



TEHO INTERNATIONAL INC LTD.

(Incorporated in the Republic of Singapore on 10 June 2008)
(Company Registration Number: 200811433K)

OPTION TO PURCHASE PROPERTY

The Board of Directors of TEHO International Inc Ltd. (the “**Company**” and together with its subsidiaries, “**Group**”) is pleased to announce that on 21 November 2014, upon payment of a sum of S\$115,000, the wholly-owned subsidiary of the Company, TEHO Development Pte. Ltd. (“**TDPL**”), was granted an option (the “**Option**”) to purchase (the “**Option Agreement**”) a property located at 459 Macpherson Road Singapore 368177 (the “**Property**”) (the “**Proposed Acquisition**”) by Homeland Construction Pte Ltd (the “**Vendor**”). The Vendor is an independent and unrelated third party.

The Property, being a 7-storey single-user industrial building, has a floor area of approximately 18,000 square feet with a leasehold tenure of 99 years commencing from 1 April 1965. The Proposed Acquisition is intended to consolidate the Group’s property development and investment as well as property-related services businesses in a single location after the completion of the acquisition of ECG Property Services Pte. Ltd..

The total consideration for the purchase of the Property is S\$11,500,000 (excluding goods and services tax) (the “**Consideration**”), which was arrived at on a willing-buyer-willing-seller basis, taking into consideration, *inter alia*, relevant enquiries and references by the Group in relation to the current market prices of properties in the surrounding area of similar size and lease tenure. The Consideration, which is payable in cash, will be financed by the Group’s internal resources and bank borrowings.

The Option Agreement will expire if the Option is not exercised within 2 weeks from the date of the Option Agreement, by delivery of the acceptance copy to the Option Agreement by TDPL and its nominee and the payment of a further 9% of the Consideration to the Vendor’s solicitors. The balance 90% of the Consideration is payable at the completion of the sale and purchase of the Property which will take place within 10 weeks upon exercising the Option.

The Proposed Acquisition is not expected to have any material impact on the net tangible assets per share and earnings per share of the Group for the current financial year ending 30 June 2015.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition, other than through their shareholdings in the Company.

A copy of the Option Agreement is available for inspection during normal office hours at the Company’s registered office at 1 Commonwealth Lane, #09-23 One Commonwealth, Singapore 149544 for three months from the date of this announcement.

The Company will make further announcements in relation to the exercise of the Option and completion of the acquisition of the Property in due course.

BY ORDER OF THE BOARD

Lim See Hoe
Executive Chairman and Chief Executive Officer
21 November 2014

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Alicia Kwan (Tel: (65) 6532 3829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542.