

OFFER INFORMATION STATEMENT DATED 26 APRIL 2018
(Lodged with the Monetary Authority of Singapore on 26 April 2018)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

Capitalised terms used below which are not otherwise defined herein shall have the same meanings ascribed to them under the Section entitled “**Definitions**” of this offer information statement (“**Offer Information Statement**”) issued by TEE International Limited (the “**Company**” or “**TEE**”).

A copy of this Offer Information Statement has been lodged with the Monetary Authority of Singapore (the “**Authority**”). The Authority assumes no responsibility for the contents of this Offer Information Statement. Lodgement of this Offer Information Statement with the Authority does not imply that the Securities and Futures Act, Chapter 289 of Singapore, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the Bonus Warrants and the New Shares being issued, or in respect of which an invitation is made, for investment.

An application has been made by the Company to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) to list for quotation the Bonus Warrants and the New Shares on the Main Board of the SGX-ST. Approval in-principle has been granted by the SGX-ST for the listing of and quotation for the Bonus Warrants and the New Shares on the Main Board of the SGX-ST, subject to certain conditions. The Company may in its absolute discretion waive any of the said conditions in the event that the SGX-ST waives compliance of the same. The Bonus Warrants and the New Shares will be admitted to the Official List of the SGX-ST and the official listing of and quotation for the Bonus Warrants and the New Shares will commence after all conditions imposed by the SGX-ST are satisfied, the certificates relating thereto have been issued and the notification letters from The Central Depository (Pte) Limited (“**CDP**”) have been despatched.

The approval in-principle granted by the SGX-ST for admission to the Official List of the SGX-ST and the dealing in, listing of and quotation for, the Bonus Warrants and the New Shares are in no way reflective of, and are not to be taken as an indication of the merits of the Bonus Warrants Issue, the Bonus Warrants, the New Shares, the Company and/or its subsidiaries. The SGX-ST assumes no responsibility for the correctness or accuracy of any of the statements made, reports contained and opinions expressed in this Offer Information Statement.

No Bonus Warrants shall be allotted or allocated on the basis of this Offer Information Statement later than six (6) months after the date of lodgement of this Offer Information Statement with the Authority.



TEE INTERNATIONAL LIMITED
(Incorporated in the Republic of Singapore on 15 August 2000)
(Company Registration No. 200007107D)

BONUS WARRANTS ISSUE OF UP TO 50,195,263 FREE WARRANTS (“BONUS WARRANTS”), WITH EACH BONUS WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) NEW SHARE (“NEW SHARE”) AT AN EXERCISE PRICE OF S\$0.215 FOR EACH NEW SHARE, ON THE BASIS OF ONE (1) BONUS WARRANT FOR EVERY TEN (10) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE “SHARES”) HELD BY ENTITLED SHAREHOLDERS (AS DEFINED HEREIN) AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS, IF ANY, BEING DISREGARDED

IMPORTANT NOTICE

Capitalised terms used below which are not otherwise defined herein shall have the same meaning as ascribed to them under "Definitions" of this Offer Information Statement.

The existing Shares are quoted on the Official List of the SGX-ST.

Persons wishing to subscribe for the New Shares offered by this Offer Information Statement should, before deciding whether to purchase or subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment, *inter alia*, of the assets and liabilities, risk factors, profits and losses, financial position, performance and prospects of the Company, the Group and the rights and liabilities attaching to the Bonus Warrants and the New Shares. They should also make their own independent enquiries and investigations of any bases and assumptions, upon which financial projections, if any, are made or based, and carefully consider this Offer Information Statement in the light of their personal circumstances (including financial and taxation affairs). No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice. It is recommended that such persons seek professional advice from their legal, financial, tax or other professional advisers before deciding whether to subscribe for the New Shares or invest in the Company.

No person has been authorised to give any information or to make any representations, other than those contained in this Offer Information Statement, in connection with the Bonus Warrants Issue or the issue of the New Shares and, if given or made, such information or representations must not be relied upon as having been authorised by the Company. Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Company or the Group. Neither the delivery of this Offer Information Statement nor the issue of the Bonus Warrants and/or the New Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no material change in the affairs of the Company or the Group, or any of the information contained herein since the date hereof. Where such changes occur after the date hereof and are material, or are required to be disclosed by law and/or SGX-ST, the Company may make an announcement of the same to SGX-ST and, if required, lodge a supplementary or replacement document with the Authority. All Entitled Shareholders and their renounees should take note of any such announcement and, upon the release of such announcement or lodgement of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

The Company is not making any representation to any person regarding the legality of an investment in the Bonus Warrants, the New Shares and/or the Shares by such person under any investment or any other laws or regulations. No information in this Offer Information Statement should be considered to be business, legal, financial or tax advice. Each prospective investor should consult his own professional or other advisor for business, legal, financial or tax advice regarding an investment in the Bonus Warrants, the New Shares and/or the Shares.

The existing Shares of the Company are quoted on the Main Board of the SGX-ST.

The Company makes no representation, warranty or recommendation whatsoever as to the merits of the Bonus Warrants Issue, the New Shares, the Company, the Group or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement or its accompanying documents shall be construed as a recommendation to accept or purchase the Bonus Warrants, the New Shares and/or the Shares. Prospective subscribers of the New Shares and/or the Shares should rely on their own investigation of the financial condition and affairs, appraisal and determination of the merits of investing in the Company and the Group and shall be deemed to have done so.

This Offer Information Statement and the accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Bonus Warrants and the New Shares under the Bonus Warrants Issue, and may not be relied upon by any persons, other than Entitled Shareholders (and their renounees) to whom it is despatched by the Company, or for any other purpose.

This Offer Information Statement, may not be used for the purpose of, and does not constitute, an offer, invitation to or solicitation by or on behalf of anyone in any jurisdiction or under any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

The distribution of this Offer Information Statement (and/or its accompanying documents) and the purchase, exercise of or subscription for the Bonus Warrants may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of these jurisdictions. Shareholders and any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to inform themselves of and observe such prohibitions and restrictions.

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CORPORATE INFORMATION

Board of Directors	: Bertie Cheng Shao Shiong (Non-Executive Chairman and Independent Director) Phua Chian Kin (Group Chief Executive and Managing Director) Phua Boon Kin (Deputy Group Managing Director) Saw Chin Choo (Executive Director) Lee Ah Fong (Independent Director) Gn Hiang Meng (Independent Director) Aric Loh Siang Khee (Independent Director)
Registered Office	: 25 Bukit Batok Street 22, TEE Building Singapore 659591
Share Registrar	: B.A.C.S. Private Limited 8 Robinson Road #03-00 ASO Building Singapore 048544
Auditor	: Deloitte & Touche LLP 6 Shenton Way #33-00 OUE Downtown 2 Singapore 068809
Legal Advisor to the Company on the Bonus Warrants Issue	: Shook Lin & Bok LLP 1 Robinson Road #18-00 AIA Tower Singapore 048542

DEFINITIONS

For the purpose of this Offer Information Statement, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated:

Entities in relation to the Bonus Warrants Issue

- “Company” or “TEE” : TEE International Limited
- “Group” : The Company and its subsidiaries

Other Companies, Organisations and Agencies

- “Authority” : Monetary Authority of Singapore
- “CDP” : The Central Depository (Pte) Limited
- “CPF” : Central Provident Fund
- “CPF Board” : The Board of the CPF established pursuant to the Central Provident Fund Act, Chapter 36 of Singapore, as amended or modified from time to time
- “SGX-ST” : Singapore Exchange Securities Trading Limited
- “Share Registrar” or
“Warrant Agent” : B.A.C.S. Private Limited
- “TEE Land” : TEE Land Limited

General

- “Board” or “Board of Directors” : The board of Directors of the Company as at the date of this Offer Information Statement
- “Bonus Warrants” : Up to 50,195,263 free warrants in registered form to be issued by the Company pursuant to the Bonus Warrants Issue, and where the context so admits, such additional warrants as may be required or permitted to be issued by the Company pursuant to the terms and conditions of the Deed Poll (any such additional warrants to rank *pari passu* with the warrants issued pursuant to the Bonus Warrants Issue and for all purposes to form part of the same series), each such Warrant entitling its holder to subscribe for one (1) New Share at the Exercise Price, subject to the terms and conditions of the Deed Poll
- “Bonus Warrants Issue” : The bonus issue by the Company of up to 50,195,263 free Bonus Warrants, each Bonus Warrant carrying the right to subscribe for one (1) New Share in the capital of the Company, on the basis of one (1) Bonus Warrant for every ten (10) existing Shares in the capital of the Company held by the Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded
- “Books Closure Date” : 5.00 p.m. on 24 April 2018, being the time and date at and on which the Register of Members and the share transfer books of the Company were closed to determine the entitlements of

	:	Entitled Scripholders to the Bonus Warrants Issue and, in the case of Entitled Depositors, at and on which their entitlements under the Bonus Warrants Issue were determined
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
“CPFIS”	:	Central Provident Fund Investment Scheme
“CPF Regulations”	:	The Central Provident Fund (Investment Schemes) Regulations, as the same may be modified, amended or supplemented from time to time
“Deed Poll”	:	The deed poll dated 16 April 2018 executed by the Company for the purposes of constituting the Bonus Warrants (as the same may be amended or supplemented from time to time) and containing, <i>inter alia</i> , provisions for the protection of the rights and interests of the Warranholders
“Directors”	:	Directors of the Company as at the date of this Offer Information Statement
“Entitled Depositors”	:	Shareholders with Shares entered against their names in the Depository Register maintained by CDP as at the Books Closure Date and whose registered addresses with CDP were in Singapore as at the Books Closure Date or who had provided CDP with addresses in Singapore for the service of notices and documents at least three (3) Market Days prior to the Books Closure Date
“Entitled Scripholders”	:	Shareholders with Shares registered in their own names in the Register of Members of the Company as at the Books Closure Date (for the avoidance of doubt excluding CDP) or persons who had tendered to the Share Registrar duly completed and stamped transfers (in respect of Shares not registered in the name of CDP) together with all relevant documents of title for registration up to the Books Closure Date and, in each case, whose registered addresses with the Company were in Singapore as at the Books Closure Date or who had provided the Share Registrar with addresses in Singapore for the service of notices and documents at least three (3) Market Days prior to the Books Closure Date
“Entitled Shareholders”	:	Entitled Depositors and Entitled Scripholders
“Exercise Date”	:	The day on which the Bonus Warrants may be exercised, being any Market Day during the Exercise Period
“Exercise Period”	:	The period during which the Bonus Warrants may be exercised commencing on and including the date of issue of the Bonus Warrants and expiring at 5.00 p.m. on the date immediately preceding the thirtieth (30 th) month after the date of issue of the Bonus Warrants, unless such date is a date on which the Register of Warranholders of the Company is closed or is not a Market Day, in which event the Bonus Warrants shall expire on the date prior to closure of the Register of Members of the Company or on the immediately

preceding Market Day, as the case may be (but excluding such period(s) during which the Register of Warrantholders may be closed), subject to the terms and conditions of the Bonus Warrants to be set out in the Deed Poll

“Exercise Price”	:	The sum payable in respect of each New Share to which a Warrantholder will be entitled to subscribe upon the exercise of a Bonus Warrant, being S\$0.215, subject to certain adjustments in accordance with the terms and conditions of the Bonus Warrants as set out in the Deed Poll
“Foreign Shareholders”	:	Shareholders with registered addresses outside Singapore as at the Books Closure Date and who had not, at least three (3) Market Days prior to the Books Closure Date, provided to CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents
“FY”	:	Financial year or years ended or ending 31 May, as the case may be
“Latest Practicable Date”	:	19 April 2018, being the latest practicable date prior to the issue of this Offer Information Statement
“Listing Manual”	:	Listing Manual of the SGX-ST, as may be amended or modified from time to time
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“New Shares”	:	The new Shares to be allotted and issued by the Company credited as fully paid, upon the exercise of the Bonus Warrants subject to and in accordance with the terms and conditions of the Bonus Warrants as set out in the Deed Poll
“Offer Information Statement”	:	The document issued by the Company in respect of the Bonus Warrants Issue, and all other accompanying documents issued by the Company, including, where the context admits, any supplementary or replacement document which may be issued by the Company
“Record Date”	:	In relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the Company or with CDP, as the case may be, in order to participate in such dividends, rights, allotments or other distributions
“Securities Account”	:	A securities account maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent
“Securities and Futures Act”	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
“SGXNET”	:	A system network used by listed companies to send information and announcements to the SGX-ST or any other system network(s) as may be prescribed by the SGX-ST

“Shareholders”	:	Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors whose Securities Accounts are credited with such Shares
“Shares”	:	Ordinary shares in the capital of the Company
“Substantial Shareholder”	:	A person who has an interest in one (1) or more voting Shares and the total votes attached to such Share(s) is not less than 5% of the total votes attached to all the voting Shares
“Warrant Certificates”	:	The certificates (in registered form) to be issued in respect of the Bonus Warrants as from time to time modified in accordance with the conditions to be set out in the Deed Poll
“Warrantholders”	:	Registered holders of the Bonus Warrants, except that where CDP is the registered holder, the term “Warrantholders” shall, in relation to such Bonus Warrants and where the context so admits, mean the Entitled Depositors whose Securities Accounts are credited with the Bonus Warrants
“9M”	:	The nine (9) months ended or ending on 28 February 2018, as the case may be

Currencies, Units and Others

“S\$” or “SGD” and “cents”	:	Singapore dollars and cents, respectively, the lawful currency of the Republic of Singapore
“A\$”	:	Australian dollar, the lawful currency of Australia
“MOP”	:	Macau Pataca, the lawful currency of Macau
“PHP”	:	Peso, the lawful currency of the Philippines
“RM”	:	Ringgit, the lawful currency of Malaysia
“THB”	:	Baht, the lawful currency of the Kingdom of Thailand
“%” or “per cent.”	:	Per centum or percentage

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the same meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable include corporations.

Any reference in this Offer Information Statement to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any word defined in the Companies Act, the SFA or the Listing Manual or any modification thereof and not otherwise defined in this Offer Information Statement shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA or the Listing Manual or such modification thereof, as the case may be.

Any reference to a time or day in this Offer Information Statement shall be a reference to Singapore time and date unless otherwise stated.

The term “subsidiary” shall have the meaning ascribed to it by Section 5 of the Companies Act.

The words “written” and “in writing” include any means of visible reproduction.

Any discrepancies in figures included in this Offer Information Statement between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Offer Information Statement may not be an arithmetic aggregation of the figures that precede them.

INDICATIVE TIMETABLE OF KEY EVENTS

An indicative timetable for the Bonus Warrants Issue is set out below (all references are to Singapore dates and times). For the events listed which are described as “expected”, please refer to future announcement(s) by the Company and/or the SGX-ST for the exact dates of these events.

Books Closure Date	:	24 April 2018 at 5.00 p.m.
Expected date for issuance of Bonus Warrants	:	30 April 2018
Expected date and time for commencement of trading of Bonus Warrants on the Main Board of SGX-ST (subject to there being an adequate spread of holdings of the Bonus Warrants to provide for an orderly market in the trading of the Bonus Warrants	:	4 May 2018 from 9 a.m.

The above timetable is indicative only and is subject to change.

As at the Latest Practicable Date, the Company does not expect the above timetable to be modified. However, the Company may, with the approval of the SGX-ST, modify the timetable subject to any limitation under any applicable laws. In that event, the Company will publicly announce the same through an SGXNET announcement to be posted on the website of the SGX-ST at <http://www.sgx.com>.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE BONUS WARRANTS ISSUE

Entitled Shareholders

Entitled Shareholders are entitled to participate in the Bonus Warrants Issue.

Foreign Shareholders

This Offer Information Statement has not been and will not be registered, lodged or filed in any jurisdiction other than in Singapore. The distribution of this Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various relevant requirements, whether legal or otherwise, being complied with) in certain jurisdictions under the relevant laws of those jurisdictions.

For practical reasons and in order to avoid any violation of the legislation applicable in countries other than Singapore, the Bonus Warrants will not be issued to, and this Offer Information Statement has not been and will not be despatched to, Foreign Shareholders.

Foreign Shareholders will not be entitled to participate in the Bonus Warrants Issue.

Notwithstanding the above, Shareholders or any other person having possession of this Offer Information Statement are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any jurisdiction outside Singapore receiving this Offer Information Statement may treat the same as an offer, invitation or solicitation to subscribe for any Bonus Warrants or Shares.

The Bonus Warrants which represent fractional entitlements disregarded in accordance with the terms of the Bonus Warrants Issue shall be dealt with in such manner as the Directors may, in their absolute discretion, deem fit.

TRADING

Listing and Quotation of Bonus Warrants and the New Shares

Approval in-principle has been obtained from the SGX-ST for the listing of and quotation for the Bonus Warrants and New Shares on the Main Board of the SGX-ST, subject to, *inter alia*, there being a sufficient spread of holdings for the Bonus Warrants to provide for an orderly market in the trading of the Bonus Warrants. The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Bonus Warrants Issue, the Bonus Warrants, the New Shares, the Company and/or its subsidiaries. Under Rule 826 of the Listing Manual, it is provided, that as a guide, the SGX-ST expects at least 100 Warrantholders for a class of company warrants.

In the event that permission is not granted by the SGX-ST for the listing and quotation for the Bonus Warrants due to an insufficient spread of holdings of the Bonus Warrants to provide for an orderly market in the trading of the Bonus Warrants, the Company shall nevertheless proceed and complete the Bonus Warrants Issue. Accordingly, in such an event, Warrantholders will not be able to trade their Bonus Warrants on the Main Board of the SGX-ST. However, if a Warrantholder were to exercise his Bonus Warrants in accordance with the Deed Poll, the New Shares arising therefrom will be listed and quoted on the Main Board of the SGX-ST.

Upon the listing and quotation on the Main Board of the SGX-ST, the Bonus Warrants and the New Shares, when allotted and issued, will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Bonus Warrants and New Shares effected through the SGX-ST and/or CDP shall be made in accordance with the “Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited” and the “Terms and Conditions for The Central Depository (Pte) Limited to act as Depository for the Bonus Warrants”, as the same may be amended from time to time. Copies of the above are available from CDP.

Arrangements for Scripless Trading

To facilitate scripless trading, Entitled Scripholders who wish to trade the Bonus Warrants issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names (if they do not already maintain such Securities Accounts) in order that the number of Bonus Warrants may be credited by CDP into their Securities Accounts.

A holder of physical certificate(s), or an Entitled Scripholder who has not deposited his certificate(s) with CDP but wishes to trade on the SGX-ST, must deposit his certificate(s) with CDP, together with the duly executed instrument(s) of transfer in favour of CDP, and have his Securities Account credited with the number of Bonus Warrants, as the case may be, before he can effect the desired trade.

Trading of Odd Lots

Shareholders should note that most counters on the SGX-ST trade in lot sizes of 100 shares and/or warrants.

Following the Bonus Warrants Issue, Entitled Shareholders who hold odd lots of Bonus Warrants (i.e. less than board lots of 100 Bonus Warrants) and who wish to trade in odd lots on the SGX-ST should note that they are able to do so on the Unit Share Market of the SGX-ST.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in press releases and oral statements that may be made by the Company or its Directors, officers or employees acting on its behalf, that are not statements of historical fact, constitute "forward-looking statements". Some of these statements can be identified by words that have a bias towards the future or, are forward-looking such as "anticipate", "believe", "could", "estimate", "expect", "forecast", "if", "intend", "may", "plan", "possible", "probable", "project", "should", "will" and "would" or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group's expected financial position, operating results, business strategy, future plans and prospects of the Group's industry are forward-looking statements.

These forward-looking statements, including but not limited to statements as to the Company's and the Group's revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group's actual future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements.

Given the risks, uncertainties and other factors that may cause the Company's and the Group's actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements. The Company's and the Group's actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. None of the Company, its respective related corporations, directors, officers, executives and employees or any other person represents or warrants that the Company's and the Group's actual future results, performance or achievements will be as discussed in those statements and financial information. In light of the volatile global financial markets and global economic uncertainties, any forward-looking statements contained in this Offer Information Statement must be considered with significant caution and reservation.

Further, the Company and its related corporations, directors, officers, executives and employees disclaim any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future, subject to compliance with any applicable laws and regulations and/or rules of the SGX-ST and/or any regulatory or supervisory body or agency. Where such developments, events or circumstances occur after the lodgement of this Offer Information Statement with the Authority and are materially adverse from the point of view of an investor, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same to the SGX-ST and, if required, lodge a supplementary or replacement document with the Authority. The Company is also subject to the provisions of the Listing Manual regarding corporate disclosure.

This Offer Information Statement may include market and industry data and information that have been obtained from, *inter alia*, internal studies and publicly available information such as government statistical and industry reports, and industry publications. Please note that such information is supplied to you for your personal use only. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable but the accuracy and completeness of that information is not guaranteed and may contain other disclaimers in relation to reliance on their contents. There can therefore be no assurance as to the accuracy or completeness of such information. While reasonable steps have been taken to ensure that the information is extracted accurately, the Company and its related corporations, directors, officers, executives and employees have not independently verified any of the data from third party sources or ascertained the underlying bases or assumptions relied upon therein, nor have the consents of these sources been obtained for the inclusion of such data or information in this Offer Information Statement.

TAKE-OVER LIMITS

The Singapore Code on Take-overs and Mergers (“**Code**“) regulates the acquisition of voting shares in, *inter alia*, corporations with a primary listing of their equity securities in Singapore (such as the Company). In general terms, except with the consent of the Securities Industry Council of Singapore, where any person acquires shares in a company which, taken together with shares held by persons acting in concert with him, carry 30% of more of the voting rights of the company or where any person who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights, acquires in any six (6) month period additional shares carrying more than 1% of the voting rights, such person must make an offer for all the remaining shares in the company in accordance with the Code.

Shareholders who are in doubt as to their position including obligations if any under the Code in connection with any acquisition and exercise of Bonus Warrants under the Bonus Warrants Issue should consult their professional advisers.

DISCLOSURE REQUIREMENTS UNDER THE SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART II: IDENTITY OF DIRECTORS, ADVISERS AND AGENTS

Directors

1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.

Name of Directors	Designation	Address
Bertie Cheng Shao Shiong	Non-Executive Chairman and Independent Director	16 Raffles Quay, #01-05 Hong Leong Building Singapore 048581.
Phua Chian Kin	Group Chief Executive and Managing Director	25 Bukit Batok Street 22, TEE Building Singapore 659591.
Phua Boon Kin	Executive Director	25 Bukit Batok Street 22, TEE Building Singapore 659591.
Saw Chin Choo	Executive Director	25 Bukit Batok Street 22, TEE Building Singapore 659591.
Lee Ah Fong	Independent Director	101 Upper Cross Street, #06-07 People's Park Centre Singapore 058357.
Gn Hiang Meng	Independent Director	102 Duchess Avenue, #02-01 Duchess Residences Singapore 266310.
Aric Loh Siang Khee	Independent Director	272 River Valley Road Singapore 238315.

Advisers

2. Provide the names and addresses of -
(a) the issue manager to the offer, if any;
(b) the underwriter to the offer, if any; and
(c) the legal adviser for or in relation to the offer, if any.

Manager to the Bonus Warrants Issue	:	Not applicable
Underwriter	:	Not applicable
Legal Adviser	:	Shook Lin & Bok LLP 1 Robinson Road #18-00 AIA Tower Singapore 048542

Registrars and Agents

3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities being offered, where applicable.

Share Registrar and Warrant Agent : B.A.C.S. Private Limited
8 Robinson Road,
#03-00 ASO Building,
Singapore 048544.

Transfer agents : Not applicable

Receiving Banker : Not applicable

PART III: OFFER STATISTICS AND TIMETABLE

Offer Statistics

1. For each method of offer, state the number of the securities being offered.

Method of Offer	:	Bonus Warrants Issue
Number of Bonus Warrants	:	Up to 50,195,263 Bonus Warrants
Basis of allotment	:	The Bonus Warrants Issue is to be made to the Entitled Shareholders on the basis of one (1) Bonus Warrant for every ten (10) existing Shares held by or, as the case may be, standing to the credit of the Securities Accounts of, the Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.
Status of Bonus Warrants	:	Each Bonus Warrant carries the right to subscribe for one (1) New Share at the Exercise Price of S\$0.215 per New Share. The New Shares will upon allotment and issue, rank <i>pari passu</i> in all respects with existing Shares of the Company, save that the New Shares will not be entitled to any dividends, rights, allotments or other distributions, the Record Date for which falls before the date of issue of the New Shares.

Method and Timetable

-
- 2. Provide the information referred to in paragraphs 3 to 7 of this Part to the extent applicable to -**
- (a) the offer procedure; and**
 - (b) where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.**
-

Please refer to Paragraph 3 to Paragraph 7 of this Part III.

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- 3. State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgement of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.**
-

Basis of allotment	:	The Bonus Warrants Issue is to be made to the Entitled Shareholders on the basis of one (1) Bonus Warrant for every ten (10) existing Shares held by or, as the case may be, standing to the credit of the Securities Accounts of, the Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.
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Terms and conditions of Bonus Warrant Issue : The terms and conditions of the Bonus Warrant Issue, including method of payment of the Exercise Price and the names and addresses to whom payment is to be submitted, are found in Appendix I to this Offer Information Statement.

Circumstances under which the offer period may be modified : As at the Latest Practicable Date, it is not anticipated that the period for which the Bonus Warrants Issue will be kept open will be extended or shortened. The Company also does not expect the timetable under the section entitled "Indicative Timetable of Key Events" on page 10 of this Offer Information Statement to be modified. However, the Company may, with the approval of the SGX-ST, modify the timetable subject to any limitation under any applicable laws. In that event, the Company will publicly announce the same through an SGXNET announcement to be posted on the website of the SGX-ST at <http://www.sgx.com>.

4. State the method and time limit for paying up for the securities and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.

The Bonus Warrants are issued free to Entitled Shareholders with no obligation on their part to exercise the Bonus Warrants. The terms and conditions of the Bonus Warrants Issue, including method of payment of the Exercise Price and time limit for paying up, are found in Appendix I to this Offer Information Statement.

5. State, where applicable, the methods of and time limits for -

- (a) **the delivery of the documents evidencing title to the securities being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and**
- (b) **the book-entry transfers of the securities being offered in favour of subscribers or purchasers.**

The Bonus Warrants will be allotted to the Entitled Shareholders by crediting the allotments to Entitled Depositors or through the despatch of Warrants Certificate(s) to Entitled Scripholders. In the case of Entitled Scripholders, the Warrant Certificate(s) representing such number of Bonus Warrants will be sent by ordinary post, at their own risk, to their mailing addresses in Singapore as registered with the Share Registrar.

The Company will announce the date on which (a) the Warrant Certificates are despatched, and (b) the Bonus Warrants are credited into the relevant Securities Accounts (as the case may be) through an SGXNET announcement to be posted on the website of the SGX-ST at <http://www.sgx.com>.

6. In the case of any pre-emptive rights to subscribe for or purchase the securities being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.

Not applicable. No pre-emptive rights have been offered.

7. Provide a full description of the manner in which results of the allotment or allocation of the securities are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).

The Bonus Warrants are issued free on the basis of one (1) Bonus Warrant for every ten (10) existing Shares held by the Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded. There will not be excess applications.

Further information on the terms and conditions of the Bonus Warrants is set out in Appendix I of this Offer Information Statement.

PART IV: KEY INFORMATION

Use of Proceeds from Offer and Expenses Incurred

1. In the same section, provide the information set out in paragraphs 2 to 7 of this Part.

Please refer to Paragraph 2 to Paragraph 7 of this Part IV below.

2. Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (referred to in this paragraph and paragraph 3 of this Part as the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.

As the Bonus Warrants are issued free, there will be no immediate proceeds from the Bonus Warrants Issue. Assuming all the Bonus Warrants issued are exercised within the Exercise Period, the Company will receive gross proceeds of approximately S\$10.79 million. The estimated net proceeds from the exercise of the Bonus Warrants is approximately S\$10.73 million (the “**Net Proceeds**”), after deducting professional fees as well as related expenses amounting to an aggregate of approximately S\$0.06 million in connection with the Bonus Warrants Issue.

3. Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities.

The Company intends to utilise the Net Proceeds for financing working capital, reduction of existing loans and new investments. The percentage allocation for each intended use cannot be determined at this moment. The Company will make the necessary announcements and subsequently provide a status report on the use of such proceeds and any material deviations therefrom in its annual report.

Pending the deployment of the Net Proceeds, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities, as the Directors may deem appropriate in the interests of the Group from time to time.

Where the Net Proceeds have been used for working capital purposes, the Company will disclose a breakdown with specific details on the use of the Net Proceeds in such announcement(s), the Company’s interim and full-year financial statements and annual report(s), where applicable. Where there is any material deviation from the stated use of Net Proceeds, the Company will announce the reasons for such deviation.

The Directors believe that the Bonus Warrants Issue provides a means to reward the Shareholders for their loyalty and continuing support towards the Company, and as a means to raise funds and provide additional financial flexibility to the Group. The Bonus Warrants Issue will provide Shareholders with the opportunity to increase their equity participation in the Company by subscribing for the New Shares through the exercise of the Bonus Warrants, which will in turn increase the Company’s capital base and strengthen its balance sheet to

support the expanding business operations and other financial needs of the Group in the future. As the Bonus Warrants will be offered free to all the Entitled Shareholders, in the reasonable opinion of the Directors, there is no minimum amount that must be raised by the Bonus Warrants Issue. The amount of proceeds to be raised from the Bonus Warrants Issue is subject to the exercise of the Bonus Warrants by Entitled Shareholders. There is no assurance that all the Bonus Warrants issued would be exercised in full.

4. For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.

As the Bonus Warrants are issued free, there will be no immediate proceeds from the Bonus Warrants Issue.

As the Bonus Warrants are issued free to Entitled Shareholders with no obligation on their part to exercise the Bonus Warrants and the exercise period for the Bonus Warrants commences on and includes the date of issue of the Bonus Warrants and expires at 5.00 p.m. on the date immediately preceding the thirtieth (30th) month after the date of issue of the Bonus Warrants, the amount of proceeds arising from the issue of the New Shares, the time of receipt of such proceeds and the percentage allocation of each intended use of such proceeds cannot be ascertained as at the date of this Offer Information Statement.

The actual amount of proceeds received by the Company from the exercise of the Bonus Warrants will depend on when and the extent to which such Bonus Warrants are exercised. As and when the Bonus Warrants are exercised, the proceeds arising from the issue of the New Shares will be used for financing working capital, reduction of existing loans and new investments, as the Directors may deem fit.

5. If any of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business, briefly describe the asset and state its purchase price. If the asset has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined.

Not applicable. None of the net proceeds will be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business.

6. If any of the proceeds to be raised by the relevant entity will be used to finance or refinance the acquisition of another business, briefly describe the business and give information on the status of the acquisition.

As the Bonus Warrants are issued free to Entitled Shareholders with no obligation on their part to exercise the Bonus Warrants and the exercise period for the Bonus Warrants commences on and includes the date of issue of the Bonus Warrants and expires at 5.00 p.m. on the date immediately preceding the thirtieth (30th) month after the date of issue of the Bonus Warrants, the amount of proceeds arising from the issue of the New Shares, the time of receipt of such proceeds and the percentage allocation of each intended use of such proceeds cannot be ascertained as at the date of this Offer Information Statement.

The actual amount of proceeds received by the Company from the exercise of the Bonus Warrants will depend on when and the extent to which such Bonus Warrants are exercised. As and when the Bonus Warrants are exercised, the proceeds arising from the issue of the New Shares will be used for financing working capital, reduction of existing loans and new investments, as the Directors may deem fit.

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- 7. If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.**
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As the Bonus Warrants are issued free to Entitled Shareholders with no obligation on their part to exercise the Bonus Warrants and the exercise period for the Bonus Warrants commences on and includes the date of issue of the Bonus Warrants and expires at 5.00 p.m. on the date immediately preceding the thirtieth (30th) month after the date of issue of the Bonus Warrants, the amount of proceeds arising from the issue of the New Shares, the time of receipt of such proceeds and the percentage allocation of each intended use of such proceeds cannot be ascertained as at the date of this Offer Information Statement.

The actual amount of proceeds received by the Company from the exercise of the Bonus Warrants will depend on when and the extent to which such Bonus Warrants are exercised. As and when the Bonus Warrants are exercised, the proceeds arising from the issue of the New Shares will be used for financing working capital, reduction of existing loans and new investments, as the Directors may deem fit.

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- 8. In the section containing the information referred to in paragraphs 2 to 7 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters or other placement or selling agents in relation to the offer and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.**
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Not applicable. The Bonus Warrants Issue is not underwritten and no underwriters, placement or selling agents have been appointed in relation to the Bonus Warrants Issue.

Information on the Relevant Entity

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- 9a. The address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office);**
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Registered office and principal place of business	:	25 Bukit Batok Street 22, TEE Building Singapore 659591
Telephone number	:	(65) 6561 1066
Facsimile number	:	(65) 6565 1738

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- 9b. The nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group;**
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PRINCIPAL BUSINESS ACTIVITIES

The Company was incorporated under the laws of the Republic of Singapore on 15 August 2000 under the name of TEE International Pte Ltd. on 1 March 2001, it was converted into a public limited company under the name of TEE International Limited. The Company was listed on the Catalist in 2001 and transferred its listing to the Main Board in 2008.

With operations spanning across Singapore, Thailand, Malaysia, Philippines, Hong Kong, Australia and New Zealand, the Group is a leading regional engineering group with business interests in real estate and infrastructure. Details of the Group's businesses are set out as follows: -

ENGINEERING BUSINESS

The Group is an integrated engineering solutions provider for retail and commercial buildings, institutional buildings, factories, research facilities, residential apartments as well as infrastructure facilities (“**Engineering Business**”).

Our major clients over the years include SMRT, CapitaLand, Citibank NA, Las Vegas Sands Group, Changi Airport Group, Frasers Centrepoint, National University of Singapore, Nanyang Technological University and Hyundai Engineering and Construction. The majority of them are repeat clients, which bear testimony to TEE’s work quality and ability to deliver.

Mechanical and Electrical (“M&E”) division

The Group’s M&E Engineering division primarily undertakes large-scale and complex engineering projects as well as infrastructure-related engineering projects. It possesses the expertise and experience to offer a complete suite of engineering services from design to final completion of projects.

These engineering services include Electrical, Air Conditioning & Mechanical Ventilation, Plumbing & Sanitary, Fire Protection, Extra Low Voltage, Integrated Building Management System and Plants & Processes.

Building and Construction division

The Group’s Building & Construction division provides Turnkey solutions for commercial, industrial and institutional buildings through its wholly-owned subsidiary PBT Engineering Pte. Ltd. (“**PBT**”). Other than general building works, PBT is well known in the industry for mission critical Asset Enhancement Initiative (“**AEI**”) works.

Engineering services undertaken by PBT include Sub Structure, Super Structure, Civil, and Architecture & Interior Decoration. Coupled with TEE’s M&E capability, the Building & Construction division is able to offer economies of scale for time and costs to our clients.

REAL ESTATE BUSINESS

The Group has an established track record in delivering quality and well-designed residential property developments (“**Real Estate Business**”) via a majority-owned listed subsidiary, TEE Land. TEE Land is a regional real estate developer with property development projects which are predominantly freehold in tenure and are targeted at middle-to-high income consumers who value exclusivity in good locations.

Leveraging on its experience and expertise in property development in Singapore, TEE Land has also extended its geographical reach to Malaysia, Thailand, Australia and New Zealand. By incorporating core expertise and past experience from the Group’s Engineering business, TEE Land brings better value to its property developments for its customers via a more effective project management system, which translates to good and timely execution of projects in all the developments.

INFRASTRUCTURE AND INFRASTRUCTURE-RELATED BUSINESS

The Group’s wholly-owned subsidiary, TEE Infrastructure Private Limited (“**TEE Infrastructure**”) was established to offer comprehensive sustainable solutions to meet demands for integrated infrastructure, utilities and environmental services throughout the Asia Pacific region. This includes the delivery of engineering services across the full life cycle, from project feasibility and funding advisory through design and build to funding, operation and maintenance. TEE Infrastructure is actively seeking to build up its infrastructure assets mainly related to wastewater treatment, power generation and environmental services, through investing in assets and developing greenfield projects in Asia Pacific such as: -

- i. **Wastewater Treatment**
This involves providing wastewater treatment solutions by owning, operating and managing wastewater treatment plants in Bangkok, Thailand through the Group's 49%-owned associated company, Global Environmental Technology Co. Ltd ("**GETCO**") in Thailand.
- ii. **Power Generation**
This involves investing in a coal and biomass power plant in the Philippines, as well as offering integrated solar solutions in the South-East Asian region through a strategic partnership with Malaysian Solar Resources Sdn Bhd ("**MSR**").
- iii. **Environmental Services**
This involves providing waste and recycling management with advanced integrated waste management and environmental solution facilities through the acquisition of Chiang Kiong Environmental Pte. Ltd., which in turn owns Chiang Kiong Resources (Paper) Pte. Ltd, as well as Envotek Engineering Pte. Ltd.

As at the Latest Practicable Date, the significant subsidiaries of the Group and their principal activities are as follows: -

Name of subsidiary	Principal activity	Country of incorporation and operation	Proportion of ownership interest and voting power held (%)
Trans Equatorial Engineering Pte Ltd	Provision of mechanical and electrical engineering services	Singapore	100
PBT Engineering Pte Ltd	Provision of addition, alteration and upgrading of existing buildings, mechanical and electrical engineering services	Singapore	100
TEE E&C (Malaysia) Sdn. Bhd.	Provision of mechanical and electrical engineering services	Malaysia	100
TEE Land Limited	Development of real estate and investment holding	Singapore	63.28
TEE Infrastructure Private Limited	Treatment, disposal of waste and generation of electricity by other sources	Singapore	100
G3 Environmental Private Limited	Commercial and industrial estate management, recycle of metal waste and scrap	Singapore	50.1

As at the Latest Practicable Date, the significant associates and joint venture of the Group and their principal activities are as follows: -

Name of associate / joint venture	Principal activity	Country of incorporation and operation	Proportion of effective ownership interest and voting power held (%)
Associate:			
Unique Development Pte. Ltd.	Development of real estate	Singapore	13 ⁽¹⁾
Unique Realty Pte. Ltd.	Development of real estate	Singapore	13 ⁽¹⁾
Residenza Pte. Ltd.	Development of real estate	Singapore	20 ⁽¹⁾
Unique Consortium Pte. Ltd.	Development of real estate	Singapore	13 ⁽¹⁾
Development 26 Pte. Ltd.	Development of real estate	Singapore	28 ⁽¹⁾
Global Environmental Technology Co., Ltd.	Wastewater treatment	Thailand	49
Joint venture:			
TEE-HC Engineering Company Limited	Provision of mechanical and electrical engineering services	Macau	55

(¹) Held by TEE Land Limited.

9c. The general development of the business from the beginning of the period comprising the 3 most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since –

- (i) the end of the most recent completed financial year for which financial statements of the relevant entity have been published; or**
- (ii) the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;**

The significant developments in the business of the Group in chronological order over the past three financial years to the Latest Practicable Date are set out below. Shareholders are advised to refer to the related announcements released by the Company via the SGXNET for further details.

Key Developments in FY2015

- (a) On 10 June 2014, the Company announced that its 50% joint venture company, CMC Communications Sdn Bhd, had completed the acquisition of (1) the remaining 100,000 ordinary shares in the capital of CMC Communications (Singapore) Pte Ltd (“**CMCC**”) representing 20% of the issued share capital of CMCC from Radiance Converged Solutions Sdn Bhd for the purchase consideration comprising cash of S\$400,000; and (2) the remaining 20% of the voting rights representing 162,300 ordinary shares and 10.82% of the issued shares of CMC Communications (Thailand) Company Limited (“**CMCT**”) from Keppel Communications Pte Ltd for a purchase consideration comprising cash of S\$80,000 (“**CMCT Consideration**”). The CMCT Consideration

would be financed by internal funds of the Purchaser.

- (b) On 1 July 2014, the Company announced that it had secured a contract worth RM178,838,000 (approximately S\$69.7 million) to build and complete MDIS' proposed new campus (the "**Project**") in EduCity Iskandar Malaysia, Nusajaya, Malaysia. The Project was awarded to the Group's wholly-owned subsidiary, TEE M&E Engineering Sdn Bhd by MDIS (Malaysia) Sdn Bhd for a duration of 18 months. The scope of work includes construction and completion of main building works comprising five blocks of buildings for the purposes of administration, hostel, multi-purpose hall and ancillary buildings; infrastructure works comprising road and drainage works, water reticulation works, sewerage works, etc; and mechanical & electrical works i.e. plumbing and sanitary works, air conditioning and mechanical ventilation, electrical services, fire protection, etc.
- (c) On 17 July 2014, the Company announced that its wholly-owned subsidiaries, PBT and Trans Equatorial Engineering Pte Ltd ("**Trans Equatorial**"), had secured a total of approximately S\$57 million worth of engineering contracts in Singapore. These include an approximately S\$42 million contract to carry out civil and M&E works for Changi Airport Group (Singapore) Pte Ltd ("**CAG**"), as well as a number of engineering contracts in Singapore. Including these new contracts, the Company's total outstanding order book for engineering projects approximately S\$398 million.
- (d) On 23 July 2014, the Company announced 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 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 consideration of 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. The Company intends to use the sale proceeds from the Disposal to fund the general working capital requirements of the Group. 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 & construction, real estate and infrastructure sectors.
- (e) On 30 July 2014, the Company announced that its 49%-owned associate company, Global Environmental Technology Co., Ltd. ("**GETCO**"), had signed a contract with the Bangkok Metropolitan Administration to operate and maintain Bangkok's first underground Wastewater Treatment Plant ("**WWTP**") in Bang Sue, Thailand. The Bang Sue WWTP, which lies beneath the Educational and Environmental Center – Bangsue Bangkok, is an underground WWTP that is designed to treat municipal waste in the Bangsue, Jutajak, Dusit, and Phyathai Districts. Under the Operation and Maintenance contract, GETCO would provide a total outsourcing solution in relation to people, maintenance, chemical, utilities, and other expenses to support the operation of the Bang Sue WWTP, to meet the standard of effluent quality.
- (f) On 31 July 2014, the Company announced that it had appointed Mr. Aric Loh Siang Khee as an Independent and Non-Executive Director of the Company with effect from 1 August 2014. The particulars of Mr. Loh as required under Rule 704(7) of the Listing Manual of the Singapore Exchange Securities Trading Limited were contained in a separate announcement released on 31 July 2014.
- (g) On 7 August 2014, the Company announced that its wholly-owned subsidiary, TEE Hong Kong Limited, had entered into a 55:45 joint venture agreement with Hou Chun Construction and Engineering Company Limited, whereby a joint venture company, TEE-HC Engineering Company Limited was formed to undertake a Macau project worth

MOP384,477,968 million (about S\$60 million) contracts to carry out M&E works for the Venetian Cotai Limited's (a subsidiary of Sands China Ltd) property development in the Macao Special Administrative Region, named The Parisian Macao, located at the Cotai Strip Resorts Macao.

- (h) On 8 September 2014, the Company announced that it had secured another S\$73 million worth of new contracts in Singapore, bringing up its total outstanding order book to about S\$493 million. These new contracts include another contract from CAG in addition to the earlier contract announced on 17 July 2014, as well as, a sub-contract from the People's Association ("PA"). Under the contract from CAG, the Company's engineering subsidiary was awarded an approximately S\$40 million project to carry out works for the proposed replacement of fixed gangway and interior design finishes for fixed gangway and passenger loading bridges at Terminal 1 and 2. For PA, TEE is the nominated sub-contractor for the provision of air-conditioning and mechanical ventilation works for the proposed 6/7 Storey Civic & Community/Sports & Recreation Development, also known as, Tampines Town Hub, Singapore. The value of this project was approximately S\$33 million.
- (i) On 3 December 2014, the Company announced that its wholly-owned subsidiary, PBT, had increased its issued and paid up share capital from S\$6.5 million to S\$12 million comprising 12 million ordinary shares with an additional share allotment of 5.5 million ordinary shares of S\$1 each to the Company. The above investment was funded through internal resources and was not expected to have any material impact on the net tangible assets per share and earnings per share of the Group for FY2015.
- (j) On 11 December 2014, the Company announced that it had secured approximately S\$26 million worth of contracts from CAG, making its third and fourth contract from CAG this year, and other new engineering contracts awarded by notable repeat clients include, CapitalLand Retail Management Pte Ltd and Marina Bay Sands. The CAG contracts would include carry out Addition & Alterations ("A&A") works for the existing arrival hall coach stand and north bus gate at Chang Airport Terminal 1 and 2 respectively.
- (k) On 15 December 2014, the Company announced that its 50%-owned associated company, CMCC, was proposing a listing (the '**Proposed Listing**') on the Catalist Board of the SGX-ST. CMCC and its subsidiaries were principally engaged in infrastructure engineering of the telecommunications industry including; outdoor and in-building construction, program management and design engineering; IT services and outsourcing; and broadband wireless solutions within the cellular space. SAC Capital Private Limited had been appointed as the sponsor, issue manager, underwriter and placement agent for the Proposed Listing.
- (l) On 4 February 2015, the Company announced that it had entered into a subscription agreement with PowerSource Philippines Distributed Power Holdings, Inc. ("**PHI**") to subscribe for 353,600 class "A" common shares in PHI with a par value of PHP450 per share, approximately 21.05% shareholding interest in the capital of PHI, for a total cash consideration of PHP159,120,000 (approximately S\$4.87 million) ("**Proposed Subscription**"), to invest, construct a power plant and to supply electricity in the City of Iligan, Philippines, in four tranches. The above Proposed Subscription would be financed by internal funds and expected to complete by end 2017. Following the Company's subscription of shares in PHI, PHI would become an associated company of the Group. The Company had also entered into a Shareholders Agreement with PHI together with the rest of the shareholders to regulate and specify each shareholder's investment commitments by way of the above Proposed Subscription to infuse the necessary capital into PowerSource Philippines Energy, Incorporated ("**PSPEI**"), a special purpose corporation, held by PHI (95%) and Lafarge Iligan, Inc. (5%) ("**Lafarge**"), for the construction of a 25 megawatts circulating fluidised bed combustor boiler coal and biomass fired power plant in the City of Iligan, Mindanao, Philippines (i) to supply electricity to Lafarge's existing cement plant pursuant to the power supply agreement

entered with Lafarge and (ii) to supply electricity to the City of Iligan pursuant to the power supply agreement entered with Iligan Light and Power, Inc.

- (m) On 5 March 2015, the Company announced that PBT had increased its issued and paid up share capital from S\$12 million to S\$15 million comprising 15 million ordinary shares with an additional share allotment of 3 million ordinary shares of S\$1 each to the Company. The above investment was funded through internal resources and is not expected to have any material impact on the net tangible assets per share and earnings per share of the Group for FY2015.
- (n) On 6 May 2015, the Company announced that it had secured two contracts worth approximately S\$130 million, thereby crossing the half a billion dollar mark with a total outstanding order book of about S\$540 million as of 6 May 2015. The first contract was awarded by FCL Property Investments Pte Ltd (a wholly-owned subsidiary of Frasers Centrepoint Limited) to provide A&A works to Centrepoint Shopping Centre located at Orchard Road. The A&A contract, which was worth approximately S\$30 million, was the second project that the Company had been given the opportunity to carry out works for Frasers Centrepoint Limited ("**FCL**") in recent months. Earlier in April 2015, the Company was also appointed by FC Commercial Trustee to provide engineering works for Frasers Tower, a 38-storey Premium Grade A office tower linked with a retail podium, located at Cecil Street in Singapore's Central Business District. The second contract that was worth RM266,750,000 (approximately S\$100 million), was awarded by TEE Resources Sdn Bhd ("**TEE Resources**"), an indirect wholly-owned subsidiary of TEE Land, to PBT Engineering Sdn Bhd ("**PBT Engineering**"), an indirect wholly-owned subsidiary of the Company. PBT Engineering was appointed as the main contractor for the execution and completion of TEE Resources' mixed-used development project, Third Avenue, in Cyberjaya, Malaysia.
- (o) On 15 May 2015, the Company announced that it had completed the distribution of a dividend in specie of its 70.69% subsidiary, TEE Land, shares to entitled shareholders in proportion to their respective shareholding interests in the Company, on the basis of one (1) TEE Land share for every 15 existing Company shares held by entitled shareholders as at the books closure date, fractional entitlements to be disregarded ("**Distribution**"). Following the Distribution, the Company's interest in TEE Land had decreased from 70.69% (comprising 315,876,000 TEE Land Shares) to 63.18% (comprising 282,328,678 TEE Land Shares).

Key Developments in FY2016

- (a) On 16 July 2015, the Company announced that it had jointly with CMC Engineering Sdn. Bhd. ("**CMC Engineering**") incorporated an associated company in Singapore with the initial issued and paid-up capital of S\$2 comprising two ordinary shares, CMC Infocomm Pte. Ltd., on a 50:50 basis. In connection with its conversion to a public company limited by shares, the name of CMC Infocomm Pte. Ltd. was changed to CMC Infocomm Limited ("**CMCI**") and it had since increased its issued and paid-up capital to S\$8,965,218 comprising 8,965,218 ordinary shares, which were subsequently sub-divided into 128 million ordinary shares. The principal activity of CMCI is that of an investment holding company and it is intended that CMCI seek listing on the Catalist Board of the SGX-ST in place of CMTE Technology Sdn Bhd. (formerly known as CMC Communications Sdn. Bhd.) ("**CMTE Technology**"), as stated in the Company's announcement of 15 December 2014. CMCI had lodged a preliminary offer document relating to the proposed listing to the SGX-ST acting as agent on behalf of the Monetary Authority of Singapore.
- (b) On 31 July 2015, the Company announced that its 50% associated company, CMCI, had launched the initial public offering of CMCI, following the registration on 31 July 2015 by the SGX-ST acting as agent on behalf of the Monetary Authority of Singapore of the final offer document dated 31 July 2015 issued in conjunction with the listing of and quotation for all its issued ordinary shares ("**CMCI Shares**") and the new CMCI

Shares to be issued pursuant to the proposed invitation (the “**Invitation**”) on the Catalist Board of the SGX-ST. The Invitation comprises an offering of 24 million new CMCI Shares (the “**New Shares**”) at S\$0.25 for each New Share. The Company would retain a shareholding interest in CMCI of approximately 42.11% immediately after the completion of the Invitation. SAC Capital Private Limited was the Sponsor, Issue Manager, Underwriter and Placement Agent in connection with the Invitation.

- (c) On 31 July 2015, the Company announced that its 50% associated company, CMCI, had entered into a restructuring agreement with CMTE Technology (the “**Restructuring Agreement**”) to transfer to CMCI (1) all 500,000 ordinary shares in the issued capital of CMCC which holds all the common shares in the issued capital of CMC Communications (Philippines), Inc (“**CMCCP**”) and 572,700 ordinary shares in CMCT, for a purchase consideration of S\$7,103,507; (2) the intangible asset relating to the customer relationships arising from the purchase price allocation exercise pursuant to the acquisition of CMCC, CMCCP and CMCT, for a purchase consideration of S\$4,017,654, being equivalent to its carrying value as at 28 February 2015 and the settlement of consideration and amounts owing. Following the above restructuring and capitalisation of amounts owing, each of the Company and CMC Engineering held 4,482,609 shares (including one share held by each of them at incorporation) in the issued share capital of CMCI. Following a sub-division of shares, each of the Company and CMC Engineering currently holds 64 million shares in the issued share capital of CMCI, which is approximately 42.11%.
- (d) On 5 August 2015, the Company announced that it had established a new wholly-owned subsidiary, TEE Project Solutions Sdn. Bhd., which was incorporated in Malaysia with an initial issued and paid-up share capital of RM100,000 divided into 100,000 ordinary shares of RM1 each fully paid. The principal activities of TEE Project Solutions Sdn. Bhd. are to act as consultants or project managers in providing engineering consultancy services and to undertake civil, mechanical, structural and electrical engineering works for building construction.
- (e) On 11 August 2015, the Company announced that further to the announcements announced on 15 December 2014, 16 July 2015 and 31 July 2015, its associated company CMCI’s offering of 24 million new CMCI Shares in the capital of CMCI pursuant to the Invitation has closed on 11 August 2015 at 12.00 noon and the application results, together with other relevant information on the completion of the Invitation, would be announced in due course.
- (f) On 13 August 2015, the Company announced that further to the announcements announced on 15 December 2014, 16 July 2015, 31 July 2015 and 11 August 2015, its associated company CMCI’s offering of 24 million new CMCI Shares in the capital of CMCI pursuant to the Invitation has been completed and the new CMCI Shares were listed on the Catalist Board of the SGX-ST at, and commenced trading on a “ready” basis from, 9.00 a.m. on 13 August 2015. With the completion of the Invitation, the Company would retain a shareholding interest of approximately 42.11% in CMCI immediately after the Invitation.
- (g) On 18 August 2015, the Company announced the appointment of Mr. Phua Boon Kin, the Managing Director of the Group’s Engineering business, as the Deputy Group Managing Director of the Company.
- (h) On 1 September 2015, the Company announced that it had increased its investment in its subsidiary, TEE Land, by acquisition of additional 250,000 TEE Land shares from the open market for a total cash consideration of S\$49,999.80. The Company’s interest in TEE Land had increased from 63.18% to 63.23%.
- (i) On 4 September 2015, the Company announced that its wholly-owned subsidiary, Trans Equatorial, had increased its issued and paid up share capital from S\$10 million to S\$15 million comprising 15 million ordinary shares with an additional share allotment of 5

million ordinary shares of S\$1 each to the Company. The above investment was funded through internal resources and S\$2,549,000 proceeds arising from the exercise of bonus warrants, and was not expected to have any material impact on the net tangible assets per share and earnings per share of the Group for FY2016.

- (j) On 19 October 2015, the Company announced that its 42.11%-associated company, CMCI had issued an announcement on its acquisition of 100% shareholding interest, comprising two (2) subscriber ordinary shares of RM1 each in CMC Infocomm Sdn. Bhd. ("**CMCI Malaysia**"), a company incorporated in Malaysia, for a total consideration of RM2. Pursuant to the Acquisition, CMCI Malaysia has become a wholly-owned subsidiary of the CMCI. It is intended that CMCI Malaysia undertake the provision of integrated and innovative communications solutions and services to customers in Malaysia, to tap into the growing mobile market in Malaysia.
- (k) On 21 October 2015, TEE Land had issued an announcement that its wholly-owned subsidiary, TEE Hospitality Pte Ltd ("**TEE Hospitality**"), had entered into a joint venture with Peter & Jan Clark (Levey Street) Pty Ltd ("**Clark**") and Kenmooreland Pte Ltd ("**Kenmooreland**"), to establish a joint venture company, TCK Commercial Pty Ltd ("**TCK Commercial**"), with an initial paid-up capital of A\$100, to acquire commercial units and car park lots in Sydney, Australia. TCK Commercial is 55% held by TEE Hospitality, 10% held by Clark and 35% held by Kenmooreland. Clark and Kenmooreland are joint venture partners in TEE Land Group's Sydney hotels, Quality Hotel CKS Sydney Airport and Larmont Hotel.
- (l) On 4 November 2015, the Company announced that it had increased its investment in TEE Land by acquisition of additional 20,000 TEE Land shares from the open market for a total cash consideration of S\$3,995. The Company's interest in TEE Land had increased from 63.23% to 63.24%.
- (m) On 23 November 2015, TEE Land had issued an announcement that its associated company, Chewathai Public Company Limited's ("**Chewathai**") listing application had been approved by The Securities and Exchange Commission, Thailand. Dependent on the prevailing market conditions, the listing of Chewathai was expected to be in the first half of 2016.
- (n) On 28 December 2015, the Company announced that further to the announcements dated 12 August 2011 and 25 March 2014, its wholly-owned Brunei incorporated subsidiary, PBT Engineering Sdn. Bhd, was awarded Brunei Dollars 11,332,116.78 by the arbitral tribunal in Singapore in relation to the arbitration proceedings for the project to build 1500 houses within 18 months in Tutong District under the National Housing Scheme of Brunei Darussalam. The Company is evaluating its options with its legal advisors on the steps forward to enforce the arbitration ruling and would provide updates as and when there were material developments in relation to the enforcement of the award.
- (o) On 10 March 2016, the Company announced and updated that its wholly owned subsidiary, TEE Infrastructure, had together with the rest of the existing parties to the joint venture, and the new investor, Nippon Koei Co. Ltd ("**Nippon Koei**") entered into a supplemental shareholders' agreement in March 2016 ("**Supplemental Agreement**") pursuant to which Nippon Koei would subscribe for 36.84% of class "A" common shares in the issued capital of PowerSource Philippines Distributed Power Holdings Inc. ("**PHI**"). With Nippon Koei's investments and in accordance to the Supplemental Agreement, the Company's investment, through TEE Infrastructure, in PHI would be PHP146.99 million (approximately S\$4.35 million) instead of PHP159.12 million (approximately S\$4.87 million) as initially envisaged in the announcement made on 4 February 2015. The Company's shareholding interest in the capital of PHI, through TEE Infrastructure, would remain unchanged at approximately 21.05%. To date, the Company had invested PHP55.69 million (approximately S\$1.70 million) in two tranches.

- (p) On 29 March 2016, TEE Land had issued an announcement that the initial public offering of Chewathai shares ("**IPO**"), comprising 262 million shares representing 34.93% of its total issued and paid-up share capital post-IPO, would open for public subscription on 30 March 2016 and 31 March 2016 at the IPO price of THB 1.60 per share. Chewathai had appointed RHB Securities (Thailand) PCL and KTB Securities (Thailand) Co Ltd as its joint-lead underwriters, and the listing and trading of Chewathai shares is expected to commence on 5 April 2016. Pursuant to the IPO, Chewathai is expected to raise net proceeds of THB398.65 million (approximately S\$15.39 million based on an exchange rate of S\$1 to THB25.91), which will be utilized to finance project development, repay loans and as working capital.
- (q) On 5 April 2016, TEE Land had issued an announcement on the completion of the initial public offering of its associated Company, Chewathai's shares ("**IPO**"). The Chewathai shares were listed on the Market for Alternative Investment of the Stock Exchange of Thailand and commenced trading on a "ready" basis from 10 a.m. UTC +7 hours on 5 April 2016. The offer price of Chewathai IPO shares was at THB1.60 per share and it closed at THB2.02 on the first day of trading. With the completion of the IPO, the TEE Land group would retain a shareholding interest of approximately 31.9% in Chewathai immediately after the IPO.
- (r) On 6 April 2016, the Company announced that it had increased the issued and paid-up capital of its wholly-owned subsidiary, TEE E&C (Malaysia) Sdn. Bhd. ("**TEE E&C**") by capitalising RM3 million of its shareholder loans to TEE E&C, by way of subscription of an additional 3 million fully paid ordinary shares. Subsequent to the above allotment, the issued and paid-up share capital of TEE E&C had increased from RM750,000 to RM3,750,000 comprising 3,750,000 ordinary shares.
- (s) On 15 April 2016, TEE Land had issued an announcement that its wholly-owned subsidiary, TEE Vista Pte Ltd, had (1) changed its name to Development 35 Pte Ltd ("**Dev 35**"), and (b) Dev 35 had also increased its issued share capital from S\$1 to S\$1 million via the issuance of (i) 509,999 new shares at \$1 each to the Company; and (ii) 490,000 new shares at \$1 each to Kim Seng Heng Realty Pte Ltd ("**KSH Realty**"), a wholly-owned subsidiary of KSH Holdings Limited. Subsequent to the issuance of new shares, Dev 35 is 51% held by the Company and 49% held by KSH Realty.

Key Developments in FY2017

- (a) On 30 June 2016, the Company announced that it had increased the issued and paid-up capital of its wholly-owned subsidiary, TEE E&C by capitalising RM1,250,000 of its shareholder loans to TEE E&C, by way of subscription of an additional 1,250,000 fully paid ordinary shares. Subsequent to the above allotment, the issued and paid-up share capital of TEE E&C has increased from RM3,750,000 to RM5 million comprising 5 million ordinary shares.
- (b) On 8 August 2016, the Company announced that it had increased its investment in its subsidiary, TEE Land, by acquisition of additional 40,000 TEE Land shares from the open market for a total cash consideration of S\$8,000. The Company's interest in TEE Land had increased from 63.24% to 63.25%.
- (c) On 11 August 2016, the Company announced that it had increased its investment in TEE Land by acquisition of additional 39,000 TEE Land shares from the open market for a total cash consideration of S\$19,735. The Company's interest in TEE Land had increased from 63.25% to 63.26%.
- (d) On 17 August 2016, the Company announced that it had increased its investment in TEE Land by acquisition of additional 100,000 TEE Land shares from the open market for a total cash consideration of S\$19,735. The Company's interest in TEE Land had increased from 63.26% to 63.28%.

- (e) On 8 September 2016, the Company announced that it had secured new engineering contracts worth approximately S\$95 million from August to September 2016, bringing the total outstanding order book to approximately S\$324 million as at 8 September 2016. It's wholly-owned subsidiary, PBT was appointed as the Main Contractor to provide A&A and extension works to the existing AXA Tower, a 52-storey landmark Grade 'A' office development along Shenton Way. The scope of work includes Architectural, Structural, Landscape and Mechanical & Electrical services, which will be completed in phases over thirty-three months from the commencement date. Another contract was awarded to PBT to perform A&A and interior fit-out works for PSB Academy's new campus at Marina Square Shopping Mall.
- (f) On 26 September 2016, the Company announced that its 63.28% owned subsidiary, TEE Land had issued an announcement that TEE Land had on 23 September 2016 entered into a conditional sale and purchase agreement with Ley Choon Constructions and Engineering Pte Ltd, for the acquisition of 8,732,306 fully paid ordinary shares in the share capital of Ley Choon Development Pte. Ltd. (the "**LCD**"), representing the entire issued and paid-up share capital of the LCD (the "**Proposed Acquisition**"). The Proposed Acquisition was made in the ordinary course of business of TEE Land's business.
- (g) On 27 September 2016, the Company announced the retirement of an independent Director, Tan Boen Eng.
- (h) On 13 October 2016, the Company announced that (1) its wholly-owned subsidiary, Trans Equatorial Engineering, had been awarded approximately S\$48 million worth of new engineering contracts by CAG to serve as a nominated sub-contractor to work with the project's main contractor, a joint venture formed by Hock Lian Seng Infrastructure Pte. Ltd. and Sembcorp Design and Construction Pte. Ltd., on the Design, Supply, Delivery, Installation, Testing and Commissioning of the Airfield Lighting System for the three-runway system; (2) its engineering team had secured approximately S\$15 million worth of overseas engineering contracts and one of the contract was secured by its wholly-owned subsidiary incorporated in Malaysia, TEE E&C, to build and complete 176 units of 2-storey homes, electrical substation works and related infrastructure in Rawang, Gombak, Selangor Darul Ehsan, Malaysia for the Selangor State Development Corporation.
- (i) On 18 October 2016, the Company announced that it had increased the issued and paid-up capital of TEE E&C by capitalising RM5 million of its shareholder loans to TEE E&C, by way of subscription of an additional 5 million fully paid ordinary shares. Subsequent to the above allotment, the issued and paid-up share capital of TEE E&C has increased from RM5 million to RM10 million comprising 10 million ordinary shares.
- (j) On 30 November 2016, TEE Land had issued an announcement on the completion of acquisition of the entire issued share capital of LCD and LCD is now a wholly owned subsidiary of TEE Land and would change the name of LCD to "TEE Vista Pte Ltd" in due course.
- (k) On 25 January 2017, the Company announced that its dormant wholly-owned subsidiary incorporated in the Socialist Republic of Vietnam, TEE Vietnam Company Limited had been deregistered.
- (l) On 8 May 2017, the Company announced that it had signed a sale and purchase agreement on 5 May 2017 to sell 56,552,000 shares ("**Sales Shares**") in its associated company, CMCI to Yinda Pte. Ltd. ("**Purchaser**") for an aggregate consideration of S\$5,372,440. CMCI is listed on the Catalist of the Singapore Exchange Securities Trading Limited and the Company intends to realise its investment in CMCI, as the sale price per CMCI share is at a premium of approximately 35.77%, 31.25% and 35.22% to the 1 month, 3 months and 6 months volume weighted average price of CMCI shares traded on Catalist. The Sale Shares comprise approximately 37.21% of the entire issued

and paid up CMCI shares, and the Company continues to hold 7,448,000 CMCI shares. CMCI had therefore ceased to be an associated company of the Company and its subsidiaries.

Key Developments from 1 June 2017 to the Latest Practicable Date

- (a) On 12 June 2017, the Company announced that its wholly-owned subsidiary, TEE Infrastructure, had increased its issued and paid up share capital from S\$1 to S\$1 million with an additional share allotment of 999,999 ordinary shares of S\$1 each to the Company.
- (b) On 11 September 2017, the Company and Advancer Global formed a strategic alliance to collaborate on projects requiring joint expertise and will focus on (1) exploring opportunities for joint tenders in contracts which require mechanical and electrical engineering works and facility management services; (2) creating synergies by tapping on and leveraging off each other's expertise, experience, track record, and manpower and technical resources and competencies; and (3) jointly investing in facilities management projects in the Asia Pacific region with each partner providing value-added services to the projects.
- (c) On 12 October 2017, the Company and MSR formed a strategic partnership that would allow for strategic collaboration in the solar industry. This strategic collaboration entails the formation of a joint venture company where TEE and MSR will be 51% and 49% shareholders of respectively, with the intention to tender for upcoming solar projects in Singapore. In addition, both the Company and MSR will jointly explore solar investment opportunities in the South-East Asia region.
- (d) On 23 October 2017, the Company announced that its wholly-owned subsidiary, PBT had been awarded Contract 1363A and Contract 1363B by the Land Transport Authority Singapore, amounting to approximately S\$56.5 million. These contracts involved the design, supply and installation of noise barrier systems at both sides of the existing MRT viaducts, as well as the pre- and post-noise measurement to validate the effectiveness of the noise barrier system at rail viaduct phase 2.
- (e) On 6 November 2017, the Company announced that its wholly-owned subsidiary, TEE Infrastructure, had entered into an option agreement to acquire the shares of (1) Chiang Kiong Environmental Pte. Ltd., which in turn owns Chiang Kiong Resources (Paper) Pte. Ltd.; and (2) Envotek Engineering Pte. Ltd. (collectively, the "**CK Group**") from Messrs Tan Chin Kiong and Tan Chiang Leong, who are independent third parties. If the option is exercised by the Company subsequent to satisfactory due diligence, the consideration payable by the Company on completion for its majority 50.1% stake of CK Group will be S\$9,268,500 and the balance 49.9% will be acquired by two independent business associates of the Company for S\$9,231,500, concurrently with the Company's acquisition. The acquisition is a strategic investment that is in-line with TEE Infrastructure's overarching strategy to develop capabilities along the infrastructure value chain and would put TEE Infrastructure in good stead to explore other complementary infrastructure businesses in the future.
- (f) On 6 November 2017, the Company announced that TEE Land, had issued an announcement on incorporation of a new subsidiary, TEE Forward Pte. Ltd. ("**TEE Forward**") with an initial issued and paid-up share capital of S\$1. The principal activity of TEE Forward is to engage in property development.
- (g) On 20 November 2017, the Company announced that its wholly-owned subsidiary, TEE Infrastructure, had exercised its option to acquire the shares of the CK Group and completion was expected to take place on or about 29 December 2017. On completion, CK Group would be 100% held by a special purpose joint venture company ("**JV Co**"). The Group would hold a majority 50.1% stake in JV Co through TEE Infrastructure and Advancer Global Limited, a strategic partner of the Group listed on the Catalist board of

the SGX-ST, 20.1% stake through its wholly-owned subsidiary, Advancer Global Facility Pte. Ltd and the balance 29.8% would be held by an independent third party financial investor and business associate of the Group.

- (h) On 4 December 2017, the Company announced that TEE Land had issued an announcement on TEE Forward, a subsidiary of TEE Land, and had increased its issued and paid up capital from S\$1 to S\$100 with additional subscriptions of 59 new shares at S\$1 each by TEE Land, 30 new shares at S\$1 each by TG (2013) Pte Ltd, 5 new shares at S\$1 each by Kenmooreland. and 5 new shares at S\$1 each by Triple Fortune International Limited. Subsequent to the issuance of new shares, TEE Forward is 60% held by TEE Land.
- (i) On 12 December 2017, the Company had announced that its wholly-owned subsidiaries, Trans Equatorial and PBT, were awarded new engineering contracts amounting to a total contract value of approximately S\$65 million for the period from September to November 2017, bringing the Group's total outstanding order book to approximately S\$318 million as at 12 December 2017. Trans Equatorial was awarded two M&E sub-contracts for the Air-Conditioning and Mechanical Ventilation System and Building Management System. PBT's project involved the addition and alteration works for College of Medicine Building for the Ministry of Health and this contract, which includes conservation works of a national monument of Singapore and comprehensive maintenance of Central Cooling System. The subsidiaries also secured other fast turnaround M&E and additions and A&A projects for some of its existing clientele during the period.
- (j) On 19 December 2017, the Company announced that it had secured a United States Dollars 15 million investments from Pierfront Capital Mezzanine Fund Pte. Ltd. ("**Pierfront Capital**"). Pierfront Capital is a Temasek group company, established in 2015, as an independent investment company offering junior debt, mezzanine and structured financing solutions in capital intensive businesses across a wide range of sectors including, but not limited to infrastructure, energy, transportation, telecommunications and logistics and focuses on growth capital for asset and corporate acquisition, refinancing and project expansion.
- (k) On 20 December 2017, the Company announced that TEE Land had issued an announcement that its wholly-owned subsidiary, TEE Development Pte. Ltd. had entered into a share sale and purchase agreement with Chartchewa Company Limited to dispose its entire shareholding interest of 239,119,300 ordinary shares (approximately 31.9%) in the capital of Chewathai, in two tranches. Tranche 1, which is for 88 million ordinary shares at Thai Baht 1.33 per share by 28 January 2018 and Tranche 2, which is for the remaining 151,119,300 ordinary shares at Thai Baht 1.33 by 30 November 2018.
- (l) On 29 December 2017, the Company announced that TEE Infrastructure, together with its joint venture partners had incorporated a special purpose joint venture company, to hold the shares of the CK Group, G3 Environmental Private Limited with an issued and paid-up share capital of S\$10,000 with 1 million ordinary shares ("**G3 Environmental**"), of which TEE Infrastructure holds a majority 50.1% stake, and the balance are held by Advancer Global Limited (20.1%), through its wholly-owned-subsiary Advancer Global Facility Pte. Ltd., and an independent third party financial investor and business associate of the Group (29.8%). The principal activities of G3 Environmental is to engage in commercial and industrial real estate management and recycling of metal waste and scrap. Completion had taken place on 29 December 2017 and the CK Group is 100% held by G3 Environmental.
- (m) On 29 January 2018, the Company announced that its 63.28% owned subsidiary, TEE Land had issued an announcement on completion of the disposal of 88 million shares in Chewathai on 26 January 2018 and will make further announcements on the sale and

purchase of the remaining 151,119,300 shares in Chewathai held by TEE Land to update the shareholders, in due course.

- (n) On 1 February 2018, TEE Land had issued an announcement on TEE Forward, a 60% subsidiary of TEE Land that it had increased its issued and paid up capital from S\$100 to S\$2 million with additional subscriptions of 1,199,940 new shares at S\$1 each by TEE Land, 599,970 new shares at S\$1 each by TG (2013) Pte Ltd, 99,995 new shares of S\$1 each by Kenmooreland and 99,995 new shares of S\$1 each by Triple Fortune International Limited.

9d. the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing –

- (i) in the case of the equity capital, the issued capital; or
(ii) in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;

As at the Latest Practicable Date,

Issued and paid up share capital	:	S\$58,700,878 (including treasury shares)
Issued and paid up share capital	:	S\$58,432,229 (excluding treasury shares)
Number of issued and paid-up shares	:	501,952,639 (excluding treasury shares)

As at the Latest Practicable Date, the Company has no loan capital.

9e. where –

- (i) the relevant entity is a corporation, the number of shares of the relevant entity owned by each substantial shareholder as at the latest practicable date; or
(ii) the relevant entity is not a corporation, the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date;

Based on information in the Register of Substantial Shareholders as at the Latest Practicable Date, the Substantial Shareholders and the number of Shares in which they have an interest are as follows: -

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	(%) ⁽¹⁾	Number of Shares	(%) ⁽¹⁾	Number of Shares	(%) ⁽¹⁾
Substantial Shareholders						
Phua Chian Kin ⁽²⁾	284,151,956	56.61	17,423,004	3.47	301,574,960	60.08
Lincoln Capital Pte Ltd ⁽³⁾	25,967,321	5.17	-	-	25,967,321	5.17

Notes:

- (1) Based on 501,952,639 issued Shares (excluding treasury shares) as at the Latest Practicable Date.
(2) Mr. Phua Chian Kin is deemed to have an interest in the 17,423,004 ordinary shares held by his spouse, Mdm. Tay Kuek Lee and 4P Investments Pte Ltd, where he is a shareholder. A total of 252,779,754 ordinary shares held by Mr. Phua Chian Kin are registered in the name of Hong Leong Finance Nominees Pte Ltd, CIMB Securities (Singapore) Pte Ltd, SBS Nominees Pte Ltd, Phillip Securities Pte Ltd, OCBC Securities Private Limited, RHB Securities Singapore Pte Ltd and KGI Fraser Securities Pte Ltd.
(3) Mr. Tan Soon Hoe, through his 100% shareholding interest in Lincoln Capital Pte Ltd, is deemed to have an interest in the shares held directly by Lincoln Capital Pte Ltd.

9f. any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgement of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;

Save as disclosed in this Offer Information Statement and all public announcements made by the Company via SGXNET, as at the date of lodgement of the Offer Information Statement, the Directors have no knowledge of any proceedings, pending or threatened, against the Group or any fact that is likely to give rise to any proceedings which may materially affect the financial position or profitability of the Company or the Group taken as a whole.

9g. where any securities or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date –

- (i) if the securities or equity interests have been issued for cash, state the prices at which the securities have been issued and the number of securities or equity interests issued at each price; or**
 - (ii) if the securities or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities or equity interests; and**
-

(i) There were no issues of securities or equity interest of the Company for services within the 12 months immediately preceding the Latest Practicable Date.

(ii) Within the last 12 months immediately preceding the Latest Practicable Date, there were no issues of Shares as:-

- (a) there were no shares issued under the TEE ESOS 2016 by way of exercising share options; and
 - (b) there were no share awards under the TEE PSP 2016 by way of allotment of new shares.
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9h. a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years immediately preceding the date of lodgement of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.

A summary of the material contracts, not being contracts entered into in the ordinary course of business, entered into by the Company or its subsidiaries during the two (2) years immediately preceding the date of lodgement of this Offer Information Statement is set out below: -

Type	Date	Name of Parties	Nature or purposes
Sale and Purchase Agreement	5 May 2017	TEE International Limited (“ Seller ”) Yinda Pte. Ltd. (“ Purchaser ”)	Disposal of 56,552,000 shares in Seller’s associated company, CMC Infocomm Limited to Purchaser for an aggregate consideration of S\$5,372,440.

Type	Date	Name of Parties	Nature or purposes
Option Agreement	3 November 2017	Tan Chin Kiong and Tan Chiang Leong TEE Infrastructure Private Limited	For Share Purchase in Chiang Kiong Environmental Pte Ltd and Envotek Engineering Pte Ltd (" CK Group ")
Joint Venture Agreement	26 December 2017	Advancer Global Facility Pte. Ltd. Kenmoore Mezzanine Investments Ltd TEE Infrastructure Private Limited	Incorporation of G3 Environmental Private Limited (" JV Co ") to acquire and own the CK Group and to set out the terms and conditions to regulate the JV Co.
Deed Poll	16 April 2018	TEE International Limited	-
Warrant Agency Agreement	16 April 2018	TEE International Limited B.A.C.S. Private Limited	-

PART V: OPERATING AND FINANCIAL REVIEW AND PROSPECTS

Operating Results

-
1. **Provide selected data from -**
 - (a) **the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the 3 most recent completed financial years) for which that statement has been published; and**
 - (b) **any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.**

 2. **The data referred to in paragraph 1 of this Part shall include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and shall in addition include the following items:**
 - (a) **dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;**
 - (b) **earnings or loss per share; and**
 - (c) **earnings or loss per share, after any adjustment to reflect the sale of new securities.**
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SELECTED CONSOLIDATED FINANCIAL INFORMATION

The audited consolidated statement of profit or loss and other comprehensive income of the Group for the last three financial years and the unaudited consolidated statement profit or

loss and other comprehensive income of the Group for 9MFY2017 and 9MFY2018 are set out below: -

(S\$'000)	Audited			Unaudited	
	FY2015 (Restated)	FY2016 (Restated)	FY2017	9MFY2017	9MFY2018
Revenue	217,895	261,706	253,615	181,309	179,770
Cost of sales	(182,033)	(231,851)	(217,438)	(155,361)	(155,508)
Gross profit	35,862	29,855	36,177	25,948	24,262
Other operating income	6,193	9,407	11,546	3,741	3,528
Selling and distribution expenses	(2,264)	(2,937)	(5,101)	(2,707)	(7,888)
Administrative expenses	(24,118)	(24,465)	(21,264)	(16,314)	(15,521)
Other operating expenses	(5,976)	(5,266)	(6,786)	(356)	(9,191)
Share of results of associates and joint venture	11,121	14,603	(2,095)	275	4,306
Finance costs	(7,037)	(8,793)	(10,181)	(7,421)	(6,427)
Profit (Loss) before tax	13,781	12,404	2,296	3,166	(6,931)
Income tax expense	(2,192)	(1,027)	(3,264)	(1,057)	(582)
Profit (Loss) for the year/period	11,589	11,377	(968)	2,109	(7,513)
Other comprehensive income (loss)					
Currency translation differences, representing other comprehensive income (loss) for the year/period	470	(1,849)	(324)	2,776	3,039
Total comprehensive income (loss) for the year/period	12,059	9,528	(1,292)	4,885	(4,474)
Profit (Loss) attributable to:					
Owners of the Company	9,840	9,062	(1,569)	1,211	(5,761)
Non-controlling interests	1,749	2,315	601	898	(1,752)
Profit (Loss) for the year/period	11,589	11,377	(968)	2,109	(7,513)
Total comprehensive income (loss) attributable to:					
Owners of the Company	10,330	8,011	(947)	1,885	(4,869)
Non-controlling interests	1,729	1,517	(345)	3,000	395
	12,059	9,528	(1,292)	4,885	(4,474)
Gross dividend per share (cents)	2.50	0.33	0.12	0.12	-
Earnings (Loss) per share (cents)					
Before the Bonus Warrants Issue					
- basic	1.98	1.80	(0.31)	0.24	(1.15)
- diluted	1.93	1.80	(0.31)	0.24	(1.15)
After the Bonus Warrants Issue					
- weighted average number of shares (excluding treasury shares)	548,290,909	553,417,616	552,556,913	552,693,339	552,147,902
- basic	1.79	1.64	(0.28)	0.22	(1.04)

3. In respect of –

- (a) each financial year (being one of the 3 most recent completed financial years) for which financial statements have been published; and
- (b) any subsequent period for which interim financial statements have been published,

provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.

FY2016 versus FY2015

Group revenue increased by S\$43.8 million due mainly to higher revenue recognised for on-going engineering projects. Cost of sales increased by S\$49.8 million. Gross profit decreased by S\$6.0 million due mainly to lower contribution from real estate business.

Other operating income increased by S\$3.2 million due mainly to gain from the dilution of equity interest in associates.

Selling and distribution expenses increased by S\$0.7 million due mainly to higher promotional and showflat expenses for our development projects.

Other operating expenses decreased by S\$0.7 million due mainly to lower foreign exchange losses and allowances in doubtful other receivables, which is partially off-set by loss on dissolution of joint development.

Share of results of associates/joint venture increased by S\$3.5 million due mainly to higher contributions from real estate associated companies.

Finance costs increased by S\$1.8 million due mainly to additional borrowings.

Income tax expenses decreased by S\$1.2 million due mainly to deferred tax benefits recognised by certain loss making subsidiaries in FY2016.

Profit after tax decreased by S\$0.2 million from S\$11.6 million to S\$11.4 million.

Profit attributable to owners of the Company amounted to S\$9.1 million in FY2016 compared to S\$9.8 million in FY2015.

FY2017 versus FY2016

Revenue decreased by S\$8.1 million due mainly to the recognition of lower revenue from on-going engineering projects. Cost of sales correspondingly decreased by S\$14.4 million. Gross profit increased by S\$6.3 million due mainly to higher gross profit margin for certain completed engineering projects.

Other operating income increased by S\$2.1 million due mainly to the gain on disposal of a property by TEE Land.

Selling and distribution expenses increased by S\$2.2 million due mainly to higher sales and direct marketing expenses incurred by TEE Land.

Administrative expenses decreased by S\$3.2 million due mainly to lower depreciation charges and staff cost.

Other operating expenses increased by S\$1.5 million due mainly to impairment losses on development properties and investment properties.

Share of results of associates and joint venture decreased by S\$16.7 million due mainly to impairment and losses incurred by TEE Land's associated companies.

Finance costs increased by S\$1.4 million due mainly to additional borrowings.

Income tax expenses increased by S\$2.2 million due mainly to the gain on disposal of a property by TEE Land.

Overall, the Group reported loss after tax of S\$1.0 million in FY2017 as compared to profit after tax of S\$11.4 million in FY2016.

Loss attributable to owners of the Company was S\$1.6 million in FY2017 as compared to profit of S\$9.1 million in FY2016.

9MFY2018 versus 9MFY2017

Revenue decreased by S\$1.5 million due mainly to lower contribution of revenue from on-going engineering projects notwithstanding higher progressive revenue recognised for development projects.

Selling and distribution expenses increased by S\$5.2 million due mainly to higher sale and marketing costs incurred by TEE Land.

Other operating expenses increased by S\$8.8 million due mainly to one-off impairment losses recognised on the disposal of an associate and the remaining unsold units in the completed properties held for sale by TEE Land.

Share of results of associates and joint venture increased by S\$4.0 million due mainly to higher contribution of profits from TEE Land's associated companies.

Finance costs decreased by S\$1.0 million due mainly to repayment of loans.

Income tax expense decreased by S\$0.5 million due mainly to lower taxable profit.

The Group recorded a loss after tax of S\$7.5 million in 9MFY2018 due as previously announced, mainly to one-off impairment losses recognised on the disposal of an associate and the remaining unsold units in the completed properties held for sale by TEE Land.

Loss attributable to owners of the Company was S\$5.8 million in 9MFY2018 compared to a profit of S\$1.2 million in 9MFY2017.

Financial Position

4. Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of –
 - (a) the most recent completed financial year for which audited financial statements have been published; or
 - (b) if interim financial statements have been published for any subsequent period, that period.
5. The data referred to in paragraph 4 of this Part shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and shall in addition include the following items:
 - (a) number of shares after any adjustment to reflect the sale of new securities;
 - (b) net assets or liabilities per share; and
 - (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities.

The audited statements of financial position of the Group as at 31 May 2017 and the unaudited statements of financial position of the Group as at 28 February 2018 are set out below: -

(\$'000)	As at 31 May 2017 (Audited)	As at 28 February 2018 (Unaudited)
ASSETS		
Current assets		
Cash and cash equivalents	39,587	23,517
Bank balances pledged	2,402	52
Trade receivables	55,117	60,801
Other receivables	13,239	21,532
Current portion of loans receivables	26,793	19,785
Held-to-maturity financial asset	25	25
Held for trading investment	700	700
Inventories	27	61
Construction work-in-progress in excess of progress billings	89,622	76,847
Development properties	143,997	234,165
Completed properties and land held for sale	47,001	40,393
Non-current assets classified as held for sale	47,481	57,314
Total current assets	465,991	535,192
Non-current assets		
Bank balances pledged	435	474
Investment in associates	48,296	31,402
Investment in joint venture	891	756
Held-to-maturity financial asset	25	-
Club membership	45	45
Property, plant and equipment	22,794	21,745
Investment properties	33,812	33,559
Other receivables	6,144	118
Deferred tax assets	3,851	4,185
Total non-current assets	116,293	92,284
Total assets	582,284	627,476

(\$'000)	As at 31 May 2017 (Audited)	As at 28 February 2018 (Unaudited)
<u>LIABILITIES AND EQUITY</u>		
Current liabilities		
Bank loans and overdrafts	50,115	58,605
Trade payables	104,212	89,723
Other payables	32,951	50,435
Progress billings in excess of construction work-in-progress	-	267
Provision for maintenance costs	910	607
Current portion of finance leases	83	67
Current portion of long-term borrowings	51,151	93,330
Current portion of term notes	29,939	-
Current portion of financial guarantee liabilities	199	177
Income tax payable	5,596	2,884
Total current liabilities	275,156	296,095
Non-current liabilities		
Finance leases	285	232
Long-term borrowings	136,332	147,360
Secured notes	-	19,166
Financial guarantee liabilities	752	514
Other payables	3,704	7,595
Deferred tax liabilities	429	411
Total non-current liabilities	141,502	175,278
Capital, reserves and non-controlling interests		
Share capital	58,701	58,701
Treasury shares	(269)	(269)
Currency translation reserve	(1,011)	(119)
Capital reserve	18,793	18,793
Accumulated profits	19,396	13,635
Equity attributable to owners of the Company	95,610	90,741
Non-controlling interests	70,016	65,362
Net equity	165,626	156,103
Total liabilities and equity	582,284	627,476
Before the Bonus Warrants Issue		
Net asset value (\$'000)	95,610	90,741
Total number of issued shares (excluding treasury shares)	501,952,639	501,952,639
Net asset value per share (cents)	19.0	18.1
After the Bonus Warrants Issue and assuming all the Bonus Warrants are exercised		
Net asset value (\$'000)	106,341	101,472
Total number of issued shares	552,147,902	552,147,902
Net asset value per share (cents)	19.3	18.4

Liquidity and Capital Resources

6. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of -
- (a) the most recent completed financial year for which financial statements have been published; and
- (b) if interim financial statements have been published for any subsequent period, that period.

The audited consolidated statement of cash flows of the Group for FY2017 and the unaudited consolidated statement of cash flows of the Group for 9MFY2018 are set out below: -

(S\$'000)	FY2017 (Audited)	9MFY2018 (Unaudited)
Net cash used in operating activities	(28,360)	(87,907)
Net cash from investing activities	45,817	12,721
Net cash (used in) generated from financing activities	(14,684)	61,366
Net increase (decrease) in cash and cash equivalents	2,773	(13,820)
Cash and cash equivalents at beginning of year/period	32,206	33,439
Effect of foreign exchange rate changes	(1,540)	97
Cash and cash equivalents at end of year/period	33,439	19,716

Review of consolidated statement of cash flows - FY2017

Operating activities

Net cash used in operating activities was S\$28.3 million, mainly from the acquisition of new land.

Investing activities

Net cash from investing activities was S\$45.8 million, due mainly to dividend received from associates and proceed received from disposal of a property by TEE Land.

Financing activities

Net cash used in financing activities was S\$14.7 million, mainly from repayment of borrowings.

As a result, the Group recorded a net increase in cash and cash equivalents of S\$2.8 million.

Review of consolidated statement of cash flows – 9MFY2018

Operating activities

Net cash used in operating activities was S\$87.9 million, due mainly to acquisition of land.

Investing activities

Net cash generated from investing activities was S\$12.7 million, due mainly to repayments by associated companies and proceeds from disposal of an associate.

Financing activities

Net cash generated from financing activities was S\$61.4 million, due mainly to issuance of secured notes, net borrowings and repayment of term notes upon maturity.

As a result, the Group recorded a net decrease in cash and cash equivalents of S\$13.8 million.

-
7. **Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgement of the offer information statement, is sufficient for present requirements and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided.**
-

In the reasonable opinion of the Directors, after taking into account the Group's internal sources, operating cash flows and banking facilities, the Group's working capital as at the date of lodgment of this Offer Information Statement is sufficient to meet its present funding requirements.

-
8. **If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities in the relevant entity, provide -**
- (a) **a statement of that fact;**
 - (b) **details of the credit arrangement or bank loan; and**
 - (c) **any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).**
-

To the best of our Directors' knowledge and belief as at the Latest Practicable Date, our Directors are not aware of any breach by any entity in the Group of any terms and conditions or covenants associated with any credit arrangement or bank loan, which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities in the Company.

Trend Information and Profit Forecast or Profit Estimate

-
9. **Discuss, for at least the current financial year, the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.**
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The discussion on the business and financial prospects of the Group as set out herein may contain forward-looking statements and are subject to certain risks. Please refer to the Section entitled "**Cautionary Note on Forward-Looking Statements**" of this Offer Information Statement for further information.

BUSINESS AND FINANCIAL PROSPECTS OF THE GROUP

ENGINEERING BUSINESS

The Group's Engineering Business continues to be stable with more emphasis on high-value and complex engineering contracts. The Group will also look to forming alliances and partnerships with companies undertaking complementary business activities so as to enable it to provide clients with a total solution to meet their requirements.

The Group's M&E division will work with international contractors to bid for large-scale projects. On its own, the Building and Construction division will continue to focus on higher value mission critical engineering and AEI projects which are highly time-sensitive with no margin for errors.

(a) Public Sector

The Group will continue to focus on public sector projects, especially in the transport and healthcare sectors. The focus on public sector projects enables the Group to enjoy the following:

- (i) certainty and timeliness in the collection of progress payments;
- (ii) adoption of fair evaluation methodology in awards of projects and on the finalising of contracts account; and
- (iii) credibility associated with working for the public sector.

(b) Private Sector Focus

The Group has been actively participating in private sector projects bidding. The orders intake from this sector has seen a steady growth over the years.

The Group's clients from the private sector include but not limited to Frasers Centrepoint, Perennial Real Estate Holdings, Dragages Singapore and Hyundai Engineering and Construction. The focus on private sector projects enables the Group to enjoy the following:

- (i) higher engineering value contracts for large-scale developments;
- (ii) repeat order intake from the same clients; and
- (iii) offer value add to clients through integrated engineering services.

(c) Continued Expansion into Foreign Markets

The Group will continue to strengthen its position in the overseas markets it has presence in by actively tapping on existing relationships with joint venture partners and business associates in the region. The Group's proven track record in delivering quality and value-added services has won strong accolades from our clients in foreign markets.

(d) Strategic Alliances and Partnership

The Group also intends to increase its participation in joint ventures, partnership and alliances with large international companies in engineering services as their expertise and experience will enable the Group to bid for larger projects both locally and on the international platform.

Such strategic alliances and partnership will also provide the Group with a head start in its pursuit of mega infrastructure projects in the region.

(e) Staff Development

The Group will continue to invest heavily in staff development through upgrading of skills of its employees. Employees at all levels will be sent for various skill enhancement courses conducted by the local authorities as well as well-recognised professionals in the industries. As such all employees are able to keep abreast with the latest development and technologies practice in the industries.

Social welfare programmes involving mass participation of the employees are well in place in the Group. Achieving a work life balance is also part of the culture of the Group.

REAL ESTATE BUSINESS

(a) Focusing on delivering quality developments

TEE Land is recognised for providing quality homes that satisfy buyers. The Group has a proven track record of creating living and working spaces that harmonise societies, businesses and people. The Group endeavours to deliver quality, reliability and value to

home buyers, as well as provide integrated business solutions for enterprises in industrial and commercial development.

(b) Strengthening its position in foreign markets

The Group will continue to monitor foreign market dynamics the Group has presence in for investment and redevelopment opportunities. The Group intends to tap on its existing relationships with its joint venture partners and suppliers in these regions to deepen its presence in these foreign markets as and when opportunities arise.

(c) Focusing on boutique-sized developments

The Group believes that by focusing on boutique-sized development will enable the Group to enjoy a fast turnaround and good execution of its development projects. These developments typically comprise freehold residential projects with less than a hundred units.

INFRASTRUCTURE AND INFRASTRUCTURE-RELATED BUSINESS

The Group is actively identifying and evaluating good investment opportunities that would help build its capabilities in the areas of Water, Power and Environmental segments in the South-East Asia region. The Group's strategic intent for the Infrastructure Business is to look at projects that are smaller in size where larger infrastructure funds typically do not consider as part of their mandate. TEE Infrastructure is actively seeking to build up its infrastructure assets mainly related to water, power and environmental, through investing in assets and developing greenfield projects in Asia Pacific.

RISKS FACTORS

Prospective subscribers should carefully consider and evaluate each of the following considerations and all other information contained in this Offer Information Statement before deciding whether to invest in the Bonus Warrants, the Shares and/or the New Shares. The Group could be affected by a number of risks that may relate to the industry and countries in which the Group operates as well as those that may generally arise from, inter alia, economic, business, market and political factors, including the risks set out herein. The risks described below are not intended to be exhaustive.

There may be additional risks not presently known to the Group, or that the Group may currently deem immaterial, which could affect its operations. If any of the following considerations and uncertainties develops into actual events, the business operations, results of operations, financial condition, net sales, revenues, cash flow, profitability, liquidity, capital resources and/or prospects of the Group could be materially and adversely affected. In that event, the trading price of the Bonus Warrants, the Shares and/or the New Shares could decline, and investors may lose all or part of their investment in the Bonus Warrants, the Shares and/or the New Shares.

To the best of the Directors' knowledge and belief, all risk factors (save for those which have already been disclosed to the general public) which are material to Shareholders in making an informed judgment of the Bonus Warrants Issue have been set out in this Offer Information Statement.

General Risk relating to the Group

The Group is subject to risks associated with joint ventures

The Group undertakes its businesses from time to time through the formation of joint ventures with external parties. These joint ventures involve a certain amount of business risks such as the inability of joint venture partners to fulfill their obligations under the joint venture agreements, and any disagreement and/or disputes with the joint venture partners may also cause a delay in the progress of the joint venture projects.

Political uncertainties or new government regulations (such as restrictions on ownership) or changes in economic, business and operating conditions may also result in a decline in the Group's investment in these joint ventures or a loss in its ability to influence the management, directors and decisions made under these joint ventures. There is no assurance that the Group will not, in the future, encounter such business risks which may have a material adverse effect on its business, financial condition, results of operations and prospects.

The Group may be subject to foreign exchange transaction risks

The Group may be subject to foreign exchange risks as its combined financial statements are denominated in SGD while the financial statements of some of its subsidiaries and associated companies are prepared in their respective functional currencies. For the purpose of consolidating the financial results of its subsidiaries and associated companies, the assets and liabilities of the Group's foreign subsidiaries and associated companies are translated to SGD based on the year end exchange rates for the relevant financial period or year. The income and expenses of the Group's foreign subsidiaries and associated companies are translated using the average exchange rates for the relevant financial year or period. Any significant fluctuation of the SGD against the respective functional currencies of its foreign subsidiaries and associated companies may adversely affect the Group's results of operations.

The Group may be subject to restrictions in repatriation of funds

The Group may be subject to foreign exchange controls that may adversely affect the ability to repatriate the income or capital that are located outside of Singapore. Repatriation of income and capital may require the consent of the relevant governments. Delays in or refusals to grant any such approval, revocations or variations of consents previously granted, or the imposition of new restrictions may adversely affect the Group's business, results of operations and financial condition.

The Group is subject to risks associated with debt financing

The Group usually finances its projects by way of loans from banks/financial institutions in addition to internally-generated funds. Due to large capital requirements, the Group may seek financing for majority of its projects through loans from banks/financial institutions and additional funding from capital markets. As such, the availability of adequate financing is crucial to its ability to complete its projects according to schedule.

The Group may also experience negative cash flow from operating activities that may affect its ability to repay the outstanding debts. A project may experience net cash outflow in its early stages until payments are collected. As such, the Group's cash flow may fluctuate depending on the timing and extent of payments. In the event that the Group is unable to generate sufficient cash flow to meet the financing costs of its projects for any reasons whatsoever, the Group's business, results of operations and financial position may be adversely affected.

The loans granted to the Group by banks/financial institutions are generally charged based on floating interest rates. Given that the Group relies on these loans to finance its projects, any increase in the interest rates of these loans will have a material adverse impact on its profitability. If the Group is unable, for any reason, to raise such debt financing, the Group's business, results of operations and financial position may be adversely affected.

Additional debt financing may have debt covenants placed on the Group which may: -

- (a) increase the Group's vulnerability to general adverse economic and industry conditions;
- (b) limit the Group's ability to pursue its growth plans;

- (c) require the Group to dedicate a substantial portion of its cash flow from operations to payments on its debts, thereby reducing the availability of its cash flow to fund capital expenditure, working capital requirements and other general corporate purposes; and
- (d) limit the Group's flexibility in planning for, or reacting to, changes in its business and its industry.

Whilst, as at the Latest Practicable Date, there are no such debt covenants on any of the existing loans undertaken by the Group, the Group cannot guarantee that future loans granted to the Group will not contain such debt covenants.

The Group may suffer uninsured losses

The Group maintains insurance policies covering its assets, business and employees in line with general business practices. There are, however, certain types of losses (such as those resulting from wars, acts of terrorism, acts of God or political risks) that are generally not insured or not fully insured because they are either uninsurable or the costs are prohibitive when compared to the risks. The Group's existing insurance policies may not be adequate to cover lost revenues, increased expenses or liabilities to third parties.

Should an uninsured loss or a loss in excess of insured limits occur, the Group could be required to pay compensation and/or lose capital invested in the projects, as well as anticipated future revenue from those projects. Any such loss could adversely affect the results of operations and financial condition of the Group. No assurance can be given that material losses in excess of insurance proceeds will not occur in the future or that adequate insurance coverage for the Group will be available in the future on commercially reasonable terms or at commercially reasonable rates.

Risk relating to the Engineering Business

The Group's financial performance is dependent on its ability to secure a number of sizeable projects per year

As a large portion of the Group's Engineering Business is project-based, the Group's profitability is dependent on its ability to secure new profitable engineering projects. The ability of the Group to secure new engineering projects may be based on a number of factors, including having the relevant technical expertise, an established track record in the specific fields, and/or the possession of various licences and permits.

In the event that the Group does not secure adequate new engineering projects, this may have an adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group is dependent on the construction industry in Singapore

Notwithstanding that the focus of the Group's business activities is in the provision of engineering services, the Group is nonetheless affected by the cyclical changes of the construction industry in Singapore. A downturn in the Singapore construction industry may result in fewer projects available for tender and this may result in greater competition and an erosion of profit margins.

The Group may face potential loss or downgrade of its Building & Construction Authority ("BCA") grades.

The BCA workhead grading is renewal on a 3-year basis. The maintenance and/or upgrading of these grading is dependent of the Group's ability to meet the prescribed requirements by the authority in relation to financial capacity, staff resources and track records. Any downgrade in the BCA grading of the Group's engineering workhead will affect the ability to participate in certain tenders, the Group's revenue and profitability will be adversely affected.

The Group's profitability may be adversely affected by disputes, claims or inability to agree on variation orders

Due to the nature of the construction industry, it is common for claims to be made by and against contractors or sub-contractors on grounds such as defective works and noncompliance with contract specifications. It is also industry practice for customers to withhold a certain percentage (e.g. up to 5 per cent.) of the contract sum as retention monies to guard against defective works. In the event of any major claims or disputes with the Group's customers arising from the performance of the contract or as a result of the conduct of the Group's subcontractors, the Group's profitability will be adversely affected.

Variation orders are usually additional works or changes requested by the customer for specifications not included in the original contract, and additional charges will be incurred for such works. It is common market practice to commence these variation works before the additional charges are agreed with the customers in order not to cause any delay to the completion of the project. In the event the Group is unable to agree with their customers on the additional charges, especially where the variation orders constitute a larger proportion of the total contract value than we usually encounter in the Group's past projects, the Group's financial performance and cash flow position will be adversely affected.

Risks relating to the Real Estate Business

The Group is affected by the performance of the property industry

The Group currently operates its Real Estate Business in Singapore, Malaysia, Thailand, Australia and New Zealand. The Group's Real Estate Business is subject to the performance of the property industry in the countries in which it operates, where property prices are largely affected by supply and demand for properties. The demand for properties typically follows a cyclical pattern and is generally affected by local and global economic conditions, local market sentiment and expectations, government regulations, competition from other property developers, extent of supply of properties for sales and availability of financing for the purchase of properties. Economic recession, negative market sentiment or uncertainty on the pace of recovery in global financial markets may therefore affect the demand for the Group's properties and their pricing, which may have a material adverse effect on its revenue and profitability.

Despite the growth of the regional property market in the past, there is no guarantee that such growth will be sustained in the future. The Group may also incur losses by retaining unsold properties or selling them below cost in a depressed market. In the event that the Group is unable to sell its unsold properties, the Group may incur holding costs, including interest costs and maintenance costs. A decline in the demand for the Group's property development projects in the event that the property market experiences a downturn may have a material adverse effect on its business, financial condition, results of operations and prospects.

The Group's Real Estate Business is dependent on the various government policies implemented by governments of the countries it operates in

The Group is subject to various government policies which regulate the property market in the countries it operates in. For example, to promote a stable and sustainable property market, the Singapore government monitors the property market closely and adopts measures as and when it deems necessary.

In the event that the governments of the countries the Group operates its Real Estate Business in introduces policies impacting the overall performance of the property market in that particular country, the Group's operations, profitability and financial performance may be adversely affected.

Risks relating to the Infrastructure and Infrastructure-Related Business

The Group may operate its Infrastructure and Infrastructure-Related Businesses in regions with volatile and unpredictable political environments

The Group is contemplating expanding its Infrastructure and Infrastructure-Related Businesses overseas, which may include certain regions or countries where the political environments can be volatile and unpredictable. Thus, its Infrastructure and Infrastructure-Related Businesses operations in these regions or countries will be subject to various risks relating to political uncertainty such as difficulties or delays in obtaining or renewing relevant permits or consents, cancellation of contractual rights and difficulty or inability to enforce these rights or to obtain redress in the relevant courts. The occurrence of any of these events or of any other similar events relating to the Group's Infrastructure and Infrastructure-Related Businesses in these regions may have a material adverse effect on its business, financial condition and results of operations.

The Group's waste management business is vulnerable to keen competition and its performance will depend on its ability to compete effectively against its competitors

Singapore's waste management and cleaning and conservancy markets are mature industries with relatively low barriers of entry. As such, competition may arise when new players enter into the waste management and cleaning and conservancy market. Factors considered by its customers in their choice of suppliers would include technical competence, pricing and track record. Some competitors may have or may develop greater financial and technical resources than the Group's waste management business and possess the key competitive attributes as set out above, and thus respond more quickly to changes in customer requirements. There is no assurance that it will be able to compete successfully against competitors in the future. Accordingly, its revenue and profitability may be materially and adversely affected if it is not able to compete effectively.

Risks relating to the Bonus Warrants

Bonus Warrants may expire worthless

The Bonus Warrants issued pursuant to the Bonus Warrants Issue have an Exercise Period of thirty (30) months. In the event that the Bonus Warrants are not exercised by the end of the Exercise Period, the Bonus Warrants will expire worthless.

Amendment of the terms and conditions of the Bonus Warrants

The Company may, without the consent of the Warranholders but in accordance with the Deed Poll, effect any modification to the terms of the Bonus Warrants or the Deed Poll, which, in the opinion of the Company, (i) is not materially prejudicial to the interests of the Warranholders or (ii) is of a formal, technical or minor nature or (iii) is to correct a manifest error or to comply with mandatory provisions of Singapore law or (iv) is to vary or replace provisions relating to the transfer or exercise of the Bonus Warrants including the issue of New Shares arising from the exercise thereof or meetings of the Warranholders in order to facilitate trading in or the exercise of the Bonus Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of the Company's securities on the SGX-ST.

Potential dilution in the event the Bonus Warrants are not exercised

In the event that an Entitled Shareholder does not exercise any Bonus Warrants taken up under the Bonus Warrants Issue while the other Bonus Warrants issued are exercised, such Entitled Shareholder's interest in the Company may be diluted or varied.

Subject to the terms and conditions of the Bonus Warrants as set out in the Deed Poll, the Company may issue Shares for cash or as a bonus distribution and further subscription rights

upon such terms and conditions as the Company sees fit, but the Warrantheolders shall not have any participating rights in such further issues unless otherwise resolved by the Company in a general meeting. Warrantheolders may suffer a dilution of interest as a result depending on the terms and conditions of the Bonus Warrants.

Fluctuations in Bonus Warrant price and its trading volume

The demand for the Bonus Warrants and its accompanying price fluctuations as well as trading volume may vary from that of the Shares.

Further issues of Shares

Subject to the terms and conditions of the Bonus Warrants set out in the Deed Poll, the Company shall be at liberty to issue Shares to Shareholders either for cash or as a bonus distribution and further subscription rights upon such terms and conditions as the Company sees fit, but the Warrantheolders shall not have any participating rights in such further issues unless otherwise resolved by the Company in a general meeting.

Bonus Warrants may not be listed on SGX-ST

Pursuant to Rule 826 of the Listing Manual, SGX-ST will normally require a sufficient spread of holdings to provide for an orderly market in the securities. As a guide, SGX-ST expects at least 100 warrant holders for a class of company warrants.

If the Bonus Warrants are not sufficiently subscribed, it may not meet the spread of holdings of at least 100 warrant holders. Shareholders should note that in the event permission is not granted by the SGX-ST for the listing and quotation of the Bonus Warrants due to an inadequate spread of holdings for the Bonus Warrants to provide for an orderly market in the trading of the Bonus Warrants, holders of Bonus Warrants will not be able to trade their Bonus Warrants on the SGX-ST. The Company shall nevertheless proceed with and complete the Bonus Warrants Issue in such an event.

-
- 10. Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**
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Not applicable. No profit forecast is disclosed in this Offer Information Statement.

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- 11. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**
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Not applicable. No profit forecast or profit estimate is disclosed in this Offer Information Statement.

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- 12. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions referred to in paragraph 11 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.**
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Not applicable. No profit forecast is disclosed in this Offer Information Statement.

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13. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part –
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or
 - (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.
-

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

14. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part –
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or
 - (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.
-

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

Significant Changes

15. Disclose any event that has occurred from the end of –
- (a) the most recent completed financial year for which financial statements have been published; or
 - (b) if interim financial statements have been published for any subsequent period, that period,
- to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate negative statement.
-

Save as disclosed in this Offer Information Statement and any announcements which have already been released to the public on the SGXNET, the Directors are not aware of any event which has occurred since 28 February 2018 and up to the Latest Practicable Date which may have a material effect on the financial position and results of the Group.

Meaning of “published”

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16. In this Part, “published” includes publication in a prospectus, in an annual report or on the SGXNET.
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Noted.

PART VI: THE OFFER AND LISTING

Offer and Listing Details

1. Indicate the price at which the securities are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgement of the offer information statement, the method by which the offer price is to be determined must be explained.
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The Bonus Warrants to be issued are free. The exercise price of each Bonus Warrant is S\$0.215 for each New Share, payable in full upon exercise of a Bonus Warrant (subject to any adjustment under certain circumstances as provided for in the Deed Poll).

2. If there is no established market for the securities being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.
-

The Shares are listed for quotation on the Main Board of the SGX-ST. The Company has obtained a listing and quotation notice from the SGX-ST to deal in and for the listing and quotation for the New Shares and the Bonus Warrants on the Main Board of the SGX-ST, subject to there being an adequate spread of holdings for the Bonus Warrants to provide for an orderly market in the trading of Bonus Warrants.

The exercise price of S\$0.215, represents a premium of approximately 8.59% to the price of approximately S\$0.198, being the volume weighted average price of the Shares for trades done on the SGX-ST on 20 March 2018, being the last Market Day preceding 21 March 2018, being the date on which the Company announced the Bonus Warrants Issue.

3. If –
- (a) any of the relevant entity’s shareholders or equity interest-holders have preemptive rights to subscribe for or purchase the securities being offered; and
 - (b) the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived,
- indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.
-

Not applicable, as the Bonus Warrants are issued free to Entitled Shareholders. Save for the terms and conditions set out in the Deed Poll and disclosed in this Offer Information Statement, the exercise of Bonus Warrants is not restricted.

As there may be prohibitions or restrictions against the offering of the Bonus Warrants in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Bonus Warrants Issue. Please refer to the section entitled “Eligibility of Shareholders to Participate in Bonus Warrants Issue” of this Offer Information Statement for more information.

4. If securities of the same class as those securities being offered are listed for quotation on any securities exchange –
- (a) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities –
- i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and
- ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or
- (b) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities –
- i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and
- ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;
- (c) disclose any significant trading suspension that has occurred on the securities exchange during the 3 years immediately preceding the latest practicable date or, if the securities have been listed for quotation for less than 3 years, during the period from the date on which the securities were first listed to the latest practicable date; and
- (d) disclose information on any lack of liquidity, if the securities are not regularly traded on the securities exchange.

- (a) The highest and lowest traded prices and volume of the Shares traded on the Main Board of the SGX-ST during each of the last 12 calendar months immediately preceding the Latest Practicable Date and for the period from 1 April 2018 to the Latest Practicable Date are as follows: -

Month	Price Range (S\$) ⁽¹⁾		Volume of Shares Traded ⁽²⁾
	High	Low	Shares
April 2017	0.215	0.210	3,833,900
May 2017	0.215	0.205	1,720,200
June 2017	0.215	0.205	1,146,000
July 2017	0.215	0.200	1,333,900
August 2017	0.230	0.195	9,905,600
September 2017	0.205	0.195	877,300
October 2017	0.220	0.192	1,677,200
November 2017	0.205	0.196	1,696,300
December 2017	0.205	0.192	97,700
January 2018	0.205	0.192	8,442,300
February 2018	0.205	0.197	9,337,400
March 2018	0.210	0.197	20,579,300
1 April 2018 to 19 April 2018 (being the Latest Practicable Date)	0.200	0.194	16,835,400

Source: Bloomberg L.P. ⁽³⁾

Notes:

- (1) The highest and lowest price for the month are based on the highest and lowest market price for the Shares in a particular month/period.
 - (2) The volume of shares is based on the total volume of the Shares traded in a particular month/period.
 - (3) Bloomberg L.P. has not consented to the inclusion of the prices quoted under this section and is thereby not liable for such information under Sections 253 and 254 of the Securities and Futures Act. The Company has included the above prices in their proper form and context in this Offer Information Statement and has not verified the accuracy of these statements.
- (b) Not applicable as the Shares has been listed for quotation on the Main Board of the SGX-ST for more than 12 months immediately preceding Latest Practicable Date.
 - (c) Save for temporary trading halts to cater for the release of announcements by the Company on the website of the SGX-ST at <http://www.sgx.com> in accordance with the requirements of the Listing Manual, there has been no significant trading suspension of the Shares on the SGX-ST during the three (3) years immediately preceding the Latest Practicable Date.
 - (d) Not applicable as the Shares are regularly traded on the Main Board of the SGX-ST.

5. Where the securities being offered are not identical to the securities already issued by the relevant entity, provide –

- (a) **statement of the rights, preferences and restrictions attached to the securities being offered; and**
 - (b) **an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities, to rank in priority to or *pari passu* with the securities being offered.**
-

The Bonus Warrants will, upon issue, be a new class of securities. Each Bonus Warrant entitles the Warrantholder thereof to subscribe for one (1) New Share at the Exercise Price, subject to the terms and conditions to be set out in the Deed Poll. The New Shares, when allotted and issued, will rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the Record Date for which falls on or after the date of issue of the New Shares.

The Bonus Warrants and the New Shares are proposed to be issued pursuant to the share issue mandate approved by the Shareholders at the Company's annual general meeting held on 13 November 2017.

Plan of Distribution

- 6. Indicate the amount, and outline briefly the plan of distribution, of the securities that are to be offered otherwise than through underwriters. If the securities are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.**
-

Basis of Provisional Allotment

The Bonus Warrants Issue is to be made to the Entitled Shareholders on the basis of one (1) Bonus Warrant for every ten (10) existing Shares held by or, as the case may be, standing to the credit of the securities accounts of, the Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.

Fractional entitlements to the Bonus Warrants will be disregarded in arriving at Entitled Shareholders' allotments and will be dealt with in such manner as the Directors may in their absolute discretion deem fit for the benefit of the Company.

As there may be prohibitions or restrictions against the allotment of Bonus Warrants in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Bonus Warrants Issue. Please refer to the section entitled "Eligibility of Shareholders to Participate in Bonus Warrants Issue" of this Offer Information Statement for further details.

Terms and Conditions

The allotment and issue of the Bonus Warrants pursuant to the Bonus Warrants Issue is governed by the terms and conditions as set out in this Offer Information Statement, including Appendix I.

The Bonus Warrants are issued free to Entitled Shareholders and are not offered through any broker or dealer.

7. Provide a summary of the features of the underwriting relationship together with the amount of securities being underwritten by each underwriter.

The Bonus Warrants will be issued free to Entitled Shareholders. There are no underwriters appointed pursuant to the Bonus Warrants Issue.

PART VII: ADDITIONAL INFORMATION

Statements by Experts

1. Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

2. Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert –

- (a) state the date on which the statement was made;**
- (b) state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and**
- (c) include a statement that the expert has given, and has not withdrawn, his written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.**

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

3. The information referred to in paragraphs 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 26(2) or (3) applies.

Not applicable. This Offer Information Statement does not contain any statement made by an expert.

Consents from Issue Managers and Underwriters

4. Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.
-

Not applicable. No issue manager or underwriter has been appointed for the Bonus Warrants Issue.

Other Matters

5. Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly –
- (a) the relevant entity's business operations or financial position or results; or
 - (b) investments by holders of securities in the relevant entity.
-

Save as disclosed in this Offer Information Statement and in all public announcements made by the Company, to the Directors' best knowledge, there are no other matters which could materially affect, directly or indirectly, the Company's business, operations, financial position or results, or investments by holders of securities in the Company.

PART VIII: ADDITIONAL INFORMATION REQUIRED FOR OFFER OF DEBENTURES OR UNITS OF DEBENTURES

Not applicable.

PART IX: ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES

Not applicable.

TERMS AND CONDITIONS OF THE BONUS WARRANTS (THE “CONDITIONS”)

The warrants to subscribe for new ordinary shares in the capital of TEE International Limited (the "**Company**") and such warrants, the "**Bonus Warrants**"), are issued subject to the benefit of a deed poll dated 16 April 2018 executed by the Company (the "**Deed Poll**"). The issue of the Bonus Warrants was authorised by resolutions of the board of directors of the Company passed on 21 March 2018 and of the shareholders of the Company passed on 13 November 2017. As at the date of issue of the Bonus Warrants, the listing and quotation notice has been obtained from the SGX-ST (as defined below) for dealing in, the listing of and quotation for the Bonus Warrants and the new Shares (as defined below) arising from the exercise of the Bonus Warrants **subject to, *inter alia*, a sufficient spread of holdings for the Bonus Warrants**. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Deed Poll. Copies of the Deed Poll are available for inspection at the registered office for the time being of the Company and at the specified office of the Warrant Agent (as defined below) referred to in **Condition 4(G)** and the Warrant holders (as defined below) are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Deed Poll.

1. Definitions

For the purposes of these Conditions and subject as otherwise provided herein:

"**Act**" means the Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time;

"**Approved Bank**" means any bank or merchant bank in Singapore of international repute and selected by the Directors;

"**Auditors**" means the auditors for the time being of the Company or, if there shall be joint auditors, any one or more of such auditors or, in the event of them being unable or unwilling to carry out any action requested of them pursuant to the provisions of the Deed Poll or the Conditions, such other auditors as may be nominated by the Company;

"**Business Day**" means a day (other than a Saturday, a Sunday or a gazetted public holiday) on which commercial banks in Singapore, the SGX-ST, the Depository and the Warrant Agent are open for business;

"**CPF**" means Central Provident Fund;

"**CPF Approved Bank**" means any bank appointed by the CPF Board to be an agent bank;

"**CPF Investment Account**" or "**CPFIS – Ordinary Account**" means an account opened by a CPF member with a CPF Approved Bank into which monies from his ordinary account have been deposited and from which money may be withdrawn for the purchase of investments under the CPFIS;

"**CPFIS**" means CPF Investment Scheme;

"**Depositor**" and "**Depository**" shall have the respective meanings ascribed to them in Section 81SF of the SFA;

"**Depository Register**" means the register maintained by the Depository pursuant to Division 7A of Part IV of the Act in respect of the Bonus Warrants registered in the name of the Depository;

"**Designated Account**" means the account maintained by the Company with a bank in Singapore for the purpose of crediting moneys paid by exercising Warranholders in satisfaction of the Exercise Price in relation to the Bonus Warrants exercised by such exercising Warranholders;

"**Directors**" means the directors for the time being of the Company;

"**Exercise Date**" means, in relation to the exercise of a Bonus Warrant, the Business Day on which the applicable conditions referred to in **Condition 4(A)** are fulfilled, or (if fulfilled on different days) on which the last of such conditions is fulfilled, provided that if any such day falls during a period when the Register of Members of the Company is closed, then the "**Exercise Date**" shall be earlier of the next Business Day on which the Register of Members of the Company is open and the Expiration Date;

"**Exercise Notice**" means a notice (for the time being current) for the exercise of the Bonus Warrants, copies of which may be obtained from the Warrant Agent;

"**Exercise Price**" means, in respect of each Bonus Warrant, S\$0.215 for each new Share, subject to adjustment in accordance with **Condition 5** below;

"**Expiration Date**" means the last date of the Warrants Exercise Period;

"**Listing Rules**" means the Listing manual of the SGX-ST, as amended or modified from time to time;

"**Market Day**" shall have the meaning ascribed to it in the Listing Rules;

"**Register**" means the Register of Warranholders to be maintained by the Warrant Agent pursuant to **Condition 4(F)** below;

"**Registrar**" means B.A.C.S. Private Limited or such other person, firm or company as may be appointed as such from time to time by the Company;

"**Securities Account**" means a securities account maintained by a Depositor with the Depository;

"**SFA**" means the Securities and Futures Act, Chapter 50 of Singapore, as amended from time to time;

"**SGX-ST**" means the Singapore Exchange Securities Trading Limited;

"**Special Resolution**" means a resolution passed at a meeting of the Warranholders duly convened and held and carried by a majority consisting of not less than three-fourths of the votes cast.

"**Shares**" means ordinary shares in the capital of the Company;

"**S\$**" means the lawful currency of Singapore;

"**unexercised**" means, in relation to the Bonus Warrants, all the Bonus Warrants which have been issued pursuant to this Deed Poll and all the Bonus Warrants which are issued pursuant to **Condition 5** for so long as the Bonus Warrants shall not have lapsed in accordance with **Condition 3** other than (a) those which have been exercised in accordance with their terms, (b) those mutilated or defaced Warrants in respect of which replacement Bonus Warrants have been duly issued pursuant to **Condition 10**, and (c) for the purpose of ascertaining the number of Bonus Warrants unexercised at any time (but not for the purpose of ascertaining whether any Bonus Warrants are unexercised), those Bonus Warrants alleged to have been lost, stolen or destroyed and in respect of which replacement Bonus Warrants have been issued pursuant to **Condition 10**; Provided that for the purposes of (i) the right to attend and vote at any meeting of Warrantheolders and (ii) the determination of how many and which Bonus Warrants for the time being remain unexercised for the purposes of **Condition 11 and paragraphs 1, 3, 4 and 8 of Schedule 2**, those Bonus Warrants which have not been exercised but have been lodged for exercise (whether or not the conditions precedent to such exercise have been or will be fulfilled) shall, unless and until withdrawn from lodgement, be deemed not to remain unexercised;

"**Warrant Agency Agreement**" means the warrant agency agreement dated 16 April 2018 appointing, *inter alia*, the Warrant Agent, as the same may be modified from time to time by the parties thereto, and includes any other agreement (whether made pursuant to the terms of the Warrant Agency Agreement or otherwise) appointing further or other Warrant Agents or amending or modifying the terms of any such appointment;

"**Warrant Agent**" means B.A.C.S. Private Limited or such other person as may be appointed as such from time to time by the Company pursuant to the Warrant Agency Agreement;

"**Warrantheolders**" means the registered holders of the Bonus Warrants, except that where the registered holder is the Depository, the term "**Warrantheolders**" shall, in relation to Bonus Warrants registered in the name of the Depository, include, where the context requires, the Depositors whose Securities Account(s) with the Depository are credited with Bonus Warrants, Provided that for the purposes of **Schedule 2** of the Deed Poll relating to meetings of Warrantheolders, such Warrantheolders shall mean those Depositors having Bonus Warrants credited to their Securities Account(s) as shown in the records of the Depository as at a time not earlier than 48 hours prior to the time of a meeting of Warrantheolders supplied by the Depository to the Company. The word "**holder**" or "**holders**" in relation to Bonus Warrants shall (where appropriate) be construed accordingly;

"**Warrant Certificates**" means the certificates (in registered form) to be issued in respect of the Bonus Warrants substantially in the form set out in Schedule 1 to the Deed Poll, as from time to time modified in accordance with the provisions set out herein; and

"**Warrants Exercise Period**" means the period commencing on (and including) the date of issue of the Bonus Warrants and expiring at 5.00 p.m. on the date immediately preceding the thirtieth (30th) month after the date of issue of the Bonus Warrants, but excluding such period(s) during which the Register may be closed pursuant to **Condition 4(F)** below;

2. Form and Title

(A) The Bonus Warrants are issued in registered form. Title to the Bonus Warrants shall be transferable in accordance with **Condition 9**. The Warrant Agent shall maintain the Register on behalf of the Company and, except as required or provided by law:

(i) the registered holder of the Bonus Warrants (other than the Depository); and

- (ii) (where the registered holder of the Bonus Warrants is in the name of the Depository) the Depositor for the time being appearing in the Depository Register maintained by the Depository as having Bonus Warrants credited to its Securities Account(s),

will be deemed to be and be treated as the absolute owner thereof and as the holder of all the rights and interests in the number of Bonus Warrants so entered (whether or not the Company shall be in default in respect of the Bonus Warrants or its covenants contained in the Deed Poll and notwithstanding any notice of ownership or writing hereon or notice of any previous loss or theft of the relevant Warrant Certificate or any irregularity or error in the records of the Depository or any express notice to the Company or the Warrant Agent or any other related matters) for the purpose of giving effect to the exercise of the rights constituted by the Bonus Warrants and for all other purposes in connection with the Bonus Warrants.

- (B) If two or more persons are entered in the Register or the Depository Register (as the case may be) as joint holders of any Bonus Warrant, they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the following provisions:

- (i) the Company shall not be bound to register more than two persons as the registered joint holders of any Bonus Warrant but this provision shall not apply in the case of executors or administrators (or trustees) of the estate of a deceased Warrantholder where such executors or administrators are entered into the Depository Register;
- (ii) joint holders of any Bonus Warrant whose names are entered in the Register or the Depository Register (as the case may be) shall be treated as one Warrantholder;
- (iii) the Company shall not be bound to issue more than one Warrant Certificate for a Bonus Warrant registered jointly in the names of several persons and delivery of a Warrant Certificate to the joint holder whose name stands first in the Register or the Depository Register (as the case may be) shall be sufficient delivery to all; and
- (iv) the joint holders of any Warrant whose names are entered in the Register or the Depository Register (as the case may be) shall be, jointly and severally, liable severally in respect of all payments which ought to be made in respect of such Bonus Warrants as well as in connection with their exercise of any such Bonus Warrant. No fraction of a share shall be allotted.

3. Exercise Rights

- (A) Each Warrantholder shall have the right, by way of exercise of each Bonus Warrant, at any time during normal business hours on any Business Day during the Warrants Exercise Period in the manner set out in **Condition 4** and otherwise on the terms of and subject to the Conditions set out below, to subscribe for one (1) Share at the Exercise Price, subject to adjustments in accordance with **Condition 5**, on the Exercise Date applicable to such Bonus Warrant. The Exercise Price shall, on the Exercise Date, be applied towards payment for the Share to be issued on the exercise of the relevant Bonus Warrant. Each Bonus Warrant shall, following its exercise in accordance with these Conditions, be cancelled by the Company. No payments shall be refunded and no fraction of a Share shall be allotted.
- (B) At the expiry of the Warrants Exercise Period, any Bonus Warrant which has not been exercised in accordance with **Condition 4** will lapse and cease to be valid for any purpose. The right to exercise the Bonus Warrants will not be extended beyond the Expiry Period.

- (C) Any Bonus Warrant in respect of which the Exercise Notice shall not have been duly completed and delivered in the manner set out below under **Condition 4** to the Warrant Agent on or before 5.00 p.m. on the Expiration Date shall become void.
- (D) New Shares allotted and issued upon exercise of the Bonus Warrants shall be fully paid and, save for any dividends, rights, allocations or other distributions, the Record Date for which is on or before the relevant Exercise Date of the Bonus Warrants, shall rank pari passu in all respects with the then existing Shares of the Company. For the purpose of this Condition 3 (D), "**Record Date**" means, in relation to any dividends, rights, allocations or other distributions, the date at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered in order to participate in dividends, rights, allocations or other distributions.
- (E) The Company shall, not later than one (1) month before the expiry of the Warrants Exercise Period:
 - (i) give notice to the Warrantheolders in accordance with Condition 12 of the expiry of the Warrants Exercise Period and notify the same to SGX-ST; and
 - (ii) take reasonable steps to dispatch to the Warrantheolders notices in writing to their addresses recorded in the Register or the Depository Register, as the case may be, of the expiry of the Warrants Exercise Period.

Without prejudice to the generality of the foregoing, Warrantheolders who acquire Bonus Warrants after notice of the expiry of the Warrants Exercise Period has been given in accordance with the aforementioned shall be deemed to have notice of the expiry of the Warrants Exercise Period so long as such notice has been given in accordance with Condition 12. For the avoidance of doubt, neither the Company nor the Warrant Agent shall in any way be responsible or liable for any claims, proceedings, costs or expenses arising from the failure by the purchaser of the Bonus Warrants to be aware of or to receive such notification.

4. Procedure for Exercise of Warrants

(A) Lodgement Conditions

In order to exercise one or more Bonus Warrants, a Warrantheolder must, before 3.00 p.m. on any Business Day and before 5.00 p.m. on the Expiration Date during the Warrants Exercise Period, fulfill the following conditions:

- (i) lodgement of the relevant Warrant Certificate registered in the name of the exercising Warrantheolder or Depository (as the case may be) for exercise at the specified office of the Warrant Agent together with the Exercise Notice in respect of the Bonus Warrants represented thereby in the form (for the time being current) obtainable from the Warrant Agent, duly completed and signed by or on behalf of the exercising Warrantheolder and duly stamped in accordance with any law for the time being in force relating to stamp duty, Provided that the Warrant Agent may dispense with the production of the relevant Warrant Certificate where such Warrant Certificate is registered in the name of the Depository;
- (ii) the furnishing of such evidence (if any, including evidence of nationality) as the Warrant Agent may require to determine the due execution of the Exercise Notice by or on behalf of the exercising Warrantheolder (including every joint Warrantheolder, if any) or otherwise ensure the due exercise of the Warrants;

- (iii) the payment or satisfaction of the Exercise Price in accordance with the provisions of **Condition 4(B)** below;
- (iv) the payment of deposit or other fees for the time being chargeable by, and payable to, the Depository (if any) or any stamp, issue, registration or other similar taxes or duties arising on the exercise of the relevant Warrants as the Warrant Agent may require; and
- (v) if applicable, the payment of any fees for certificates for the new Shares to be issued and the expenses of, and the submission of any necessary documents required in order to effect, the delivery of certificates for the new Shares upon exercise of the relevant Bonus Warrants to the place specified by the exercising Warrantholder in the Exercise Notice or to the Depositor (as the case may be).

Any exercise by a Warrantholder in respect of Bonus Warrants registered in the name of the Depository shall be further conditional on:

- (i) that number of Bonus Warrants so exercised being available in the "Free" balance of the Securities Account of the exercising Warrantholder with the Depository and on the exercising Warrantholder electing in the Exercise Notice to have the delivery of the new Shares arising from the exercise of the relevant Warrants to be effected by crediting such Shares to the Securities Account(s) of the exercising Warrantholder; or
- (ii) in the case where funds standing to the credit of a CPF Investment Account are to be used for the payment of the Exercise Price arising from the exercise of each Bonus Warrant, by crediting such Shares to the Securities Account of the nominee company of the CPF Approved Bank as specified in the Exercise Notice, failing which the Exercise Notice shall be void and all rights of the exercising Warrantholder and of any other person thereunder shall cease.

An Exercise Notice which does not comply with the Conditions above shall be void for all purposes. Warrantholders whose Bonus Warrants are registered in the name of the Depository irrevocably authorise the Company and the Warrant Agent to obtain from the Depository and to rely upon such information and documents and as the Company or the Warrant Agent deems necessary to satisfy itself that all the above-mentioned Conditions have been fulfilled and such other information as the Company or the Warrant Agent may require in accordance with these Conditions and the Deed Poll and to take such steps as may be required by the Depository in connection with the operation of the Securities Account of any Warrantholder. Provided that the Company and the Warrant Agent shall not be liable in any way whatsoever for any loss or damage incurred or suffered by the Warrantholder as a result of or in connection with reliance by the Company, the Warrant Agent or any other persons upon the records of and information supplied by the Depository.

Once all the above mentioned conditions (where applicable) have been fulfilled, the relevant Warrant Certificate(s) (if any), the Exercise Notice and any moneys tendered in or towards payment of the Exercise Price in accordance with **Condition 4(B)** below may not be withdrawn without the consent in writing of the Company.

(B) Payment of Exercise Price

Payment of the Exercise Price shall be made to the specified office of the Warrant Agent by way of a remittance in Singapore currency by banker's draft or cashier's order drawn on a bank operating in Singapore, and/or by debiting the CPF Investment Account with the CPF Approved Bank as specified in the Exercise Notice, for the credit of the Designated Account for the full amount of the Exercise Price payable in respect of the Bonus Warrants exercised, Provided

that any such remittance shall be accompanied by the delivery to the Warrant Agent of the payment advice referred to below and shall comply with any exchange control or other statutory requirement for the time being applicable.

Each such payment shall be made free of any foreign exchange commissions, remittance charges or other deductions and shall be accompanied by a payment advice containing (i) the name of the exercising Warrantholder; (ii) the certificate numbers of the relevant Warrant Certificates in respect of the Warrants being exercised or, if the relevant Warrant Certificates are registered in the name of CDP, the Securities Account(s) of the exercising Warrantholder which is to be debited with the Bonus Warrants being exercised; and (iii) the number of Bonus Warrants tendered for exercise.

If the payment advice fails to comply with the foregoing provisions, the Warrant Agent may, at its absolute discretion and without liability on behalf of itself or the Company, refuse to recognise the relevant payment as relating to the exercise of any particular Bonus Warrant, and the exercise of the relevant Bonus Warrants may accordingly be delayed or treated as invalid and neither the Warrant Agent nor the Company shall be liable to the Warrantholder in any manner whatsoever. If the relevant payment received by the Warrant Agent in respect of an exercising Warrantholder's purported payment of the Exercise Price relating to all the relevant Bonus Warrants lodged with the Warrant Agent is less than the full amount of such Exercise Price, the Warrant Agent shall not treat the relevant payment so received or any part thereof as payment of the Exercise Price or any part thereof and, accordingly, the whole of such relevant payment shall remain in the Designated Account (subject to **Condition 4(D)** below) unless and until a further payment is made in accordance with the requirements set out above in this **Condition 4(B)** in an amount sufficient to cover the deficiency provided that the Company will not be held responsible for any loss arising from any retention of such payment by the Warrant Agent.

(C) Exercise Date

A Bonus Warrant shall (provided the provisions of this **Condition 4** have been satisfied) be treated as exercised on the Exercise Date which shall be the Business Day (falling within the Warrants Exercise Period) on which all the conditions for and provisions relating to the exercise of the Bonus Warrant have been fulfilled or, if fulfilled on different dates, the last of such dates provided that if any Bonus Warrant is exercised on a date when the Register is closed, the Exercise Date shall be the earlier of the next Business Day on which such Register is open and the Expiration Date.

The relevant Bonus Warrants and Warrant Certificates shall be cancelled on the Exercise Date except that, in relation to Warrant Certificates in the name of the Depository, such Warrant Certificates shall be cancelled as soon as possible after receipt by the Warrant Agent from the Depository of instructions as to the cancellation of the Bonus Warrants and the said Warrant Certificates.

(D) Designated Account

Payment of the Exercise Price received by the Warrant Agent shall be deposited to the Designated Account on the Business Day after the Exercise Date relating to the relevant Bonus Warrants in payment for the new Shares to be delivered in consequence of the exercise of such Bonus Warrants. The relevant Warrant Certificates shall be cancelled on the Exercise Date except that, in relation to Warrant Certificates in the name of the Depository, such Warrant Certificates shall be cancelled as soon as possible after receipt by the Warrant Agent from the Depository of such Warrant Certificates, accompanied by instructions from the Depository as to the cancellation of such Warrant Certificates, from the Depository.

If such payment is made to the Warrant Agent and such payment is not recognised by the Warrant Agent as relating to the exercise of the relevant Bonus Warrants or the relevant payment is less than the full amount of the Exercise Price or the conditions set out in **Condition 4(A)** above have not then all been fulfilled in relation to the exercise of such Bonus Warrants, such payment will remain in the Designated Account pending recognition of such payment or full payment or fulfilment of the lodgement conditions set out in **Condition 4(A)**, as the case may be, but on whichever is the earlier of:

- (i) the fourteenth (14th) day after receipt of such Exercise Notice by the Warrant Agent; and
- (ii) the Expiration Date,

such payment will (if the Exercise Date in respect of such Bonus Warrant(s) has not by then occurred) be returned, without interest, to the person who remitted such payment.

The Warrant Agent will, if it is possible to relate the payment so returned to any Warrant Certificates (if applicable), and the Exercise Notice previously lodged with the Warrant Agent, return such Warrant Certificates (if applicable) and the relevant Exercise Notice, together with such payment, after receipt of the same from the Company, to the exercising Warrantholder at the risk and expense of such Warrantholder. The Company will, upon receipt of notification from the Warrant Agent of any unsuccessful exercise of Bonus Warrants, forward such payment to the Warrant Agent for it to be returned to the exercising Warrantholder. The Company will be entitled to deduct or otherwise recover from the exercising Warrantholder any applicable handling charges and out-of-pocket expenses of the Warrant Agent. So long as any particular payment remains credited to the Designated Account and the relevant Exercise Date has not occurred, it (but excluding any interest accrued thereon) will continue to belong to the exercising Warrantholder but it may only be withdrawn within the abovementioned 14-day period with the consent in writing of the Company.

(E) Allotment of New Shares and Issue of Balancing Warrant Certificates

A Warrantholder exercising Bonus Warrants which are registered in the name of the Depository must elect in the Exercise Notice to have the delivery of new Shares arising from the exercise of such Bonus Warrants to be effected by crediting such Shares to the Securities Account of such Warrantholder or, as the case may be, the nominee company of the CPF Approved Bank as specified in the Exercise Notice. A Warrantholder exercising Bonus Warrants registered in his own name may elect in the Exercise Notice to either receive physical share certificates in respect of the new Shares arising from the exercise of such Bonus Warrants or to have the delivery of such Shares effected by crediting such Shares to his Securities Account or, as the case may be, the Securities Account of the nominee company of the CPF Approved Bank as specified in the Exercise Notice, with the Depository (in which case, such Warrantholder shall also duly complete and deliver to the Warrant Agent such forms as may be required by the Depository), failing which such exercising Warrantholder shall be deemed to have elected to receive physical share certificates in respect of such Shares at his address specified in the Register.

The Company shall allot and issue the new Shares arising from the exercise of the relevant Bonus Warrants by a Warrantholder and deliver such new Shares in accordance with the instructions of such Warrantholder as set out in the Exercise Notice and:

- (i) where such Warrantholder has (or is deemed to have) elected in the Exercise Notice to receive physical share certificates in respect of the new Shares arising from the exercise of the relevant Bonus Warrants, the Company shall despatch, as soon as practicable but in any event not later than three (3) Market Days after the relevant Exercise Date, by

ordinary post to the address specified in the Exercise Notice (or the Register, as the case may be) and at the risk of such Warrantholder, the certificates relating to such new Shares registered in the name of such Warrantholder; or

- (ii) where such Warrantholder has elected in the Exercise Notice to have the delivery of new Shares arising from the exercise of the relevant Bonus Warrants to be effected by the crediting of such new Shares to the Securities Account of such Warrantholder as specified in the Exercise Notice or, as the case may be, the Securities Account of the nominee company of the CPF Approved Bank as specified in the Exercise Notice, the Company shall as soon as practicable but not later than three (3) Market Days after the relevant Exercise Date despatch the certificates relating to such new Shares in the name of, and to, the Depository for the credit of the Securities Account of such Warrantholder as specified in the Exercise Notice or, as the case may be, the Securities Account of the nominee company of the CPF Approved Bank as specified in the Exercise Notice.

Where a Warrantholder exercises part only (and not all) of the subscription rights represented by Bonus Warrants which are registered in the name of the Depository, the number of Bonus Warrants represented by the Warrant Certificate registered in the name of the Depository shall be deemed to have been reduced for all purposes by the number of Bonus Warrants so exercised.

(F) Register of Warrantholders

The Warrant Agent shall maintain a register (the "**Register**") containing particulars of the Warrantholders (other than Warrantholders who are Depositors) and such other information relating to the Bonus Warrants as the Company may require. The Register (and the Depository Register) may be closed during such periods when the Register of Transfers and/or Register of Members of the Company is deemed to be closed and during such periods as may be required to determine the adjustments to the Exercise Price and/or the number of Bonus Warrants held by any Warrantholder under **Condition 5** or during such other period as the Company may determine. Notice of the closure of the Register and (if applicable) the Depository Register will be given to the Warrantholders in accordance with **Condition 12**.

Except as required by law or as ordered by a court of competent jurisdiction, the Company and the Warrant Agent shall be entitled to rely on the Register (where the registered holder of a Bonus Warrant is a person other than the Depository) or the Depository Register (where the Depository is the registered holder of a Bonus Warrant) or any statement or certificate issued by the Depository to the Company or any Warrantholder (as made available to the Company and/or the Warrant Agent) to ascertain the identity of the Warrantholders, the number of Bonus Warrants to which any such Warrantholders are entitled, to give effect to the exercise of the subscription rights constituted by the Bonus Warrants and for all other purposes in connection with the Bonus Warrants (whether or not the Company shall be in default in respect of the Bonus Warrants or any of the terms and conditions contained herein or in the Deed Poll and notwithstanding any notice of ownership or writing thereon or notice of any claim on or loss or theft or forgery of any Bonus Warrant or Warrant Certificate).

(G) Warrant Agent and Registrar

The name of the initial Warrant Agent and Registrar and its specified office is set out below. The Company reserves the right at any time to vary or terminate the appointment of the Warrant Agent and Registrar and to appoint an additional or another Warrant Agent and/or another Registrar, provided that it will at all times maintain a Warrant Agent and a Registrar having a specified office in Singapore so long as the Bonus Warrants are outstanding. Notice of any such

termination or appointment and of any changes in the specified offices of the Warrant Agent and/or the Registrar shall be given to the Warrantheolders in accordance with **Condition 12**.

Warrant Agent and Registrar:

B.A.C.S. Private Limited

8 Robinson Road
#03-00 ASO Building
Singapore 048544

5. Adjustments of Exercise Price and Number of Bonus Warrants

(A) The Exercise Price and the number of Bonus Warrants held by each Warrantheolder shall from time to time be adjusted by the Directors in consultation with an Approved Bank and certified to be in accordance with **Condition 5(B)** by the Auditors. The Exercise Price and the number of Bonus Warrants held by each Warrantheolder shall from time to time be adjusted as provided in these Conditions and the Deed Poll in all or any of the following cases:

- (i) any consolidation, subdivision or conversion of the Shares; or
- (ii) an issue by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature) to its members (“**Members**”) (other than an issue of Shares to Members who elect to receive Shares in lieu of cash or other dividend); or
- (iii) a Capital Distribution (as defined below) made by the Company to its Members whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets); or
- (iv) an offer or invitation made by the Company to its Members whereunder they may acquire or subscribe for Shares by way of rights; or
- (v) an issue (otherwise than pursuant to a rights issue available to all Members, requiring an adjustment under **Condition 5(A)(iv)**, and other than an issue of Shares to Members who elect to receive Shares in lieu of cash as dividend) by the Company of Shares, if the Total Effective Consideration (as defined below) for each Share is less than ninety per cent. (90%) of the Current Market Price for each Share (calculated as provided below).

(B) Subject to these Conditions and the Deed Poll, the Exercise Price and the number of Bonus Warrants held by each Warrantheolder shall from time to time be adjusted in accordance with the following provisions (but so that if the event giving rise to any such adjustment shall be capable of falling within any two or more of **Conditions 5(A)(i) to 5(A)(v)** or if such event is capable of giving rise to more than one adjustment, the adjustment shall be made in such manner as the Approved Bank shall determine):

- (i) If, and whenever, consolidation or subdivision or conversion of the Shares occurs, the Exercise Price shall be adjusted in the following manner: -

$$\text{New Exercise Price} = \frac{A}{B1} \times X$$

and the number of Bonus Warrants shall be adjusted in the following manner:

$$\text{Adjusted number of Bonus Warrants} = \frac{B1}{A} \times W$$

where:

A = the aggregate number of issued and fully paid up Shares immediately before such consolidation or subdivision or conversion;

B1 = the aggregate number of issued and fully paid up Shares immediately after such consolidation or subdivision or conversion;

X = existing Exercise Price; and

W = existing number of Bonus Warrants held.

Such adjustments will be effective from the close of the Market Day immediately preceding the date on which the consolidation or subdivision or conversion becomes effective.

- (ii) If, and whenever the Company shall make any issue of Shares to its Members (other than an issue of Shares to Members who elect to receive Shares in lieu of cash or other dividend) credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature), the Exercise Price and the number of Bonus Warrants shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{A}{A + B2} \times X$$

$$\text{Adjusted number of Bonus Warrants} = \frac{A + B2}{A} \times W$$

where:

A = the aggregate number of issued and fully paid-up Shares immediately before such capitalisation issue;

B2 = the aggregate number of Shares to be issued pursuant to any allotment to Members (other than an allotment of Shares to Members who elect to receive Shares in lieu of cash or other dividend) credited as fully paid by way of capitalisation of profits or reserves (whether of a capital or income nature);

X = as in X above; and

W = as in W above.

Such adjustments will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the record date for such issue.

For the purpose of this **Condition 5, "record date"** in relation to the relevant transaction means the date as at the close of business on which Shareholders must be registered as such to participate therein.

- (iii) If, and whenever, the Company shall make a Capital Distribution (as defined below) to Members whether on a reduction of capital or otherwise (but excluding any cancellation of capital which is lost or unrepresented by available assets), then the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{C - D}{C} \times X$$

where:

C = the Current Market Price immediately preceding the date on which the Capital Distribution is publicly announced to the SGX-ST or (failing any such announcement), immediately preceding the date of the Capital Distribution;

D = the fair market value, as determined by an Approved Bank (with the concurrence of the Auditors), of that portion of the Capital Distribution attributable to one Share; and

X = as in X above.

For the purposes of **Conditions 5(A)(iii) and 5(B)(iii)**, "**Capital Distribution**" shall (without prejudice to the generality of that expression) include distributions in cash or specie (other than dividends) or by way of issue of Shares (not falling under Condition 5(B)(ii) above) or other securities (other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividends) credited as fully or partly paid-up by way of capitalisation of profits or reserves.

Any distribution out of profits or reserves shall not be deemed to be a Capital Distribution unless the profits or reserves are attributable to profits or gains arising from the sale of assets owned by the Company or any of its subsidiaries on or before the date of such distribution and any cancellation of capital which is lost or unrepresented by available assets shall not be deemed to be a Capital Distribution.

For the purpose of this **Condition 5**, the "**Current Market Price**" in relation to each Share for any relevant Market Day shall be the average of the last dealt prices (rounded down to the nearest S\$0.01 per Share) of Shares quoted on the Main Board of the SGX-ST for the five (5) consecutive Market Days (on each of which trading of the Shares on the Main Board of the SGX-ST has been transacted) immediately preceding that Market Day.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the record date for such transactions.

- (iv) If, and whenever, the Company shall make any offer or invitation to its Members whereunder they may acquire or subscribe for Shares by way of rights, then the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{E - F}{E} \times X$$

and the number of Bonus Warrants shall be adjusted in the following manner:

$$\text{Adjusted number of Bonus Warrants} = \frac{E}{E - F} \times W$$

where:

E = the Current Market Price immediately preceding the date on which the offer or invitation referred to in this Condition 5(B)(iv) is publicly announced to the SGX-ST or (failing any such announcement) immediately preceding the date of the offer or invitation;

X = as in X above;

W = as in W above; and

F = the value of rights attributable to one Share, which shall be calculated in accordance with the formula:

$$\frac{E - G}{H + 1}$$

where:

E = as in E above;

G = the subscription price of one additional Share under the offer or invitation to acquire or subscribe for Shares by way of rights;

H = the number of Shares which it is necessary to hold in order to be offered or invited to acquire or subscribe for one additional Share by way of rights; and

1 = one.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the closing date for such offer or invitation.

For the purpose of this paragraph, "**closing date**" shall mean the date by which acceptance of and payment for the Shares are to be made under the terms of such offer or invitation.

- (v) If, and whenever, the Company makes any allotment to its Shareholders as provided in **Condition 5(B)(ii)** above and also makes any offer or invitation to its Shareholders as provided in **Condition 5(B)(iv)** and the record date for the purpose of the allotment is also the record date for the purpose of the offer or invitation, the Exercise Price and/or the number of Bonus Warrants shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{(I \times E) + (J \times G)}{(I + J + B2) \times E} \quad \times \quad X$$

$$\text{Adjusted number of Bonus Warrants} = \frac{(I + J + B2) \times E}{(I \times E) + (J \times G)} \quad \times \quad W$$

where:

B2 = as in B2 above;

E = as in E above;

G = as in G above;

I = the aggregate number of issued and fully paid-up Shares on the record date;

J = the aggregate number of new Shares to be issued under an offer or invitation to acquire or subscribe for Shares by way of rights;

W = as in W above; and

X = as in X above.

Such adjustment will be effective (if appropriate, retroactively) from the commencement of the Market Day next following the closing date for such offer or invitation.

For the purpose of this paragraph, "**closing date**" shall mean the date by which acceptance of and payment for the Shares are to be made under the terms of such offer or invitation.

- (vi) If, and whenever, (otherwise than pursuant to a rights issue available to all Shareholders alike and requiring an adjustment under **Conditions 5(B)(iv) or 5(B)(v)** and other than an issue of Shares to Shareholders who elect to receive Shares in lieu of cash or other dividend), the Company shall issue any Shares and the Total Effective Consideration for each Share (as defined below) is less than ninety per cent (90%) of the Current Market Price on the SGX-ST on the date on which the issue price of such Shares is determined, or, if such price is determined either before the close of business on the SGX-ST for that day or on a day which is not a Market Day, on the immediately preceding Market Day, the Exercise Price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{K + L}{K + M} \times X$$

where:

K = the number of Shares in issue at the close of business on the SGX-ST on the day immediately preceding the date on which the relevant adjustment becomes effective;

L = the number of Shares which the Total Effective Consideration (as defined below) would have purchased at such Current Market Price (exclusive of expenses);

M = the aggregate number of Shares so issued; and

X = as in X above.

Each such adjustment will be effective (if appropriate, retroactively) from the close of business on the SGX-ST on the Market Day immediately preceding the date on which the issue is announced, or (failing any such announcement) immediately preceding the date on which the Company determines the offering price of such Shares.

For the purposes of **Conditions 5(A)(v) and 5(B)(vi)**, the "**Total Effective Consideration**" shall be determined by the Directors with the concurrence of an Approved Bank and shall be the aggregate consideration receivable by the Company on payment in full for such Shares without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and the "**Total**

Effective Consideration for each Share" shall be the Total Effective Consideration divided by the number of Shares issued as aforesaid.

- (C) Notwithstanding any of the provisions contained in **Condition 5(A) and 5(B)**, no adjustment to the Exercise Price and the number of Bonus Warrants will be required in respect of:
- (i) an issue by the Company of Shares or other securities convertible into or right to acquire or subscribe for Shares to officers, including directors, or employees of the Company or any of its subsidiaries pursuant to any purchase or option scheme approved by the Shareholders in general meeting; or
 - (ii) an issue by the Company of Shares in consideration or part consideration for or in connection with the acquisition of any other securities, assets or business; or
 - (iii) any issue by the Company of Shares pursuant to the exercise of any of the Bonus Warrants; or
 - (iv) any issue by the Company of securities convertible into Shares or rights to acquire or subscribe for Shares and the issue of Shares arising from the conversion or exercise of such securities or rights; or
 - (v) any purchase by the Company of Shares.
- (D) Any adjustment to the Exercise Price will be rounded upwards to the nearest one cent (S\$0.01) and in no event shall any adjustment involve an increase in the Exercise Price (other than upon the consolidation of Shares into shares of a larger nominal value). No adjustment to the Exercise Price shall be made unless it has been certified to be in accordance with Condition 5 by the Auditors. No adjustment will be made to the Exercise Price in any case in which the amount by which the same would be reduced would be less than one (1) cent but any adjustment which would otherwise then be required will be carried forward and taken into account appropriately in any subsequent adjustment.
- (E) Any adjustment to the number of Bonus Warrants held by each Warrantholder will be rounded downwards to the nearest whole Bonus Warrant. No adjustment to the number of Bonus Warrants shall be made unless (i) it has been certified to be in accordance with **Condition 5** by the Auditors and (ii) if the Bonus Warrants are listed and quoted on the SGX-ST on the Market Day immediately before such adjustment, approval in-principle has been granted by the SGX-ST for the listing of and quotation for such additional Bonus Warrants as may be issued as a result of such adjustment and such additional Shares as may be issued on the exercise of any of such Bonus Warrants.
- (F) Notwithstanding the provisions referred to in this **Condition 5**, in any circumstance where the Directors consider that any adjustments to the Exercise Price and/or the number of Bonus Warrants provided under the said provisions should not be made or should be calculated on a different basis or date or should take effect on a different date or that an adjustment to the Exercise Price and/or the number of Bonus Warrants should be made notwithstanding that no such adjustment is required under the said provisions, the Company may appoint an Approved Bank to consider whether for any reason whatsoever the adjustment to be made (or the absence of an adjustment) or the adjustment to be made in accordance with the provisions of this **Condition 5** is appropriate or inappropriate, as the case may be, and, if such Approved Bank shall consider the adjustment to be inappropriate, the adjustment shall be modified or nullified, or an adjustment made instead of no adjustment in such manner as shall be considered by such Approved Bank to be in its opinion appropriate.

- (G) Whenever there is an adjustment as herein provided, the Company shall give notice to Warrantheolders in accordance with **Condition 12** that the Exercise Price and/or the number of Bonus Warrants has/have been adjusted and setting forth the event giving rise to the adjustment, the Exercise Price and/or the number of Bonus Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or number of Bonus Warrants and the effective date of such adjustment and shall at all times thereafter so long as any of the Bonus Warrants remains exercisable make available for inspection at its registered office a signed copy of the certificate of the Auditors certifying the adjustment to the Exercise Price and/or the number of Bonus Warrants and a certificate signed by a Director setting forth brief particulars of the event giving rise to the adjustment, the Exercise Price and/or number of Bonus Warrants in effect prior to such adjustment, the adjusted Exercise Price and/or number of Bonus Warrants and the effective date of such adjustment and shall, on request, send a copy thereof to any Warrantheolder. Whenever an adjustment involves an increase in the number of Bonus Warrants, the Company will, as soon as practicable but not later than five (5) Market Days after the effective date of such adjustment, despatch by ordinary post Warrant Certificates for the additional number of Bonus Warrants issued to each Warrantheolder, at the risk and expense of that Warrantheolder, at his address appearing in the Register or, in respect of Bonus Warrants registered in the name of the Depository, to the Depository.
- (H) If the Directors, the Approved Bank and/or the Auditors are unable to agree upon any adjustment required under these provisions, the Directors shall refer the adjustment to the decision of another Approved Bank acting as expert and not as arbitrator and whose decision as to such adjustment shall be final and conclusive and no certification by the Auditors shall in such circumstances be necessary.
- (I) If the Company shall in any way modify the rights attached to any share or loan capital so as to convert or make convertible such share or loan capital into, or attach thereto any rights to acquire or subscribe for Shares, the Company shall appoint an Approved Bank to consider whether any adjustment is appropriate and if such Approved Bank and the Directors shall determine that any adjustment is appropriate, the Exercise Price and/or the number of Bonus Warrants shall be adjusted accordingly.
- (J) Any new Bonus Warrants which may be issued by the Company under this **Condition 5** shall be part of the series of Bonus Warrants constituted by the Deed Poll, and shall be issued subject to and with the benefit of the Deed Poll and on such terms and conditions as the Directors may from time to time think fit including but not limited to the terms and conditions as set out herein for the Bonus Warrants.
- (K) In giving any certificate or making any adjustment hereunder, the Approved Bank shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest error, their decision shall be conclusive and binding on all persons having an interest in the Bonus Warrants.
- (L) Notwithstanding anything herein contained, any adjustment to the Exercise Price and/or the number of Bonus Warrants other than in accordance with the provisions of this **Condition 5** shall be subject to the approval of the SGX-ST (if required) and agreed to by the Company, the Approved Bank and/or the Auditors.
- (M) In the event any adjustment to the Exercise Price and/or the number of Bonus Warrants held by each Warrantheolder is proposed or required to be made pursuant to the Deed Poll, the relevant party or parties, in exercising or making any discretion, consideration or determination (if applicable) shall, subject to any changes to, supplements, modifications and/or amendments of the accounting standards applicable to the Company from time to time, take into account or have reference to the general principle and intent, which is based on accounting standards

applicable to the Company as at the date of execution of the Deed Poll, that such adjustment shall, to the extent possible or permitted, be made in such manner such that the per share value of such adjustment cannot exceed the per share value of the dilution to the Warrantheader's interest in the equity of the Company (based on the Shares comprised in the unexercised Bonus Warrants held by such Warrantheader) which would otherwise result from the relevant transaction or event (as contemplated under the relevant Condition) giving rise to such adjustment.

- (N) Pursuant to Rule 830 of the Listing Manual of the SGX-ST, any adjustment to the Exercise Price and/or the number of Bonus Warrants in accordance with the provisions of this Condition 5 will be announced by the Company through SGXNET.

6. Status of Allotted Shares

New Shares allotted and issued upon the exercise of the Bonus Warrants shall be fully paid and shall rank *pari passu* in all respects with the then existing Shares save for any dividends, rights, allotments and other distributions that may be declared or paid, the Record Date for which is before the relevant Exercise Date of the Bonus Warrants. For the purpose of this **Condition 6**, "**Record Date**" means, in relation to any dividends, rights, allotments or other distributions, the date at the close of business (or such other time as may have been notified by the Company) on which Members must be registered in order to participate in such dividends, rights, allotments or other distributions.

7. Winding-Up of the Company

If a resolution is passed for a members' voluntary winding-up of the Company, then:

- (i) if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the Warrantheaders, or some person designated by them for such purpose by Special Resolution, the terms of such scheme of arrangement shall be binding on all the Warrantheaders; and
- (ii) in any other case every Warrantheader shall be entitled upon and subject to the Conditions at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding-up of the Company by irrevocable surrender of his Warrant Certificate(s) to the Company with the Exercise Notice(s) duly completed, together with payment of the relevant Exercise Price and having duly complied with all other conditions set out in **Conditions 4(A) and 4(B)**, to elect to be treated as if he had immediately prior to the commencement of such winding-up exercised the Bonus Warrants to the extent specified in the Exercise Notice(s) and had on such date been the holder of the new Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall give effect to such election accordingly. The Company shall give notice to the Warrantheaders in accordance with **Condition 12** of the passing of any such resolution within seven days after the passing thereof.

Subject to the foregoing, if the Company is wound-up for any other reason, all Bonus Warrants which have not been exercised at the date of the passing of such resolution shall lapse and the Bonus Warrants shall cease to be valid for any purpose.

8. Further Issues

Subject to these Conditions, the Company shall be at liberty to issue Shares to Shareholders either for cash or as bonus distributions and further subscription rights upon such terms and conditions as the Company sees fit but the Warrantheaders shall not have any participating

rights in such issue unless otherwise resolved by the Company in general meeting or in the event of a takeover offer to acquire Shares.

9. Transfer of Bonus Warrants

- (A) Subject to the provisions contained herein, the Bonus Warrants shall be transferable in lots entitling a Warranholder to subscribe for whole numbers of new Shares and so that no person shall be recognised by the Company as having title to Bonus Warrants entitling the holder thereof to subscribe for a fractional part of a Share or otherwise than as the sole or joint holder of the entirety of such Share. In order to transfer Bonus Warrants, the Warranholder must fulfil the following conditions:
- (i) lodgement during normal business hours of the relevant Warrant Certificate(s) registered in the name of the Warranholder at the specified office of the Warrant Agent together with an instrument of transfer in respect thereof (the "**Transfer Form**"), in any usual or common form or such other form as may be approved by the Company, duly completed and signed by or on behalf of the Warranholder and the transferee and duly stamped in accordance with any law for the time being in force relating to stamp duty provided that the Company and the Warrant Agent may dispense with requiring the Depository to sign as transferee any Transfer Form for the transfer of Bonus Warrants to it;
 - (ii) the furnishing of such evidence (if any) as the Warrant Agent may require to determine the due execution of the Transfer Form by or on behalf of the Warranholder;
 - (iii) the payment of the registration fee of S\$2.00 (or such other amount as may be determined by the Directors) (subject to goods and services tax at the prevailing rate) for every Warrant Certificate issued; and
 - (iv) the payment of the expenses of, and the submission of any necessary documents required in order to effect the delivery of the new Warrant Certificate(s) to be issued in the name of the transferee.
- (B) If the Transfer Form has not been fully or correctly completed by the Warranholder or the full amount of the fees and expenses due to the Warrant Agent have not been paid to the Warrant Agent, the Warrant Agent shall return such Transfer Form to the Warranholder accompanied by written notice of the omission(s) and/or error(s) and requesting the Warranholder to complete and/or amend the Transfer Form and/or to make the requisite payment.
- (C) If the Transfer Form has been fully and correctly completed the Warrant Agent shall, as agent for and on behalf of the Company:
- (i) register the person named in the Transfer Form as transferee in the Register as the registered holder of the Bonus Warrant in place of the Warranholder;
 - (ii) cancel the Warrant Certificate(s) in the name of the Warranholder; and
 - (iii) issue new Warrant Certificate(s) in respect of the Bonus Warrants in the name of the transferee.
- (D) Where the transfer relates to part only (but not all) of the Bonus Warrants represented by a Warrant Certificate, the Company shall deliver or cause to be delivered to the Warranholder at the cost of the Warranholder a Warrant Certificate in the name of the Warranholder in respect of any Bonus Warrants not transferred.

- (E) Each Warrantholder shall be deemed to remain the registered holder of the Bonus Warrants registered in his name until the name of the transferee is entered in the Register of Warrantholders by the Warrant Agent or the Depository Register by the Depository, as the case may be.
- (F) The executors or administrators of a deceased registered Warrantholder (not being one of several joint holders) where such executors or administrators are entered into the Depository Register and, in the case of the death of one or more of several registered joint holders, the survivor or survivors of such joint holders shall be the only persons recognised by the Company and the Warrant Agent as having any title to the Bonus Warrants registered in the name of the deceased Warrantholder. Such persons shall, on producing to the Warrant Agent such evidence as may be required by the Warrant Agent to prove their title, and on the payment of such fees and expenses referred to in this Condition 9 be entitled to be registered as a Warrantholder or to make such transfer as the deceased Warrantholder could have made.
- (G) With respect to the Bonus Warrants registered in the name of the Depository, any transfer of such Bonus Warrants shall be effected subject to and in accordance with these terms and conditions, applicable law and the rules of the Depository as amended from time to time and where Bonus Warrants are to be transferred between Depositors, such Bonus Warrants must be transferred in the Depository Register by the Depository by way of book-entry. A Depositor shall be deemed to remain a Warrantholder of the Bonus Warrants until the name of the transferee is entered in the Depository Register by the Depository.

10. Replacement of Warrant Certificates

Should any Warrant Certificate be lost, stolen, destroyed, mutilated or defaced, it may, subject to applicable law and at the discretion of the Company, be replaced upon the request by the Warrantholder at the specified office for the time being of the Warrant Agent on payment of such costs as may be incurred in connection therewith, and on such terms as to evidence, indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Warrant Certificate(s) in respect of the Bonus Warrants is subsequently exercised, there will be paid to the Company on demand the market value of the Bonus Warrants at the time of the replacement thereof), advertisement, undertaking and otherwise as the Company and/or the Warrant Agent may reasonably require. Mutilated or defaced Warrant Certificates must be surrendered before replacements will be issued. The replacement Warrant Certificate will be issued to the registered holder of the Warrant Certificate replaced.

11. Meetings of Warrantholders and Modification

- (A) The Deed Poll contains provisions for convening meetings of the Warrantholders to consider any matter affecting their interests, including the sanctioning by Special Resolution of a modification of the Bonus Warrants or the Deed Poll. Such a meeting may be convened by the Company or by Warrantholders holding not less than twenty per cent. (20.0%) of the Bonus Warrants for the time being remaining unexercised. The quorum at any such meeting for passing a Special Resolution shall be two (2) or more persons holding or representing over fifty per cent. (50.0%) of the Bonus Warrants for the time being unexercised, or at any adjourned meeting two (2) or more persons being or representing Warrantholders whatever the number of Bonus Warrants so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Bonus Warrants or of the Deed Poll (including cancelling the subscription rights constituted by the Bonus Warrants), the necessary quorum for passing a Special Resolution shall be two (2) or more persons holding or representing not less than seventy-five per cent. (75.0%), or at any adjournment of such meeting, over fifty per cent. (50.0%), of the Bonus Warrants for the time being remaining unexercised. A Special Resolution duly passed at any meeting of Warrantholders shall be

binding on all Warrantheolders, whether or not they are present at the meeting. Bonus Warrants which have not been exercised but have been lodged for exercise shall not, unless and until they are withdrawn from lodgement, confer the right to attend or vote at, or join in convening, or be counted in the quorum for any meeting of Warrantheolders.

- (B) The Company may, without the consent of the Warrantheolders but in accordance with the terms and conditions of the Deed Poll, effect any modification to the Bonus Warrants, the Warrant Agency Agreement or the Deed Poll which, in the opinion of the Company:
- (i) is not materially prejudicial to the interests of the Warrantheolders;
 - (ii) is of a formal, technical or minor nature;
 - (iii) is to correct a manifest error or to comply with mandatory provisions of Singapore law; or
 - (iv) is to vary or replace provisions relating to the transfer or exercise of the Bonus Warrants including the issue of new Shares arising from the exercise thereof or meetings of the Warrantheolders in order to facilitate the exercise of the Bonus Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of the Company's securities on the SGX-ST.

Without prejudice to any other provisions herein, any material alteration to the terms and conditions of the Bonus Warrants after the issue thereof to the advantage of the Warrantheolders and prejudicial to the shareholders of the Company must be approved by the shareholders in general meeting, except where the alterations are made pursuant to the terms and conditions of the Bonus Warrants.

12. Notices

- (A) Each Warrantheolder is required to nominate an address in Singapore for service of notices and documents by giving a notice in writing to the Company and the Warrant Agent, failing which such Warrantheolder shall not be entitled to receive any notices or documents. Notices to Warrantheolders may be sent by ordinary post to their respective addresses so nominated (and in the case of joint holdings, to the Warrantheolder whose name appears first in the Register, or where applicable, the relevant record of the Depository in respect of joint holdings) or be given by advertisement in a leading daily English language newspaper in circulation in Singapore. Such notices shall be deemed to have been given in the case of posting, on the date of posting and in the case of advertisement, on the date of such publication or, if published more than once or on different dates, on the first date on which publication shall have been made. If such publication is not practicable, notices will be valid if given in such other manner as the Company, with the approval of the Warrant Agent, shall determine.
- (B) The Company shall, not later than one (1) month before the Expiration Date, give notice to the Warrantheolders in accordance with this Condition 12, of the Expiration Date and make an announcement of the same to the SGX-ST. The Company shall also, not later than one (1) month before the Expiration Date, take reasonable steps to notify the Warrantheolders in writing of the Expiration Date and such notice shall be delivered by post to the addresses of the Warrantheolders as recorded in the Register or, in the case of Warrantheolders whose Bonus Warrants are registered in the name of CDP, their addresses as shown in the records of CDP. Proof of posting or despatch of any notice shall be deemed to be proof of receipt on the next Business Day after posting.
- (C) Without prejudice to the generality of the foregoing, Warrantheolders who acquire Bonus Warrants after notice of the Expiration Date has been given in accordance with these Conditions

shall be deemed to have notice of the expiry of the Warrants Exercise Period so long as such notice has been given in accordance with this Condition 12. For the avoidance of doubt, neither the Company nor the Warrant Agent shall in any way be responsible or liable for any claims, proceedings, costs or expenses arising from the failure by the purchaser of the Bonus Warrants to be aware of or to receive such notification.

13. Warrant Agent Not Acting for Warranholders

- (A) In acting under the Warrant Agency Agreement, the Warrant Agent is (subject to the terms and conditions thereof) acting as agent for the Company and does not assume any obligation or duty to or any relationship or trust for the Warranholders.

14. Governing Law and Jurisdiction

- (A) The Deed Poll and the Bonus Warrants are governed by, and shall be construed in accordance with, the laws of Singapore.
- (B) The courts of Singapore are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Deed Poll and the Bonus Warrants and accordingly, any legal action or proceedings arising out of or in connection with the Deed Poll and the Bonus Warrants (the "**Proceedings**") may be brought in such courts. The Company irrevocably submits to the exclusive jurisdiction of such courts for all purposes of or in connection with the Deed Poll and the Bonus Warrants and waives any objections to the Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

Notes:

- (1) The attention of Warranholders is drawn to Rule 14 of The Singapore Code on Take-Overs and Mergers and Sections 139 and 140 of the Securities and Futures Act, Chapter 289 of Singapore, as amended from time to time. In general terms, these provisions regulate the acquisition of effective control of public companies. Warranholders should consider the implications of these provisions before they exercise their respective Bonus Warrants. In particular, a Warranholder should note that he may be under an obligation to extend a take-over offer for the Company if:
- (a) he intends to acquire, by the exercise of the Bonus Warrants or otherwise, whether at one time or different times, Shares which (together with Shares owned or acquired by him or persons acting in concert with him) carry thirty per cent. (30%) or more of the voting rights of the Company; or
 - (b) he, together with persons acting in concert with him, holds not less than thirty per cent. (30%) but not more than fifty per cent. (50%) of the voting rights of the Company, and either alone or together with persons acting in concert, intends to acquire additional Shares by the exercise of the Bonus Warrants or otherwise in any period of six (6) months, increasing such percentage of the voting rights by more than one per cent. (1%).
- (2) The attention of Warranholders is drawn to Condition 3(B) and 3(C) of the Bonus Warrants relating to restrictions on the exercise of the Bonus Warrants.
- (3) A Warranholder who, after exercise of this Bonus Warrant, has an interest in not less than five per cent. (5%) of the aggregate of the number of the voting shares in the Company or (if he already holds not less than five per cent. (5%) in the manner as aforesaid) increases his percentage shareholding in the Company, so as to result in his aggregate percentage shareholding in the Company crossing the next discrete whole number, is under an obligation to (a) notify the Company of his interest in the manner set out in sections 82 and 83 of the Companies Act (Chapter 50) of Singapore; and (b) notify the SGX-ST of his interest in the manner set out in sections 135, 136 and 137 of the Securities and Futures Act (Chapter 289) of Singapore.

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Offer Information Statement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Offer Information Statement constitutes full and true disclosure of all material facts about the Bonus Warrants Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Offer Information Statement misleading. Where information in this Offer Information Statement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Offer Information Statement in its proper form and context.

For and on behalf of **TEE INTERNATIONAL LIMITED**

BERTIE CHENG SHAO SHIONG

Non-Executive Chairman and Independent Director

PHUA CHIAN KIN

Group Chief Executive & Managing Director

PHUA BOON KIN

Deputy Group Managing Director

SAW CHIN CHOO

Executive Director

LEE AH FONG

Independent Director

GN HIANG MENG

Independent Director

ARIC LOH SIANG KEE

Independent Director