



(Company Registration No: 200404900H)

UPDATE ON DISCONTINUED OPERATIONS OF BATAM SUBSIDIARY AND RELATED LEGAL PROCEEDINGS

The Board of Directors of BH Global Corporation Ltd (the "Company") wishes to provide an update on its discontinued operations at its Batam subsidiary, PT BH Marine and Offshore Engineering ("PTE"). PTE has completed and delivered its last project in September 2014 and discussions have been ongoing with a few potential buyers to dispose of PTE's assets. At the same time, as part of the Group's efforts in discontinuing PTE's operations, the Group has been pursuing claims against customers with outstanding amounts.

The Group had commenced legal proceedings in the Singapore High Court against several customers, namely Castleton Commodities Shipping Co Pte Ltd, CCI Sabulum I Co Pte Ltd, CCI Sabulum II Co Pte Ltd and CCI Sabulum III Co Pte Ltd, for unpaid works and services in the amount of S\$642,990. In the Court proceedings, these defendants have also made counterclaims against PTE for alleged defects in respect of the works carried out in relation to the vessels, loss of use of the vessels and other alleged dues and charges amounting to approximately S\$2.92 million. Based on limited evidence available, the Group is of the view that there is little to support the defendants' allegations and accordingly these counterclaims appear to be without merit. The Company will make further announcement(s) as and when there are any further material developments.

By Order of the Board

Alvin Lim Hwee Hong
Executive Chairman
Date: 28 November 2014