

ACQUISITION OF SEA FORREST ENGINEERING PTE LTD

1. Introduction

The Board of Directors (“**Board**”) of BH Global Corporation Limited (“**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that its subsidiary, BOS Engineering International Pte Ltd (“**BOSI**”) has entered into a sale and purchase agreement (“**SPA**”) with Lee Sze Min (the “**Vendor**”) in respect of the purchase by BOSI of 100% interest in Sea Forrest Engineering Pte Ltd (the “**Target Company**”). Concurrently, and as a condition for the sale of the Target Company to BOSI, the Vendor will acquire 20% interest in BOSI from the Company at S\$100,002 based on the Company’s original cost.

2. Information on the Target Company

The Target Company was incorporated in Singapore on 8 October 2014 as an exempt private limited company. As at the date of this announcement, the Target Company has an issued and paid-up share capital of US\$10,000 and comprising 10,000 shares and its principal activity is fabrication and afloat repairs for the maritime industry.

The Vendor is the founder and sole shareholder of the Target Company.

3. Information on the Vendor

The Vendor graduated with a Diploma in Mechatronics at Ngee Ann Polytechnic and subsequently obtained his BEng in Mechanical and Production Engineering at Nanyang Technological University. He pursued his MSc in Industrial and System Engineering at National University of Singapore, and attended Advance Project Management course at Stanford University, California.

Mr Lee has 20 years of experience in the offshore O&G and marine industry. He started as Keppel scholar and worked as Project Engineer and Project Manager at Keppel Fels. Subsequently, he multi-tasked as Project Director, CTO and Marketing Director in Yantai Raffles Offshore Ltd / CIMC, managing 700 engineers and many key projects and new developments.

He was running his own business under Sea Forrest group of companies after his return to Singapore from China, until the Target Company is to be acquired by the Group.

As part of the acquisition, Mr Lee is appointed the Chief Executive Officer of the Group’s Integration Engineering Division. The Board believes that Mr Lee’s extensive engineering and project management experience will add value to the business of the Integration Engineering Division.

Marine Electrification is one of the focus of the Group’s development for sustainable growth in the near future, and it is the main reason to appoint Mr Lee to join the Group. The Group recognises the uptake of marine electric / hybrid propulsion projects, and the marine industry will be moving towards electrifying vessels at a much quicker pace in the coming years. This is in line with the global decarbonization drive towards sustainable energy developments to reduce the use of fossil fuels. In view of that, the Group incorporated a new company, BOS Power Solutions Pte Ltd in October 2020 (subsequently renamed as Sea Forrest Power Solutions Pte Ltd) to focus on driving the growth of the maritime electrification business.

4. Consideration

As stated in the SPA, the aggregate consideration payable by BOSI to the Vendor for the Sale Shares is S\$669,119. The consideration will be satisfied wholly in cash and is arrived on a willing-buyer and willing-seller basis after arms-length negotiations, after taking into considerations the net tangible assets and based on the Group's evaluation of the prospects and secured contracts of the Target Company. The purchase will be funded by the Group's internal resources.

Based on the unaudited financial statements of the Target Company for the financial period ended 31 December 2020, the book value of the Target Company is approximately S\$569,119.

5. Relative Figures under Rule 1006

Based on the unaudited consolidated financial statements of the Group for the financial year ended 31 December 2020 announced on 25 February 2021, the relative figures in respect of the acquisition, as computed on the bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited, are less than 5%.

6. Interests of Directors and Controlling Shareholders

None of the Directors or controlling shareholders of the Company have any direct or indirect interest in the above transaction, other than through their respective shareholdings in the Company.

7. Directors' Responsibility Statement

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Agreements, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

BY ORDER OF THE BOARD

Vincent Lim Hui Eng
Executive Chairman and Chief Executive Officer

10 March 2021