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Issuer: TEHO International Inc Ltd.

Stock code: 50Q

Meeting details:

Date: 30 October 2026

Time: 3.00 p.m.

Venue: Suntec Singapore Convention & Exhibition Centre (Room 330) at 1 Raffles Boulevard,
Singapore 039593

Q1. Would the board and management provide greater clarity on the following operational and financial matters? Specifically:

- (i) **Net profit:** The group's overall gross profit margin remained broadly stable at 36.4% in FY2026, compared with 36.3% in FY2025. The Marine & Offshore segment's gross profit margin also improved marginally, from 35.4% to 35.6%.

However, the net profit margin remained low, declining to 2.0% in FY2026 from 2.3% in FY2025.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 30 June 2026

	Note	Group 2026 \$	2025 \$
Revenue	17	63,054,653	64,467,643
Cost of sales		(40,096,397)	(41,083,468)
Gross profit		22,958,256	23,384,175
Other operating income		340,898	274,538
Distribution expenses		(1,469,578)	(1,437,465)
Administrative expenses		(14,502,043)	(14,390,104)
Other operating expenses		(4,725,587)	(4,753,648)
Results from operating activities		2,601,946	3,077,496
Finance income	18	14,000	2,505
Finance costs	18	(891,473)	(1,124,749)
Net finance costs		(877,473)	(1,122,244)
Share of results of equity-accounted investees (net of tax)	6	—	—
Profit before tax	19	1,724,473	1,955,252
Tax expense	20	(443,766)	(494,562)
Profit for the year		1,280,707	1,460,690

(Source: company annual report)

What specific measures is management taking to strengthen cost discipline, increase employee productivity and improve operating efficiency, including reducing overheads and raising output per employee without compromising service quality?

- (ii) Ropes:** How is the group strengthening the competitiveness of its TEHO-branded ropes through product innovation, research and development, and lower-carbon solutions? What percentage of its product portfolio is MEG4 compliant?
- (iii) 1 Tuas Lane:** Management has committed to expanding the group's leasehold warehouse by 40%. **What is the total committed capital expenditure, and what utilisation rate does management expect after the expansion? Is the additional capacity supported by confirmed orders or contracts, or is it based on anticipated demand? What measurable improvements in operating costs are expected?**
- (iv) Property consultancy business:** The property consultancy business generated gross profit of approximately \$0.8 million annually in FY2023, FY2024 and FY2025, before declining to \$0.7 million in FY2026. **What is management's strategy for growing this business, and which client segments or service offerings offer the greatest potential?**

Q2. As at 30 June 2026, the group held inventory with a carrying value of \$20.9 million. In the operations & business review, management attributed the \$2.6 million year-on-year reduction to its continued focus on inventory optimisation.

The following table shows year-end inventory and annual cost of sales over the past seven financial years.

Financial year	Year-end inventory (\$ million)	Cost of sales (\$ million)
FY2026	20.89	39.93
FY2025	23.52	40.82
FY2024	23.40	37.42
FY2023	22.86	41.01
FY2022	25.09	34.26
FY2021	21.20	33.59
FY2020	22.35	36.35

(Source: company annual reports)

- (i) What specific operational changes enabled the group to reduce inventory while continuing to meet customer demand? For example, has management improved demand forecasting, procurement planning, stock replenishment or inventory visibility through systems such as ERP? What measurable**

improvements has it achieved in inventory turnover, stock ageing and the incidence of stockouts, and how will it ensure that further inventory reductions do not compromise service levels or sales?

- (ii) Has the inventory optimisation exercise been completed, or does management intend to reduce inventory further?
- (iii) Has the conflict in the Middle East disrupted the group's supply chain, including the availability, lead times or transportation costs of key raw materials and products? To what extent has it affected input costs, freight charges and supplier pricing, and how much of any increase has the group been able to pass on to customers?

Q3. The attendance of directors at board and board committee meetings is shown on page 25 of the annual report and reproduced below.

Frequency of formal Board and Board Committee meetings, and annual general meeting (“**AGM**”), held and attended by each member for FY2026 are disclosed below:

Names of directors	Types of Meetings	Board	Audit and Risk Committee	Nominating Committee	Remuneration Committee	AGM
Total held for FY2026		2	2	1	2	1
Mr Lim See Hoe		2 [#]	2 [*]	1 [*]	2 [*]	1 [#]
Ms Lim Siew Cheng		2	2 [*]	1 [*]	2 [*]	1
Mr Chua Kim Leng		2	2 [#]	1	2	1
Mr Lim Peng Chuan Terence		2	2	1 [#]	2	1
Mr Yee Kee Shian Leon		2	2	1	2 [#]	1
Ms Joanne Khoo Su Nee ⁽¹⁾		1	1	1	1	1

Notes:

- # Chairman
- * By invitation

(Source: company annual report)

- (i) Can the board clarify whether it is standard practice for directors who are not members of a particular board committee, including executive directors, to attend that committee's meetings?**

Board committees may consider matters directly affecting executive directors, including interested person transactions, executive performance assessments and remuneration, as well as audit findings, financial reporting and internal controls.

- (ii) What is the dynamic of the board committee meetings when the board committee members may be reviewing and discussing matters that are related to or affect the executive directors?**
- (iii) Specifically, how does the board ensure that committee meetings remain distinct from full board meetings, with sufficient space for independent directors to deliberate candidly and exercise independent judgement? What safeguards prevent the attendance of non-committee members from undermining the purpose of having separate board committees?**

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

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