



TEE International Limited

(Incorporated in the Republic of Singapore)
Company Registration No: 200007107D

Unaudited Full Year Financial Statements and Dividend Announcement for the Year Ended 31 May 2015

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement for the group together with a comparative statement for the corresponding period of the immediately preceding financial year

	The Group S\$'000		Increase/ (Decrease) %	The Group S\$'000		Increase/ (Decrease) %
	Fourth Quarter Ended			Full Year Ended		
	31/05/2015	31/05/2014 (Restated)		31/05/2015	31/05/2014 (Restated)	
Revenue	89,446	46,573	92.1	217,895	202,823	7.4
Cost of sales	(70,634)	(62,046)	13.8	(182,033)	(200,315)	(9.1)
Gross profit (loss)	18,812	(15,473)	NM	35,862	2,508	NM
Other operating income	2,919	3,982	(26.7)	6,193	7,058	(12.3)
Selling & distribution expenses	40	(152)	NM	(2,264)	(1,224)	85.0
Administrative expenses	(8,526)	(5,446)	56.6	(22,440)	(19,610)	14.4
Other operating expenses	(5,254)	(441)	NM	(6,361)	(2,732)	NM
Share of results of associates	3,580	4,824	(25.8)	11,121	9,004	23.5
Finance costs	(3,284)	(1,126)	NM	(7,037)	(3,321)	NM
Profit (Loss) before tax	8,287	(13,832)	NM	15,074	(8,317)	NM
Income tax expense	(854)	(750)	13.9	(2,192)	(1,919)	14.2
Profit (Loss) for the year	7,433	(14,582)	NM	12,882	(10,236)	NM

Profit (Loss) attributable to:
Owners of the Company
Non-controlling interests

8,206	(16,358)	NM	11,133	(13,258)	NM
(773)	1,776	NM	1,749	3,022	(42.1)
7,433	(14,582)	NM	12,882	(10,236)	NM

1(a)(ii) A statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year

	The Group S\$'000		Increase/ (Decrease) %	The Group S\$'000		Increase/ (Decrease) %
	Fourth Quarter Ended			Full Year Ended		
	31/05/2015	31/05/2014 (Restated)		31/05/2015	31/05/2014 (Restated)	
Profit (Loss) for the year	7,433	(14,582)	NM	12,882	(10,236)	NM
Other comprehensive income (loss):						
Currency translation differences	(23)	(776)	(97.0)	471	(1,214)	NM
Other comprehensive (loss) income for the year	(23)	(776)	(97.0)	471	(1,214)	NM
Total comprehensive income (loss) for the year	7,410	(15,358)	NM	13,353	(11,450)	NM

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1(a)(ii) A statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year (Continued)

	The Group S\$'000		Increase/ (Decrease) %	The Group S\$'000		Increase/ (Decrease) %
	Fourth Quarter Ended			Full Year Ended		
	31/05/2015	31/05/2014 (Restated)		31/05/2015	31/05/2014 (Restated)	
Total comprehensive income (loss) attributable to:						
Owners of the Company	8,233	(17,063)	NM	11,624	(14,382)	NM
Non-controlling interests	(823)	1,705	NM	1,729	2,932	(41.0)
	7,410	(15,358)	NM	13,353	(11,450)	NM

1(a)(iii) Notes to the income statement

	The Group S\$'000		Increase/ (Decrease) %	The Group S\$'000		Increase/ (Decrease) %
	Fourth Quarter Ended			Full Year Ended		
	31/05/2015	31/05/2014 (Restated)		31/05/2015	31/05/2014 (Restated)	
A Other operating income:						
Interest income	497	693	(28.3)	2,410	2,409	0.0
Amortisation of financial guarantee liabilities	181	254	(28.7)	865	1,035	(16.4)
Gain (Loss) on disposal of property, plant and equipment	760	(36)	NM	760	7	NM
Gain on disposal of subsidiary	-	-	-	299	-	NM
Change in fair value of investment properties	1,223	2,705	(54.8)	1,223	2,705	(54.8)
Others	258	366	(29.5)	636	902	(29.5)
	2,919	3,982	(26.7)	6,193	7,058	(12.3)
B Finance costs:						
Loan interests	2,225	1,118	99.0	5,290	3,284	61.1
Borrowing cost	561	-	NM	561	-	NM
Term notes interest	491	-	NM	1,159	-	NM
Finance leases	7	8	(12.5)	27	37	(27.0)
	3,284	1,126	NM	7,037	3,321	NM
C Depreciation of property, plant and equipment	1,550	(184)	NM	2,754	1,285	NM
D Allowance for doubtful trade receivables	128	-	NM	128	1	NM
E Allowance for doubtful other receivables	3,337	3	NM	2,849	3	NM
F Trade receivables written off	11	-	NM	13	-	NM
G Net foreign currency exchange adjustment loss (gain)	1,299	(430)	NM	2,396	998	140.1
H Amortisation of intangible assets	-	136	NM	-	543	NM
I Amortisation of issuance costs on term notes	45	-	NM	120	-	NM
J Write-off property, plant and equipment	60	3	NM	70	3	NM
K Allowance for diminution in value on development property	518	733	(29.3)	518	733	(29.3)
L Adjustment for over provision of income tax in respect of prior year	(9)	(101)	(91.1)	(151)	(61)	NM

NM – not meaningful

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1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	The Group S\$'000			The Company S\$'000	
	31/05/2015	31/05/2014 (Restated)	01/06/2013 (Restated)	31/05/2015	31/05/2014
ASSETS					
Current assets					
Cash and cash equivalents	24,627	32,916	38,061	677	2,848
Bank balances pledged	1,360	6,528	11,635	1,360	1,832
Trade receivables	85,273	42,811	54,143	3,661	-
Other receivables	20,298	17,788	11,504	17,633	23,103
Current portion of loans receivable from associates	19,664	23,708	13,103	3,906	3,906
Other investments	-	-	380	-	-
Inventories	18	-	3,452	-	-
Construction work-in-progress in excess of progress billings	77,809	32,637	36,439	-	-
Development properties	122,613	157,412	112,361	-	-
Completed properties held for sale	14,973	1,216	-	-	-
Assets classified as held for sale	-	14,116	-	-	3,122
Total current assets	366,635	329,132	281,078	27,237	34,811
Non-current assets					
Bank balances pledged	429	410	-	-	-
Investment in associates	43,241	29,518	21,825	781	300
Investment in joint venture	808	-	-	-	-
Investment in subsidiaries	-	-	-	100,949	100,745
Intangible assets	-	-	4,071	-	-
Club membership	46	46	50	46	46
Property, plant and equipment	79,248	11,950	3,248	463	38
Investment properties	36,036	33,120	21,500	24,000	23,000
Deferred tax assets	1,382	113	443	-	-
Other receivables	10,534	11,164	8,088	-	-
Loans receivable from associates	19,216	28,652	25,555	-	-
Total non-current assets	190,940	114,973	84,780	126,239	124,129
Total assets	557,575	444,105	365,858	153,476	158,940
LIABILITIES AND EQUITY					
Current liabilities					
Bank loans and overdrafts	52,612	59,718	70,084	8,900	9,500
Trade payables	98,547	47,201	56,350	3,673	46
Other payables	26,101	22,600	22,969	42,528	54,007
Progress billings in excess of construction work-in-progress	41	490	6,395	-	-
Provision for maintenance costs	1,692	174	265	-	-
Current portion of finance leases	80	77	210	-	-
Current portion of long-term bank loans	33,728	38,719	13,655	5,425	17,411
Current portion of financial guarantee	667	734	933	667	1,025
Income tax payable	3,348	1,785	3,935	-	-
Liabilities directly associated with assets classified as held for sale	-	8,856	-	-	-
Total current liabilities	216,816	180,354	174,796	61,193	81,989

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1(b)(i) (Continued)

	The Group S\$'000			The Company S\$'000	
	31/05/2015	31/05/2014 (Restated)	01/06/2014 (Restated)	31/05/2015	31/05/2014
LIABILITIES AND EQUITY					
Non-current liabilities					
Finance leases	385	345	745	-	-
Long-term loan	4,050	4,050	4,050	-	-
Long-term bank loans	140,295	113,150	80,836	29,039	15,094
Term notes	29,577	-	-	-	-
Financial guarantee liabilities	1,452	2,050	2,091	1,047	2,136
Long-term deposit	730	730	730	730	730
Deferred tax liabilities	2,066	1,084	374	-	-
Other payables	11,318	13	18	-	-
Total non-current liabilities	189,873	121,422	88,844	30,816	17,960
Capital, reserves and non-controlling interests					
Share capital	58,701	56,151	47,978	58,701	56,151
Currency translation reserve	(582)	(1,072)	51	-	-
Capital reserve	18,737	21,084	(46)	(42)	(40)
Accumulated profits	18,709	19,875	47,007	2,808	2,880
Equity attributable to owners of the Company	95,565	96,038	94,990	61,467	58,991
Non-controlling interests	55,321	46,291	7,228	-	-
Net equity	150,886	142,329	102,218	61,467	58,991
Total liabilities and equity	557,575	444,105	365,858	153,476	158,940

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

The Group S\$'000 As at 31/05/2015		The Group S\$'000 As at 31/05/2014	
Secured	50,595	Unsecured	35,825
		Secured	54,380
		Unsecured	44,134

Amount repayable after one year

The Group S\$'000 As at 31/05/2015		The Group S\$'000 As at 31/05/2014	
Secured	156,039	Unsecured	14,218
		Secured	112,286
		Unsecured	1,209

Details of any collateral

The total secured borrowings are represented by:

- (i) Obligations under finance leases secured on certain motor vehicles of the Group; and
- (ii) Bank loans and long-term bank loans secured by any security interest over any asset of the Group (and in this instance, security interest shall take into account any collateral over the relevant asset granted by the Group as reflected in the latest audited or unaudited financial statements of the Group and shall, in any event, include any security created over any receivables due or owing to the Group or paid or payable to the Group).

Note: These borrowings exclude the long-term loan of \$4,050,000 due to joint developer.

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1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	The Group S\$'000		The Group S\$'000	
	Fourth Quarter Ended		Full Year Ended	
	31/05/2015	31/05/2014 (Restated)	31/05/2015	31/05/2014 (Restated)
Operating activities				
Profit (Loss) before tax	8,287	(13,832)	15,074	(8,317)
Adjustments for:				
Share of results of associates	(3,580)	(4,824)	(11,121)	(9,004)
Change in fair value of investment properties	(1,223)	(2,705)	(1,223)	(2,705)
Depreciation of property, plant and equipment	1,550	(184)	2,754	1,285
Gain on disposal of subsidiary	-	-	(299)	-
Amortisation of financial guarantee liabilities	(181)	(254)	(865)	(1,035)
Amortisation of intangible assets	-	136	-	543
Amortisation of issuance costs on term notes	45	-	120	-
Allowance for doubtful trade receivables	128	-	128	1
Allowance for doubtful other receivables	3,337	3	2,849	3
Trade receivables written off	11	-	13	-
Impairment loss on value of club membership	-	4	-	4
Allowance for diminution in value on development properties	518	733	518	733
Property, plant and equipment written off	60	3	70	3
Gain on disposal of property, plant and equipment	(760)	36	(760)	(7)
Provision for maintenance costs	1,050	146	1,852	331
Gain on disposal of other investments	-	-	-	(11)
Change in fair value of other investments	-	-	-	16
Interest income	(497)	(693)	(2,410)	(2,409)
Interest expense	3,284	1,126	7,037	3,321
Operating cash flows before movements in working capital	12,029	(20,305)	13,737	(17,248)
Trade receivables	(24,745)	(203)	(42,603)	8,664
Other receivables	1,748	(6,614)	(2,769)	(7,628)
Inventories	(18)	(80)	(18)	313
Construction work-in-progress in excess of progress billings	(23,666)	(9,202)	(45,172)	3,256
Development properties	36,840	(32,925)	34,765	(45,784)
Completed property held for sale	(14,973)	(1,216)	(13,757)	(1,216)
Trade payables	26,458	15,784	51,346	(7,485)
Other payables	4,052	3,999	17,919	6,661
Progress billings in excess of construction work-in-progress	(1,133)	124	(449)	(5,905)
Utilisation of provision for maintenance costs	(96)	(162)	(334)	(418)
Cash from (used in) operations	16,496	(50,800)	12,665	(66,790)
Interest paid	(3,688)	(1,645)	(9,028)	(5,001)
Income tax paid	(11)	(471)	(917)	(2,915)
Net cash from (used in) operating activities	12,797	(52,916)	2,720	(74,706)

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1(c) (Continued)

	The Group S\$'000		The Group S\$'000	
	Fourth Quarter Ended		Full Year Ended	
	31/05/2015	31/05/2014 (Restated)	31/05/2015	31/05/2014 (Restated)
Investing activities				
Proceeds on disposal of property, plant and equipment	761	-	761	50
Proceeds on disposal of an associate	182	-	182	-
Purchase of property, plant and equipment	(33,334)	(785)	(69,916)	(11,075)
Purchase of investment properties	-	(207)	(2,715)	(8,915)
Proceeds on disposal of other investments	-	-	-	375
Investment in associates	(2,677)	-	(2,677)	(783)
Investment in joint venture	(9)	-	(9)	-
Disposal of a subsidiary	-	-	(551)	-
Loans receivable from associates	5,323	(470)	13,480	(13,702)
Dividend received from associates	-	1,319	-	1,319
Interest received	18	17	431	214
Net cash used in from investing activities	(29,736)	(126)	(61,014)	(32,517)
Financing activities				
Drawdown of bank loans	15,758	23,845	78,132	159,909
Repayment of bank loans	(16,596)	(25,689)	(83,950)	(169,300)
Drawdown of long-term bank loans	25,853	68,354	65,152	80,583
Repayment of long-term bank loans	(12,608)	(8,817)	(42,986)	(21,807)
Decrease of bank balances pledged	(594)	1,640	4,534	4,697
Repayment of obligations under finance leases	(84)	(110)	(156)	(224)
Proceeds from issuance of term notes	-	-	29,457	-
Payment of warrant issuance expenses	-	(40)	(2)	(40)
Capital contribution from non-controlling interest	(7)	-	-	62,100
Payment of share issuance expenses	-	(2)	-	(2,833)
Net proceeds from exercise of warrants	459	-	2,550	-
Dividends paid to shareholders	(903)	(2,219)	(3,409)	(5,701)
Dividends paid to non-controlling interests	-	(655)	(1,559)	(1,965)
Net cash from financing activities	11,278	56,307	47,763	105,419
Net (decrease) increase in cash and cash equivalents	(5,661)	3,265	(10,531)	(1,804)
Cash and cash equivalents at beginning of year	27,447	27,978	31,373	33,243
Effect of foreign exchange rate changes	(660)	130	284	(66)
Cash and cash equivalents at end of year (Note A)	21,126	31,373	21,126	31,373

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1(c) (Continued)

Note A: Cash and cash equivalents

	The Group S\$'000		The Group S\$'000	
	Fourth Quarter Ended		Full Year Ended	
	31/05/2015	31/05/2014	31/05/2015	31/05/2014
Cash at banks	14,500	11,468	14,500	11,468
Cash on hand	69	109	69	109
Fixed deposits	3,658	6,947	3,658	6,947
Project accounts (see Note below):				
Cash at banks	8,189	13,317	8,189	13,317
Fixed deposits	-	8,013	-	8,013
	26,416	39,854	26,416	39,854
Pledged fixed deposits	(2,404)	(6,938)	(2,404)	(6,938)
Bank overdrafts	(2,886)	(4,174)	(2,886)	(4,174)
Cash and cash equivalents included in assets held for sale	-	2,631	-	2,631
Total cash and cash equivalents	21,126	31,373	21,126	31,373

Note:

Project accounts are subject to restrictions under the Housing Developers (Project Account) Rules (1997 Ed). Withdrawals from these projects accounts are restricted to payments for project expenditure incurred until the completion of the project.

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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Share capital	Currency Translation reserve	Capital reserve	Accumulated profits	Equity attributable to owners of the Company	Non-controlling interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group							
Balance at 31/05/2014 as restated	56,151	(1,072)	21,084	19,875	96,038	46,291	142,329
<i>Total comprehensive income for the year:</i>							
Profit for the year	-	-	-	11,133	11,133	1,749	12,882
Other comprehensive income for the year	-	490	-	-	490	(20)	470
<i>Transactions with owners, recognised directly in equity:</i>							
Disposal of investment in subsidiaries	-	-	-	-	-	(2,375)	(2,375)
Issue of shares arising from exercise of warrants	2,550	-	-	-	2,550	-	2,550
Expenses incurred on issue of bonus warrants	-	-	(2)	-	(2)	-	(2)
Dividend paid	-	-	-	(12,299)	(12,299)	(1,559)	(13,858)
Effects of changes on shareholding on non-controlling interest arising from Dividend in Specie, net	-	-	(2,345)	-	(2,345)	11,235	8,890
Balance at 31/05/2015	58,701	(582)	18,737	18,709	95,565	55,321	150,886
Previous Corresponding Year							
Balance at 01/06/2013 as previously stated	47,978	51	(46)	45,205	93,188	7,136	100,324
Prior year adjustments	-	-	-	1,802	1,802	91	1,893
Balance as at 01/06/2013 as restated	47,978	51	(46)	47,007	94,990	7,227	102,217
<i>Total comprehensive income for the year:</i>							
(Loss) profit for the year as previously stated	-	-	-	(13,579)	(13,579)	2,889	(10,690)
Prior year adjustments	-	-	-	321	321	134	455
Other comprehensive loss for the year	-	(1,123)	-	-	(1,123)	(91)	(1,214)
Total comprehensive income for the year as restated	-	(1,123)	-	(13,258)	(14,381)	2,932	(11,449)
<i>Transactions with owners, recognised directly in equity:</i>							
Net capital contribution from non-controlling interests	-	-	21,170	-	21,170	38,097	59,267
Issue of shares under Scrip Dividend Scheme	8,173	-	-	(8,173)	-	-	-
Expenses incurred on issue of bonus warrants	-	-	(40)	-	(40)	-	(40)
Dividend paid	-	-	-	(5,701)	(5,701)	(1,965)	(7,666)
Balance at 31/05/2014 as restated	56,151	(1,072)	21,084	19,875	96,038	46,291	142,329

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1(d)(i) (Continued)

	Share capital	Capital reserve	Accumulated profits	Total
	S\$'000	S\$'000	S\$'000	S\$'000
<u>The Company</u>				
Balance at 31/05/2014	56,151	(40)	2,880	58,991
Profit for the year, representing total comprehensive income for the year	-	-	12,227	12,227
<i>Transactions with owners, recognised directly in equity</i>				
Issue of shares arising from exercise of warrants	2,550	-	-	2,550
Expenses incurred on issue of bonus warrants	-	(2)	-	(2)
Dividend paid	-	-	(12,299)	(12,299)
Balance at 31/05/2015	58,701	(42)	2,808	61,467
<u>Previous Corresponding Year</u>				
Balance at 31/05/2013	47,978	-	14,239	62,217
Profit for the year, representing total comprehensive income for the year	-	-	2,515	2,515
<i>Transactions with owners, recognised directly in equity</i>				
Issue of shares under Scrip Dividend Scheme	8,173	-	(8,173)	-
Expenses incurred on issue of bonus warrants	-	(40)	-	(40)
Dividend paid	-	-	(5,701)	(5,701)
Balance at 31/05/2014	56,151	(40)	2,880	58,991

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- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

	The Company	
	No of shares	Amount S\$'000
Balance at 31/05/2014	493,025,721	56,151
Issue of shares arising from exercise of warrants	10,196,576	2,550
Balance at 31/05/2015	503,222,297	58,701

During the year ended 31/05/2015, there was an increase of share capital arising from the exercise of 10,196,576 warrants at S\$0.25 per warrant for TEEW170526. The number of outstanding warrants as at 31/05/2015 is 186,386,020 and can be exercised before 26/05/2017.

As at 31/05/2015 and 31/05/2014, there were no shares held as treasury shares and other outstanding convertibles.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

	The Company	
	31/05/2015	31/05/2014
Total number of issued shares	503,222,297	493,025,721

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on

There were no sales, transfers, disposals, cancellation and/or use of treasury shares during the year ended 31/05/2015.

- 2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

The figures presented have not been audited or reviewed.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)

Not applicable.

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Other than the adoption of certain revisions to various existing Financial Reporting Standards ("FRS"), the new FRS and Interpretations of FRS ("INT FRS") that are mandatory for the financial year beginning on 1 June 2014, the Group has adopted the same accounting policies and methods of computation for the current financial year as those adopted for the audited financial statements for the financial year ended 31/05/2015.

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5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

In the current financial period, the Group adopted all the new and revised FRSs that are relevant to its operations and effective for annual periods beginning on or after 1 June 2014. The adoption of these new or revised FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

The Group has also made changes to the following accounting policies to reflect a fairer presentation of the Group's results:

Direct selling expenses are to be expensed off over the revenue recognition period of the revenue for which the direct expenses are incurred for.

Show flats costs are amortised over the marketing period. Management further reviews the marketing period and determined that the marketing period may exceed one year depending on the market demand, response from marketing activities, project size and other factors of the development properties.

The changes of the above accounting policies have been accounted for retrospectively and comparatives for the financial year ended 31 May 2014 have been restated. The effects of change on the income statement and balance sheets are as follows:

The Group						
31/5/2014			01/06/2013			
Previously reported (S\$'000)	As Adjusted (S\$'000)	Increase (Decrease) (S\$'000)	Previously reported (S\$'000)	As Adjusted (S\$'000)	Increase (Decrease) (S\$'000)	
<u>Statement of Financial Position</u>						
Other receivables	16,918	17,788	870	10,360	11,504	1,144
Investment in associates	27,893	29,518	1,625	20,881	21,825	944
Income tax payable	1,638	1,785	147	3,741	3,935	194
Accumulated profits	17,752	19,875	2,123	45,205	47,007	1,802
Non-controlling interest	46,066	46,291	225	7,136	7,228	92
<u>Statement of Profit or Loss and Other Comprehensive Income</u>						
31/5/2014						
Previously reported (S\$'000)	As Adjusted (S\$'000)	Increase (Decrease) (S\$'000)				
Selling & distribution expenses	950	1,224	274			
Share of results of associates	8,323	9,004	681			
Income tax expense	1,965	1,919	(46)			
Loss for the year	10,690	10,236	(454)			
Non-controlling interest	2,889	3,022	133			
Loss attributable to owners of the Company	13,579	13,258	(321)			

TEE International Limited

6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	The Group		The Group	
	Fourth Quarter Ended		Full Year Ended	
	31/05/2015	31/05/2014 (Restated)	31/05/2015	31/05/2014 (Restated)
Earnings per ordinary share of the Group based on net profit attributable to owners of the Company:				
(i) Based on the weighted average number of shares (cents)	1.63	(3.32)	2.24	(2.75)
- Weighted average number of shares ('000)	502,072	493,026	498,096	481,860
(ii) On a fully diluted basis (cents)	1.62	(3.32)	2.19	(2.75)
- Adjusted weighted average number of shares ('000)	506,937	493,026	508,646	481,860

7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the: (a) current financial period reported on; and (b) immediately preceding financial year

	Cents	
	As at 31/05/2015	As at 31/05/2014 (Restated)
The Group	19.0	19.5
The Company	12.2	12.0

Net asset value per share is calculated based on 503,222,297 (31/05/2014: 493,025,721) ordinary shares on issue at the end of the year under review and of the immediately preceding financial year.

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Income Statement

Fourth Quarter Ended 31/05/2015 ("4QFY2015") Against Fourth Quarter Ended 31/05/2014 ("4QFY2014")

Revenue increased by S\$42.8 million due mainly to higher revenue recognised during 4QFY2015 for on-going real estate and engineering projects.

Cost of sales increased by S\$8.6 million. Excluding the effect of the one-off project cost overrun of S\$18.95 million on a completed project (the "Project Cost Overrun") in 4QFY2014, cost of sales would have increased by \$27.6 million.

Gross profit amounted to S\$18.8 million compared to a loss of S\$15.5 million. Excluding the effect of the Project Cost Overrun in 4QFY2014, gross profit would have increased by S\$15.2 million.

Administrative expenses increased by S\$3.1 million due mainly to acquisition of two new hotels in Australia.

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8 (Continued)

Income Statement (Continued)

Fourth Quarter Ended 31/05/2015 (“4QFY2015”) Against Fourth Quarter Ended 31/05/2014 (“4QFY2014”)

Other operating expenses increased by S\$4.8 million due mainly to full allowance being made for a deposit for purchase of land in Malaysia and foreign exchange losses on assets denominated in Australian Dollar and Malaysian Ringgit.

Finance costs increased by S\$2.2 million due mainly to additional borrowings.

As a result, profit after tax amounted to S\$7.4 million compared to a loss of S\$14.6 million. Excluding the effect of the Project Cost Overrun in 4QFY2014, profit would have increased by S\$3.1 million.

Profit attributable to owners of the Company amounted to S\$8.2 million compared to a loss of S\$16.4 million.

Financial Year Ended 31/05/2015 (“FY2015”) Against Financial Year Ended 31/05/2014 (“FY2014”)

Revenue increased by S\$15.1 million due mainly to higher revenue recognised for on-going real estate and engineering projects.

Cost of sales decreased by S\$18.3 million. Excluding the effect of the Project Cost Overrun in FY2014, cost of sales would have increased by \$0.7 million.

Gross profit increased from S\$2.5 million to S\$35.9 million. Excluding the effect of the Project Cost Overrun in FY2014, gross profit would have increased by S\$14.4 million.

Administrative expenses increased by S\$2.8 million due mainly to acquisition of two new hotels in Australia.

Other operating expenses increased by S\$3.6 million due mainly to full allowance being made for a deposit for purchase of land in Malaysia and foreign exchange losses on assets denominated in Australian Dollar and Malaysian Ringgit.

Finance costs increased by S\$3.7 million due mainly to additional borrowings.

Share of results of associates increased by S\$2.1 million due mainly to higher contributions from the real estate associates.

As a result, profit after tax amounted to S\$12.9 million compared to a loss of S\$10.2 million. Excluding the effect of the Project Cost Overrun in FY2014, profit would have increased by S\$4.2 million.

Profit attributable to owners of the Company amounted to \$11.1 million compared to a loss of S\$13.3 million.

Statement of Financial Position

Financial Year Ended 31/05/2015 (“FY2015”) Against Financial Year Ended 31/05/2014 (“FY2014”)

Cash and bank balances decreased by S\$13.4 million, due mainly to acquisition of hotels in Australia and investment properties, which were partially financed by the S\$29.6 million Medium Term Notes issued by TEE Land and drawdown of bank loans.

TEE International Limited

8 (Continued)

Statement of Financial Position (continued)

Financial Year Ended 31/05/2015 ("FY2015") Against Financial Year Ended 31/05/2014 ("FY2014")

Trade receivables, construction work-in-progress and trade payables increased by S\$42.5 million, \$45.2 million and \$51.3 million respectively due mainly to major on-going engineering and development projects.

Development properties and completed properties held for sale decreased by S\$21.0 million due mainly to completion and sale of development properties.

Investment in associates increased by S\$13.7 million due mainly to recognition of share of results of associates.

Property, plant and equipment increased by S\$67.3 million due mainly to the two newly acquired hotels in Australia and construction cost for the Group's HQ building at Bukit Batok.

Investment properties increased by S\$2.9 million due mainly to the acquisitions of the guest house in New Zealand, three condominium units in Bangkok by TEE Land and revaluation gain.

The assets and liabilities classified as held for sales as at 31/05/2014 related to Interlift which was disposed of in 1QFY2015.

Loans receivable from associates decreased by S\$13.5 million due mainly to repayment.

Other payables increased by S\$14.8 million due mainly to the acquisition of two new hotels in Australia.

Statement of Cash Flows

Financial Year Ended 31/05/2015 ("FY2015") Against Financial Year Ended 31/05/2014 ("FY2014")

Operating activities

Net cash generated from operating activities was S\$2.7 million, due mainly to profit before tax, offset by interest paid and changes in working capital.

Investing activities

Net cash used in investing activities was S\$61.0 million, due mainly to the acquisition of two hotels in Australia and construction cost for the Group's office building at Bukit Batok.

Financing activities

Net cash from financing activities was S\$47.8 million, due mainly to net proceeds received from the issuance of Medium Term Notes and drawdown of bank loans.

As a result, the Group recorded a net decrease in cash and cash equivalents of S\$10.5 million.

9 **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

No forecast was made.

TEE International Limited

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The Group remains selective and will pursue good quality projects and investment opportunities for the Engineering, Real Estate and Infrastructure businesses in Singapore and the region.

In addition, the Group is focused on completing its ongoing Engineering and Real Estate projects, and at the same time tapping on its existing business networks and strong credentials to win new projects.

Currently, the Group has a total outstanding engineering order book of approximately S\$455 million.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? YES

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.40 cents per ordinary share
Tax Rate	Tax exempt (One-Tier)

Name of Dividend	Special
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.15 cents per ordinary share
Tax Rate	Tax exempt (One-Tier)

(b) Corresponding Period of the immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? YES

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.50 cents per ordinary share
Tax Rate	Tax exempt (One-Tier)

(c) Date payable

To be announced at a later date.

(d) Books closure date

To be announced at a later date.

12 If no dividend has been declared/recommended, a statement to that effect

Not applicable.

13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for IPTs.

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PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

Analysis by Business Segment

	Engineering FY2015 S\$'000	Real Estate FY2015 S\$'000	Infrastructure FY2015 S\$'000	Elimination FY2015 S\$'000	Group FY2015 S\$'000
Revenue					
External sales	154,904	60,157	2,834	-	217,895
Inter-segment sales	62,817	-	-	(62,817)	-
Total revenue	217,721	60,157	2,834	(62,817)	217,895
Results					
Segment results	6,393	4,647	(50)	-	10,990
Finance costs					(7,037)
Share of results of associates					11,121
Profit before tax					15,074
Income tax expense					(2,192)
Profit for the year					12,882
Segment assets	154,454	291,875	474	-	446,803
Unallocated corporate assets					110,772
Consolidated total assets					557,575
Segment liabilities	99,947,	41,419	3,232	-	144,598
Unallocated corporate liabilities					262,091
Consolidated total liabilities					406,689
Other information					
Depreciation	977	1,732	45	-	2,754

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14 (Continued)

<u>Restated</u>	Engineering	Real Estate	Infrastructure	Elimination	Group
	FY2014	FY2014	FY2014	FY2014	FY2014
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue					
External sales	159,800	40,301	2,722	-	202,823
Inter-segment sales	69,186	-	1,319	(70,505)	-
Total revenue	<u>228,986</u>	<u>40,301</u>	<u>4,041</u>	<u>(70,505)</u>	<u>202,823</u>
Results					
Segment results	(18,389)	4,257	132	-	(14,000)
Finance costs					(3,321)
Share of results of associates					9,004
Loss before tax					(8,317)
Income tax expense					(1,919)
Loss for the year					<u>(10,236)</u>
Segment assets					
Unallocated corporate assets	99,126	219,923	2,158	-	321,207
Consolidated total assets					<u>444,106</u>
Segment liabilities					
Unallocated corporate liabilities	53,458	28,909	2,697	-	85,064
Consolidated total liabilities					<u>301,776</u>
Other information					
Depreciation	1,054	191	40	-	1,285
Amortisation of intangible assets	543	-	-	-	543

	<u>Revenue</u>		<u>Non-current assets</u>	
	<u>FY2015</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2014</u>
	\$'000	\$'000	\$'000	(Restated) \$'000
Singapore	172,357	150,145	122,530	103,114
Malaysia	34,995	22,328	1,178	163
Thailand	2,833	2,722	587	619
Brunei	865	26,533	9	658
Vietnam	-	-	341	6
Hong Kong	681	-	828	30
Philippines	-	-	1	2
Australia	4,549	-	53,890	-
New Zealand	<u>1,615</u>	<u>1,095</u>	<u>10,194</u>	<u>10,268</u>
Total	<u>217,895</u>	<u>202,823</u>	<u>189,558</u>	<u>114,860</u>

15 **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the businesses or geographical segments**

Please refer to note 8.

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16 A breakdown of sales

	The Group S\$'000		Increase/ (Decrease) %
	Latest Full Year 31/05/2015	Previous Full Year 31/05/2014 (Restated)	
(a) Sales reported for first half year	85,311	118,899	(28.2)
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	4,687	3,192	46.8
(c) Sales reported for second half year	132,584	83,924	58.0
(d) Operating profit (loss) after tax before deducting non-controlling interests reported for second half year	8,195	(13,428)	NM

17 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

	The Group S\$'000	
	Latest Full Year 31/05/2015	Previous Full Year 31/05/2014
Interim dividend	9,793	2,219
Proposed final dividend	2,012	2,506
Proposed Special dividend	755	-
Total	12,560	4,725

TEE International Limited

- 18 **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Phua Boon Kin	53	Brother of Phua Chian Kin, Group Chief Executive & Managing Director and a substantial shareholder of the Company	<p>Managing Director (Engineering) of the Group since Jul 2012</p> <p>Director of TEE Engineering & Construction Private Limited since Jun 2013</p> <p>Director of Trans Equatorial Engineering Pte Ltd since May 2013</p> <p>Director of TEE Management Pte Ltd since May 2013</p> <p>Director of Security Pro-Telco Pte Ltd since Feb 2009</p> <p>Executive Director of TEE International Limited since Sep 2008</p> <p>Director of PBT Engineering Pte Ltd since Sep 2006</p>	None
Phua Cher Chuan	45	Nephew of Phua Chian Kin, Group Chief Executive & Managing Director and a substantial shareholder of the Company	<p>Executive Director (Special Function) of the Group since Jan 2012</p> <p>Director of Security Pro-Telco Pte Ltd since Oct 2008</p> <p>Director of NexFrontier Solutions Pte Ltd since Jul 2008</p>	Director of CMC Infocomm Pte Ltd since Mar 2015

TEE International Limited

- 18 **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement (Continued)**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Phua Cher Chew	41	Nephew of Phua Chian Kin, Group Chief Executive & Managing Director and a substantial shareholder of the Company	<p>Executive Director and Chief Executive Officer of TEE Land Limited since May 2013</p> <p>Director of TEE Vista Pte Ltd since Jan 2014</p> <p>Director of Klang City Development Pte Ltd since Dec 2013</p> <p>Director of TEE Ventures Pte Ltd since Jun 2013</p> <p>Director of TEE Industrial Pte Ltd since Mar 2013</p> <p>Director of Development 16 Pte Ltd since Mar 2013</p> <p>Director of Development 72 Pte Ltd since Aug 2012</p> <p>Director of TEE Hospitality Pte Ltd since Aug 2012</p> <p>Director of TEE Homes Pte Ltd since May 2011</p> <p>Director of Development 83 Pte Ltd since Apr 2011</p> <p>Director of TEE Property Pte Ltd since Apr 2011</p> <p>Director of TEE Development Pte Ltd since Mar 2011</p> <p>Director of TEE Realty Pte Ltd since Mar 2011</p>	None

TEE International Limited

19 General - Please disclose the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the state use

The Company intends to utilise the net proceeds for general corporate purposes, including refinancing of existing borrowings and financing of working capital, acquisition, investment and capital expenditure requirements of the Group as the directors may deem fit. The percentage allocation for each intended use cannot be determined at this moment. The Company will make periodic announcements on the utilisation of proceeds.

As at 31/05/2015, the number of outstanding warrants was 186,386,020. So far, 10,196,576 warrants were converted to ordinary shares at the exercise price of S\$0.25 per warrant. Pending the deployment of the net proceeds, the proceeds of approximately S\$2,549,000 was used for working capital purposes deem fit in the interests of the Group.

BY ORDER OF THE BOARD

Saw Chin Choo (Ms)
Executive Director
29/07/2015