



## TEHO INTERNATIONAL INC LTD.

(Incorporated in the Republic of Singapore on 10 June 2008)

(Company Registration Number: 200811433K)

---

# ACQUISITION OF WAREHOUSING FACILITY IN THE REPUBLIC OF KOREA BY TEHO ROPES KOREA CO., LTD., A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY

---

## 1. INTRODUCTION

The Board of Directors (the “**Board**”) of TEHO International Inc Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) is pleased to announce that a wholly-owned subsidiary of the Company, TEHO Ropes Korea Co., Ltd. (“**TEHO KOREA**”), has on 1 October 2024, entered into a property sales contract (the “**Contract**”) with Park Gyu-jin, an independent and unrelated third party (the “**Vendor**”). The Contract outlines the proposed acquisition of a property situated in 1548-8, Mieum-dong (146, Mieumsandan 4-ro) Gangseo-gu, Busan, Korea (the “**Property**”) from the Vendor at a purchase consideration of KRW2,950,000,000 (approximately S\$2,950,000 based on the exchange rate of KRW 1: S\$0.001 as at 1 October 2024) (the “**Purchase Consideration**”) (the “**Proposed Acquisition**”).

There is no certainty or assurance that completion of the Proposed Acquisition will materialise, and the Company will keep shareholders apprised on material developments in respect of the Proposed Acquisition.

## 2. BACKGROUND TO THE PROPOSED ACQUISITION

### 2.1 Information on the Vendor

The Vendor is an individual who is a South Korean citizen.

For avoidance of doubt, the Vendor does not hold any shares in the Company and is not related to the Group, the directors, controlling shareholders and substantial shareholders of the Company, and their respective associates.

### 2.2 Information on the Property

The Property consists of a freehold land with a plot size of 1,756.70 square metres and a building with a built-up area of 1,316.12 square metres. The Property is currently used as a factory.

## 2.3 Rationale of the Proposed Acquisition

The Proposed Acquisition is part of the Group's strategy for business expansion for its Marine & Offshore segment, as the Group intends to use the Property as a warehousing facility. The Property will expand the Group's inventory storage capacity in the Republic of Korea and provide enhanced supply chain and logistics support to related companies worldwide.

## 3. SALIENT TERMS OF THE CONTRACT

### 3.1 Purchase Consideration

The Purchase Consideration of KRW2,950,000,000 (approximately S\$2,950,000) was arrived at after arm's length negotiations and on a willing-buyer willing-seller basis, taking into account the market conditions and comparison to sale prices and listed prices of approximate properties, as well as preliminary indicative desktop valuations obtained from various banks on the Property.

The Purchase Consideration is payable in cash by TEHO KOREA at or before Completion (as defined herein), and will be financed by TEHO KOREA's internally generated funds and bank borrowings.

### 3.2 Down-Payment

TEHO KOREA has paid an amount of KRW295,000,000 (approximately S\$295,000) as down-payment for the Proposed Acquisition ("**Down-Payment**").

### 3.3 Right to Rescind

The Vendor may rescind the agreement before the balance payment is made but must reimburse TEHO KOREA twice the amount of the Down-Payment paid by TEHO KOREA under the Contract.

### 3.4 Other Salient Terms

- (i) The Property is to be purchased by TEHO KOREA based on the existing and current condition of the Property.
- (ii) Where either the Vendor or TEHO KOREA defaults on the terms of the Contract, the other party may rescind the Contract by giving a written notice to the defaulting party. Either party may request the other party of damages incurred as a result of rescission of the Contract as further described in paragraph 3.3 above.
- (iii) The balance Purchase Consideration of KRW2,655,000,000 (approximately S\$2,655,000) will be paid by 30 October 2024 ("**Completion Date**").

### 3.5 Completion

The Vendor shall deliver to TEHO KOREA all documents required to register the transfer of the title and at the same time of it receiving the balance for the Property, and shall cooperate with TEHO KOREA with respect to such registration procedures ("**Completion**"). The delivery date of the Property shall be on the Completion Date.

#### 4. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

The financial effects of the Proposed Acquisition set out below are purely for illustrative purposes only and do not reflect the future financial position of the Company after the Completion.

The financial effects of the Proposed Acquisition were calculated based on the unaudited consolidated financial statements of the Group for the financial year ended 30 June 2024 (“FY2024”), being the most recently completed financial year as at the date of this announcement.

##### 4.1 Net Tangible Assets per Share

The effect of the Proposed Acquisition on the net tangible assets (“NTA”) per share of the Group for FY2024, assuming that the Proposed Acquisition had been effected at the end of FY2024 is as follows:

<b>As at 30 June 2024</b>	<b>Before the Proposed Acquisition</b>	<b>After the Proposed Acquisition</b>
NTA (S\$'000)	23,607	23,607
NTA per share (Cents)	10.03	10.03

##### 4.2 Earnings per Share

The effect of the Proposed Acquisition on the earnings per share of the Group for FY2024, assuming that the Proposed Acquisition had been effected at the beginning of FY2024 is as follows:

<b>FY2024</b>	<b>Before the Proposed Acquisition</b>	<b>After the Proposed Acquisition</b>
Profit after tax and non-controlling interests (S\$'000)	900	836
Earnings per share (Cents)	0.38	0.36
Earnings per diluted share (Cents)	0.38	0.36

##### 4.3 Gearing

The effect of the Proposed Acquisition on the gearing of the Group for FY2024, assuming that the Proposed Acquisition had been effected at the end of FY2024 is as follows:

<b>As at 30 June 2024</b>	<b>Before the Proposed Acquisition</b>	<b>After the Proposed Acquisition <sup>(1)</sup></b>
Borrowings (net of cash and cash equivalent) (S\$'000)	18,233	21,183
Shareholders' funds (S\$'000)	23,607	23,607
Gearing ratio (times)	0.77	0.90

Note:

(1) On the assumption that TEHO KOREA will finance 70% of the Purchase Consideration via bank borrowings.

## 5. RELATIVE FIGURES COMPUTED BASED ON RULE 1006 OF THE LISTING MANUAL

Based on the latest announced unaudited consolidated financial statements of the Group for FY2024, the relative figures of the Proposed Acquisition as computed on the relevant bases set out in Rule 1006 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (the “**Catalist Rules**”) are as follows:

Rule		Relative Figures (%)
1006(a)	The net asset value of the assets to be disposed of, compared with the Group’s net asset value as at 30 June 2024 . The basis is not applicable to an acquisition of assets.	Not applicable
1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group’s net profits as at 30 June 2024.	Not applicable <sup>(1)</sup>
1006(c)	The aggregate value of the consideration given or received, compared with the issuer’s market capitalisation based on the total number of issued shares excluding treasury shares.	35.80 <sup>(2)</sup>
1006(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable <sup>(3)</sup>
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group’s proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable

### Notes:

- <sup>(1)</sup> Not applicable as there are no profits or loss attributable to the Property.
- <sup>(2)</sup> Computed based on the Purchase Consideration of KRW2,950,000,000 (approximately S\$2,950,000 based on the exchange rate of KRW1: S\$0.001 as at 1 October 2024) and the Company’s market capitalisation of approximately S\$8,239,861 is determined by multiplying 235,424,614 ordinary shares in issue by the volume weighted average price of the shares of S\$0.035 per shares on 27 September 2024, being the last market day on which the Company’s shares were traded preceeding the date of the Contract.
- <sup>(3)</sup> Not applicable as there will be no issuance of equity securities by the Company in relation to the Proposed Acquisition.

As the relative figure calculated under Rule 1006(c) of the Catalist Rules exceeds 5% but does not exceed 75%, the Proposed Acquisition constitutes a discloseable transaction within the meaning of Chapter 10 of the Catalist Rules. Accordingly, the Company is not required to seek shareholders' approval for the Proposed Acquisition.

**6. SERVICE CONTRACT**

No person will be appointed to the Board of the Company, and no service contract will be entered into by the Company, in connection with the Proposed Acquisition.

**7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

The Company and its Directors and controlling shareholders are not related to the Vendor.

Other than through their respective shareholdings (if any) in the Company, none of the Directors and controlling shareholders of the Company, or their respective associates, has any interest, direct or indirect, in the Proposed Acquisition.

**8. DOCUMENT FOR INSPECTION**

A copy of the Contract is available for inspection during normal office hours at the registered office of the Company at 1 Commonwealth Lane, #09-23 One Commonwealth, Singapore 149544 for three (3) months from the date of this announcement.

**9. FURTHER ANNOUNCEMENT**

The Company will make further announcements as and when there are material developments in respect of the Proposed Acquisition.

BY ORDER OF THE BOARD

Lim See Hoe  
Executive Chairman and Chief Executive Officer  
2 October 2024

---

This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor").

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (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 Audrey Mok (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.