Before Completion	After Completion
NTA (S$'000)	88,274	88,639
Number of issued shares (excluding treasury shares)	501,953	501,953
NTA per Share (Singapore cents)	0.18	0.18

Loss per Share

	Before Completion	After Completion
Loss attributable to owners of the Company (S$'000)	(7,605)	(7,240)
Weighted average number of ordinary shares (excluding treasury shares)	501,953	501,953
Loss per Share (Singapore cents)	(1.52)	(1.44)

None of the directors or controlling shareholders of the Company or their respective associates has any interest, direct or indirect, in the Disposal, save as shareholders of the Company.

A copy of the Disposal Agreement is available for inspection at the Company's registered office at 25 Bukit Batok Street 22, TEE Building, Singapore 659591 for a period of three months from the date of this announcement.

By Order of the Board

Yeo Ai Mei
Company Secretary

1 March 2019