



## Second Quarter 2015 Financial Results

19 August 2015



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## Scope of Briefing

- Address by CEO
- Group Financial Highlights by CFO

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## Corporate Overview



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## Corporate Overview






- Established since 1963
- SGX listed company since September 2005
- Certified ISO 9001:2000 Operations Value Added Services to Customers
- Strategically headquartered in Singapore
- Global clientele outreach spanning across South East Asia, East Asia, Middle East, India Sub Continent, Australia and Europe

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## Customer Portfolio



We are the preferred vendor of many established clientele in the Marine & Offshore and Oil & Gas Industries. Leveraging on our extensive product knowledge, BH Global has scaled up the value chain and extended its service offerings to a diverse range of clients including:

Supply Chain Management	Manufacturing	Engineering Services
Ship chandlers	Middle East cable companies	Kawasaki Heavy Industries
Ship owners	Phillips	SBM Offshore
Ship-management companies	Osram	
Shipyards and fabrication contractors	Future Lighting	

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## Supply Chain Management

One Stop Marine & Offshore Electrical Supplies

Cable Solutions



- Marine Cables
- Offshore Cables
- Industrial Cables
- Marine Data and Coaxial Cables
- Cables Accessories

Lighting Solutions



- Marine & Offshore Lightings
- ATEX Lightings
- LED Lightings
- Lighting Accessories

Other Marine Solutions



- ATEX Sounders & Beacons
- Alarms & Signalling Equipment
- Ship Horns
- Battery Chargers and Accessories
- Switchboard Controls & Automation

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## Supply Chain Management







- Wide portfolio of marine & offshore cable and lighting solutions
- Fully equipped warehouse
- Provision of interim inventory storage
- JIT deliveries
- Sales, Technical & Engineering Support
- Team dedicated to serve

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## Manufacturing

### Galvanized Steel Wire

- Formed Gulf Specialty Steel Industries (GSSI) in 2011 with Omani partner, Takamul Investment (subsidiary of Oman Oil), in a 51/49% joint venture
- GSSI manufactures galvanized steel wire for use in armoring cables, targets customers in Middle East
- Sales and production volumes for 2Q2015 are about 65-70% of budgeted capacity of 4,000 MT



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## Manufacturing

### LED Lighting Solutions

- BH Global owns 39.32% of associate company, GL Lighting Holding Pte Ltd
- Global leader in light engine integration solution with 16 years of experience
- Strong R&D and engineering team
- Integrate LED lighting solutions for marine & offshore applications
- Operations in Shanghai and Kunshan, with new Kunshan factory to be ready in 2016



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## Manufacturing

### Our Valued Partners









### Our LED Solutions



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## Engineering Services

- Started Oil & Gas Solutions Pte Ltd in 2010
- Specialises in engineering, procurement and construction management (EPCM) and front end engineering design (FEED) for electrical, instrumentation and telecommunications (EIT) systems for onshore and offshore facilities
- Business is complementary to Supply Chain Management business and enables cross-selling



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## Geographical Coverage

Our **excellent logistical infrastructure** enables us to offer our products and services **worldwide**



We are **BH GLOBAL**.  
We are a **GLOBAL SOLUTION** for you.

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## Corporate Updates

**Supply Chain Management**

- Entry into:
  1. Distribution and Representation Agreement, and
  2. Prepayment Agreement with our cable supplier, Seoul Electric Wire

**Manufacturing**

- Marine Switchboards: Completed disposal of Z-Power Automation
- LED Lighting: New Kunshan factory to be completed in 2016 which will significantly boost manufacturing capacity
- Galvanized Steel Wire: Operations have shown signs of improvement in both production and sales in 2015

**Engineering Services**

- Continue streamlining operations, reduce cost overruns and project delays

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## Market Outlook

- The Marine/Shipping industry continues to show signs of weakness
- Oil & Gas industry remains challenging with low oil prices, capital expenditure cuts from the upstream players, projects on hold, and companies facing cash flow and financing issues
- Rising demand of LED lighting to replace traditional lighting due to their higher energy efficiencies and cost savings, but it is a competitive industry

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## Financial Highlights



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## Financial Highlights - Profit & Loss (2Q2015)

	2Q2015 (\$'000)	2Q2014 (\$'000)	Change (%)
Revenue	14,318	24,699	(42)
Gross Profit	4,103	4,250	(3)
Gross Profit Margin	29%	17%	12 ppt
Operating Expenses <sup>1</sup>	4,502	5,315	(15)
Loss Before Tax	(471)	(1,062)	60
Net Loss Attributable to Shareholders	(1,320)	(596)	N.M.
Net Profit Margin	N.M.	N.M.	-
Basic EPS (cents) <sup>2</sup>	(0.27)	(0.12)	(125)

ppt: Percentage points  
N.M.: Not mentionable

<sup>1</sup>: Includes selling & 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 Jun 2015 (30 Jun 2014: 480,000,000)

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## Financial Highlights - Profit & Loss (1H2015)

	1H2015 (\$'000)	1H2014 (\$'000)	Change (%)
Revenue	33,904	48,007	(29)
Gross Profit	4,103	4,250	(3)
Gross Profit Margin	12%	9%	3 ppt
Operating Expenses <sup>1</sup>	9,701	10,616	(9)
Profit Before Tax	3,941	(959)	N.M.
Net Profit Attributable to Shareholders	3,206	820	291
Net Profit Margin	9%	2%	7 ppt
Basic EPS (cents) <sup>2</sup>	0.67	0.17	294

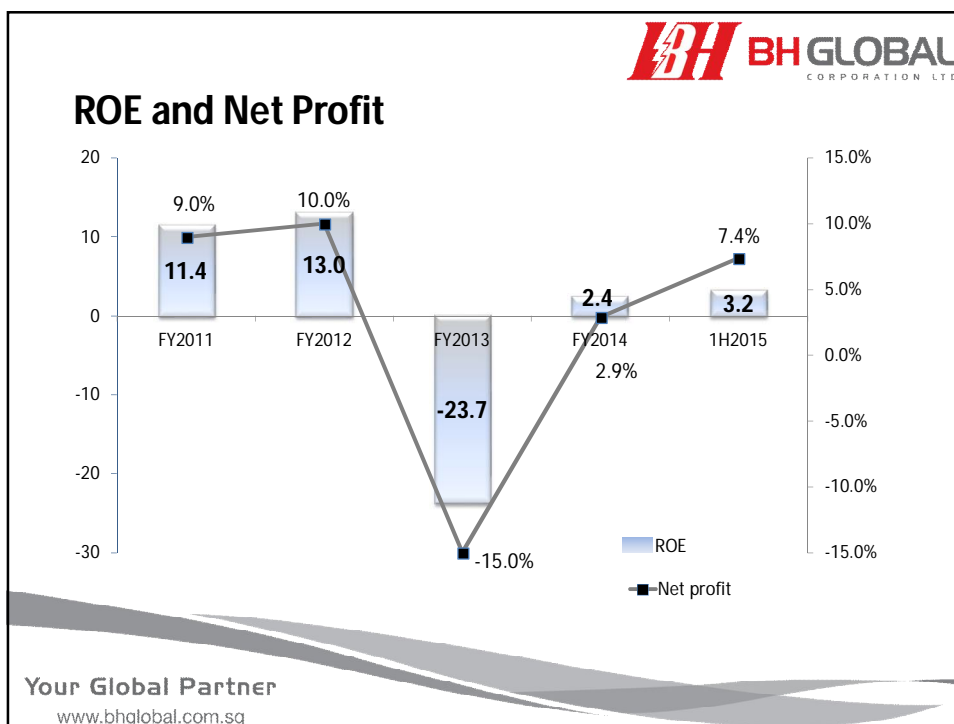
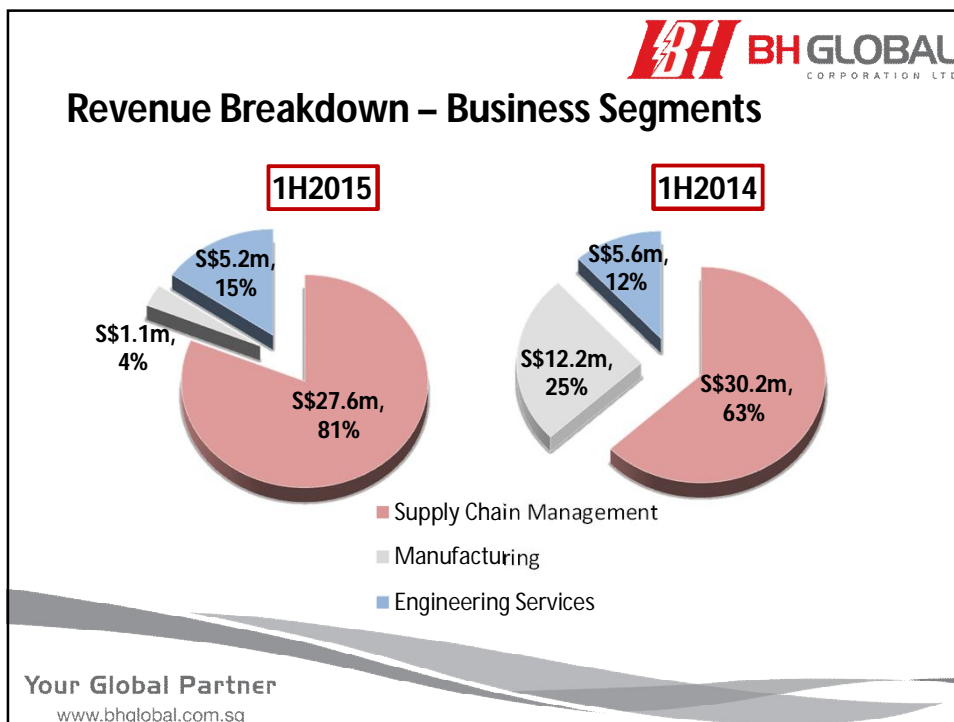
ppt: Percentage points  
N.M.: Not mentionable

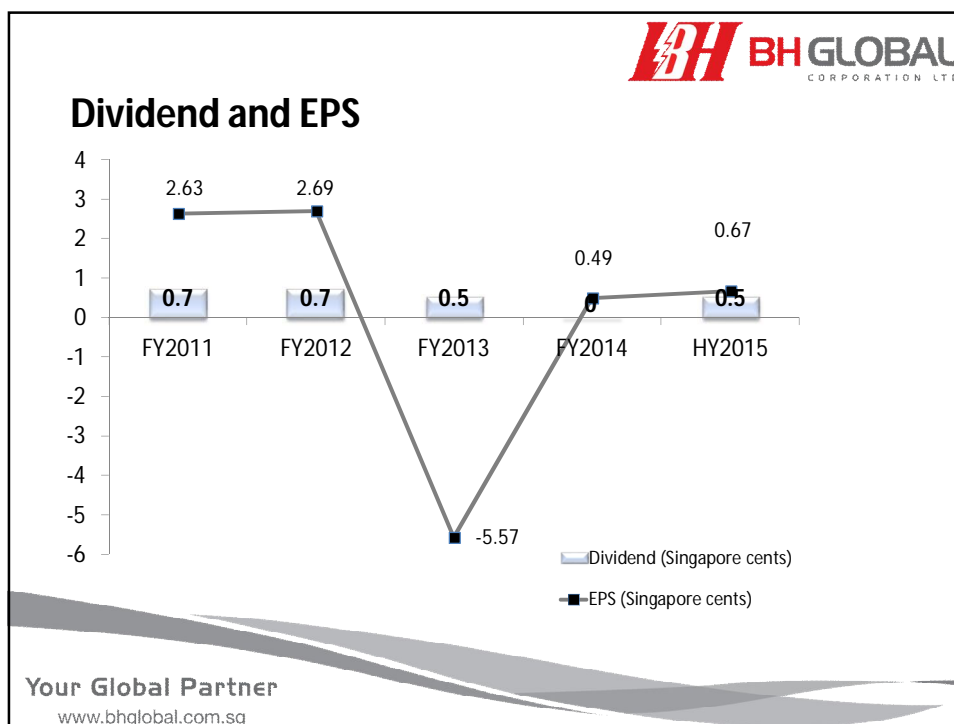
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### Cash Flow

	1H2015 (S\$'000)	1H2014 (S\$'000)
Profit/(Loss) before tax, total	3,127	(507)
Net cash from Operating activities	(1,908)	2,321
Net cash from/(used in) Investing activities	4,186	(3,663)
Net cash (used in)/from financing activities	(5,520)	2,730
Net (decrease)/increase in cash and cash equivalents	(3,242)	1,388
Cash and cash equivalents at end of period	2,528	11,770

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## Additional Financial Information

	30 Jun 2015	31 Dec 2014
Cash and cash equivalents (\$\$ millions)	3.6	5.0
Quick Ratio <sup>1</sup>	0.9	1.2
Interest Cover <sup>2</sup>	18.3	0.24
Net Gearing Ratio <sup>3</sup>	9.7%	11.5%
Total Debt to Equity	0.1	0.2

<sup>1</sup>Quick Ratio: (Current assets – Inventories) / Current Liabilities

<sup>2</sup>Interest Cover: EBIT / Interest Expense

<sup>3</sup>Net Gearing Ratio : (Total Borrowings – Cash & Cash Equivalents) / Total Equity

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## Share Statistics

Share price (as of 17 August 2015)	S\$0.110
Market capitalization	S\$52.8 million
52 week high/low	S\$0.144/0.099
Trailing EPS	S\$0.01
NAV per share	S\$0.17
P/E ratio	13.41
P/B ratio	0.73
Dividend Yield	N/A

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