



**Condensed interim financial statements**  
**For the six months ended 30 June 2023**

**BH GLOBAL CORPORATION LIMITED**  
**Condensed Interim Financial Statements**  
**For the Six Months Ended 30 June 2023 (“1H2023”)**

---

**TABLE OF CONTENTS**

	Page
A. Condensed interim consolidated statement of comprehensive income	1
B. Condensed interim statements of financial position	2-3
C. Condensed interim statements of changes in equity	4-6
D. Condensed interim consolidated statement of cash flows	7-8
E. Notes to the condensed interim consolidated financial statements	9-22
F. Other information required by Listing Rule Appendix 7.2	
1. Review	23
2. Review of performance of the Group	23-25
3. Variance from prospect statement	25
4. Outlook	26
5. Dividend	26-27
6. Interested person transactions	27
7. Confirmation pursuant to Rule 720(1)	27
8. Negative confirmation pursuant to Rule 705(5)	27

**BH GLOBAL CORPORATION LIMITED**  
**Condensed Interim Financial Statements**  
**For the Six Months Ended 30 June 2023 (“1H2023”)**

**A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	Group		% Change Increase/ (Decrease)
		6 months ended		
		30-Jun-23 \$'000	30-Jun-22 \$'000	
Revenue	4	29,145	25,678	14%
Cost of sales		(17,218)	(14,525)	19%
<b>Gross profit</b>		<b>11,927</b>	<b>11,153</b>	<b>7%</b>
Other operating income		526	552	(5%)
Selling and distribution expenses		(6,815)	(6,233)	9%
Administrative expenses		(4,071)	(3,679)	11%
Finance costs		(334)	(284)	18%
(Impairment loss)/reversal of impairment loss on financial assets		(32)	616	(105%)
		<b>1,201</b>	<b>2,125</b>	<b>(43%)</b>
Share of results of joint ventures		367	221	66%
Share of results of associated companies		(97)	(549)	(82%)
<b>Profit before tax</b>	6	<b>1,471</b>	<b>1,797</b>	<b>(18%)</b>
Income tax expense	7	(468)	(543)	(14%)
<b>Profit for the period</b>		<b>1,003</b>	<b>1,254</b>	<b>(20%)</b>
<b>Attributable to:</b>				
Equity holders of the Company		1,541	1,711	(10%)
Non-controlling interests		(538)	(457)	18%
		<b>1,003</b>	<b>1,254</b>	<b>(20%)</b>
<b>Other comprehensive (loss)/income:</b>				
<i>Items that are or may be reclassified subsequently to profit or loss:</i>				
Currency translation differences arising on consolidation		(32)	41	N.M.
Share of other comprehensive loss of associated companies		(38)	–	(100%)
Share of other comprehensive (loss)/income of joint ventures		(272)	42	N.M.
<i>Item that will not be reclassified subsequently to profit or loss:</i>				
Currency translation differences arising on consolidation		4	(4)	N.M.
Other comprehensive (loss)/income for the period, net of tax		<b>(338)</b>	<b>79</b>	<b>N.M.</b>
<b>Total comprehensive income for the period</b>		<b>665</b>	<b>1,333</b>	<b>(50%)</b>
<b>Total comprehensive income/(loss) attributable to:</b>				
Equity holders of the Company		1,199	1,794	(33%)
Non-controlling interests		(534)	(461)	16%
		<b>665</b>	<b>1,333</b>	<b>(50%)</b>
<b>Earnings per share attributable to equity holders of the Company:</b>				
Basic and diluted (in cents)	9	<b>0.51</b>	<b>0.57</b>	

N.M. Not meaningful

**BH GLOBAL CORPORATION LIMITED**  
Condensed Interim Financial Statements  
For the Six Months Ended 30 June 2023 (“1H2023”)

**B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**

	Note	<u>Group</u>		<u>Company</u>	
		30-Jun-23 \$'000	31-Dec-22 \$'000	30-Jun-23 \$'000	31-Dec-22 \$'000
<b>Non-current assets</b>					
Property, plant and equipment	11	17,596	17,613	-	-
Investment in subsidiaries		-	-	11,663	11,663
Investment in joint ventures		2,546	2,723	949	949
Investment in associated companies	12	-	-	-	-
Deferred tax assets		1,465	1,056	324	246
Intangible assets	13	3,847	3,511	-	-
Financial assets at fair value through profit or loss	14	3	3	-	-
Loan to an associated company		3,326	3,530	4,000	4,000
<b>Total non-current assets</b>		<b>28,783</b>	<b>28,436</b>	<b>16,936</b>	<b>16,858</b>
<b>Current assets</b>					
Inventories		31,161	32,997	-	-
Contract assets		1,138	1,885	-	-
Trade receivables		15,195	14,404	-	-
Other receivables		4,395	4,656	4,722	4,304
Cash and cash equivalents		5,583	5,737	317	265
<b>Total current assets</b>		<b>57,472</b>	<b>59,679</b>	<b>5,039</b>	<b>4,569</b>
<b>Total assets</b>		<b>86,255</b>	<b>88,115</b>	<b>21,975</b>	<b>21,427</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities		274	274	-	-
Borrowings	15	2,086	2,905	-	267
Lease liabilities		7,619	7,885	-	-
<b>Total non-current liabilities</b>		<b>9,979</b>	<b>11,064</b>	<b>-</b>	<b>267</b>
<b>Current liabilities</b>					
Contract liabilities		4,878	3,045	-	-
Trade payables		6,235	7,183	-	-
Other payables		3,593	5,041	13,152	10,326
Provisions		61	31	-	-
Borrowings	15	5,264	5,384	667	800
Lease liabilities		338	330	-	-
Tax payable		2,709	2,004	-	-
<b>Total current liabilities</b>		<b>23,078</b>	<b>23,018</b>	<b>13,819</b>	<b>11,126</b>
<b>Total liabilities</b>		<b>33,057</b>	<b>34,082</b>	<b>13,819</b>	<b>11,393</b>
<b>Net assets</b>		<b>53,198</b>	<b>54,033</b>	<b>8,156</b>	<b>10,034</b>

**BH GLOBAL CORPORATION LIMITED**  
Condensed Interim Financial Statements  
For the Six Months Ended 30 June 2023 (“1H2023”)

---

**B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (CONT'D)**

	Note	<u>Group</u>		<u>Company</u>	
		30-Jun-23 \$'000	31-Dec-22 \$'000	30-Jun-23 \$'000	31-Dec-22 \$'000
<b>Equity</b>					
Share capital	16	58,535	58,535	58,535	58,535
Currency translation reserve		(791)	(449)	-	-
Capital reserves		(1,977)	(1,977)	-	-
Accumulated losses		(1,930)	(1,971)	(50,379)	(48,501)
<hr/>					
Equity attributable to equity holders of the Company, total		53,837	54,138	8,156	10,034
Non-controlling interests		(639)	(105)	-	-
<b>Total equity</b>		<b>53,198</b>	<b>54,033</b>	<b>8,156</b>	<b>10,034</b>

**BH GLOBAL CORPORATION LIMITED**  
Condensed Interim Financial Statements  
For the Six Months Ended 30 June 2023 (“1H2023”)

**C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**

<u>Group</u>	Share capital	Currency translation reserve	Capital reserves	Accumulated losses	Total	Non-controlling interests	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2023</b>							
<b>At 1 January 2023</b>	58,535	(449)	(1,977)	(1,971)	54,138	(105)	54,033
Profit/(loss) for the financial period	-	-	-	1,541	1,541	(538)	1,003
<i>Other comprehensive (loss)/income</i>							
Currency translation differences arising on consolidation	-	(32)	-	-	(32)	4	(28)
Share of other comprehensive loss of associated companies	-	(38)	-	-	(38)	-	(38)
Share of other comprehensive loss of joint ventures companies	-	(272)	-	-	(272)	-	(272)
Other comprehensive (loss)/income for the financial period, net of tax	-	(342)	-	-	(342)	4	(338)
Total comprehensive (loss)/income for the period	-	(342)	-	1,541	1,199	(534)	665
Dividend (Note 8)	-	-	-	(1,500)	(1,500)	-	(1,500)
<b>At 30 June 2023</b>	<b>58,535</b>	<b>(791)</b>	<b>(1,977)</b>	<b>(1,930)</b>	<b>53,837</b>	<b>(639)</b>	<b>53,198</b>

**BH GLOBAL CORPORATION LIMITED**  
Condensed Interim Financial Statements  
For the Six Months Ended 30 June 2023 (“1H2023”)

**C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)**

<u>Group</u>	Share capital	Currency translation reserve	Capital reserves	Accumulated losses	Total	Non- controlling interests	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2022</b>							
<b>At 1 January 2022</b>	58,535	(411)	(1,977)	(2,980)	53,167	320	53,487
Profit/(loss) for the financial period	-	-	-	1,711	1,711	(457)	1,254
<i>Other comprehensive income/(loss)</i>							
Currency translation differences arising on consolidation	-	41	-	-	41	(4)	37
Share of other comprehensive income of joint ventures	-	42	-	-	42	-	42
Other comprehensive income/(loss) for the financial period, net of tax	-	83	-	-	83	(4)	79
Total comprehensive (loss)/income for the period	-	83	-	1,711	1,794	(461)	1,333
Change in ownership interest in subsidiaries that did not result in loss in control	-	-	-	(348)	(348)	348	-
Dividend (Note 8)	-	-	-	(1,500)	(1,500)	-	(1,500)
<b>At 30 June 2022</b>	<b>58,535</b>	<b>(328)</b>	<b>(1,977)</b>	<b>(3,117)</b>	<b>53,113</b>	<b>207</b>	<b>53,320</b>

**BH GLOBAL CORPORATION LIMITED**  
Condensed Interim Financial Statements  
For the Six Months Ended 30 June 2023 (“1H2023”)

---

**C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)**

<u>Company</u>	Share capital	Accumulated losses	Total
	\$'000	\$'000	\$'000
At 1 January 2023	58,535	(48,501)	10,034
Loss for the financial period	-	(378)	(378)
Dividend (Note 8)	-	(1,500)	(1,500)
<b>At 30 June 2023</b>	<b>58,535</b>	<b>(50,379)</b>	<b>8,156</b>
At 1 January 2022	58,535	(49,032)	9,503
Loss for the financial period	-	(462)	(462)
Dividend (Note 8)	-	(1,500)	(1,500)
<b>At 30 June 2022</b>	<b>58,535</b>	<b>(50,994)</b>	<b>7,541</b>



**BH GLOBAL CORPORATION LIMITED**  
Condensed Interim Financial Statements  
For the Six Months Ended 30 June 2023 (“1H2023”)

**D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

Note	Group	
	30-Jun-23 \$'000	30-Jun-22 \$'000
<b>Cash flows from operating activities</b>		
Profit before tax	1,471	1,797
Adjustments for:		
Amortisation of intangible assets	289	282
Depreciation of property, plant and equipment	789	893
Foreign exchange difference	(22)	(69)
Gain on disposal of property, plant and equipment	(1)	–
Intangible assets written off	–	26
Interest expense	334	284
Interest income	(192)	(107)
Provision for warranty	50	38
Reversal of provision for warranty	(20)	(105)
Share of results of associated companies	97	549
Share of results of joint ventures	(367)	(221)
Operating cash flows before working capital changes	2,428	3,367
Inventories	1,836	469
Contract assets and contract liabilities	2,580	(595)
Receivables	(529)	(2,922)
Payables	(2,232)	(1,945)
Currency translation adjustments	(64)	52
Cash from/(used in) operations	4,019	(1,574)
Income (paid)/tax refund	(175)	13
<b>Net cash from/(used in) operating activities</b>	<b>3,844</b>	<b>(1,561)</b>
<b>Cash flows from investing activities</b>		
Development costs	(622)	(705)
Dividend received from joint venture	377	–
Interest received	192	107
Proceeds of disposal of property, plant and equipment	3	–
Purchase of property, plant and equipment	(773)	(478)
<b>Net cash used in investing activities</b>	<b>(823)</b>	<b>(1,076)</b>

**BH GLOBAL CORPORATION LIMITED**  
Condensed Interim Financial Statements  
For the Six Months Ended 30 June 2023 (“1H2023”)

**D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)**

	Note	Group	
		6 months ended	
		30-Jun-23	30-Jun-22
		\$'000	\$'000
<b>Cash flows from financing activities</b>			
Net drawdown of short-term borrowings		-	1,500
Dividend paid to shareholders	8	(1,500)	(1,500)
Repayment of bank borrowings		(939)	(926)
Repayment of lease liabilities		(420)	(374)
Interest paid		(334)	(284)
Decrease in fixed deposits under pledge and restricted cash		1	2
<b>Net cash used in financing activities</b>		<b>(3,192)</b>	<b>(1,582)</b>
<b>Net decrease in cash and cash equivalents</b>			
		<b>(171)</b>	<b>(4,219)</b>
Cash and cash equivalents at beginning of financial period		5,533	9,398
Effects of exchange rate changes on cash and cash equivalents		21	62
<b>Cash and cash equivalents at end of the period</b>		<b>5,383</b>	<b>5,241</b>
<b>Cash and cash equivalents comprise the following:</b>			
Cash and cash equivalents		5,583	5,442
Less Restricted cash		(200)	(201)
<b>Cash and cash equivalents as per statement of cash flows</b>		<b>5,383</b>	<b>5,241</b>

## **E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

### **1. Corporate information**

BH Global Corporation Limited (the “Company”) is incorporated and domiciled in Singapore and is listed on the Main Board of Singapore Exchange Securities Trading Limited (“SGX-ST”). These condensed interim consolidated financial statements as at and for the six months ended 30 June 2023 comprise the Company and its subsidiaries (collectively, the “Group”).

The principal activity of the Company is that of investment holding. The Group has four main business segments, Electrical and Technical Supply, Green LED Lighting, Security and Integration Engineering.

### **2. Basis of Preparation**

The condensed interim financial statements for the six months ended 30 June 2023 have been prepared in accordance with Singapore Financial Reporting Standard (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the financial year ended 31 December 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency and all financial information presented in Singapore dollar are rounded to the nearest thousand (\$’000) except otherwise indicated.

#### **2.1 New and amended standards adopted by the Group**

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

#### **2.2 Use of judgements and estimates**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

## 2.2 Use of judgements and estimates (Cont'd)

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the financial year ended 31 December 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is as follows:

### *Joint control over Dream Marine Ship Spare Parts LLC ("DMS")*

The equity interest held by the Company in DMS is 34%. However, the Company is entitled to 70% of the net profit of DMS based on the shareholders' agreement between the Company and other joint venturers.

The Company has joint control over this investee as under the contractual arrangement, unanimous consent is required from all parties to the agreements for all relevant activities.

Management considered that the joint arrangement is structured as a limited company and provides the Company and the parties to the agreement with rights to the net assets of the limited company under the arrangement. Accordingly, this arrangement is classified as a joint venture.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment to the carrying amount of assets and liabilities within the next interim period are:

### *Impairment of non-financial assets*

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Goodwill are tested for impairment annually and at other times when such indicators exist. Other non-financial assets (including investment in subsidiaries, joint ventures and associated companies and finite life intangible assets) are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or the cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value-in-use.

When value-in-use calculations are undertaken, management is required to estimate the expected future cash flows from the asset or cash-generating unit and a suitable discount rate, in order to determine the present value of those cash flows. Further details of the key assumptions applied in the impairment assessment for investment in associated companies and the carrying amounts of investment associated companies and intangible assets are described in Notes 12 and 13 respectively.

## 2.2 Use of judgements and estimates (Cont'd)

### *Calculation of expected credit loss allowance*

When measuring expected credit loss (“ECL”), the Group uses reasonable and supportable forward-looking information, which is based on assumptions and forecasts of future economic conditions with consideration of the impact of the current macroeconomic uncertainties and how these conditions will affect the Group’s ECL assessment. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

In measuring ECL of loan to and amount due from an associated company, the Group uses cash flow forecasts from the associated company over the period the Group expects to recover the cash flows. The cash flow forecasts involve significant judgement and estimates in the forecasting and projection of sales and operating cash flows for the subsequent years. As the calculation of loss allowance on loan to and amount due from an associated company is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amounts of loan to and amount due from an associated company. The carrying amounts of loan to and amount due from an associated company at the end of the reporting period are \$3,326,000 (2022: \$3,530,000) and \$1,924,000 (2022: \$1,717,000) respectively.

Management determines the loss allowance on trade receivables and contract assets by categorising them based on their credit profiles, historical loss patterns and historical payment profiles. The Group also assesses at the end of the reporting period whether there is any objective evidence that the receivables and contract balances from individual customers is credit-impaired based on factors such as insolvency, financial difficulties of the customer or significant delay in repayments.

With the current macroeconomic uncertainties and inflationary pressures, the estimates on ECL have included the expected effect on the recoverability of the Group trade receivables. Based on the simplified approach, there was no significant exposure to the expected credit loss on trade receivables and contract assets except for a subsidiary which using provision matrix to calculate ECLs for trade receivables. The Group estimates the expected credit loss rates for each category of past due status of the debtors based on historical credit loss experience with forward-looking information. At every reporting date, historical defaults rates are updated and change in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is significant estimate. The amount of ECL is sensitive to changes in circumstances and forecast economic conditions. The Group’s historical credit loss experience and forecast of economic condition may not be representative of customers actual default in the future.

## **2.2 Use of judgements and estimates (Cont'd)**

### *Estimation of net realisable values of inventories*

Management reviews for slow-moving and obsolete inventories and for inventories where there are declines in net realisable value below cost, and writes down inventories for any such declines. Management estimates the net realisable value for inventories by taking into consideration the current economic condition, historical sales record, inventory ageing analysis, and subsequent sales. Such an evaluation process requires significant judgement as it requires management to exercise judgement in identifying slow-moving and obsolete inventories and making estimates of the net realisable value to determine the appropriate level of write-down required. Any significant changes in anticipated future selling prices and saleability may affect the carrying value of inventories.

The carrying amounts of the Group's inventories at the end of the reporting period and the amount of inventories written down for the financial year are \$31,161,000 (2022: 32,997,000) and \$909,000 (2022: \$1,862,000) respectively.

## **3. Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

## **4. Segment and revenue information**

For management purpose, the Group is organised into business segments, with each segment representing a strategic business segment that offers different products/services. The Group has four main business segments, Electrical and Technical Supply, Green LED Lighting, Security and Integration Engineering Segments.

These operating segments are reported in a manner consistent with internal reporting provided to Chief Operating Decision Maker ("CODM") that are used to make strategic decisions. The CODM comprises the Group's Chief Executive Officer, the Group's Chief Operating Officer and the respective segments' Chief Executive Officer.

#### 4.1 Reportable segments

	Electrical and Technical Supply \$'000	Green LED Lighting \$'000	Security \$'000	Integration Engineering \$'000	Cor- porate \$'000	Elimi- nations \$'000	Total \$'000
<b>1 January 2023 to 30 June 2023</b>							
<b>Segment revenue:</b>							
Sales to external customers	21,035	–	4,066	4,044	–	–	29,145
Intersegment sales	325	–	473	–	–	(798)	–
<b>Total revenue</b>	<b>21,360</b>	<b>–</b>	<b>4,539</b>	<b>4,044</b>	<b>–</b>	<b>(798)</b>	<b>29,145</b>
<b>Segment results</b>	4,631	–	(1,694)	(496)	(1,240)	–	1,201
Share of profit/(loss) from equity - accounted joint ventures and associates	367	(97)	–	–	–	–	270
Profit before tax							1,471
Income tax expense							(468)
Profit after tax							1,003
Depreciation and amortisation	542	–	259	277	–	–	1,078
Interest income	5	–	–	–	187	–	192
Finance cost	297	–	8	–	29	–	334
Other significant non-cash items	47	–	130	794	–	–	971
<b>Segment assets</b>	49,063	–	15,264	14,087	6,376	–	84,790
Unallocated assets							1,465
<b>Total assets</b>							<b>86,255</b>
<i>Segment assets includes</i>							
Investment in joint ventures and associates	2,546	–	–	–	–	–	2,546
Additions to non-current assets	629	–	489	277	–	–	1,395
<b>Segment liabilities</b>	19,497	–	4,696	4,420	1,461	–	30,074
Unallocated liabilities							2,983
<b>Total liabilities</b>							<b>33,057</b>

#### 4.1 Reportable segments (Cont'd)

	Electrical and Technical Supply \$'000	Green LED Lighting \$'000	Security \$'000	Integration Engineering \$'000	Cor- porate \$'000	Elimi- nations \$'000	Total \$'000
<b>1 January 2022 to 30 June 2022</b>							
<b>Segment revenue:</b>							
Sales to external customers	19,177	–	3,102	3,399	–	–	25,678
Intersegment sales	93	–	355	22	–	(470)	–
<b>Total revenue</b>	<b>19,270</b>	<b>–</b>	<b>3,457</b>	<b>3,421</b>	<b>–</b>	<b>(470)</b>	<b>25,678</b>
<b>Segment results</b>	5,117	–	(984)	(603)	(1,405)	–	2,125
Share of profit/(loss) from equity - accounted joint ventures and associates	221	(549)	–	–	–	–	(328)
Profit before tax							1,797
Income tax expense							(543)
Profit after tax							1,254
Depreciation and amortisation	518	–	261	396	–	–	1,175
Interest income	3	–	–	–	104	–	107
Finance cost	232	–	17	7	28	–	284
Other significant non-cash items	10	–	(66)	403	–	–	347
<b>Segment assets</b>	48,011	–	14,487	14,471	6,126	–	83,095
Unallocated assets							834
<b>Total assets</b>							<b>83,929</b>
<i>Segment assets includes</i>							
Investment in joint ventures and associates	2,659	–	–	–	–	–	2,659
Additions to non-current assets	393	–	156	1,491	–	–	2,040
<b>Segment liabilities</b>	18,261	–	4,676	2,734	2,501	–	28,172
Unallocated liabilities							2,437
<b>Total liabilities</b>							<b>30,609</b>



#### 4.1 Reportable segments (Cont'd)

	<b>Group</b>	
	<b>6 months ended</b>	
	30-Jun-23	30-Jun-22
	\$'000	\$'000
Significant non-cash items (other than depreciation and amortisation) consist of the following:		
Impairment loss/(reversal of impairment loss) on trade receivables	32	(616)
Reversal of provision for warranty	(20)	(105)
Provision for warranty	50	38
Write down of inventories	909	1,004
Intangible assets written off	–	26
	<b>971</b>	<b>347</b>

#### 4.2 Disaggregation of Revenue

	Electrical and Technical Supply \$'000	Security \$'000	Integration Engineering \$'000	Total \$'000
<b>6 months ended 30 June 2023</b>				
<b>Timing of revenue recognition</b>				
At a point in time	21,035	2,966	929	24,930
Over time	–	1,100	3,115	4,215
Total revenue	<b>21,035</b>	<b>4,066</b>	<b>4,044</b>	<b>29,145</b>
<b>6 months ended 30 June 2022</b>				
<b>Timing of revenue recognition</b>				
At a point in time	19,177	2,150	3,343	24,670
Over time	–	952	56	1,008
Total revenue	<b>19,177</b>	<b>3,102</b>	<b>3,399</b>	<b>25,678</b>

#### Geographical information

Revenue information based on the billing location of customers as follows:

	<b>6 months ended</b>	
	30.6.2023	30.6.2022
	\$'000	\$'000
Singapore	19,858	16,767
Japan	3,753	4,059
China	1,526	117
United Arab Emirates	917	512
United States of America	550	846
United Kingdom	459	2
Indonesia	397	781
Vietnam	263	459
Malaysia	248	576
France	205	9
Other countries	969	1,550
	<b>29,145</b>	<b>25,678</b>

## 5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and the Company at 30 June 2023 and 31 December 2022:

	Group		Company	
	30 June 2023 \$'000	31 December 2022 \$'000	30 June 2023 \$'000	31 December 2022 \$'000
<b>Financial assets</b>				
Financial assets at amortised cost	26,433	25,990	8,985	8,517
Financial assets at fair value through profit or loss	3	3	–	–
<b>Financial liabilities</b>				
At amortised cost	24,331	28,049	13,713	11,277

## 6. Profit before taxation

### 6.1 Significant items

	Group	
	30-Jun-23 \$'000	30-Jun-22 \$'000
<b>Profit for the financial period is arrived after charging:</b>		
Amortisation of intangible assets	289	282
Depreciation of property, plant and equipment	789	893
Intangible assets written off	–	26
Interest expense	334	284
Provision of impairment loss on trade receivables	32	–
Provision for warranty	50	38
Write down of inventories	909	1,004
<b>and crediting:</b>		
Foreign exchange gain – net	67	164
Gain on disposal of a property, plant and equipment	1	–
Government grant income	102	240
Interest income from associated company	192	107
Reversal of provision impairment loss on trade receivables	–	616
Reversal of provision for warranty	20	105

## 6.2 Related party transactions

In addition to the related party information disclosed elsewhere in the condensed interim financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial period:

	<b>Group</b>	
	<b>6 months ended</b>	
	30-Jun-23	30-Jun-22
	\$'000	\$'000
<b><u>With jointly controlled entities</u></b>		
Dividend income	377	-
Sales of goods	555	168
Purchase of goods	13	-
	<hr/>	<hr/>
<b><u>With associated companies</u></b>		
Sales of goods	1,007	1,271
Purchase of goods	1,635	1,189
Management fee income	14	14
Interest income	192	107
	<hr/>	<hr/>

## 7. Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	<b>Group</b>	
	<b>6 months ended</b>	
	30-Jun-23	30-Jun-22
	\$'000	\$'000
Current income tax	878	902
Deferred tax	(410)	(353)
	<hr/>	<hr/>
Over provision of income tax in prior years	468	549
	-	(6)
	<hr/>	<hr/>
	468	543
	<hr/>	<hr/>

## 8. Dividend

	<b>Group</b>	
	<b>6 months ended</b>	
	30-Jun-23	30-Jun-22
	\$'000	\$'000
Tax-exempt one tier final dividend of 0.5 cents (2022: 0.5 cents) per share paid in respect of the previous financial year	1,500	1,500
	<hr/>	<hr/>

## 9. Earnings per share (cents)

Basic earnings per share is calculated by dividing the net profit for the financial period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period:

	Group 6 months ended	
	30-June-23 \$'000	30-June-22 \$'000
Net profit attributable to equity holders of the Company	1,541	1,711
Weighted average number of ordinary shares outstanding for basic and diluted earnings per share ('000)	300,000	300,000
Basic earnings per share (cents per share)	0.51	0.57
Diluted earnings per share (cents per share)	0.51	0.57

The Group has no dilution in its earnings per share at 30 June 2023 and 30 June 2022.

## 10. Net asset value per ordinary share

	Group		Company	
	30-Jun-23	31-Dec-22	30-Jun-23	31-Dec-22
Net asset value per ordinary share based on existing share capital	17.7 cents	18.0 cents	2.7 cents	3.3 cents

Net asset value per ordinary share as at 30 June 2023 and 31 December 2022 are calculated based on the number of ordinary shares in issue of 299,999,987.

## 11. Property, plant and equipment

During the six months ended 30 June 2023, the Group acquired assets amounting to \$773,000 (30 June 2022 : \$1,335,000) and disposed assets amounting to \$2,000 (30 June 2022 : Nil).

## 12. Investment in associated companies

The Group's investment in associated companies are summarised below:

	<u>Group</u>		<u>Company</u>	
	30-Jun-23 \$'000	31-Dec-22 \$'000	30-Jun-23 \$'000	31-Dec-22 \$'000
<u>Carrying amount</u>				
GLH Lighting Holding Pte Ltd and its subsidiaries ("GLH Group)	-	-	-	-
BOS Marine Offshore Engineering Corporation	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	-

During the financial period, the Company performed an impairment review on its investment in GLH Group because of the continuing losses incurred by the GLH Group. The recoverable amount of the investment in GLH Group has been determined based on a value-in-use method using cash flow projections from forecasts approved by management covering a five-year period and taking into consideration of the recent macroeconomic uncertainties, inflationary pressures and difficult market conditions. The Group's value-in-use calculation was computed based on the cash flow forecasts derived from the most recent financial budgets approved by management covering a five-year period.

### 13. Intangible assets

	Goodwill \$'000	Acquired technology \$'000	Main- tenance contracts \$'000	Develop- ment costs \$'000	License fee \$'000	Total \$'000
<b>Group Cost</b>						
At 1 January 2022	4,833	2,920	141	5,730	40	13,664
Additions	–	–	–	647	–	647
Written off	–	–	–	(773)	(40)	(813)
At 31 December 2022	4,833	2,920	141	5,604	–	13,498
Additions	–	–	–	622	–	622
At 30 June 2023	<b>4,833</b>	<b>2,920</b>	<b>141</b>	<b>6,226</b>	–	<b>14,120</b>
<b>Accumulated amortisation</b>						
At 1 January 2022	–	438	117	1,699	–	2,254
Charge for the year	–	–	–	572	–	572
At 31 December 2022	–	438	117	2,271	–	2,826
Charge for the period	–	–	–	286	–	286
At 30 June 2023	–	<b>438</b>	<b>117</b>	<b>2,557</b>	–	<b>3,112</b>
<b>Accumulated impairment</b>						
At 1 January 2022	4,548	2,482	24	795	40	7,889
Written off	–	–	–	(688)	(40)	(728)
At 31 December 2022	4,548	2,482	24	107	–	7,161
At 30 June 2023	<b>4,548</b>	<b>2,482</b>	<b>24</b>	<b>107</b>	–	<b>7,161</b>
<b>Net carrying amount</b>						
At 30 June 2023	<b>285</b>	–	–	<b>3,562</b>	–	<b>3,847</b>
At 31 December 2022	285	–	–	3,226	–	3,511

#### Impairment test for goodwill

Goodwill acquired in a business combination is allocated to the cash generating units (CGUs) that are expected to benefit from that business combination. There is no indication of impairment as at 30 June 2023. The carrying amount of goodwill is allocated as follows:

	Group	
	30-Jun-23 \$'000	31-Dec-22 \$'000
<u>Security segment:</u>		
Athena Dynamics Pte Ltd (“ADPL”)	185	185
<u>Integration Engineering segment:</u>		
Sea Forrest Engineering Pte Ltd (“SFE”)	100	100
	<b>285</b>	<b>285</b>

**14. Financial assets at fair value through profit or loss**

	<b>Group</b>	
	30-Jun-23 \$'000	31-Dec-22 \$'000
Quoted equity shares	3	3

**15. Borrowings**

	<b>Group</b>		<b>Company</b>	
	30-June-23 \$'000	31-Dec-22 \$'000	30-June-23 \$'000	31-Dec-22 \$'000
<u>Amount repayable within one year or on demand</u>				
Secured	4,167	4,300	667	800
Unsecured	1,097	1,084	–	–
	5,264	5,384	667	800
<u>Amount repayable after one year</u>				
Secured	–	267	–	267
Unsecured	2,086	2,638	–	–
	2,086	2,905	–	267
Total borrowings	7,350	8,289	667	1,067

The Group's banking facilities were secured by the following:

- (a) Legal charge on the Group's leasehold properties with net book value of \$16.1 million (31 December 2022 : \$16.1 million);
- (b) Corporate guarantee by the Company.

Included in the above borrowings is a term loan of \$0.67 million (31 December 2022 : \$1.07 million), which is also covered by corporate guarantee from its associated companies, GL Lighting Holding Pte Ltd and Arco Illumination Pte Ltd, fixed charge over the shares of GL Lighting Holding Pte Ltd and debenture over Arco Illumination Pte Ltd.

## 16. Share capital

	<b>Group and Company</b>			
	30 June 2023		31 December 2022	
	Number of issued shares '000	Total share capital \$'000	Number of issued shares '000	Total share capital \$'000
<u>Issued and fully paid up</u>				
Balance at 30 June 2022 and 31 December 2021	300,000	58,535	300,000	58,535

The Company did not hold any treasury shares as at 30 June 2023 and 31 December 2022.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2023 and 31 December 2022.

## 17. Subsequent events

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.



**BH GLOBAL CORPORATION LIMITED**  
**Condensed Interim Financial Statements**  
**For the Six Months Ended 30 June 2023 (“1H2023”)**

---

**OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2**

**1. Review**

The condensed statements of financial position of BH Global Corporation Limited and its subsidiaries as at 30 June 2023 and the related condensed consolidated statement of comprehensive income, condensed consolidated statements of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

**2. Review of Performance of the Group**

**(A) Financial Performance of the Group (1H2023 vs 1H2022)**

**Revenue**

	Group		
	1H2023	1H2022	%
	\$'000	\$'000	Change
Electrical and Technical Supply	21,035	19,177	10
Security	4,066	3,102	31
Integration Engineering	4,044	3,399	19
<b>Total revenue</b>	<b>29,145</b>	<b>25,678</b>	<b>14</b>

**Electrical and Technical Supply**

For 1H2023, revenue from the Electrical and Technical Supply Division increased by \$1.9 million as compared to 1H2022 as the industry continues to recover in the level of activities, with the resumption of operations by shipyards in Singapore and in the region.

**Security**

The Security Division comprises Infrared and Thermal Sensing Technology and Cyber Security businesses. Revenue from this division increased by \$1.0 million mainly due to increase in revenue of \$1.3 million from Cyber Security as more projects are delivered offset by a decreased in revenue of \$0.3 million from Infrared and Thermal Sensing Technology.

**Integration Engineering**

The increase in revenue for the Integration Engineering Division by \$0.6 million is attributed to increase in recognition of project revenue.

## **2. Review of Performance of the Group (Cont'd)**

### **(A) Financial Performance of the Group (Cont'd)**

#### **Gross profit**

The Group's overall gross profit decreased slightly for 1H2023 at 41% as compared to 1H2022 at 43%. The gross profit increased by \$774k from \$11.2 million in 1H2022 to \$11,9 million in 1H2023, mainly due to increase in turnover in Electrical and Technical Supply Division.

#### **Other operating income**

Other operating income decreased marginally by \$0.03 million from \$0.55 million in 1H2022 to \$0.52 million in 1H2023.

#### **Operating expenses**

Selling & Distribution expenses increased by \$0.6 million, from \$6.2 million in 1H2022 to \$6.8 million in 1H2023, mainly due to increase in personnel related costs of \$0.7 million.

Administrative expenses increased slightly by \$0.4 million mainly due to increase in personnel related costs.

Finance costs increased by \$0.05 million mainly due to rising interest rates since May 2022.

#### **Impairment losses on financial assets**

The Group recorded impairment losses on financial assets of \$0.03 million in 1H2023 as compared to a write back of \$0.6 million due to recovery of overdue receivables in 1H2022 which was previously impaired.

#### **Share of results of joint ventures**

The increase in share of profits of joint ventures was due to higher profits recorded by the Group's joint ventures for 1H2023.

#### **Share of results of associated companies**

The decrease in share of losses of associated company was due to lower losses incurred by the Group's associated companies for 1H2023.

#### **Net profit for the period**

The Group registered a lower net profit of \$1.0 million mainly due increase in selling and distribution expenses and administrative expenses as well as registering an impairment loss of financial assets in 1H2023 as compared to a write back in 1H2022.

## 2. Review of Performance of the Group (Cont'd)

### (B) Financial Position of the Group

#### **Inventories**

Inventories decreased by \$1.8 million from \$33.0 million as at 31 December 2022 to \$31.2 million as at 30 June 2023, mainly due to decrease in Electrical and Technical Supply of \$1.1 million and Integration Engineering Division of \$643k.

#### **Trade receivables**

Trade receivables increased by \$791k from \$14.4 million as at 31 December 2022 to \$15.2 million as at 30 June 2023. Integration Engineering Division increased by \$1.1 million; Electrical and Technical Supply increased by \$588k; offset by decrease in Cyber Security of \$788k and Infrared and Thermal Sensing Technology of \$121k.

#### **Trade payables**

Trade payables decreased by \$948k from \$7.2 million as at 31 December 2022 to \$6.2 million as at 30 June 2023 mainly due lower purchases during the period.

#### **Borrowings**

Borrowings decreased by \$0.9 million from \$8.3 million as at 31 December 2022 to \$7.4 million as at 30 June 2023 mainly due to repayment during the period.

### (C) Cash flow review (1H2023 vs 1H2022)

As a result of lower working capital requirements, cashflow from operating activities for 1H2023 was \$3.8 million, as compared to net cash flows used in operating activities of \$1.6 million in 1H2022.

The net cash flows used in investing activities for 1H2023 was \$0.8 million, mainly due to development costs incurred and purchase of property, plant and equipment offset against dividend received from joint venture.

The net cash used in financing activities increased from \$1.6 million for 1H2022 to \$3.2 million for 1H2023 mainly due to lower drawdown of short-term borrowings in 1H2023.

## 3. Variance from prospect statement

Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

#### 4. Outlook

A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Persistent challenges in US-China trade tensions, the Covid-19 Pandemic and the Russia-Ukraine war have significantly impacted the global economy and our businesses.

Increasing cyber-attacks on critical infrastructures mandates that it is critical for transportation and shipping organisations to strengthen their defences. This creates opportunities for our Cyber-Security Division.

An increase in capex spending in oil and gas as well as renewables, combined with a tighter supply of active tonnage, continues to point towards optimism for the offshore vessel market and stimulates Marine and Offshore activities.

The drive towards the Green Sustainability and Decarbonization in the shipping industry has seen new regulatory requirements that impact our businesses but at the same time present new opportunities for us to pursue. Our initiatives include but are not limited to Green LED retrofitting, Vessel Electrification, Green Energy storage and GRE piping solutions.

In a recent visit by Minister for Trade and Industry Singapore, Mr Gan Kim Yong, we showcased our Electrification and Decarbonization projects as part of our transformation.

#### 5. Dividend

(a) Whether an interim (final) ordinary dividend has been declared (recommended)

None.

(b) (i) Amount per share

Not applicable.

(b) (ii) Previous corresponding period

None.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)

Not applicable.

(d) The date the dividend is payable

Not applicable.

## **5. Dividend (Cont'd)**

- (e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

Not applicable.

- (f) If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision

No dividend has been declared or recommended for the financial period ended 30 June 2023 in view of the Group's operational and financial cash needs.

## **6. Interested Person Transactions ("IPTs")**

If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a shareholders' mandate pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

## **7. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual of the SGX-ST.

## **8. Negative confirmation pursuant to Rule 705(5) of the Listing Manual**

The Board of Directors confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited interim financial results for the financial period ended 30 June 2023 to be false or misleading, in any material respect.

On behalf of the Board of Directors

Vincent Lim Hui Eng  
Executive Chairman and  
Chief Executive Officer  
11 August 2023

Patrick Lim Hui Peng  
Chief Operating Officer