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## RESPONSE TO SGX QUERIES IN RELATION TO THE COMPANY'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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The Board of Directors ("**Board**") of BH Global Corporation Limited ("**Company**" and, together with its subsidiaries, "**Group**") refers to the queries raised by Singapore Exchange Securities Trading Limited (the "SGX-ST") on 24 April 2024 in relation to the Company's annual report for the financial year ended 31 December 2023 ("AR2023") and wishes to provide additional information to shareholders in response to the SGX-ST's queries as below: -

### Query 1

Listing Rule 710A(2) states that an issuer must describe in its annual report its board diversity policy, including the following:

- (a) the issuer's targets to achieve diversity on its board;
- (b) the issuer's accompanying plans and timelines for achieving the targets;
- (c) the issuer's progress towards achieving the targets within the timelines; and
- (d) a description of how the combination of skills, talents, experience and diversity of its directors serves the needs and plans of the issuer.

As the Company had not provided any specific targets, accompanying plans, timelines and progress, please further elaborate in relation to the Company's Board Diversity Policy pursuant to Listing Rule 710A(2).

### The Company's Response

The current Board composition of the Company provides a diversity of background, knowledge and experience to enable the Board to make decisions in the best interests of the Company.

The Company has adopted a formal board diversity policy and details of which together with the Company's board composition and its diversity are set out on pages 31 and 32 of the Company's AR2023.

The Company has taken an age-neutral and gender-neutral approach, i.e. Board member selection is determined based on relevant skills, knowledge and experience (e.g. technology advancement) and not based on age and gender per se.

The Board is made up of Directors who are qualified and experienced in various fields including business and management, accounting and finance, engineering and industry as well as law, the Board considers that its composition of Directors is well-balanced, with each Director having a relevant mix of knowledge, business network and commercial experience. Accordingly, the current Board comprises persons who as a group, have core competencies necessary to lead and oversee the Company.

In view of the amended Listing Rules, Mr Loh Weng Whye and Mr Winston Kwek Choon Lin will be retiring as Directors of the Company upon the conclusion of the forthcoming AGM in respect of the financial year ended 31 December 2023. The NC has recommended, and the Board has concurred, that Ms Lee Kim Lian Juliana and Mr Kenneth Koh Leong Wie be proposed to be appointed as new Independent Directors of the Company to replace Mr Loh Weng Whye and Mr Winston Kwek Choon Lin, who are retiring after the conclusion of the forthcoming Annual General Meeting.

With the appointment of Ms Lee Kim Lian Juliana, the Board will have at least 20% female representation and achieved its target to maintain at least 20% female representation after this appointment.

The Board reviews the composition and size of the Board and each Board Committee and the skills and core competencies of its members from time to time to ensure they have appropriate balance and diversity of skills, experience and knowledge of the Company to ensure that the objectives of Board diversity are met, so as to maximize the effectiveness of the Board and Board Committees.

## **Query 2**

We note that the Company had disclosed on Page 42 of the FY2023 Annual Report that there were no interested person transactions ("IPT") entered by the Company with aggregate value of more than S\$100,000 during FY2023 yet reported related party transactions ("RPT") under Note 30 on Page 96 of the FY2023 Annual Report that include, inter alia, the sales and purchase of goods with jointly controlled entities and associated companies that in aggregate exceeds 3% of the Group's FY2022 Net Tangible Assets of S\$50,522,000. Please clarify whether the RPT are also IPT pursuant to Chapter 9 of the Listing Manual and explain how the Company had complied with the relevant Listing Rules.

## **The Company's Response**

Pursuant to Rule 904(4) of the Listing Rules, an interested person is defined as below:-

(a) "interested person" means:—

- (i) a director, chief executive officer, or controlling shareholder of the issuer; or
- (ii) an associate of any such director, chief executive officer, or controlling shareholder.

None of the person(s) as defined above in (a)(i) and (ii),

- (i) has an interest in the jointly controlled entities and associated companies of the Company; or
- (ii) are a party to the reported RPT under Note 30 on page 96 of the FY2023 Annual Report.

Thus, the RPT reported is not IPT pursuant to Chapter 9 of the Listing Manual.

Disclosure of RPT under Note 30 on Page 96 of the FY2023 Annual Report, was made in accordance with the requirements of Singapore Financial Reporting Standards (International) 1-24, where transactions with related parties, in the case of the Group, the sales and purchase of goods with jointly controlled entities and associated companies, were disclosed. The transacted amounts disclosed therein are in relation to RPT and not IPT.

All interested person transactions will be documented and submitted on a quarterly basis to the AC for its review to ensure that such transactions are carried out at arm's length and on typical commercial terms that are not prejudicial to the interests of the Company and its minority shareholders.

## **BY ORDER OF THE BOARD**

Vincent Lim Hui Eng  
Executive Chairman and Chief Executive Officer

26 April 2024