

**TEHO INTERNATIONAL INC LTD.**

(Company Registration No: 200811433K)  
(Incorporated in the Republic of Singapore)

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) FOR THE SIX MONTHS ENDED 31 DECEMBER 2024**

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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, #21-01 AIA Tower, Singapore 048542.

## Table of Contents

A.	CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS .....	1
B.	CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME .....	2
C.	CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION .....	3
D.	CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS .....	4
E.	CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY .....	6
F.	NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS .....	8
G.	OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C .....	18

## A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	Group		Change %
		HY2025 Unaudited S\$	HY2024 Unaudited S\$	
<b>Revenue</b>	4	<b>32,119,415</b>	<b>28,181,478</b>	14.0
Cost of sales		(20,198,847)	(17,544,951)	15.1
<b>Gross profit</b>		<b>11,920,568</b>	<b>10,636,527</b>	12.1
Other operating income		165,101	590,343	(72.0)
Distribution expenses		(757,281)	(789,277)	(4.1)
Administrative expenses		(6,863,270)	(7,116,499)	(3.6)
Other operating expenses		(2,502,808)	(2,303,140)	8.7
<b>Results from operating activities</b>		<b>1,962,310</b>	<b>1,017,954</b>	92.8
Finance income		1,396	8,761	(84.1)
Finance costs		(561,699)	(651,649)	(13.8)
<b>Net finance costs</b>		<b>(560,303)</b>	<b>(642,888)</b>	(12.8)
<b>Profit before tax</b>	6	<b>1,402,007</b>	<b>375,066</b>	>100.0
Tax expense	7	(306,951)	(268,399)	14.4
<b>Profit for the period</b>		<b>1,095,056</b>	<b>106,667</b>	>100.0
<b>Earnings per share</b>				
Basic (cents)	9	0.47	0.05	>100.0
Diluted (cents)	9	0.47	0.05	>100.0

Notes:

(1) HY2024: 6 months ended 31 December 2023

(2) HY2025: 6 months ended 31 December 2024

## B. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group		
	HY2025 Unaudited S\$	HY2024 Unaudited S\$	Change %
<b>Profit for the period</b>	<b>1,095,056</b>	<b>106,667</b>	>100.0
<b>Items that are or may be reclassified subsequently to profit or loss:</b>			
Foreign currency translation differences, net of tax	(396,160)	(140,268)	>100.0
<b>Other comprehensive loss for the period, net of tax</b>	<b>(396,160)</b>	<b>(140,268)</b>	>100.0
<b>Total comprehensive income/(loss) for the period</b>	<b>698,896</b>	<b>(33,601)</b>	n.m.

Note:  
n.m.: not meaningful

## C. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		31 Dec 2024	30 Jun 2024	31 Dec 2024	30 Jun 2024
		Unaudited S\$	Audited S\$	Unaudited S\$	Audited S\$
<b>Assets</b>					
Property, plant and equipment	11	16,664,963	14,486,622	90,084	130,518
Investment in subsidiaries		–	–	17,409,603	15,573,159
Investment in joint venture		–	–	–	–
Deferred tax assets		273,687	273,334	–	–
Other investment		380,461	380,461	–	–
<b>Non-current assets</b>		<b>17,319,111</b>	<b>15,140,417</b>	<b>17,499,687</b>	<b>15,703,677</b>
Inventories		23,637,755	23,397,591	–	–
Contract costs		3,680	3,680	–	–
Tax recoverable		26	20,229	–	–
Trade and other receivables		9,683,383	10,250,811	7,562,485	7,801,175
Contract assets		16,820	7,190	–	–
Cash and cash equivalents		7,288,699	6,586,775	116,239	82,766
<b>Current assets</b>		<b>40,630,363</b>	<b>40,266,276</b>	<b>7,678,724</b>	<b>7,883,941</b>
<b>Total assets</b>		<b>57,949,474</b>	<b>55,406,693</b>	<b>25,178,411</b>	<b>23,587,618</b>
<b>Equity</b>					
Share capital	13	33,035,508	33,035,508	33,035,508	33,035,508
Other reserves		(809,459)	(413,299)	–	–
Accumulated losses		(8,155,953)	(9,015,584)	(43,416,293)	(43,163,067)
<b>Total equity</b>		<b>24,070,096</b>	<b>23,606,625</b>	<b>(10,380,785)</b>	<b>(10,127,559)</b>
<b>Liabilities</b>					
Loans and borrowings	12	8,659,809	7,471,016	–	–
Deferred grant income		1,624	3,572	–	–
Deferred tax liabilities		1,000	1,000	–	–
<b>Non-current liabilities</b>		<b>8,662,433</b>	<b>7,475,588</b>	<b>–</b>	<b>–</b>
Loans and borrowings	12	18,397,154	17,348,260	–	–
Trade and other payables		5,970,235	5,762,715	35,559,196	33,715,177
Contract liabilities		381,841	987,756	–	–
Deferred grant income		62,721	135,863	–	–
Current tax liabilities		404,994	89,886	–	–
<b>Current liabilities</b>		<b>25,216,945</b>	<b>24,324,480</b>	<b>35,559,196</b>	<b>33,715,177</b>
<b>Total liabilities</b>		<b>33,879,378</b>	<b>31,800,068</b>	<b>35,559,196</b>	<b>33,715,177</b>
<b>Total equity and liabilities</b>		<b>57,949,474</b>	<b>55,406,693</b>	<b>25,178,411</b>	<b>23,587,618</b>

## D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

		Group	
	Note	HY2025 Unaudited S\$	HY2024 Unaudited S\$
<b><u>Cash flows from operating activities</u></b>			
Profit before tax		1,402,007	375,066
Adjustments for:			
Amortisation of deferred grant income	6.1	(75,090)	(73,142)
Bad debts (recovered)/written off	6.1	(39)	311
Depreciation of property, plant, and equipment	6.1	1,017,974	943,885
Fair value loss on derivatives	6.1	28,012	–
(Gain)/Loss on disposal of plant and equipment	6.1	(22,796)	2,470
Impairment loss on trade and other receivables	6.1	1,634	–
Gain on disposal of asset held for sale	6.1	–	(190,989)
Net finance costs		560,303	642,888
<b>Operating cash flows before changes in working capital</b>		<b>2,912,005</b>	<b>1,700,489</b>
Changes in:			
- Inventories		(401,006)	(2,672,572)
- Contract costs		–	(79,932)
- Trade and other receivables		462,582	1,507,028
- Contract assets		(9,630)	(1,090)
- Trade and other payables		47,441	(323,866)
- Contract liabilities		(605,915)	858,773
<b>Cash generated from operations</b>		<b>2,405,477</b>	<b>988,830</b>
Tax refunded/(paid)		37,083	(59,194)
<b>Net cash from operating activities</b>		<b>2,442,560</b>	<b>929,636</b>
<b><u>Cash flows from investing activities</u></b>			
Acquisition of property, plant and equipment <sup>(Note 1)</sup>		(1,616,468)	(170,029)
Interest received		1,396	48
Proceeds from disposal of asset held for sale		–	760,000
Proceeds from disposal of plant and equipment		22,796	–
<b>Net cash (used in) / from investing activities</b>		<b>(1,592,276)</b>	<b>590,019</b>

#### D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

		Group	
	Note	HY2025 Unaudited S\$	HY2024 Unaudited S\$
<b><u>Cash flows from financing activities</u></b>			
Dividends paid to owners of the Company	10	(235,425)	(235,425)
Interest paid		(561,699)	(651,649)
Payment of lease liabilities		(549,316)	(458,609)
Proceeds from loans and borrowings		8,839,123	8,378,152
Repayment of loans and borrowings		(7,771,854)	(9,706,817)
<b>Net cash used in financing activities</b>		<b>(279,171)</b>	<b>(2,674,348)</b>
Net changes in cash and cash equivalents		571,113	(1,154,693)
Cash and cash equivalents at beginning of the period		6,586,775	8,115,573
Effect of exchange rate fluctuations on cash held		130,811	41,881
<b>Cash and cash equivalents at end of the period</b>		<b>7,288,699</b>	<b>7,002,761</b>
<b><u>Note 1</u></b>			
Additions of property, plant and equipment		3,462,468	1,973,294
Less: Funded by bank loans		(1,846,000)	–
Less: Addition in right-of-use assets		–	(1,803,265)
Cash used in acquisition of property, plant and equipment		<u>1,616,468</u>	<u>170,029</u>

## E. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Group	Note	Attributable to owners of the Company			Total equity S\$
		Share capital S\$	Foreign currency translation reserve S\$	Accumulated losses S\$	
<b>As at 1 July 2024 (audited)</b>		33,035,508	(413,299)	(9,015,584)	23,606,625
<b>Total comprehensive income for the period</b>					
Profit for the period		–	–	1,095,056	1,095,056
<b>Other comprehensive income</b>					
Foreign currency translation differences		–	(396,160)	–	(396,160)
<b>Total comprehensive (loss)/income for the period</b>		–	(396,160)	1,095,056	698,896
<b>Transactions with owners, recognised directly in equity</b>					
<b>Contributions by and distributions to owners</b>					
Dividends declared	10	–	–	(235,425)	(235,425)
<b>Total transactions with owners</b>		–	–	(235,425)	(235,425)
<b>As at 31 December 2024 (unaudited)</b>		<b>33,035,508</b>	<b>(809,459)</b>	<b>(8,155,953)</b>	<b>24,070,096</b>
<b>As at 1 July 2023 (audited)</b>		33,035,508	(278,439)	(9,679,917)	23,077,152
<b>Total comprehensive income for the period</b>					
Profit for the period		–	–	106,667	106,667
<b>Other comprehensive income</b>					
Foreign currency translation differences		–	(140,268)	–	(140,268)
<b>Total comprehensive (loss)/income for the period</b>		–	(140,268)	106,667	(33,601)
<b>Transactions with owners, recognised directly in equity</b>					
<b>Contributions by and distributions to owners</b>					
Dividends declared	10	–	–	(235,425)	(235,425)
<b>Total transactions with owners</b>		–	–	(235,425)	(235,425)
<b>As at 31 December 2023 (unaudited)</b>		<b>33,035,508</b>	<b>(418,707)</b>	<b>(9,808,675)</b>	<b>22,808,126</b>



## E. CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (continued)

	Share capital S\$	Accumulated losses S\$	Total equity S\$
<b>Company</b>			
<b>As at 1 July 2024 (audited)</b>	33,035,508	(43,163,067)	(10,127,559)
<b>Total comprehensive loss for the period</b>	–	(17,801)	(17,801)
<b>Transactions with owners, recognised directly in equity</b>			
<b><i>Contributions by and distributions to owners</i></b>			
Dividends declared	–	(235,425)	(235,425)
<b>Total transactions with owners</b>	–	(235,425)	(235,425)
<b>As at 31 December 2024 (unaudited)</b>	<u>33,035,508</u>	<u>(43,416,293)</u>	<u>(10,380,785)</u>
<b>As at 1 July 2023 (audited)</b>	33,035,508	(47,120,583)	(14,085,075)
<b>Total comprehensive loss for the period</b>	–	(446,070)	(446,070)
<b>Transactions with owners, recognised directly in equity</b>			
<b><i>Contributions by and distributions to owners</i></b>			
Dividends declared	–	(235,425)	(235,425)
<b>Total transactions with owners</b>	–	(235,425)	(235,425)
<b>As at 31 December 2023 (unaudited)</b>	<u>33,035,508</u>	<u>(47,802,078)</u>	<u>(14,766,570)</u>

## F. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### 1. Corporate information

TEHO International Inc Ltd. (the “Company”) is a public company limited by shares, incorporated and domiciled in Singapore with its registered office at 1 Commonwealth Lane, #09-23, One Commonwealth, Singapore 149544. The Company’s registration number is 200811433K. The Company is listed on the Catalist board of the Singapore Exchange Securities Trading Limited.

These condensed interim consolidated financial statements as at and for the six months ended 31 December 2024 comprise the Company and its subsidiaries (collectively, the “Group”). The Company is an investment holding company.

The principal activities of the Group are:

- (a) Supply of rigging and mooring equipment as well as related services to customers mainly in the marine and offshore industries;
- (b) Supply of offshore oil and gas equipment to offshore oil and gas industries;
- (c) Manufacture and repair of water/waste water treatment equipment and provision of environmental engineering design and consultancy services (except clean energy);
- (d) Property development; and
- (e) Provision of real estate valuation services.

### 2. Basis of preparation

The condensed interim consolidated financial statements for the six months ended 31 December 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The unaudited condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual consolidated financial statements for the year ended 30 June 2024.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim consolidated financial statements are presented in Singapore dollar which is the Company’s functional currency.

#### 2.1 New and amended standards adopted by the Group

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time on 1 July 2024:

- *Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants* (Amendments to SFRS(I) 1-1)
- *Supplier Finance Arrangements* (Amendments to SFRS(I) 1-7 and SFRS(I) 7)
- *Lease Liability in a Sale and Leaseback* (Amendments to SFRS(I) 16)

The application of these standards, amendments to standards and interpretations does not have a material effect on the financial statements.

## **2.2 Use of judgements and estimates**

The preparation of the condensed interim consolidated financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Key judgements, assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial period includes the following:

- Measurement of realisable amounts of inventories.

## **3. Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

## **4. Segment and revenue information**

The Group is organised into the following main business segments:

- Segment 1: Marine & Offshore comprises of mooring and rigging, water treatment and engineering businesses.
- Segment 2: Property comprises of property development and consultancy services.

These operating segments are reported in a manner consistent with internal reporting provided to the Group's Chief Executive Officer, who is responsible for allocating resources and assessing performance of the operating segments.

#### 4.1 Reportable segments

Business Segment Reporting	Marine & Offshore S\$	Property S\$	Unallocated S\$	Group S\$
<b>HY2025</b>				
Revenue	39,033,033	428,938	–	39,461,971
Internal revenue	(7,342,556)	–	–	(7,342,556)
External revenue	<u>31,690,477</u>	<u>428,938</u>	<u>–</u>	<u>32,119,415</u>
Interest income	1,216	180	–	1,396
Interest expense	(561,467)	(232)	–	(561,699)
Depreciation	(970,540)	(7,001)	(40,433)	(1,017,974)
Reportable segment profit/(loss) before tax	1,613,721	(61,761)	–	1,551,960
Other unallocated expenses	–	–	(149,953)	(149,953)
Consolidated profit before tax				<u>1,402,007</u>
Reportable segment assets	57,302,299	325,235	321,940	57,949,474
Capital expenditure	3,462,468	–	–	3,462,468
Reportable segment liabilities	<u>33,568,027</u>	<u>227,877</u>	<u>83,474</u>	<u>33,879,378</u>
<b>HY2024</b>				
Revenue	35,331,518	535,339	–	35,866,857
Internal revenue	(7,685,379)	–	–	(7,685,379)
External revenue	<u>27,646,139</u>	<u>535,339</u>	<u>–</u>	<u>28,181,478</u>
Interest income	8,761	–	–	8,761
Interest expense	(651,272)	(377)	–	(651,649)
Depreciation	(897,342)	(7,196)	(39,347)	(943,885)
Reportable segment profit/(loss) before tax	1,115,957	(245,135)	–	870,822
Other unallocated expenses	–	–	(495,756)	(495,756)
Consolidated profit before tax				<u>375,066</u>
Reportable segment assets	56,304,066	577,283	411,297	57,292,646
Capital expenditure	1,964,468	–	8,826	1,973,294
Reportable segment liabilities	<u>33,986,528</u>	<u>330,583</u>	<u>167,409</u>	<u>34,484,520</u>

- (a) The other unallocated expenses comprise distribution costs, administrative expenses, other operating expenses and other charges which are centralised and not segmented as these items are not directly attributable to the reportable segments.
- (b) The unallocated assets and liabilities cannot be accurately segmented when they are being deployed and/or incurred, as these items are not directly attributable to the reportable segments.

## 4.2 Disaggregation of revenue

### (a) Types of goods or services and timing of revenue recognition

	Group					
	Marine & Offshore S\$	HY2025 Property S\$	Total S\$	Marine & Offshore S\$	HY2024 Property S\$	Total S\$
Types of goods or services:						
- Sale of goods	31,690,477	–	31,690,477	27,646,139	–	27,646,139
- Provision of real estate services	–	428,938	428,938	–	379,118	379,118
- Contract revenue	–	–	–	–	156,221	156,221
	<u>31,690,477</u>	<u>428,938</u>	<u>32,119,415</u>	<u>27,646,139</u>	<u>535,339</u>	<u>28,181,478</u>
Timing of revenue recognition:						
- At a point in time	31,690,477	428,938	32,119,415	27,646,139	379,118	28,025,257
- Over time	–	–	–	–	156,221	156,221
	<u>31,690,477</u>	<u>428,938</u>	<u>32,119,415</u>	<u>27,646,139</u>	<u>535,339</u>	<u>28,181,478</u>

### (b) Geographical information

	Note	Group					
		Marine & Offshore S\$	HY2025 Property S\$	Total S\$	Marine & Offshore S\$	HY2024 Property S\$	Total S\$
<b>Revenue</b>							
Singapore		12,854,062	428,938	13,283,000	11,502,042	535,339	12,037,381
Europe	1	11,709,254	–	11,709,254	9,375,263	–	9,375,263
Southeast Asia	2	2,807,433	–	2,807,433	2,184,018	–	2,184,018
United States of America		1,537,074	–	1,537,074	1,690,395	–	1,690,395
East Asia	3	960,559	–	960,559	1,133,223	–	1,133,223
Middle East	4	348,375	–	348,375	576,074	–	576,074
Other countries	5	1,473,720	–	1,473,720	1,185,124	–	1,185,124
Total revenue		<u>31,690,477</u>	<u>428,938</u>	<u>32,119,415</u>	<u>27,646,139</u>	<u>535,339</u>	<u>28,181,478</u>

#### **Notes:**

1. Europe includes Cyprus, Netherlands, Greece, Germany, Denmark, United Kingdom, Spain, Norway, France, Turkey, Belgium, Sweden, Finland, Lithuania, Monaco, Switzerland and Italy.
2. Southeast Asia includes Malaysia, Philippines, Indonesia, Brunei Darussalam and Thailand.
3. East Asia includes Hong Kong, China, Japan, South Korea and Taiwan.
4. Middle East includes United Arab Emirates, Oman, Israel, Saudi Arabia and Qatar.
5. Other countries include Nigeria, Marshall Islands, Maldives, Panama, India, Canada, Brazil, Colombia and Australia.

## 5. Financial assets and liabilities

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2024 and 30 June 2024:

	The Group		The Company	
	31 Dec 2024 S\$	30 Jun 2024 S\$	31 Dec 2024 S\$	30 Jun 2024 S\$
<b>Financial asset at fair value through profit or loss</b>				
Derivative financial assets	–	28,012	–	–
Other investment	380,461	380,461	–	–
	<u>380,461</u>	<u>408,473</u>	<u>–</u>	<u>–</u>
<b>Financial assets at amortised costs</b>				
Trade and other receivables*	8,991,602	9,818,054	7,446,869	7,746,340
Cash and cash equivalents	7,288,699	6,586,775	116,239	82,766
	<u>16,280,301</u>	<u>16,404,829</u>	<u>7,563,108</u>	<u>7,829,106</u>
<b>Financial liabilities at amortised costs</b>				
Fixed rate loans	(5,884,904)	(4,897,995)	–	–
Lease liabilities	(4,320,756)	(4,918,293)	–	–
Other loans and borrowings	(16,851,303)	(15,002,988)	–	–
Trade and other payables	(5,970,235)	(5,762,715)	(35,559,196)	(33,715,177)
	<u>(33,027,198)</u>	<u>(30,581,991)</u>	<u>(35,559,196)</u>	<u>(33,715,177)</u>

\* Excludes prepayments, advances to suppliers and derivative financial assets

### 5.1 Measurement of fair value

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 - Inputs for the assets or liability which are not based on observable market data (unobservable inputs).

The following table presented the financial assets measured at fair value:

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
<b>Group</b>				
<b>31 December 2024</b>				
<b>Financial asset at fair value through profit or loss</b>				
Other investment	–	–	380,461	380,461
	–	–	380,461	380,461
<b>Group</b>				
<b>30 June 2024</b>				
<b>Financial asset at fair value through profit or loss</b>				
Derivative financial assets	–	28,012	–	28,012
Other investment	–	–	380,461	380,461
	–	28,012	380,461	408,473

### Valuation techniques

The fair value of derivative financial assets is based on bank quote. Similar contracts are traded in an active market and the quote reflect the actual transactions in similar instruments.

The fair value of other investment is based on surrender value of the contract stated in the insurance policy, which is categorised within Level 3 of the fair value hierarchy.

### Transfer between the levels

There were no transfers between the levels during the period.

## 6. Profit before tax

### 6.1 Significant items

	Group		
	HY2025 Unaudited S\$	HY2024 Unaudited S\$	Change %
Bad debts recovered/(written off)	39	(311)	n.m.
Depreciation of property, plant and equipment	(1,017,974)	(943,885)	7.8
Fair value loss on derivatives	(28,012)	–	n.m.
Foreign exchange (loss)/gain, net	(201,782)	280,198	n.m.
Amortisation of deferred grant income	75,090	73,142	2.7
Grant income	–	1,361	n.m.
Impairment loss on trade and other receivables	(1,634)	–	n.m.
Interest expense incurred on loans and borrowings	(561,699)	(651,649)	(13.8)
Gain/(Loss) on disposal of property, plant and equipment	22,796	(2,470)	n.m.
Gain on disposal of asset held for sale	–	190,989	n.m.
Operating lease expenses	(5,556)	(12,538)	(55.7)

## 6.2 Related party transactions

	Group	
	HY2025 Unaudited S\$	HY2024 Unaudited S\$
<b>Related party transactions</b>		
Rental expenses paid to a related party	(158,400)	(156,000)
<b>Transactions with key management personnel</b>		
Salaries and other short-term employee benefits	1,027,729	1,330,892
Post-employment benefits, including employer's contribution to Central Provident Fund	26,625	28,857
Fees to directors of the Company	70,000	80,000
	<u>1,124,354</u>	<u>1,439,749</u>

## 7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group	
	HY2025 Unaudited S\$	HY2024 Unaudited S\$
<b>Current tax expense</b>		
Current period	405,548	80,000
Adjustment for prior periods	(98,597)	21,987
	<u>306,951</u>	<u>101,987</u>
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences for prior period	–	166,412
Total tax expense	<u>306,951</u>	<u>268,399</u>

## 8. Net Asset Value

	Group		Company	
	As at		As at	
	31 Dec 2024 Unaudited	30 Jun 2024 Audited	31 Dec 2024 Unaudited	30 Jun 2024 Audited
Net asset/(liability) value (S\$)	24,070,096	23,606,625	(10,380,785)	(10,127,559)
Net asset/(liability) value per ordinary share (Cents)	10.22	10.03	(4.41)	(4.30)
Number of shares in issue	<u>235,424,614</u>	<u>235,424,614</u>	<u>235,424,614</u>	<u>235,424,614</u>



## 9. Earnings per share

Earnings per ordinary share for the period based on profit attributable to owners of the Company, net of tax:

	Group	
	HY2025 Unaudited	HY2024 Unaudited
Earnings (S\$) (Profit attributable to owners of the Company, net of tax)	1,095,056	106,667
(i) Based on weighted average number of ordinary shares in issue (cents)	0.47	0.05
Weighted average number of ordinary shares	235,424,614	235,424,614
(ii) On a fully diluted basis in issue (cents)	0.47	0.05
Weighted average number of ordinary shares	235,424,614	235,424,614

## 10. Dividends

The following exempt (one-tier) dividends were declared, and paid by the Group and Company:

	Group and Company	
	HY2025 Unaudited S\$	HY2024 Unaudited S\$
<b>Paid by the Company to owners of the Company</b>		
Dividends on ordinary shares:		
- Final dividends for the year ended 30 June 2024: S\$0.001 (2023: Final dividends of S\$0.001) per ordinary share	235,425	235,425

## 11. Property, plant and equipment

During HY2025, the Group acquired assets amounting to S\$3,462,468 (HY2024: S\$1,973,294). However, it was partially offset by the depreciation of property, plant and equipment amounting to S\$1,017,974 (HY2024: S\$943,885), decrease in carrying amounts of property, plant and equipment amounting to S\$221,755 (HY2024: decrease of S\$125,353) due to effects of movement in foreign exchange, disposal of property, plant and equipment with carrying amount of S\$Nil (HY2024: S\$2,407) and derecognition of right-of-use assets amounting to S\$44,398 (HY2024: S\$Nil).

## 12. Borrowings

### Amount repayable within one year or on demand

As at 31 December 2024 (S\$)		As at 30 June 2024 (S\$)	
Secured	Unsecured	Secured	Unsecured
18,397,154	–	17,348,260	–

### Amount repayable after one year

As at 31 December 2024 (S\$)		As at 30 June 2024 (S\$)	
Secured	Unsecured	Secured	Unsecured
8,659,809	–	7,471,016	–

### Details of collateral

As at 31 December 2024, the total loans and borrowings comprise:

- Bank borrowings of S\$22,736,207 (30 June 2024: S\$19,900,983), which are secured by corporate guarantees by the Company and legal charges on the Group's freehold and leasehold land and buildings. Certain property loans are secured by other assets of a subsidiary and personal guarantee by the director of a subsidiary;
- Lease liabilities of S\$4,320,756 (30 June 2024: S\$4,918,293), which are secured over the right-of-use assets.

## 13. Share capital

	Company			
	Number of shares		Amount (S\$)	
	31 Dec 2024	30 Jun 2024	31 Dec 2024	30 Jun 2024
<b>Issued and fully paid ordinary share capital with no par value:</b>				
At beginning and at end of the period	235,424,614	235,424,614	33,035,508	33,035,508

The Company did not hold any subsidiary holdings, treasury shares and convertibles except for the performance share plan as described below as at 31 December 2024, 30 June 2024 and 31 December 2023.

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2024, 30 June 2024 and 31 December 2023.

## Performance share plan

The Company's long-term employee incentive scheme known as the TEHO Performance Share Plan 2021 ("TEHO PSP 2021") was approved and adopted by shareholders at the Company's extraordinary general meeting held on 27 October 2021. TEHO PSP 2021 is administered by the Remuneration Committee ("RC") with such discretion, powers and duties as are conferred on it by the Board of Directors. As at 31 December 2024, the members of the RC are Mr Chua Kim Leng (Independent Non-Executive Director) and Ms Joanne Khoo Su Nee (Non-Independent Non-Executive Director). On 1 January 2025, the Company appointed Mr Yee Kee Shian Leon and Mr Lim Peng Chuan Terence as Independent Non-Executive Directors.

Following the above changes, the designation and composition of the RC shall be as follows:

### Remuneration Committee

Mr Yee Kee Shian Leon	(Chairman)
Mr Chua Kim Leng	(Member)
Ms Joanne Khoo Su Nee	(Member)
Mr Lim Peng Chuan Terence	(Member)

TEHO PSP 2021 contemplates the award of fully-paid shares in the capital of the Company to participants after certain pre-determined benchmarks have been met. The Company believes that TEHO PSP 2021 will be more effective than pure cash bonuses in motivating employees to work towards pre-determined goals and promoting the long-term interest of the Company.

TEHO PSP 2021 shall continue to be in force at the discretion of the RC, subject to a maximum period of 10 years commencing from its adoption by the shareholders and may continue beyond the stipulated period with the approval of the shareholders by an ordinary resolution in general meeting and of any relevant authorities which may then be required.

Under the rules of TEHO PSP 2021 and at the absolute discretion of the RC, confirmed full-time employees of the Group who are of the age of 18 years and above, and directors of the Company who have contributed or will contribute to the success and the development of the Group are eligible to participate in TEHO PSP 2021. However, participation in TEHO PSP 2021 by the directors who are also controlling shareholders and their associates are subject to the approval by independent shareholders of the Company at general meeting.

The total number of shares that may be issued or are issuable pursuant to the granting of the awards under TEHO PSP 2021, when added to the aggregate number of shares that are issued or are issuable in respect of such other share-based incentive schemes of the Company (if any), shall not exceed 15% (or such other percentage as may be prescribed or permitted from time to time by the SGX-ST) of the total number of issued ordinary shares of the Company on the day immediately preceding the relevant grant date.

For the six months ended 31 December 2024 and 31 December 2023, no awards are granted by the Company under TEHO PSP 2021.

## 14. Subsequent events

There are no significant subsequent events which have led to adjustments and disclosures to this set of interim financial statements.

## G. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C

### 1. Review

The condensed interim consolidated statements of financial position of the Company and its subsidiaries as at 31 December 2024 and the related condensed interim consolidated statement of profit or loss, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the six months ended 31 December 2024 and certain explanatory notes have not been audited or reviewed by auditors.

The Group's latest audited financial statements for the financial year ended 30 June 2024 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

### 2. 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.

	As at 31 Dec 2024	As at 30 Jun 2024
Total number of issued shares (excluding treasury shares)	235,424,614	235,424,614

The Company did not have any treasury shares as at 31 December 2024 and 30 June 2024.

### 3. A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company did not have any treasury shares during the current financial period reported on.

### 4. A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. The Company did not have any subsidiary holdings during the current financial period reported on.

### 5. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed by auditors.

### 6. Where the figures have been audited or reviewed, the auditor's report (including any modifications or emphasis of a matter).

Not applicable. The figures have not been audited nor reviewed by auditors.

**7. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion**

**(a) Updates on the efforts taken to resolve each outstanding audit issue.**

**(b) Confirmation from the Board that the impact of all outstanding issues on the financial statements have been adequately disclosed.**

Not applicable. The Group's latest audited financial statements for the financial year ended 30 June 2024 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

**8. Review of the performance of the Group**

**Financial Performance Review**

*Revenue*

Revenue increased by S\$3.9 million or 14.0% to S\$32.1 million for the financial period from 1 July 2024 to 31 December 2024 ("HY2025") from S\$28.2 million for the financial period from 1 July 2023 to 31 December 2023 ("HY2024").

- Marine & Offshore Segment revenue increased by S\$4.0 million or 14.6% in HY2025 as compared to HY2024. This was mainly due to the increase in revenue contribution from the mooring and rigging business.
- Revenue contribution from Property Segment decreased by S\$0.1 million or 19.9% in HY2025 as compared to HY2024. Property Segment recorded contract revenue in HY2024, whereas the absence of contract revenue in HY2025 resulted in a decline in revenue.

*Gross profit*

The Group's gross profit of S\$11.9 million in HY2025 increased by S\$1.3 million or 12.1% compared to HY2024. The Group's gross profit margin slightly decreased to 37.1% in HY2025 from 37.7% in HY2024.

- Marine & Offshore Segment contributed gross profit of S\$11.5 million to the Group in HY2025 as compared to S\$10.2 million in HY2024, with the decreased in gross profit margin to 36.3% in HY2025 from 37.1% in HY2024.
- Property Segment contributed gross profit of S\$0.4 million to the Group in HY2025, solely derived from the Group's property consultancy business.

*Other operating income*

Other operating income decreased by S\$425,000 to S\$165,000 in HY2025 from S\$590,000 in HY2024. The decrease was mainly due to the (i) absence of gain on disposal of asset held for sale in HY2025 and (ii) foreign exchange loss incurred in HY2025.

*Distribution expenses*

Distribution expenses decreased by S\$32,000 or 4.1% to S\$757,000 in HY2025 from S\$789,000 in HY2024 due to lower freight costs as a result of easing in supply chain disruptions.

*Administrative expenses*

Administrative expenses decreased by S\$253,000 or 3.6% in HY2025, due to lower key management personnel cost.

*Other operating expenses*

Other operating expenses increased by S\$200,000 or 8.7% in HY2025 due to the increase of foreign exchange loss.

### *Finance income*

Finance income decreased by S\$7,000 in HY2025, comprising mainly interest income from bank deposits, remained insignificant for HY2025.

### *Finance costs*

Finance costs decreased by S\$90,000 or 13.8% to S\$562,000 in HY2025 from S\$652,000 in HY2024, due to lower interest on bank loans in HY2025 compared to HY2024.

### *Income tax expense*

The Group incurred an income tax expense of S\$0.3 million in both HY2025 and HY2024. The lower effective tax rate in HY2025 compared to HY2024 was due to absences of additional provision of deferred tax liabilities for prior year.

### *Profit for the period*

After combining the profit before tax of S\$1.6 million from the Marine & Offshore Segment, loss before tax of S\$0.1 million from the Property Segment and unallocated head office expenses of S\$0.1 million, the Group's profit before tax was S\$1.4 million in HY2025 as compared to a profit before tax of S\$0.4 million in HY2024. After accounting for income tax expense of S\$0.3 million in HY2025, the Group's net profit after tax for HY2025 amounted to S\$1.1 million as compared to a net profit after tax of S\$0.1 million in HY2024.

## **Financial Position Review**

### *Non-current assets*

Non-current assets increased by S\$2.2 million to S\$17.3 million as at 31 December 2024 from S\$15.1 million as at 30 June 2024. The increase of S\$2.2 million was mainly due to the acquisition of plant and equipment of S\$3.5 million, partially offset by (i) depreciation of property, plant and equipment of S\$1.0 million; and (ii) the effect of movements in exchange rates for property, plant and equipment of foreign subsidiaries of S\$0.2 million.

### *Current assets*

Current assets increased by S\$0.3 million from S\$40.3 million as at 30 June 2024 to S\$40.6 million as at 31 December 2024. The increase was mainly due to the following:

- Inventory increased by S\$0.2 million from S\$23.4 million as at 30 June 2024 to S\$23.6 million as at 31 December 2024. This increase was attributed to proactive measures taken in anticipation of extended lead times for the supply of inventory within the Marine & Offshore Segment; and
- Cash and cash equivalents increased by S\$0.7 million from S\$6.6 million as at 30 June 2024 to S\$7.3 million as at 31 December 2024. Please refer to the "Cash Flow Review" section below for details.

The increase in current assets stated above was partially offset by decrease in trade and other receivables by S\$0.6 million.

### *Non-current liabilities*

Non-current liabilities increased by S\$1.2 million to S\$8.7 million as at 31 December 2024 from S\$7.5 million as at 30 June 2024. The increase was attributed to the proceeds from a loan taken to fund the acquisition of warehousing facility in the Republic of Korea by TEHO Ropes Korea Co., Ltd., a wholly-owned subsidiary of the Company.

### *Current liabilities*

Current liabilities increased by S\$0.9 million to S\$25.2 million as at 31 December 2024 from S\$24.3 million as at 30 June 2024. The increase was attributed to the proceeds from a loan taken to fund the acquisition of warehousing facility in the Republic of Korea, the increase in current tax liabilities, the increase in trade and other payables, partially offset by the decrease in contract liabilities and the decrease in deferred grant income.

### *Equity*

As a result of the above, total equity of the Group increased by S\$0.5 million to S\$24.1 million as at 31 December 2024 from S\$23.6 million as at 30 June 2024.

### **Cash Flow Review**

The Group's net cash flows generated from operating activities was S\$2.4 million in HY2025 compared to net cash generated from operating activities of S\$0.9 million in HY2024. The increase was mainly due to higher profit before tax, along with lower inventory levels in the Marine & Offshore Segment's business and decreases in trade and other receivables.

Net cash flows used in investing activities amounted to S\$1.6 million in HY2025, mainly due to the capital expenditure on the acquisition of property, plant and equipment of S\$1.6 million.

Net cash flows used in financing activities amounted to S\$0.3 million in HY2025 was mainly due to dividend payment of S\$0.2 million, interest payment of S\$0.6 million, repayment of loans and borrowings of S\$7.8 million, and payment of lease liabilities of S\$0.5 million. This was partially offset by the proceeds from the drawdowns of bank loans and borrowings of S\$8.8 million.

As at 31 December 2024, the Group had cash and cash equivalents of S\$7.3 million as compared to S\$7.0 million as at 31 December 2023.

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

No forecast or prospect statement had been previously disclosed.

**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.**

Amid recent developments in global trade, including the imposition of significant tariffs by the United States on imports, along with potential retaliatory measures from affected countries, the Group maintains a cautious outlook for the next twelve months. These actions have heightened concerns about potential disruptions to global trade and supply chains, as well as rising costs for businesses and consumers. As a result, the Group continues to focus on managing its operating expenses to ensure the sustainability of its businesses.

## 11. Dividend information

If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No.

(b) Previous corresponding period

No dividends were declared or recommended in the previous corresponding period.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived.

Not applicable.

(d) The date the dividend is payable

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

## 12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

After considering the cash flow requirements of the Group and to be prudent, no interim dividend has been recommended.

## 13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("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 of the Company for Interested Person Transactions.

The aggregate value of interested person transactions entered into during HY2025 are as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transaction during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Asdev Investments Pte. Ltd. - Rental of office space	Mr Lim See Hoe, the Chief Executive Officer and controlling shareholder of the Company, is a director and sole shareholder of Asdev Investments Pte. Ltd.	S\$ 158,400	S\$ -



**14. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

**15. Confirmation by the Board pursuant to Rule 705(5) of the Catalist Rules**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 31 December 2024 to be false or misleading in any material aspect.

**16. Disclosure pursuant to Rule 706A of the Catalist Rules**

Save as disclosed in the Company's announcement dated 12 February 2025 titled "Announcement pursuant to Rule 706A of the Catalist Rules", there were no acquisition or sale of shares by the Company during HY2025 which requires disclosure pursuant to Rule 706A of the Catalist Rules.

On behalf of the Board of Directors

Lim See Hoe Executive Chairman and Chief Executive Officer	Lim Siew Cheng Executive Director and Chief Operating Officer
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Singapore

12 February 2025