



BH GLOBAL MARINE LIMITED
明輝環球海事有限公司

Registration Number: 200404900H
8 PENJURU LANE, SINGAPORE 609189
Tel: (65) 6291-4444 Fax: (65) 6291-5777

FOR IMMEDIATE RELEASE

BH Global Marine delivers 1H2011 record revenue of \$76 million, a year-on-year increase of 78%

- Revenue climbed 75% year-on-year (“y-o-y”) to S\$41.1 million in 2Q2011 due to new Engineering Services Division
- Balance sheet remained in net cash position well supported by strong cash and cash equivalent balance of S\$19.3 million as at 30 June 2011
- The Group, boasting comprehensive product offerings and turnkey capabilities, is well-positioned to benefit from market recovery

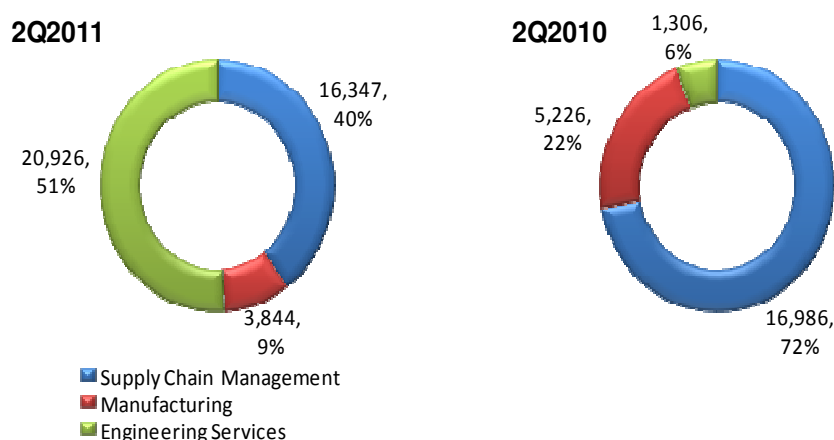
Singapore, 27 July 2011 – BH Global Marine Limited (“BH Global” , “明輝環球海事” or the “Group”), an integrated corporation providing premium electrical products and EIT (Electrical, Instrumentation and Telecommunication) solution to the Marine & Offshore and Oil & Gas industries, has delivered an impressive set of financial results for the three months ended 30 June 2011 (“2Q2011”) with 47% year-on-year (“y-o-y”) growth in net profit attributable to shareholders of S\$4.0 million.

Financial Results

Financial Highlights (S\$'000)	2Q2011	2Q2010	Change (%)	1H2011	1H2010	Change (%)
Revenue	41,117	23,518	75	76,009	42,712	78
Gross Profit	12,163	7,570	61	22,342	14,897	50
Gross Profit Margin	30%	32%	-	29%	35%	-
Profit Before Tax	5,286	3,477	52	10,048	7,289	38
Net Profit Attributable to Shareholders	3,980	2,707	47	7,737	5,720	35
Net Margin	10%	12%	-	10%	13%	-
Basic Earnings per Share (cents)*	0.83	0.64	30	1.61	1.36	18

* 2Q2011 & 1H2011 Basic EPS based on weighted average number of ordinary shares of 480,000,000 (2Q2010 & 1H2010: 420,000,000) adjusted for 60,000,000 new shares in the capital of the Company on the Taiwan Stock Exchange on 20 October 2010.

Revenue breakdown by business segments (S\$'000)



The period under review

The Group's revenue soared 75% y-o-y to S\$41.1 million in 2Q2011, primarily driven by increase in revenue contribution from Engineering Services Division from S\$1.3 million in 2Q2010 to S\$20.9 million in 2Q2011, representing approximately 51% of the Group's total revenue in 2Q2011. This Division was set-up in 2010 and the orders secured from the marine and oil & gas industries during the financial period under review were testament of the Group's success in introducing its new product and service offerings to the market. Overseas customers were the main stable of the Engineering Services Division and thus consequently, revenue contribution derived from overseas increased to 60% in 2Q2011 as compared to 20% in 2Q2010.

Gross profit for the Group improved 61% y-o-y to S\$12.2 million in 2Q2011. However, change in product mix lowered the Group's gross profit margin to 30% in 2Q2011 as compared to 32% in the previous corresponding period.

Operating expenses, inclusive of selling & distribution expenses and administrative expenses, remained consistent at 17% of the Group's revenue. As a result, the Group concluded 2Q2011 with 47% y-o-y increase in net profit attributable to shareholders of S\$4.0 million and net margin of 10%. This represents basic earnings per share of 0.83 Singapore cents in 2Q2011.

Engineering Services Division procured raw materials to support increased business activities and acquired land, machinery and equipment for the development of its fabrication facility in Batam, Indonesia. These investments lifted the Group's total assets to S\$157.4 million as at 30 June 2011. Notably, trade receivables did not increase with the higher revenue as at 30 June 2011, due primarily to the full recovery of a substantial long outstanding amount from a major customer. To further enhance credit monitoring, the Group has assessed and evaluated the outstanding trade receivables on a regular basis and tightened its credit extension policies. This resulted in the

improvement of trade receivables turnover days from 126 days as at 31 December 2010 to 80 days, as at 30 June 2011.

Despite drawing down additional bank facilities to finance the procurement of raw materials for the new Engineering Services Division, the Group maintained its net cash position, well supported by a strong cash and cash equivalent balance of S\$19.3 million as at 30 June 2011. Net asset value remained unchanged at 22 Singapore cents as at 30 June 2011.

Outlook

With positive news of newbuildings, the offshore oil and gas sector appears to be on the path of recovery.

In relations to BH Global, Mr Vincent Lim (林翔宽), CEO commented,

“In order to better position the Group to benefit from the market recovery, we have to innovate and create more value-adding propositions so as to meet the challenges of the industry.”

Setting up the new Engineering Services Division last year was a proactive approach in counteracting market challenges and mitigating cyclical business risks. We will look into enhancing our product and service offerings and turnkey capabilities through organic growth and synergistic acquisitions. I believe this will further diversify our customer base and to build up our resilient to business cycles, as well as expand our presence in the region.”

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About BH Global Marine Limited (Bloomberg Code: BHGM.SP)

BH Global Marine Limited (“BH Global”) is an integrated corporation providing premium electrical products and EIT (Electrical, Instrumentation and Telecommunication) solution to the Marine & Offshore and Oil & Gas industries, which specializes in three major segments:

- Supply Chain Management: Premium lighting, cables and electrical equipment for the marine and oil & gas industries
- Manufacturing: Marine switchboards and galvanised steel wires
- Engineering Services: Engineering and installation services

BH Global has over 800 local and international customers, which include ship owners, operators, management companies, chandlers, repair contractors and shipyards.

For more information, please refer to the website, www.bhglobal.com.sg

Issued for and on behalf of BH Global Marine Limited
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For more information, please contact:
Sylvia LEE, sylvia@financialpr.com.sg
Romil SINGH, staff@financialpr.com.sg
Tel: (65) 6438 2990
Fax: (65) 6438 0064