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**WAIVER FROM REQUIREMENT TO COMPLY WITH RULE 1014(2) OF THE LISTING MANUAL IN RELATION TO THE PROPOSED DISPOSAL OF THE COMPANY'S ENTIRE 60% SHAREHOLDINGS IN Z-POWER AUTOMATION PTE. LTD.**

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*All capitalised terms in this announcement shall, unless otherwise defined herein, have the same meanings ascribed to them in the announcement dated 17 November 2014 ("Previous Announcement").*

**1. INTRODUCTION**

- 1.1 The Board of Directors of BH Global Corporation Limited (the "**Company**") and together with its subsidiaries, the "**Group**") refers to the Previous Announcement in relation to the proposed disposal ("**Proposed Disposal**") of the Company's entire 60% shareholdings in Z-Power Automation Pte. Ltd. ("**ZPA**") to XMH Holdings Ltd.
- 1.2 As disclosed in the Previous Announcement, the Company will be seeking clarification from the SGX-ST on whether the Proposed Disposal will constitute a major transaction under Rule 1007 of the Listing Manual, thus attracting shareholders' approval. Rule 1007(1) provides that if any of the relative figures computed pursuant to Rule 1006 is a negative figure, Chapter 10 of the Listing Manual may still be applicable to the transaction at the discretion of the SGX-ST.
- 1.3 The Company wishes to announce that it has applied to the SGX-ST for a waiver of the requirement to seek Shareholders' approval for the Proposed Disposal ("**Waiver**") and has received a letter from the SGX-ST dated 23 January 2015, granting the Company the Waiver, subject to the following:-
- (i) the Company announcing the Waiver granted, the reasons for seeking the Waiver and the conditions as required under Rule 107 of the Listing Manual; and
  - (ii) submission of a written confirmation from the Company that the Waiver does not contravene any laws and regulations governing the Company and the articles of association of the Company.

**2. REASONS FOR SEEKING THE WAIVER**

The Company applied for the Waiver on the following grounds:-

- (i) **No change in risk profile:** the Company is of the view the Proposed Disposal will not result in a change in the Group's risk profile and will not affect the nature of its main business. After the Proposed Disposal, the Company will continue to be engaged in its existing business interests, including but not limited to distribution of a wide spectrum of marine and offshore electrical products like premium lighting systems, cables, consumables and other electrical equipment, provision of turnkey installation services for fire and gas, safety and security systems and other marine sub-contracting businesses targeted at new build, repairs and retrofitting projects, manufacturing and supply of specialty steel wire;
- (ii) **Refocus on core businesses:** It has been the intention of directors of the Company to rebrand the Company from a traditional distributor of specialised marine electrical supplies to a one-stop integrated solutions provider extending its expertise in Supply Chain Management, Manufacturing and Engineering services beyond the marine and offshore industry. The Proposed Disposal is in line with the Company's ongoing

strategic review and objective of streamlining activities and businesses across the Group. In particular, the Group intends to refocus its resources on its core businesses, i.e. the Supply Chain Management and will use proceeds to re-invest in its core businesses, and provide liquidity for business expansion through acquisitions, joint ventures and collaborations as and when opportunities arise;

- (iii) **Existing business not affected:** the Proposed Disposal would not impact on the existing operations of the Group's business;
- (iv) **Undertaking from controlling shareholder:** The controlling shareholder of the Company, Beng Hui Holding (S) Pte Ltd has undertaken to vote in favor of the Proposed Disposal at the extraordinary general meeting to be convened, if required; and
- (v) **Gain on disposal:** The Proposed Disposal gives rises to a gain on disposal of approximately S\$4,644,340 which allows the Company to improve its financial position.

### **3. WAIVER FROM EGM**

As the SGX-ST has granted the Wavier to the Company, the Company will not be convening an extraordinary general meeting to seek shareholder's approval for the Proposed Disposal and accordingly, will not be dispatching a circular to shareholders in relation thereto.

### **4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the Directors or substantial shareholders of the Company has any direct or indirect interest in the Proposed Disposal (other than their shareholdings in the Company).

### **BY ORDER OF THE BOARD**

Vincent Lim Hui Eng  
Chief Executive Officer

26 January 2015