

For Immediate Release

TEHO International reports 72.8% reduction in HY2019 net loss to S\$0.6 million and an increase of 8.3% in gross profit to S\$8.5 million

- Increase in revenue from the Group’s Marine & Offshore Segment of 14.1% or \$3.1 million compared to HY2018
- Overall, slight dip in Group’s revenue of 0.4% to S\$25.6 million due to the absence of sale contribution of a development project that was recognised and fully sold in the previous financial period
- 8.3% increase in gross profit is mainly boosted by increased contribution from the Group’s Marine & Offshore Segment
- Increase in gross profit and reduction in total operating expenses has contributed to the narrowing of HY2019 net loss to S\$0.6 million and EBITDA turning positive to S\$0.4 million

Singapore, 13 February 2019 – TEHO International Inc Ltd. (the “**Company**”) and together with its subsidiaries (the “**Group**”), a leading offshore marine and engineering equipment and service provider as well as property developer, is pleased to announced that it has significantly reduced its net loss for the six months ended 31 December 2018 (“**HY2019**”) by 72.8% year-on-year (yoy) to S\$0.6 million, from S\$2.1 million in the previous corresponding period (“**HY2018**”). Revenue for HY2019 reduced marginally by 0.4% to S\$25.6 million, from S\$25.7 million in HY2018.

S\$'million	HY2019	HY2018	% Change Favourable/(Unfavourable)
Revenue	25.6	25.7	(0.4)
Gross Profit	8.5	7.8	8.3
Total Operating Expenses**	8.9	10.2	13.3
EBITDA	0.4	(1.5)	n.m.
Loss attributable to: Owners of the Company	(0.6)	(2.1)	72.8

**Comprising distribution, administrative and other operating expenses

n.m.: not meaningful.

Revenue contribution from the Marine & Offshore Segment in HY2019 increased by S\$3.1 million, mainly attributable to increased revenue from the mooring and rigging businesses.

However, revenue contribution from the Property Development Segment decreased by S\$3.2 million in HY2019, mainly due to the absence of revenue contribution of S\$2.3 million from the sale of units of the Elite Terrace development project, which was fully sold in HY2018. Revenue contribution from the property agency and property consultancy segments decreased by S\$0.8 million and S\$0.1 million respectively.

Distribution expenses dropped 41.2% to S\$0.7 million in HY2019, from S\$1.3 million in HY2018, mainly due to the absence of commission expense incurred on the sale of units of the Elite Terrace development project in HY2018.

Administrative expenses decreased 11.9% to S\$6.0 million in HY2019, from S\$6.8 million in HY2018, mainly due to a S\$0.6 million reduction in legal and professional fees as a result of the absence of one-off fees incurred in HY2018 relating to certain proceedings as announced by Teho previously. Employee benefits expenses and related staff costs also decreased by S\$0.2 million due to a decrease in overall staff costs in the Marine & Offshore Segment and a decrease in headcount in the Property Development Segment, which contributed to the reduction in the administrative expenses.

Other operating expenses remained relatively stable at S\$2.2 million in HY2019, which included a loss on disposal of subsidiaries of S\$0.1 million, which was offset by a reduction of \$0.1 million in entertainment and transport expenses.

Due to the abovementioned increase in gross profits and reduction in total operating expenses, the Group recorded a 72.8% decrease in net loss to S\$0.6 million in HY2019, as compared to the net loss of S\$2.1 million in HY2018.

Commenting on the Group's HY2019 financial results, Mr Lim See Hoe, Executive Chairman and CEO, said, **"The Group has achieved reasonable progress in its road to recovery from the period of downturn in the industry previously. Even though the industry has yet to recover to its former glory days, we remain confident in further improving our performance and competitive strengths to tide through the challenges ahead.**

Moving forward, the Group will remain resilient and continue its efforts in research and development to come out with better solutions for our customers while at the same time keeping in mind the increasingly stringent environmental protection regulations and criteria, in order to remain at the forefronts of providing high-quality and environmentally friendly solutions to our customers."

- End -

About TEHO International Inc Ltd. (“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 expanding 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 media and investor related queries, please contact:

Financial PR

Mr. Romil Singh / Mr. Sua Xiu Kai

Tel: (65) 6438 2990 | Fax: (65) 6438 0064

Email: romil@financialpr.com.sg / xiukai@financialpr.com.sg

This press release has been prepared by the Company and its contents have been reviewed by the Company’s Sponsor, SAC Capital Private Limited (the “Sponsor”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “SGX-ST”). The Sponsor has not independently verified the contents of this press release. This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release. The contact person for the Sponsor is Mr David Yeong (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.