



**BH GLOBAL MARINE LIMITED**

# Seizing New Horizons

Corporate  
Presentation  
**August 2012**

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**BH GLOBAL MARINE LIMITED**



# Corporate Overview



## Corporate Overview

- Founded in 1963 and listed on the SGX-Mainboard since September 2005, BH Global is an integrated Marine & Offshore electrical solutions provider



# Corporate Overview

- **Founded:** 1963, Singapore  
(IPO on 12<sup>th</sup> Sept 2005 at SGX)  
(TDR on 20<sup>th</sup> Oct 2010 at TWSE)
- **Employees:** 300+
- **Inventory:** > S\$ 65 Million
- **Stock:** > 10,000 SKU's from  
300+ Suppliers
- **Warehouse space:** > 20,000 sqm
- **Shipyard space:** 5 Hectares
- **49 Years Experience** Operating in  
Asia
- **Certified ISO 9001:2000**  
Operations Value Added Services  
to Customers.

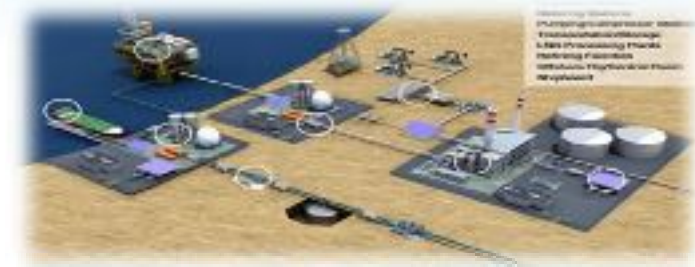


# Customer Portfolio



## Marine & Offshore and Oil & Gas Industries

- Maritime Shipping – Ship Owners & Chandlers
- Ship Repair & Conversions
- Shipbuilding
- Oil & Gas Upstream – Offshore Infrastructures Modules
- Oil & Gas Downstream – On-shore Facilities, Petrochemical
- MRO – Maintenance, Repair & Overhauls





## Established Clientele

OVER 800 SHIP CHANDLERS, SHIP-OWNERS, SHIPYARDS, SHIPPING COMPANIES, EPC CONTRACTORS & OIL MAJORS



sembcorp



BW Offshore



PERTAMINA



ST Engineering



Swiber



Kreuz



Seadrill



Human Energy



Prosafe



BUMI ARMADA



MODEC

JGC CORPORATION



Member of the SBM Offshore Group





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## Share Statistics

Bloomberg code	BHGM SP SGD	
Share price (Closing on 31 July 2012)	S\$0.19	
Market capitalization (out of 480.0m shares)	S\$91.2 million	
52 week high / low	S\$0.24/S\$0.18	
P/E	7.5	
P/B	0.8	
NAV per share	S\$0.23	
Major shareholders	Beng Hui Holding (S) Pte Ltd Management	59.7% 3.8%

Source: Bloomberg as at 31 July 2012





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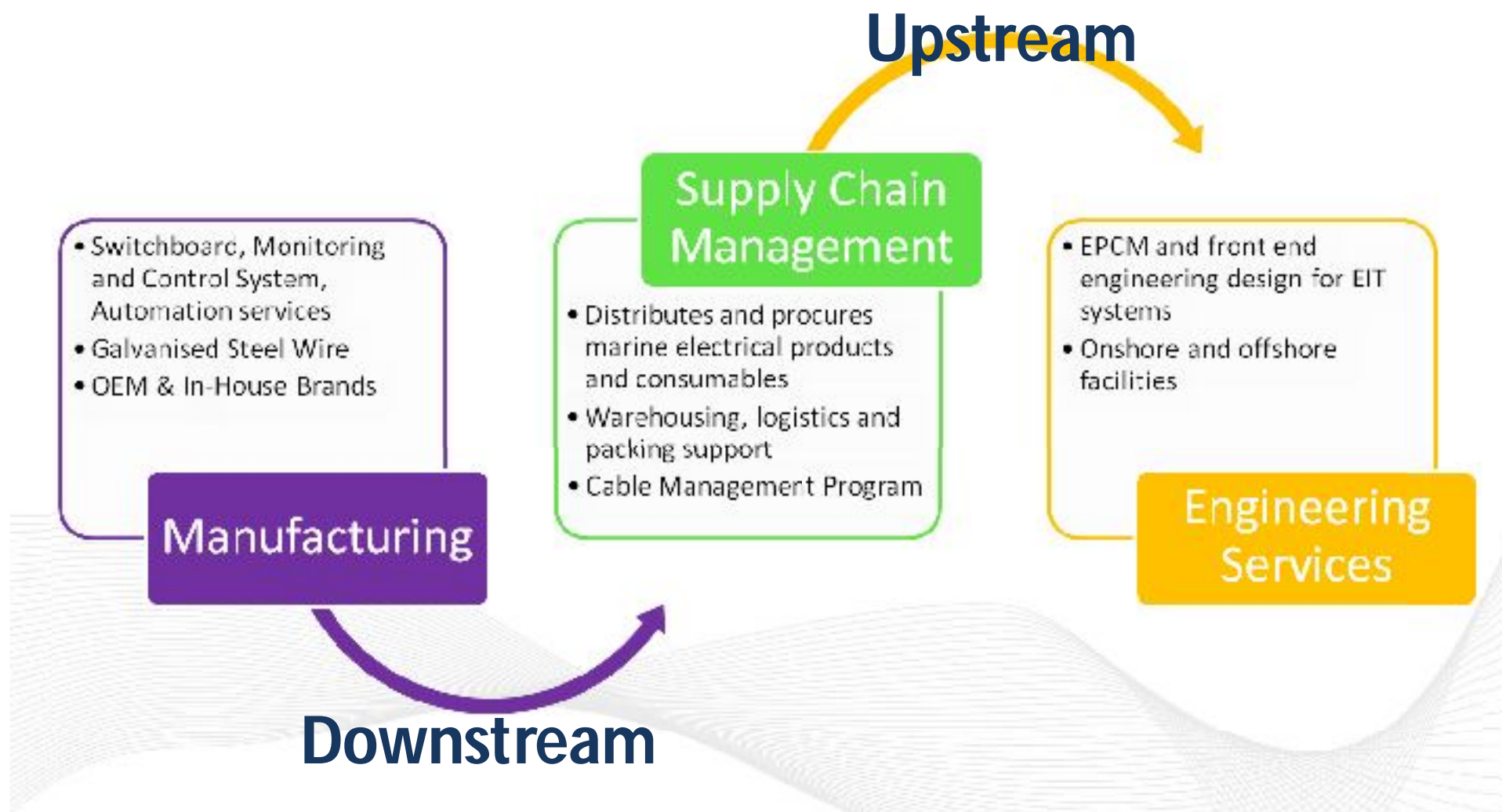
## **Business Model**



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## Business Model

From Traditional Marine Electrical Supplier into an Offshore/Marine Integrated Electrical Solution Provider

















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# Supply Chain Management

- ❖ Approx. 50 distributorships from Europe, America, Japan and Korea
- ❖ Full range of Offshore/Marine Electrical Products
- ❖ Lighting design, Cable Management, Warehousing and Logistic Supports
- ❖ 24hr JIT Delivery to the Asia region

**Group of Companies**  
BENG HUI MARINE ELECTRICAL PTE LTD  
DREAM MARINE SHIP SPARE PARTS TRADING LLC  
HAN JIANG PTE LTD  
SANSIM MARINE (S.E.A) PTE LTD  
YORKSHIRE MARINE & OFFSHORE (S) PTE LTD

 CABLES & ACCESSORIES	 AUDIO & VISUAL ALARM	 LIGHTING FIXTURES	 LIGHTING FIXTURES	 BATTERY CHARGERS	 SWITCHBOARDS & PANELS
<b>MARINE &amp; OFFSHORE ELECTRICAL SPECIALIST - YOUR ONE STOP SUPPLY</b>					
 NAVIGATION LIGHTS	 EX PROOF EQUIPMENTS	 CABLE GLANDS	 HELIDECK LIGHTINGS	 EX PROOF LIGHTINGS	 PLUG & SOCKETS





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# Supply Chain Management

## Comprehensive Product Range

### Comprehensive Product Range

- >10,000 product line items from 370 internationally renowned manufacturers and suppliers
- Products meet industry safety specifications and are technically certified to ABS and DNV class standards

## Premium Logistics and Warehouse Support

- >200,000sqft facility houses material handling equipment and machinery, storage and manufacturing grounds
- Cable management program provides interim storage for ordered products and keeps customers updated of inventory level via inventory reports

## Service Differentiation

- Fast and reliable delivery services within Asia-Pacific and Middle East region within 3 working days
- On/off-site sales, technical and engineering support services 365 days a year





# Supply Chain Management

More than 50 distributorships in Asia Pacific or ASEAN regions



ASTRALUX  
UK  
LIMITED



# Supply Chain Management



A STRONG COLLECTION OF BUSINESS PARTNERS WITH A  
LONG HISTORY OF PRODUCT QUALITY & INNOVATION



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## Manufacturing – Switchboard

- ❖ NIIGATA Engine and Propulsion OEM System Manufacturer
- ❖ In-house Engineering, Design and Fabrication of Switchboard, Control and Alarm Monitoring System
- ❖ Service Agent/Distributors for European/Japanese brands



NIIGATA



lilaas®





## Manufacturing – Galvanized Steel Wire

- ❖ Formed Gulf Specialty Steel Industries LLC in 2011 with Omani partner, Takamul Investment (subsidiary of Oman Oil) 51/49% in Oman
- ❖ Manufacturing Plant up and running 1Q2013
- ❖ Initial production capacity 60 ,000 tonnes or equivalent to US\$60 million
- ❖ Potential to ramp up capacity to 200,000 tonnes





## Engineering Services - Batam

- ❖ Fabrication yard of 5 hectare
- ❖ Additional 30 hectare pending for land title
- ❖ New building and repair
- ❖ Targeting offshore projects from Indonesia and Australia





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## Engineering Services – Singapore / Dalian

- ❖ Specialised in EIT FEED
- ❖ EPCM Turnkey
- ❖ Offshore/Onshore Oil & Gas projects
- ❖ FPSO Design and Conversion
- ❖ Project Management





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## LED Lighting

- ❖ Formed GL Group with Taiwanese partner (25/75%)
- ❖ R&D and Manufacturing in Shanghai
- ❖ Singapore as Marketing & Distribution Centre
- ❖ GL has 13 years of experience in LED development
- ❖ Develop LED lightings for Offshore/Marine application
- ❖ Strive to be global market leader





# Geographical Coverage



- **Multiple Operating Resellers/Joint Ventures** in Major Markets (China, India, Indonesia, Japan, Malaysia, Philippines, Thailand, Bangladesh, U.A.E, Vietnam & Oman)





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## **Financial Highlights**



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## Financial Highlights - Profit & Loss (2Q2012)

	2Q2012 S\$'000	2Q2011 S\$'000	Change (%)	Remarks
Revenue	27,907	41,117	(32)	Declined largely due to lower revenue contribution from Engineering Services & Manufacturing
Gross Profit	5,910	12,163	(51)	In line with lower revenue
Gross Profit Margins	21.2%	29.6%	-	
Operating Expenses <sup>1</sup>	3,954	6,951	(43)	Lower provision for stock obsolescence and personnel costs
Profit Before Tax	2,265	5,286	(57)	
Net Profit Attributable to Shareholders	2,018	3,980	(49)	
Net Profit Margins	7.2%	9.7%	-	
Basic Earnings per Share (Singapore cents) <sup>2</sup>	0.42	0.83	(49)	

<sup>1</sup>: includes distribution costs and administrative costs

<sup>2</sup>: calculated based on the total number of issued shares (excluding treasury shares) in issue 480,000,000 as at 30 June 2012  
(31 Dec 2011: 480,000,000)

## Financial Highlights - Profit & Loss (1H2012)

	1H2012 S\$'000	1H2011 S\$'000	Change (%)
Revenue	60,811	76,009	(20)
Gross Profit	14,812	22,342	(34)
Gross Profit Margins	24.4%	29.4%	-
Operating Expenses <sup>1</sup>	9,684	12,438	(22)
Profit Before Tax	5,020	10,048	(50)
Net Profit Attributable to Shareholders	5,001	7,737	(35)
Net Profit Margins	8.2%	10.2%	-
Basic Earnings per Share (Singapore cents) <sup>2</sup>	1.04	1.61	(35)

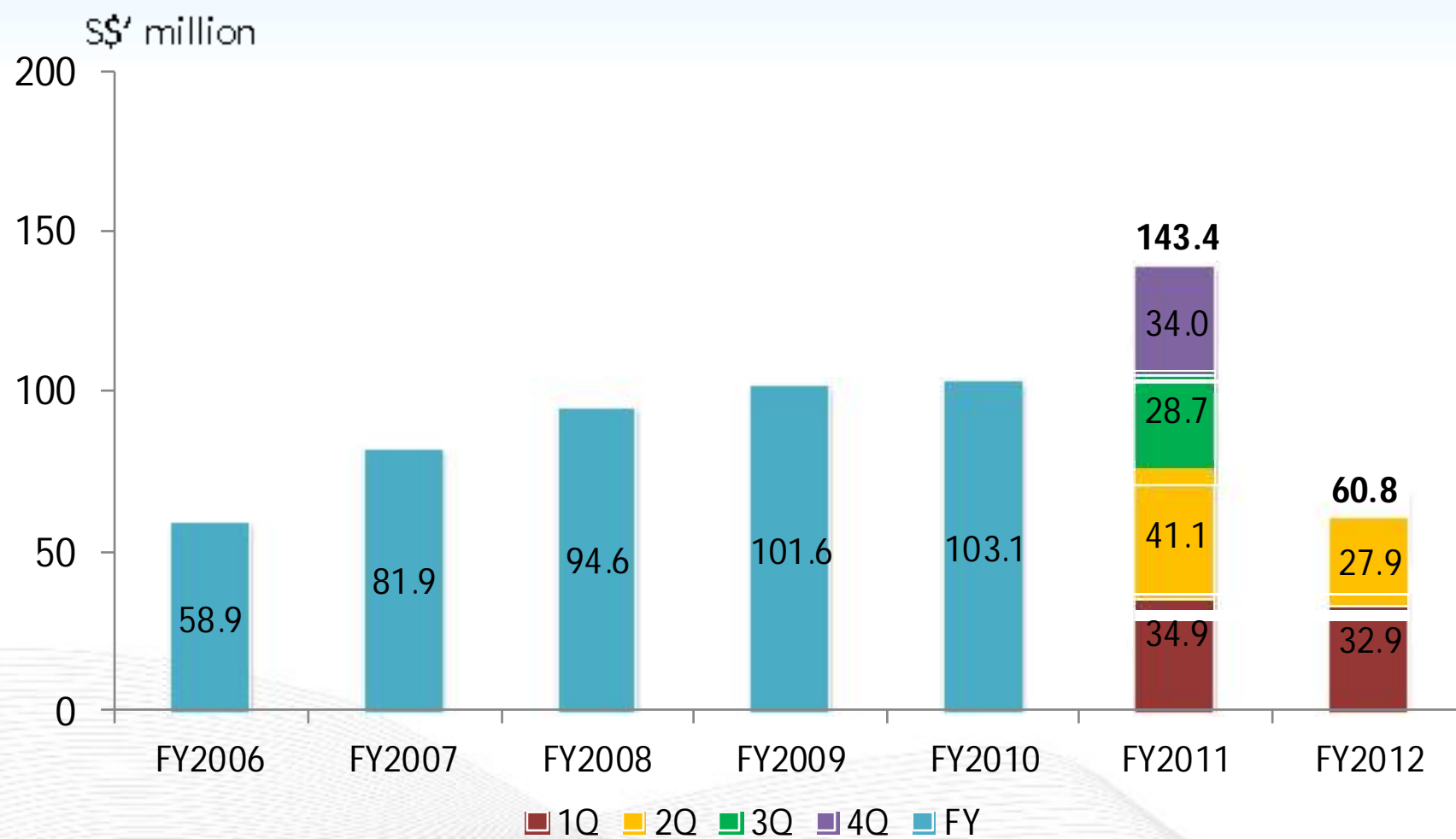
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## Revenue Trend



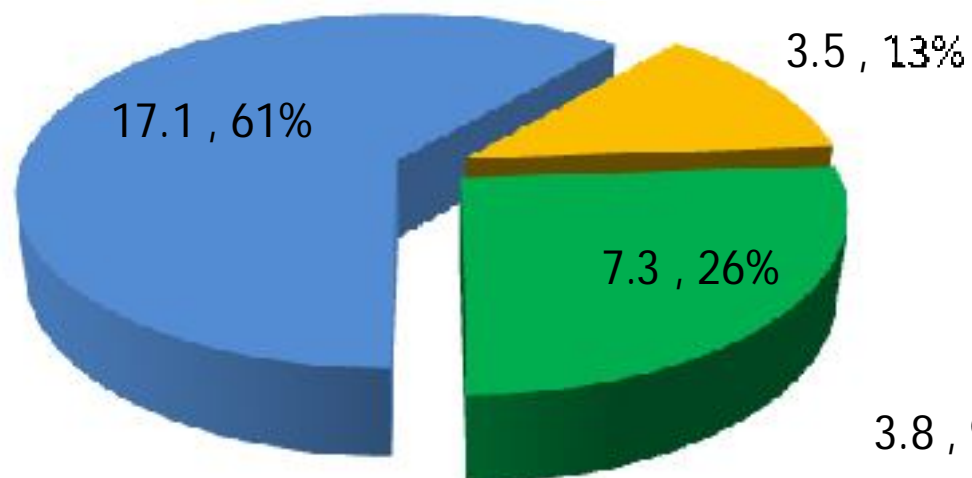




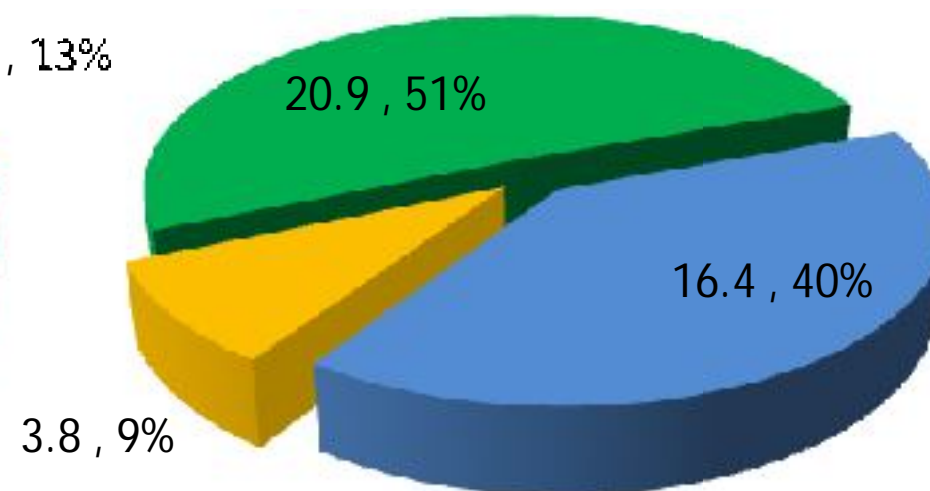
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## Revenue Breakdown – Business Segments

2QFY12



2QFY11



■ Supply Chain Management ■ Manufacturing

■ Engineering Services

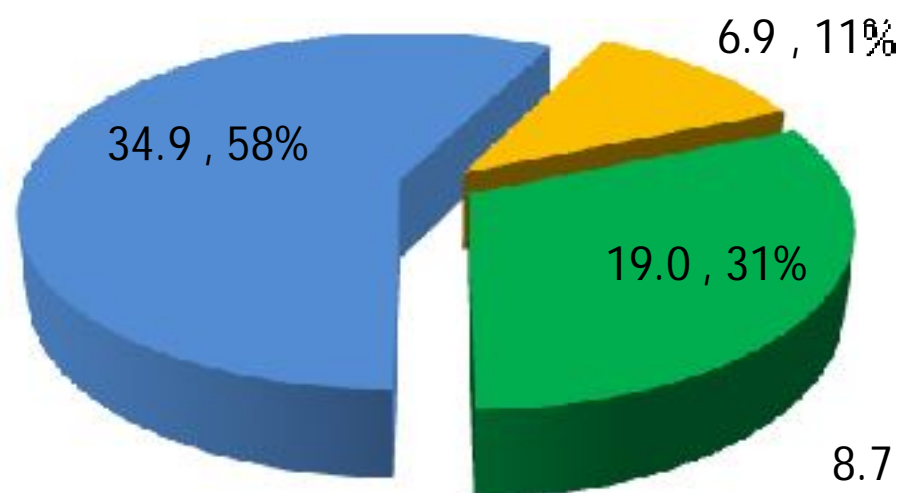
*All amounts are stated in S\$' millions*



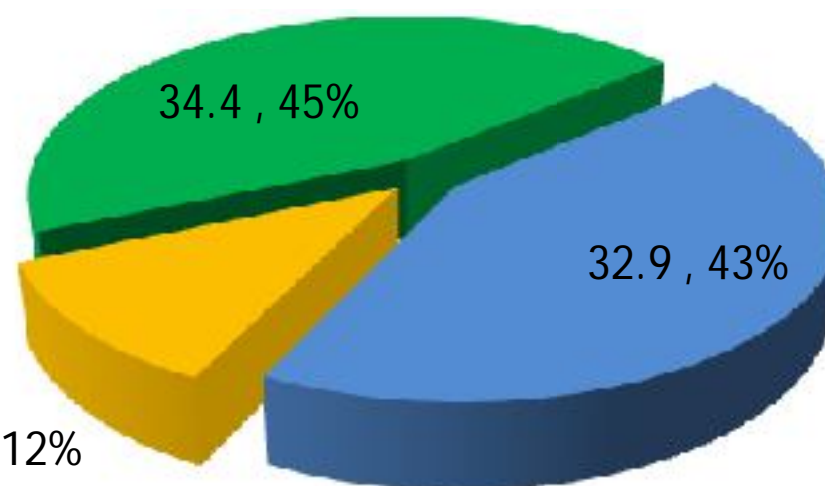
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## Revenue Breakdown – Business Segments

1H2012



1H2011



■ Supply Chain Management ■ Manufacturing

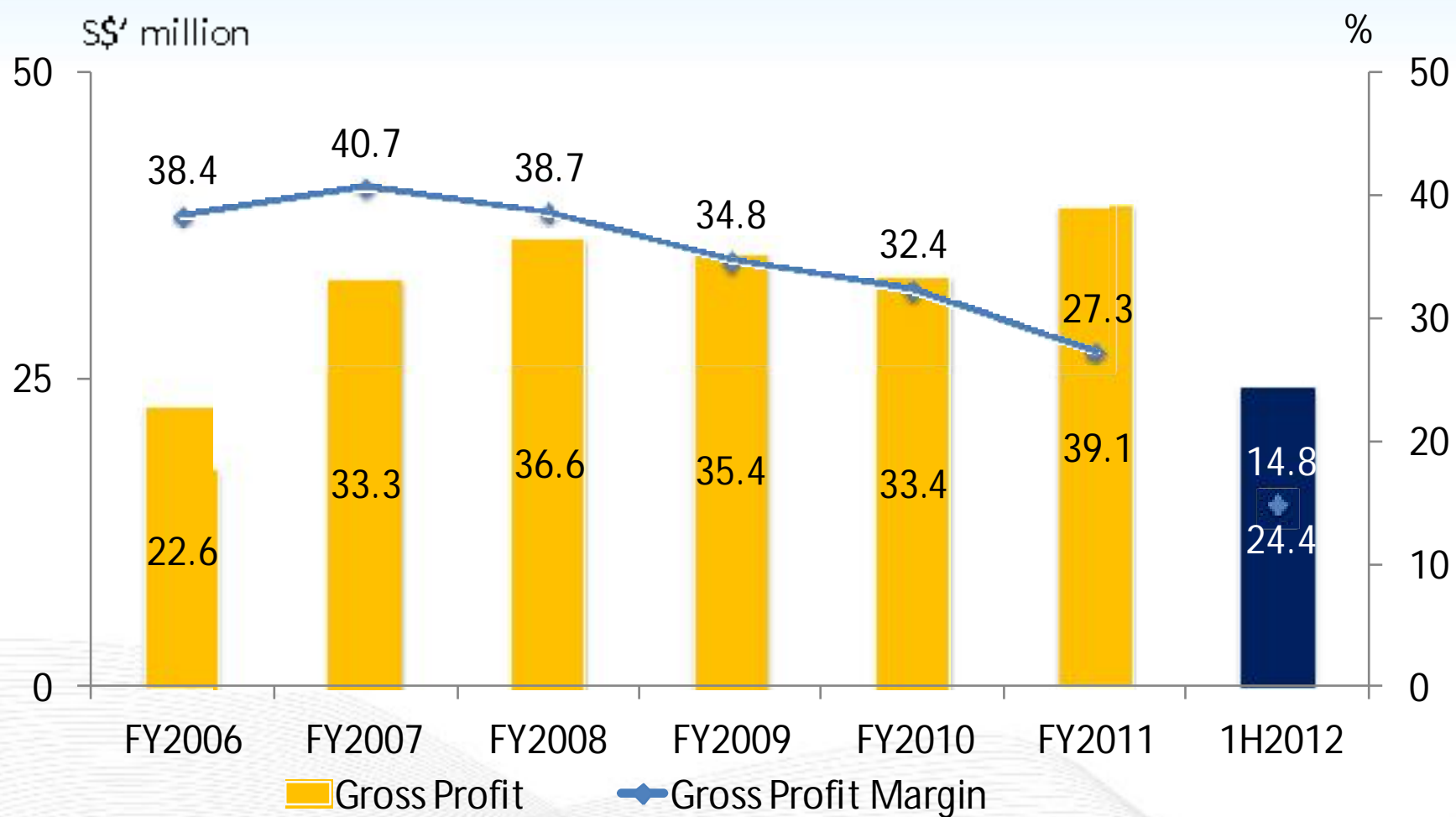
■ Engineering Services

*All amounts are stated in S\$' millions*



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## Profit Track Record – Gross Profit





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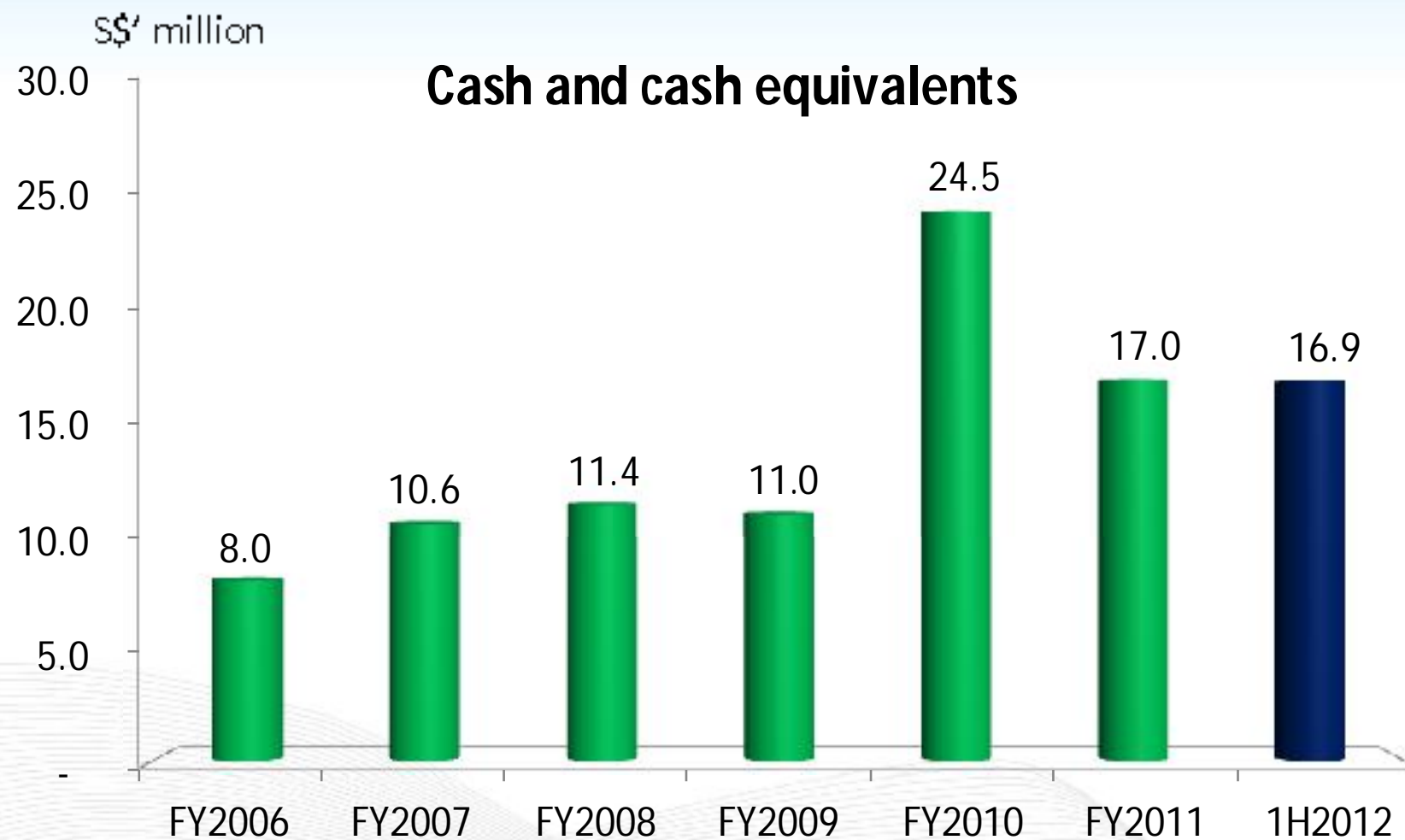
## Financial Highlights – Balance Sheet

	30 Jun 2012 S\$'000	31 Dec 2011 S\$'000
Property, Plant & Equipment	46,881	34,256
Inventories	67,350	56,552
Cash & Cash Equivalents	16,891	16,952
Total Borrowings	39,912	28,353
Total Equity	120,768	119,038
Gross Gearing Ratio	33.0%	23.8%
Net Gearing Ratio *	19.1%	9.6%
Net Asset Value per Ordinary Share (Singapore cents)	23	24

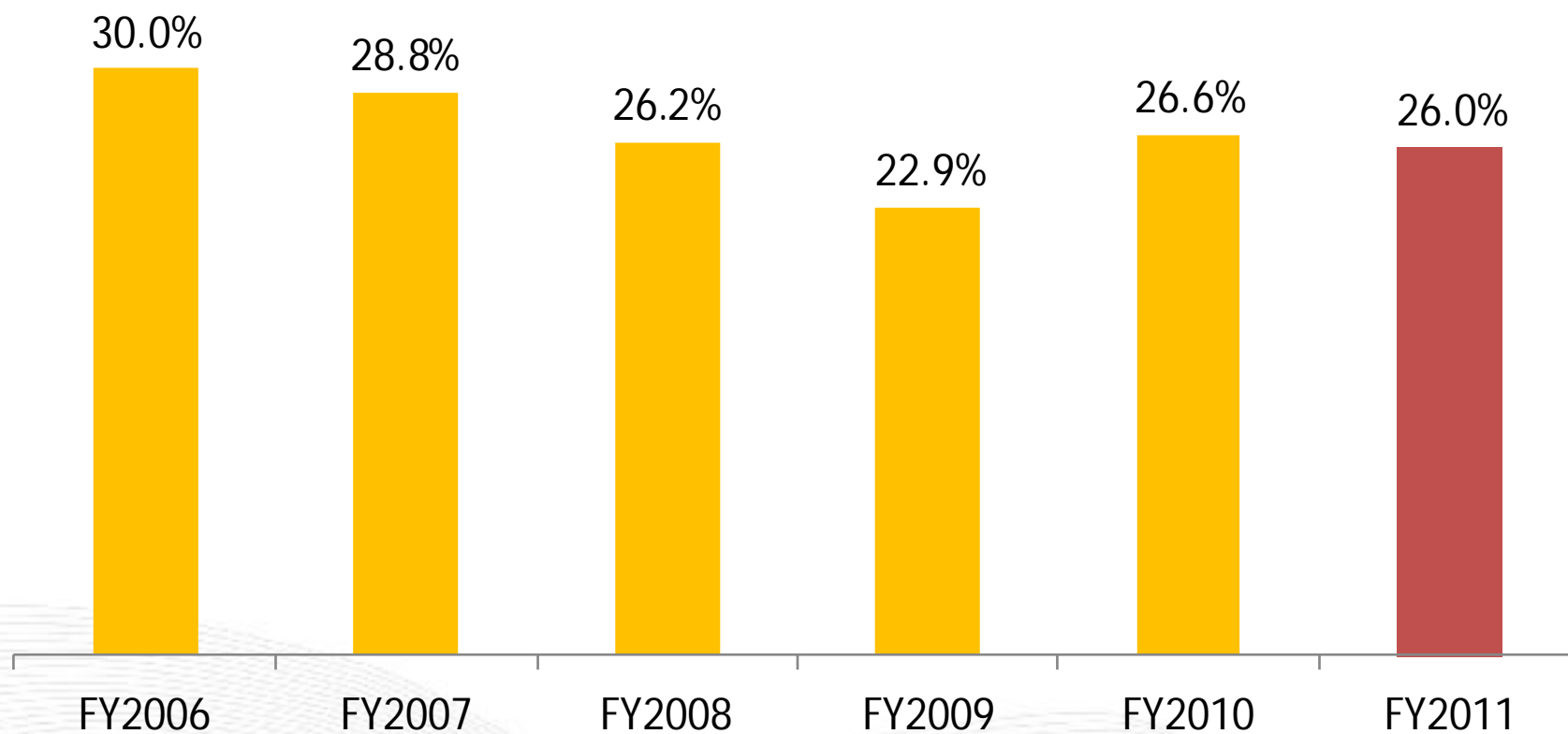
\*: Net Gearing Ratio is calculated based on (Total Borrowings – Cash & Cash Equivalents) / Total Equity



# Strong Financial Position



# Dividend Payout Ratio



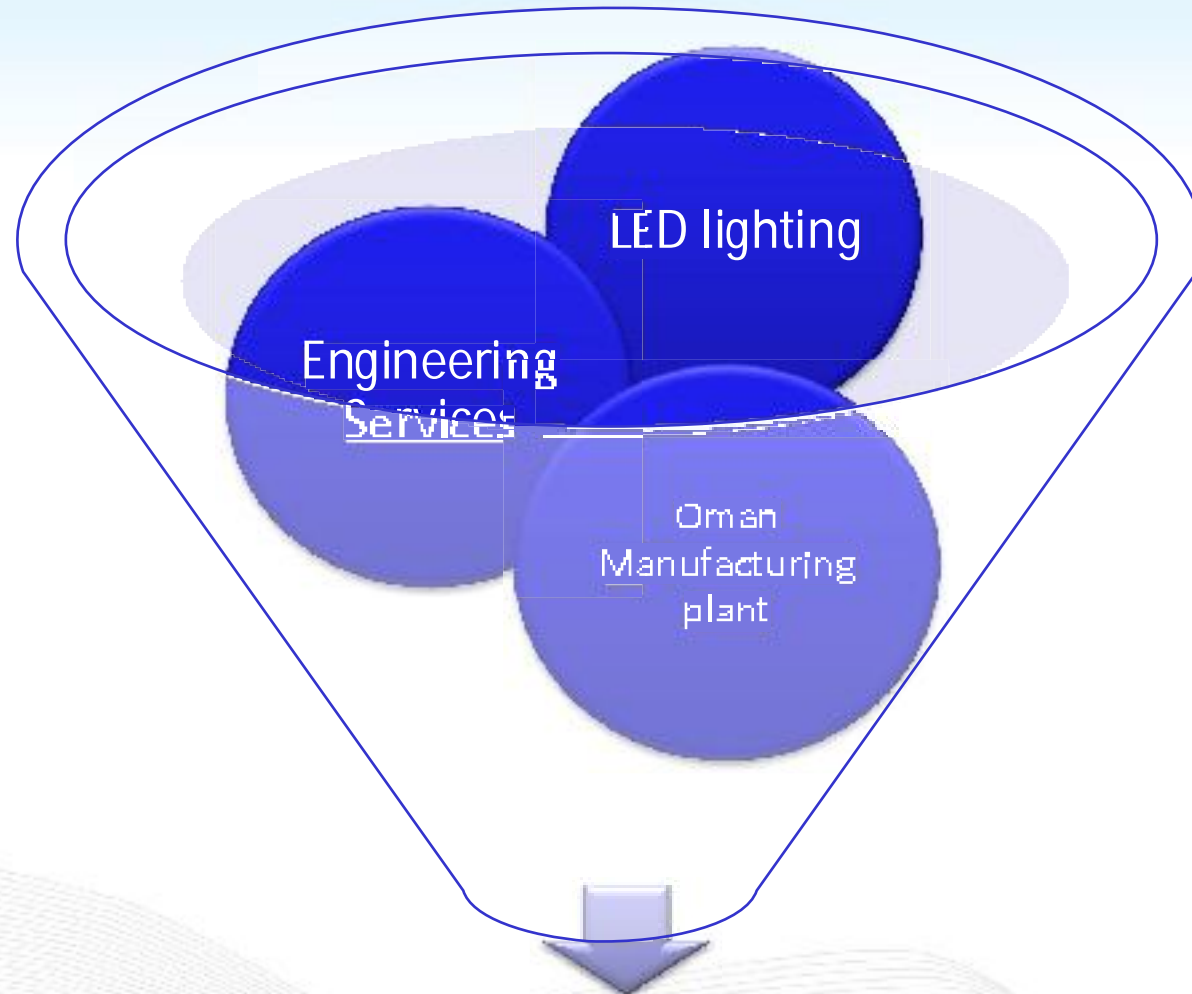


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## **Market Outlook & Growth Strategies**

# Growth Engines



Steady Organic Growth



## Growth Strategies

➤ Uncertain and Challenging

➤ Cautious Approach

➤ Focus on existing businesses

Ensure GSSI manufacturing plant on track

Develop M&O LED Lightings

Develop newly acquired fabrication yard in stages

➤ Review and Consolidate



**BH GLOBAL MARINE LIMITED**



# Thank You!

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