



BH GLOBAL MARINE LIMITED  
明輝環球海事有限公司

**BH GLOBAL MARINE LIMITED**  
(Company Registration No: 200404900H)

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**PROPOSED OFFERING AND LISTING OF TAIWAN DEPOSITORY RECEIPTS –  
SIGNING OF BOOK BUILDING AGREEMENT**

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Unless otherwise defined all capitalised terms shall bear the same meanings ascribed to them in the previous announcements dated 13 April 2010, 8 July 2010, 7 September 2010, 15 September 2010 and 21 September 2010 (“Announcements”).

Further to the Announcements, the board of directors (the “Board”) of BH Global Marine Limited (“Company”) wishes to announce that the Company has entered into a book-building agreement (the “Book-building Agreement”) with Polaris Securities Co., Ltd., (the “Underwriter”), the principal terms of which are set out below.

**Structure of the Proposed TDR Issue**

The TDRs shall be offered to the public by way of book-building and public subscription. The total number of TDRs proposed to be issued is 30,000,000 with each TDR representing two (2) ordinary shares of the Company. On 5 October 2010, the Underwriter has reported to the Taiwan Securities Association of the book-building of the Company’s Proposed TDR Issue, and has proceeded with the same in accordance with the Taiwan Securities Association Rules Governing Underwriting and Resale of Securities by Securities Firms (the “Taiwan Securities Association Rules”).

The TDRs will be issued to the below-mentioned parties in the following manner:

- (i) 1,000 TDRs will be placed with the Securities and Futures Investors Protection Centre (“SFIPC”), as required under the relevant regulations in Taiwan;
- (ii) An estimated 3,000,000 TDRs, representing approximately 10% of the total TDRs proposed to be issued, shall be retained by Polaris Securities Co., Ltd, pursuant to relevant regulations in Taiwan;

(iii) The remainder of the TDRs, being 26,999,000 TDRs, will be offered to the public, on a fully underwritten basis as follows:-

- (a) An estimated 24,299,000 units shall be offered through the book-building process; and
- (b) An estimated 2,700,000 units shall be offered to the public for subscription,

pursuant to Clause 22 of the Taiwan Securities Association Rules.

### **END-PLACEEES OF THE PROPOSED TDR ISSUE AND RATIONALE FOR PLACING TO THE END-PLACEEES**

SFIPC is an organization established in 2003 under the Securities and Futures Traders Protection Act of Taiwan. The 1,000 TDRs proposed to be placed with SFIPC is in accordance with the requirement of Clause 4-1 of the Taiwan Securities Association Rules Governing Underwriting and Resale of Securities by Securities Firm.

Polaris Securities Co., Ltd is a financial management company established in Taiwan, and the appointed manager and underwriter of the Proposed TDR Issue. Pursuant to Clause 4-1 of the Taiwan Securities Association Rules Governing Underwriting and Resale of Securities by Securities Firms, between 5-15% of the total number of TDRs underwritten are required to be held by the underwriter(s) of the issue for their own account.

### **Issue Price**

The Company estimated that the proposed issue price for each TDR during the book-building exercise will be within the range of NT\$16.00 – NT\$19.50 (approximately S\$0.681 - S\$0.830, based on the exchange rate of S\$1 – NT\$23.500), each unit of TDR represents 2 ordinary shares of the Company. The final issue price of each TDR shall be determined in accordance with the relevant regulations in Taiwan after completion of the book-building exercise. In compliance with the rules of Listing Manual of SGX-ST, the issue price will not exceed a 10% discount to the weighted average price for trades done on the SGX-ST on the full market day before the signing of the underwriting agreement to be entered into with the Underwriter.

The book-building exercise is expected to be carried out between 7 October 2010 and 12 October 2010. Public subscription shall commence on 8 October 2010 and ends on 12 October 2010.

## **AMOUNT OF PROCEEDS TO BE RAISED**

Depending on the final issue price of the TDRs, the Company expects to raise estimated proceeds of between S\$20.4 million to S\$24.9 million from the Proposed TDR Issue (the “**TDR Proceeds**”).

### **Intended Use of Proceeds**

As previously announced, bulk of the TDR Proceeds will be used to set up a galvanised steel wire manufacturing plant in Oman through the joint venture company, Oman Sky Steel Industries LLC. However, due to a potential change in the investment structure since submission of the Proposed TDR Issue as well as the Company’s adoption of a more conservative approach, the required amount for this investment will be significantly reduced. As such, the TDR Proceeds will be used as follows:

Repayment of bank loans	Up to S\$10.3 million
Investment in a galvanised steel wire manufacturing plant	Up to S\$3 million
Purchase of fixed assets	Up to S\$2 million
Working capital	Remaining of the TDR proceeds

### **Others**

**Shareholders and potential investors should note that any indicative offer price referred to in this Announcement or elsewhere in relation to the Proposed TDR Issue is strictly subject to final book-building and should not be taken to be in any way a statement or indication of the expected, forecast or actual offer price in relation to the Proposed TDR Issue. Accordingly, there is no assurance that the actual offer price in relation to the Proposed TDR Issue will not vary from the same. The Company will, upon conclusion of the book-building exercise, in consultation with the underwriter, fix the actual offer price, taking into consideration, inter alia, the financial performance and prospects of the Company and the market response to the Proposed TDR Issue.**

**As the Proposed TDR Issue is subject to, among others, SGX-ST’s approval (in connection with the listing of the new Shares), the relevant government and regulatory authorities in Taiwan and the then prevailing market and economic conditions, the Proposed TDR Issue may or may not proceed. Shareholders and potential investors of the Company are as such advised to exercise caution when**

**dealing in the Company's shares. When in doubt, shareholders and potential investors are strongly advised to seek independent advice from their bankers, stockbrokers, solicitors or other professional advisers.**

**Shareholders should further note that this Announcement does not constitute, and is not intended to be, an offer or a notice, advertisement calling or drawing attention to an offer to any persons to subscribe for any TDRs or a statement intended to induce any person to apply for any TDR in the Proposed TDR Issue. In particular, Shareholders and investors should note that the Proposed TDR Issue is offered only to, and is to be acted upon only by persons outside Singapore.**

Further announcement will be made by the Company in relation to the Proposed TDR Issue as and when appropriate.

Submitted by Mr Vincent Lim Hui Eng, Chief Executive Officer to the SGXNET on 7<sup>th</sup> October 2010.