

TEHO International acquires property in The Netherlands for S\$2.044 million to consolidate Rotterdam operations for improved efficiency

Singapore, 18 April 2016 - TEHO International (or the “Group”), through its wholly-owned subsidiary TEHO EuROPE B.V., has entered into a purchase contract with Spuitco Beheer B.V. to acquire a freehold property at Nikkelstraat 19 in Ridderkerk (2984 AM), The Netherlands, for Euro 1.335 million¹ (or S\$2.044 million²).

The property comprises two adjacent parcels of land with a total site area of about 4,034 square meters with a building that has a built-in area of approximately 3,295 square metres.

With this acquisition, TEHO International plans to consolidate the Group’s Rotterdam operations, which are currently at two different locations, into a centralised venue. Its Dutch operations supply rigging and mooring equipment as well as related services to customers mainly in the marine, offshore oil and gas industries.

Mr Lim See Hoe, Executive Chairman and CEO of TEHO International, explains, “**Europe remains an attractive growth market for TEHO’s rigging and mooring equipment and services. Our plan is to bring together our dual operations in The Netherlands and centralise them at a single location. This will allow us to improve on our existing internal infrastructure and facilities over there. With this consolidation, we hope to raise our operating efficiency and effectiveness to better serve our customers in those markets.**”

The property has an open market value of Euro 1.330 million (or S\$2.037 million) as at 1 January 2016, which was ascribed by the independent professional valuer, Stad en Land makelaars v.o.f./ A.M.Schobben makelaar b.v..

The acquisition will be financed by the Group’s internal funds and bank borrowings. The completion of the acquisition is subject to the fulfilment of salient terms of the purchase

¹ amount excludes value-added tax, if any

² based on an exchange rate of Euro 1 to S\$1.5314 as at 15 April 2016

contract, including legal due diligence on the property. The transaction is expected to be completed by 1 September 2016, or any other date to be mutually agreed upon.

The above acquisition is not expected to have material impact on the net tangible assets or earnings per share of TEHO International for the current financial year ending 30 June 2016.

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About TEHO International

TEHO International is a global, diversified holding company specialising in offshore marine, engineering and property development. The company has been listed on the Singapore Stock Exchange Catalist Board since 2009. Originally established as a small local rigging and mooring company in 1986, TEHO International adopted an organic and inorganic growth approach to expand its businesses, creating synergy with the provision of related products and services. In May 2014, TEHO International diversified into property investment and development through its acquisition of two Singapore-based property companies.

At present, the Group offers products, services and solutions to customers across a wide range of economic sectors, including marine, offshore oil and gas and real estate. TEHO International's network spans across South East Asia, East Asia, Europe and North America.

For more information, please go to www.teho.com.sg.

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