

TEHO INTERNATIONAL INC LTD.

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

INCREASE IN ISSUED AND PAID UP SHARE CAPITAL OF TEHO WATER & ENVIROTEC PTE LTD

The Board of Directors of TEHO International Inc Ltd. (the "Company" and together with its subsidiaries, the "Group") wishes to announce that TEHO Water & Envirotec Pte Ltd ("TEHO Water"), a wholly-owned subsidiary of the Company, had today issued 100,000 ordinary shares at S\$1 each to the Company, thereby increasing its issued and paid up share capital from S\$550,000 divided into 550,000 ordinary shares to S\$650,000 divided into 650,000 ordinary shares (the "Capital Increase").

The Capital Increase was by way of capitalisation of an existing shareholder's loan amounting to S\$100,000 extended by the Company to TEHO Water to fund the general working capital of TEHO Water.

The Capital Increase 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 2017.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Capital Increase, other than through their respective shareholdings (if any) in the Company.

BY ORDER OF THE BOARD

Lim See Hoe Executive Chairman and Chief Executive Officer 15 September 2016

This announcement 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 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.

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