

**ENTRY INTO A DISTRIBUTION AND REPRESENTATION AGREEMENT AND PREPAYMENT AGREEMENT BY BENG HUI MARINE ELECTRICAL PTE. LTD.**

---

The Board of Directors of BH Global Corporation Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) is pleased to announce that the Company’s wholly-owned subsidiary, Beng Hui Marine Electrical Pte. Ltd. (“**BH**”) has on 4 June 2015 entered into a Distribution and Representation Agreement (“**Distribution and Representation Agreement**”) with Seoul Electric Wire Co. Ltd. (“**SEC**”) and Daechun Silup (S) Pte Ltd / Daechun Worldwide Corporation (“**Daechun**”) for the appointment of BH as SEC’s sole selling representative and distributor on an exclusive basis for the sale and promotion of all products manufactured and/or designed by the SEC Group (as defined below), all products which such manufacture and/or design is directed by the SEC Group and/or all products over which the SEC Group has intellectual property rights, including but not limited to cables and wires (including shipboard and offshore cables) and SEC brand shipboard cables (JIS Type and HF - Halogen free type) and NEK 606 offshore cables (collectively, the “**Products**”) on the terms and conditions set out in the Distribution and Representation Agreement.

For the purposes of this announcement, “**SEC Group**” refers to SEC together with the following:

- (i) any related corporation of SEC as defined under Section 6 of the Companies Act (Chapter 50 of Singapore);
- (ii) any company in which the majority shareholders of SEC as at the date of the Distribution and Representation Agreement and any time from time to time holds a shareholding interest of 10% or more; and
- (iii) any company in which the majority shareholders of SEC has control of or exercises control over the management of said company.

Pursuant to the Distribution and Representation Agreement, BH shall be appointed by SEC as the exclusive selling representative and distributor of the Products in the territories as provided in the Distribution and Representation Agreement, including the following territories (“**Territories**”) without any limit in time:

- South East Asia
- India subcontinent
- Middle East
- People’s Republic of China

The Distribution and Representation Agreement will commence from the date of the Distribution and Representation Agreement and will supercede the Distribution and Representation Agreement (Ref No: AGR-BH-SEC-122008) dated 6 March 2009 entered into between BH, SEC and Daechun and shall be terminated upon the mutual consent of BH and SEC.

In conjunction with the Distribution and Representation Agreement, BH has on 4 June 2015 also entered into a prepayment agreement (“**Prepayment Agreement**”) with SEC and Chung Yul, Lee (as “**Obligor**”) for the prepayment of US\$5 million (“**Prepayment Sum**”) to SEC as payment in advance

towards accounts payable owed by BH to the SEC Group including but not limited to the purchase of the Products at the price and on the payment terms under the Distribution and Representation Agreement for the purposes of the sale and promotion of the Products in the Territories, on the terms and conditions set out in the Prepayment Agreement.

The Prepayment Sum shall be recouped by BH from accounts payable owed by BH to the SEC Group in the following proportions and in the following manner:

- (i) 5% of the Prepayment Sum, being US\$250,000, by 31 December 2015;
- (ii) 10% of the Prepayment Sum, being US\$500,000, by 31 December 2016;
- (iii) 15% of the Prepayment Sum, being US\$750,000, by 31 December 2017;
- (iv) 30% of the Prepayment Sum, being US\$1,500,000, by 31 December 2018; and
- (v) 40% of the Prepayment Sum, being US\$2,000,000, by 31 December 2019.

Pursuant to the Prepayment Agreement, interest shall accrue on the Prepayment Sum at the rate of 3% per annum, on a day to day basis and calculated on the outstanding amount of the Prepayment Sum from time to time.

Under the terms of the Prepayment Agreement, the Obligor undertakes to BH to procure the performance by SEC of its obligations under the Prepayment Agreement and to indemnify BH against any losses or damages arising from any breach by SEC of the terms of the Prepayment Agreement.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Distribution and Representation Agreement or the Prepayment Agreement, save through their respective shareholdings in the Company (if any).

**BY ORDER OF THE BOARD**

Alvin Lim Hwee Hong  
Executive Chairman

9 June 2015