



**FY2016**

**AGM**

**19 April** 2017

# Disclaimer

The presentation is prepared by BH Global Corporation Limited. (the "Company") and is intended solely for your personal reference and is strictly confidential. The information contained in this presentation is subject to change without notice, its accuracy is not guaranteed and it may not contain all material information concerning the Company. Neither the Company nor any of its affiliates, advisors or representatives make any representation regarding, and assumes no responsibility or liability whatsoever (in negligence or otherwise) for, the accuracy or completeness of, or any errors or omissions in, any information contained herein nor for any loss howsoever arising from any use of these materials. By attending this presentation, you are agreeing to be bound by the restrictions set out below. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

The information contained in these materials has not been independently verified. No representation or warranty, expressed or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of, the information or opinions contained herein. It is not the intention to provide, and you may not rely on these materials as providing, a complete or comprehensive analysis of the Company's financial or trading position or prospects. The information and opinions contained in these materials are provided as at the date of this presentation and are subject to change without notice. None of the underwriters nor any of their respective affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of these materials.

In addition, the information contains projections and forward-looking statements that reflect the Company's current views with respect to future events and financial performance. These views are based on a number of estimates and current assumptions which are subject to business, economic and competitive uncertainties and contingencies as well as various risks and these may change over time and in many cases are outside the control of the Company and its directors. No assurance can be given that future events will occur, that projections will be achieved, or that the Company's assumptions are correct. Actual results may differ materially from those forecast and projected.

This presentation and such materials is not and does not constitute or form part of any offer, invitation or recommendation to purchase or subscribe for any securities and no part of it shall form the basis of or be relied upon in connection with any contract, commitment or investment decision in relation thereto.

This document may not be used or relied upon by any other party, or for any other purpose, and may not be reproduced, disseminated or quoted without the prior written consent of the Company.

Any investment in any securities issued by the Company or its affiliates should be made solely on the basis of the final offer document issued in respect of such securities.

Relaying copies of this presentation to other persons in your company or elsewhere is prohibited.

These materials are not for distribution, directly or indirectly, in or into the United States, Canada or Japan.

These materials are not an offer of securities for sale into the United States, Canada or Japan. The securities may not be offered or sold in the United States under the U.S. Securities Act of 1933, as amended, unless they are registered or exempt from registration. There will be no public offer of securities in the United States.

A decorative graphic consisting of several overlapping, wavy, grey shapes that create a sense of motion and depth, located at the bottom of the page.

**Your Global Partner**

[www.bhglobal.com.sg](http://www.bhglobal.com.sg)

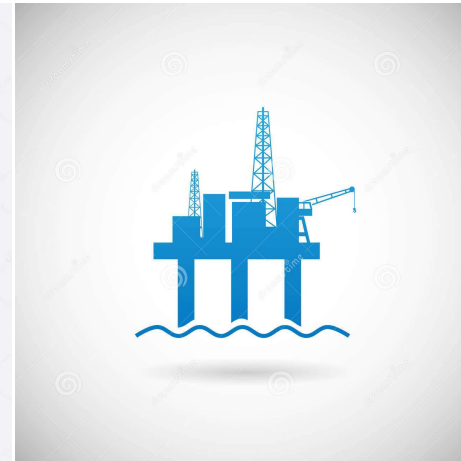
## Presentation Outline

- ❖ Introduction of New Segment
- ❖ FY2016 Corporate Developments
- ❖ FY2016 Financial Highlights
- ❖ Market Outlook & Growth Strategies
- ❖ Investor Friendly Measures



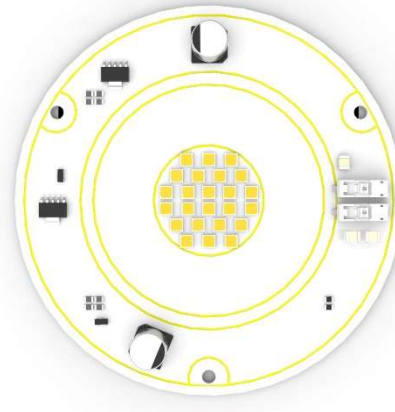
# Corporate Overview

Supply Chain  
Management



Engineering  
Solutions &  
Services

Design &  
Manufacturing



Cyber &  
Sensing  
Security

# Cyber Security

athena  
dynamics

- BH Global's 90% owned technology arm since mid-2014
- Specialised in **Enterprise IT Security and Critical Infra-structure Protection**
- To source and market **radically different and effective** cyber-security technological products and services which have already done well in their countries of origins but yet to gain traction in SG

**Attacks No Longer Limited To Enterprise Networks, but Critical Infra-Structures**



Your Global Partner

[www.bhglobal.com.sg](http://www.bhglobal.com.sg)

# Cyber Security

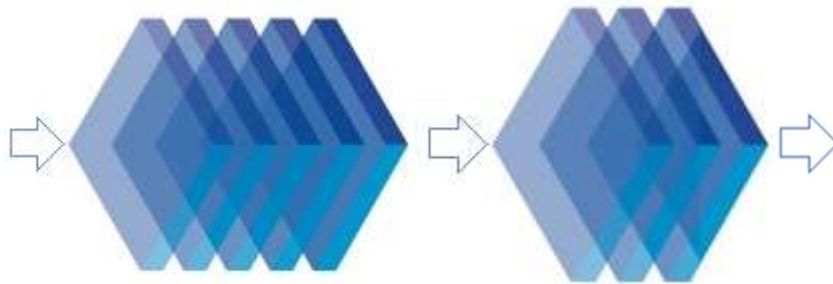
athena  
dynamics

Core of Athena GS Technology  
Content Dis-construction, Neutralisation  
& Re-construction (CDNR)

Achieving >7 Year of zero infection in site of deployment

6 layers of pre-filters

3 layers of true-type filters



Signature-based detection

Non-detection based  
CDNR deep cleansing



**Sasa-Software**  
A unique strong-gate, 9-layer, ultra-deep-scanning malware and APT filter accredited by the highest certification authority in its country of origin



**Advenica**  
A leader in cybersecurity, protecting critical infrastructures with innovative solutions designed to enable secure information exchange for organisations in the digital world



**Invea-Tech**  
An international vendor of ultra-high-speed network behaviour monitoring and security solutions specialized in flow monitoring (NetFlow/IPFIX), Network Behavior Analysis (NBA), FPGA acceleration, IP Data Retention and IP Lawful Interception.



**Certes Networks**  
A high-bandwidth encryption technology that offers application-aware, end-to-end, session-less, tunnel-less "new generation VPN"



**FireEye**  
A leader in advanced malware, zero-day exploits, APTs



**Resilient Systems**  
A leading Incident Response Platform (IRP) that augments enterprise BCM and DR framework, empowering organizations to thrive in the face of cyberattacks and business crises



**IT Care Center (ITCC)**  
An ultra-low-cost, full-service platform for ITIL and ITSM compliant enterprise IT operation management



**ICS<sup>2</sup>**  
Intelligent Cyber Security for Industrial Control Systems



**BUFFERZONE**  
A patented containment solution that defends endpoints against advanced malware and zero-day attacks while maximizing user and IT productivity

Your Global Partner  
www.bhglobal.com.sg

# Cyber Security

good hackers alliance™

*"Be checked by the good hackers or be hacked by the bad ones"*

+

athena  
dynamics

## Vulnerability Assessment & Pen Testing (VAPT)

- Cyber-Attack Vulnerability Testing for **Enterprise IT Security and Critical Infra-structures**
- Singapore-Based Alliance of World-Class Hackers from Countries at War
- Expert World-Class Competition Winner In Critical Infra-Structure Protection (CIP) since 2010

The Dam Gate Control Function was penetrated and accessed via internet within 7 hours of consented hacking

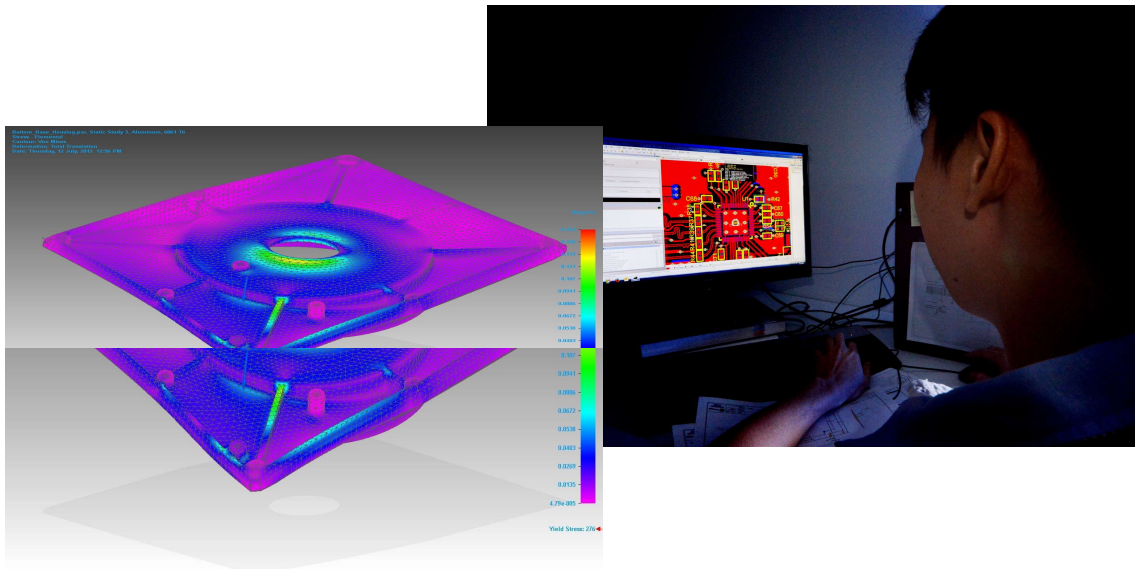


Your Global Partner

[www.bhglobal.com.sg](http://www.bhglobal.com.sg)

# Sensing Security

- BH Global's 51% owned Hi-Tech subsidiary since Jun 2016
- Singapore based company established in 2006
- Global leading technologies in **Infra-red Health Screening** and **Night Vision Security**



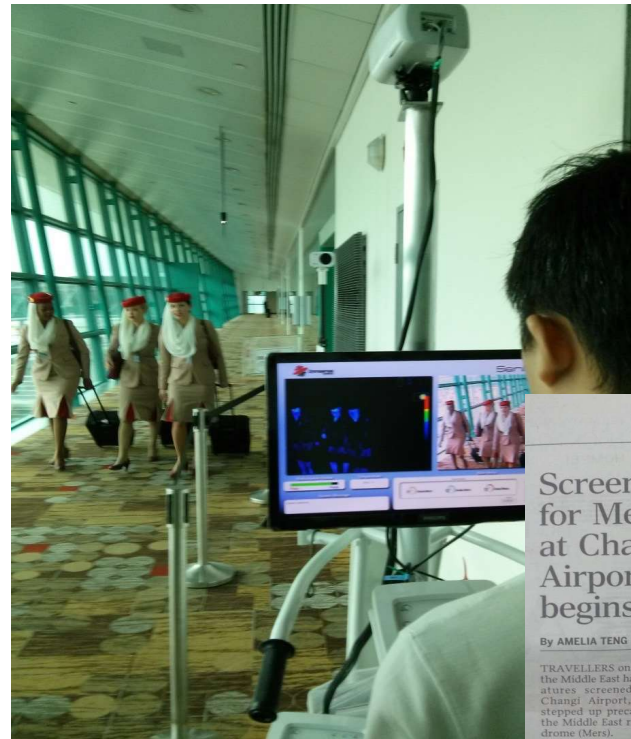
**Your Global Partner**  
[www.bhglobal.com.sg](http://www.bhglobal.com.sg)



# Sensing Security

## Infrared Health Screening

- Proven Accuracy - Sentry Series of MFSS are the only system proven to effectively screen for Mild Fever (=>37.6deg C)
- Deployment in all terminals of Changi Airport and operates 24/7 since 2014 w/o human intervention



# Sensing Security

## Our Customer Reference



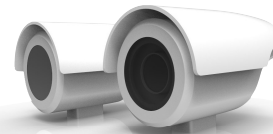
Your Global Partner

[www.bhglobal.com.sg](http://www.bhglobal.com.sg)

# Sensing Security

## Marine Night Vision

- Only a handful of competitor globally
- Innovative designs
- High performance
- Suitable for all types of vessels
- Secured military project



**Your Global Partner**

[www.bhglobal.com.sg](http://www.bhglobal.com.sg)

# FY2016 Corporate Developments



**Your Global Partner**  
[www.bhglobal.com.sg](http://www.bhglobal.com.sg)

# Corporate Developments

## Supply Chain Management

- Remains profitable and our core business
- **Entry into:**
  - Distribution and Representation Agreement, and
  - Prepayment Agreement with our cable supplier, Seoul Electric Wire
- **We remain the preferred vendor** of many established clientele

## Design & Manufacturing

- **GLH:** New Kunshan factory to be completed in end 2017 which will significantly boost manufacturing capacity
- **GSSI:** Production stabilised but market is challenging

**Your Global Partner**

[www.bhglobal.com.sg](http://www.bhglobal.com.sg)

# Corporate Developments

## Engineering Services

- **Ongoing creditor's voluntary liquidation proceedings** of its subsidiary Oil & Gas Solutions Pte. Ltd. ("OGS")
- BOS Engineering progresses well in KHI project and looking for next offshore project in Japan
- **Move away from CM and focus on EPPM (Engineering, Procurement & Project Management)**

## Security

- **Cyber Security:** Acquired classified and Critical Infra Structure projects
- **Sensing Systems:** Acquired ICA projects including Changi airport, seaport and check points  
Successfully acquired Japanese project

**Your Global Partner**

[www.bhglobal.com.sg](http://www.bhglobal.com.sg)

# Financial Highlights



**Your Global Partner**  
[www.bhglobal.com.sg](http://www.bhglobal.com.sg)

## Financial Highlights - Profit & Loss (FY2016)

	FY2016 (S\$'000)	FY2015 (S\$'000)	Change (%)
Revenue	50,059	55,577	(10)
Gross Profit	16,830	19,456	(13)
<i>Gross Profit Margin</i>	<i>34%</i>	<i>35%</i>	<i>(2) ppt</i>
Operating Expenses <sup>1</sup>	26,484	19,370	37
(Loss)/ Profit from Operations	(11,274)	(6,224)	N.M.
Net Loss Attributable to Shareholders	(11,206)	(4,210)	N.M.
<i>Net Profit Margin</i>	<i>N.M.</i>	<i>N.M.</i>	<i>N.M.</i>
Basic EPS (cents) <sup>2</sup>	(9.34)	(3.51)	N.M.

*ppt: Percentage points*

*N.M.: Not mentionable*

<sup>1</sup>: Includes selling & distribution costs and administrative costs

<sup>2</sup>: Calculated based on the total number of issued shares (excluding treasury shares)

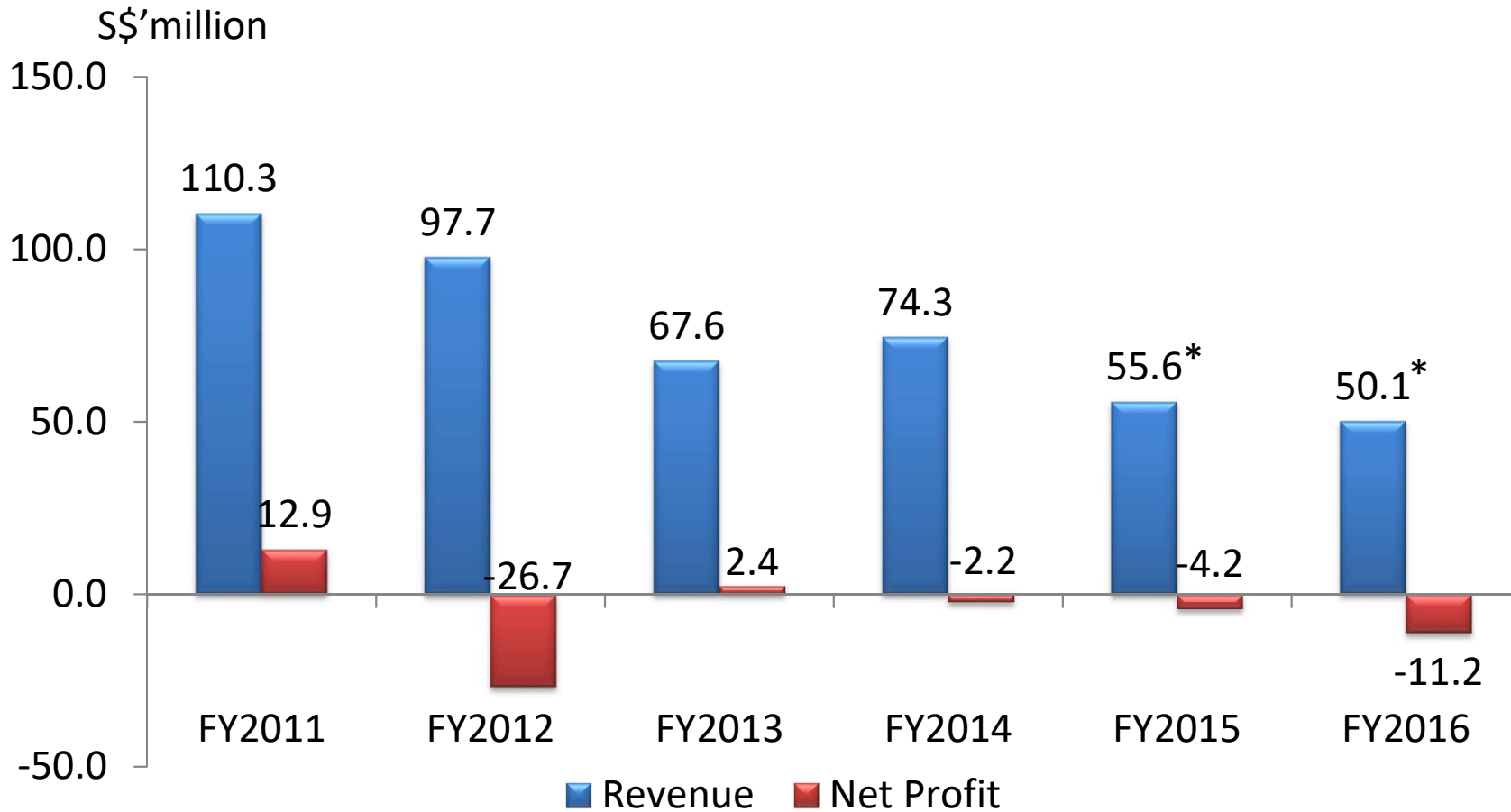
In issue 119,999,995 as at 31 December 2016 (31 December 2015: 119,999,995)

**Your Global Partner**

[www.bhglobal.com.sg](http://www.bhglobal.com.sg)

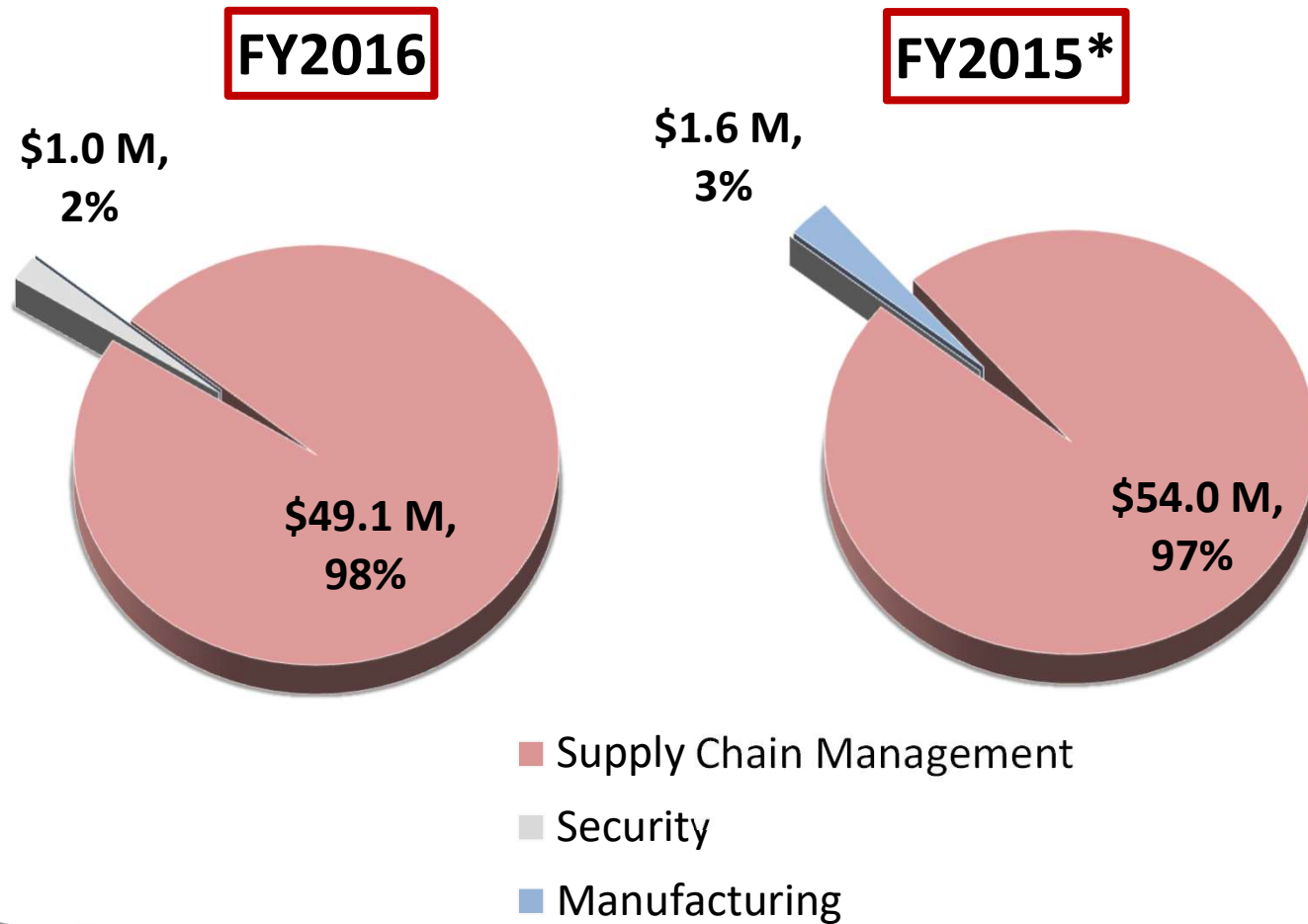


# Revenue and Net Profit



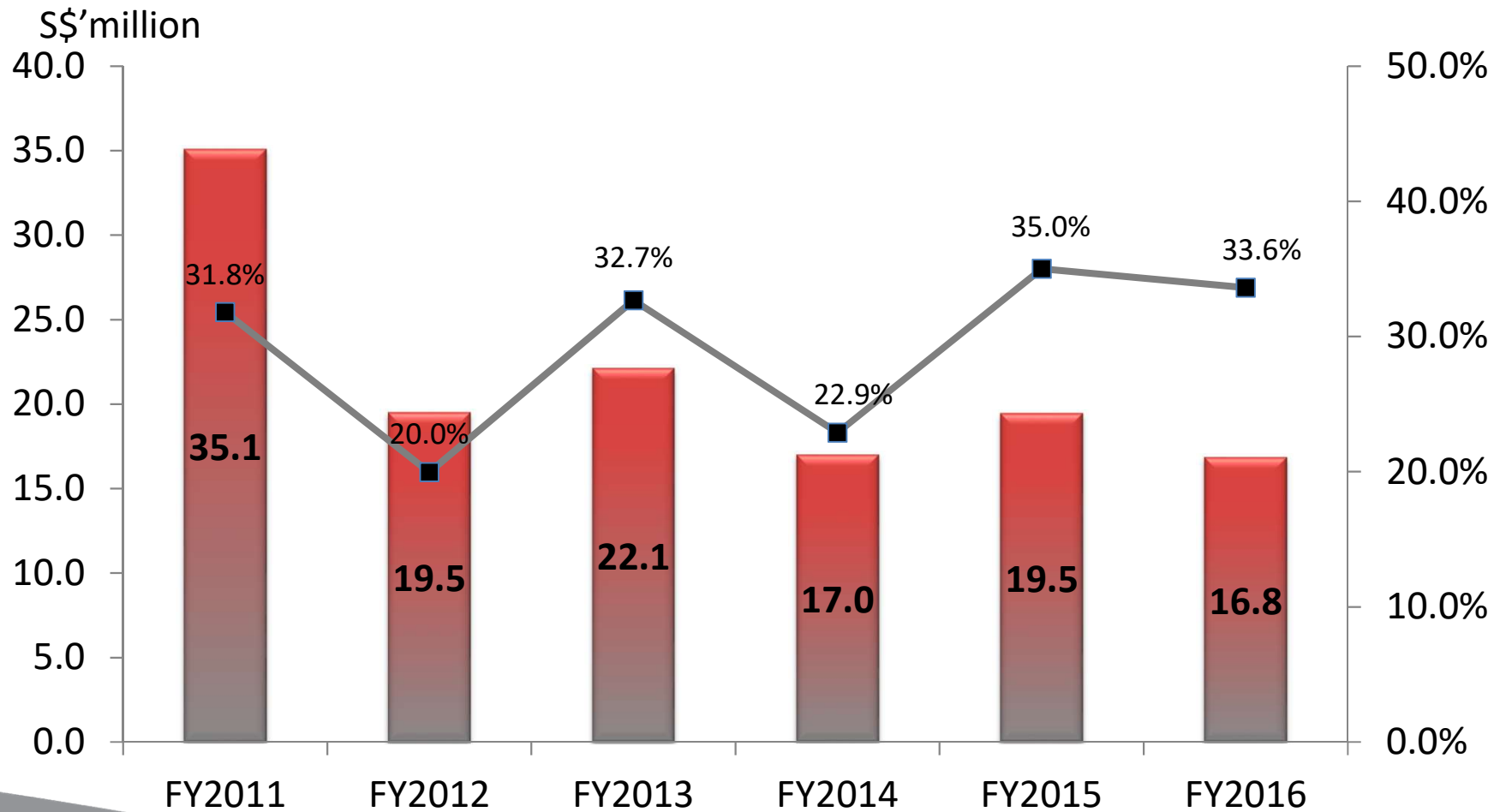
\* Due to a change in accounting standards, GSSI was reclassified into a Joint Venture, where its revenue is not consolidated



# Revenue Breakdown



\* Restated the results of a subsidiary from continuing operations to discontinued operations

# Gross Profit and GPM



 Gross Profit  
 Gross Profit Margin

# Financial Highlights – Balance Sheet

	31 Dec 2016 (S\$'000)	31 Dec 2015 (S\$'000)
Property, Plant & Equipment	15,827	16,499
Inventories	27,179	30,123
Cash & Cash Equivalents	8,409	5,718
Total Borrowings	14,090	9,310
Total Equity	60,851	72,363
Gross Gearing Ratio	23.2%	12.9%
Net Gearing Ratio <sup>1</sup>	9.3%	5.0%
Net Asset Value per Ordinary Share (Singapore Cents)	48	56

<sup>1</sup>: Net Gearing Ratio is calculated based on  $(\text{Total Borrowings} - \text{Cash \& Cash Equivalents}) / \text{Total Equity}$

**Your Global Partner**

[www.bhglobal.com.sg](http://www.bhglobal.com.sg)

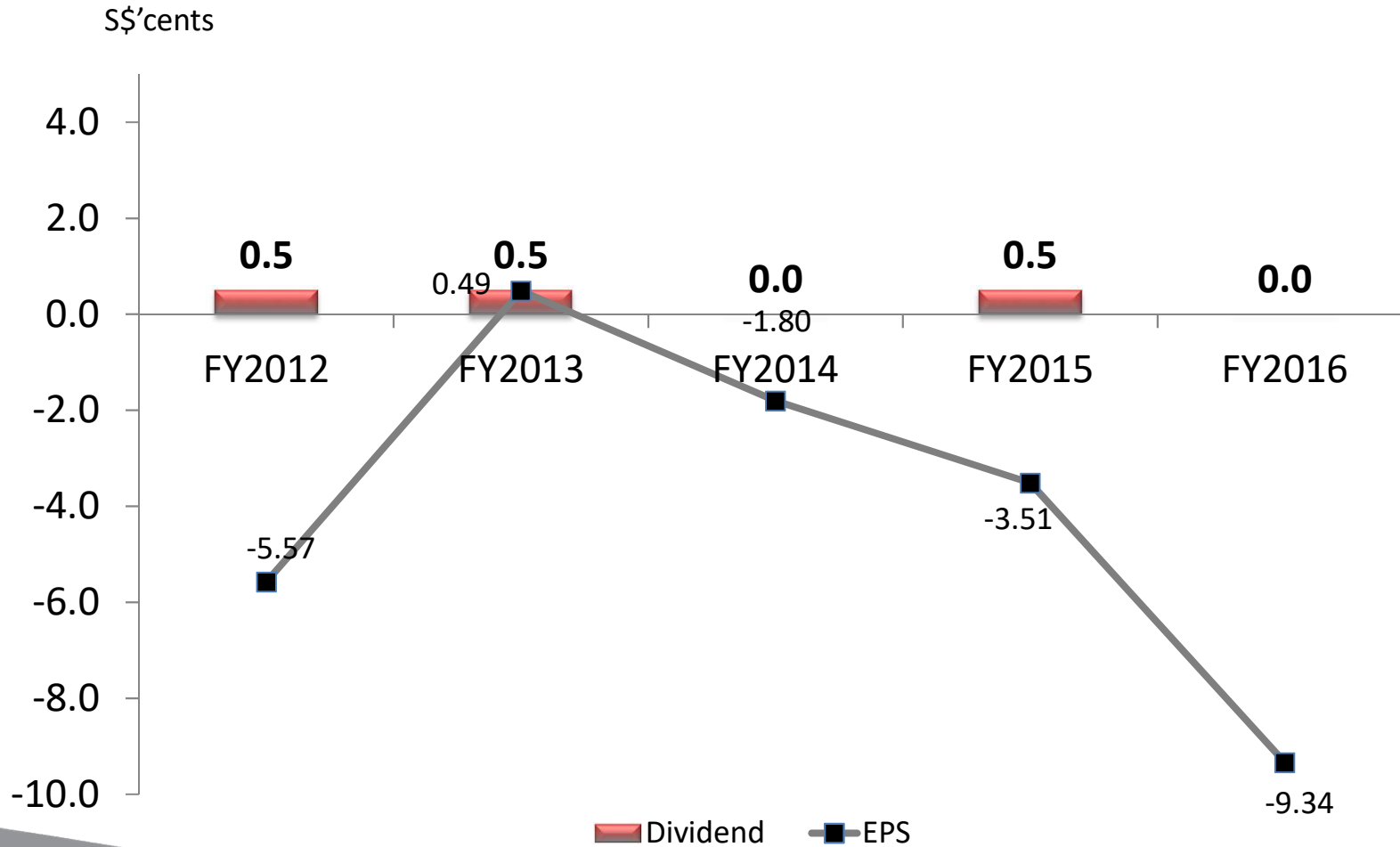
## Financial Highlights – Cashflow

	FY2016 (S\$'000)	FY2015 (S\$'000)
Profit/(Loss) before tax, total	(11,149)	(5,523)
Net cash (used in)/from Operating activities	6,040	5,200
Net cash (used in)/from Investing activities	(7,959)	(160)
Net cash (used in)/from financing activities	4,609	(5,902)
Net (decrease)/increase in cash and cash equivalents	2,690	(862)
Cash and cash equivalents at end of period	7,040	4,349

**Your Global Partner**

[www.bhglobal.com.sg](http://www.bhglobal.com.sg)

# Dividends and EPS



Your Global Partner

[www.bhglobal.com.sg](http://www.bhglobal.com.sg)



# Market Outlook & Growth Strategies

**Your Global Partner**

[www.bhglobal.com.sg](http://www.bhglobal.com.sg)

# Market Outlook

## ➤ **Marine & Offshore Industries continues to be lacklustre**

- Weaker global economy and global overcapacity of ships
- Signs of recovery may come from major scale-downs of existing fleets
- O&G Industry continues to be in a consolidation phase and although oil prices have stabilised, operational environment has yet to recover

## ➤ **“Green” LED Lighting continues to grow in importance**

- LED lighting for retrofitting is in demand due to their higher energy efficiencies, cost savings and eco-friendliness

## ➤ **Technology playing a more vital role in security**

- With the current level of globalisation and technological globalisation, new security threats are on the rise and technology plays a critical role in identifying these threats

**Your Global Partner**

[www.bhglobal.com.sg](http://www.bhglobal.com.sg)



# Growth Strategies

Our focus for 2017 is to improve efficiency levels throughout our business as well as seek out viable opportunities which will prepare us for when the industry recovers

## ➤ Supply Chain Management

- Fortify our existing partnerships
- Improve on logistics and inventory management
- Explore projects to improve productivity
- Invest in potential high growth areas with tangible returns

## ➤ Manufacturing

- **GLH** – Keep efficiency levels up while awaiting completion of Kunshan factory
- **GSSI** – Work closely with Omani JV partner to explore all further options

A decorative graphic consisting of several overlapping, wavy, grey shapes that create a sense of motion and depth, located at the bottom of the slide.

**Your Global Partner**

[www.bhglobal.com.sg](http://www.bhglobal.com.sg)

# Growth Strategies

## ➤ Engineering

- Ensure smooth operations of BOS Offshore & Marine Pte Ltd
- Monitor the progress of project closely to avoid future project delays and cost overruns
- Intention to dispose of the remaining shipyard in Batam remains a priority



## ➤ Security

- Focus on gaining exclusive distributorship and the development of the channel structures in Singapore and the region



**Your Global Partner**

[www.bhglobal.com.sg](http://www.bhglobal.com.sg)

# Investor Friendly Measures



**Your Global Partner**  
[www.bhglobal.com.sg](http://www.bhglobal.com.sg)

# Investor Friendly Measures

The Group continues to advocate open and timely communications with investors through:

- Timely updates within regulatory timelines
- Semi-annual analyst briefings
- Regular site visits to Group's headquarters at 8 Penjuru Lane
- Regular participation in media supplements and interviews with financial media

A decorative graphic consisting of several overlapping, wavy, grey bands that sweep across the bottom of the slide from left to right.

**Your Global Partner**

[www.bhglobal.com.sg](http://www.bhglobal.com.sg)

A large graphic with a red and blue color scheme. It features a globe on the left with a red map overlay, and a large, flowing red ribbon that curves across the right side. The text 'Thank You!' is written in white on the red ribbon.

Thank You!

**Your Global Partner**  
[www.bhglobal.com.sg](http://www.bhglobal.com.sg)