



(Company Registration No: 200404900H)

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## POTENTIAL SPIN-OFF LISTING OF THE COMPANY'S SUBSIDIARY: UPDATE

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### 1. INTRODUCTION

- 1.1. The Board of Directors (“**Board**”) of BH Global Corporation Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s earlier announcements dated 1 June 2023, 2 January 2024 and 21 March 2024 (the “**Earlier Announcements**”).

*Capitalised terms not otherwise defined in this announcement shall have the meanings ascribed to them in the Earlier Announcements.*

- 1.2. The Company wishes to update that in furtherance of the Potential Spin-Off:
- a. The Potential Spin-Off Listco has on 31 March 2025 submitted a public filing with the relevant regulatory authority in connection with the Potential Spin-Off.
  - b. The Potential Spin-Off Listco is Sea Forrest International Ltd (“**SFI**”). Following the Restructuring, SFI is intended to list with SFTS as its wholly-owned subsidiary, which in turn holds each of SFE and SFP as its wholly-owned subsidiaries.
  - c. Based on the Company’s submission to the SGX-ST and representations made, the SGX-ST had no comments to the Potential Spin-Off, subject to the conditions stated in its letter of no objection.

### 2. INFORMATION ON THE SPIN-OFF GROUP

#### ***Business of the SFT Group***

- 2.1. As disclosed in the Earlier Announcements, SFI was incorporated as the listing vehicle for the Potential Spin-Off and as of the date of this announcement, does not carry on any business of its own.
- 2.2. SFTS, SFE and SFP (the “**SFT Group**”) principally carries on business in the maritime electrification industry, comprising the following:
- a. Engineering:
    - i. Provision of on-site repair and upgrading services to marine and offshore vessels;
    - ii. Provision of afloat maintenance, repair and overhaul services to marine and offshore vessels;
    - iii. Fabrication of sustainable equipment and structures; and
    - iv. Retrofitting of current conventional lighting to led lighting on marine vessels to improve energy savings.
  - b. Power Solutions:
    - i. Provision of coastal sustainable solutions through electrification and hybridization;
    - ii. Product and system development;
    - iii. Provision of coastal marine charging solutions; and

- iv. Development of marine energy storage systems.
- 2.3. The SFT Group has in the recent years expanded on its maritime electrification business by undertaking sustainability-related projects.
- 2.4. Due to the SFT Group's operations in general being principally undertaken in the limited and specialised area of maritime electrification, the SFT Group's businesses and assets are managed independently of the Group's other subsidiaries, and its operations do not contribute to nor support the operations of the Group's other subsidiaries to a material extent.

**Financial Position of the SFT Group within the Group**

- 2.5. The SFT Group is not a principal subsidiary of the Company under the definition of the Listing Manual.
- 2.6. The Listing Manual defines "principal subsidiary" as "a subsidiary whose latest audited consolidated pre-tax profits (including discontinued operations that have not been disposed and excluding the non-controlling interest relating to that subsidiary) as compared with the latest audited consolidated pre-tax profits of the group (including discontinued operations that have not been disposed and excluding the non-controlling interest relating to that subsidiary) accounts for 20% or more of such pre-tax profits of the group".
- 2.7. Based on:
- a. the calculations with reference to the Group's audited consolidated financial results for the financial year ended 31 December 2023 ("FY2023"), being the latest available audited consolidated statements as at the date of this announcement; and
  - b. the calculations with reference to the Group's unaudited consolidated financial results for the financial year ended 31 December 2024 ("FY2024"), being the latest available consolidated statements as at the date of this announcement,

the SFT Group's position within the Group is as follows:

(\$'000)	FY2023			FY2024		
	SFT Group	The Group	Contribution to the Group (%)	SFT Group	The Group	Contribution to the Group (%)
Revenue	5,831	59,154	10	6,821	60,385	11
Net Profit Before Tax	(554)	3,638	(15)	(127)	2,545	(5)
Net Profit After Tax	(92)	2,691	(3)	(114)	2,087	(5)
Net Asset Value	(29)	55,406	0	119	55,515	0

- 2.8. Therefore, based on the Group's FY2023 audited financial statements, the SFT Group's audited consolidated pre-tax loss (including discontinued operations that have not been disposed and excluding the non-controlling interest relating to SFT) accounts for S\$(554,000) (-15%) of the audited consolidated pre-tax profits of the Group (including discontinued operations that have not been disposed and excluding the non-controlling interest relating to SFT). This being less than the threshold of 20%, SFT is not a principal subsidiary of the Group.
- 2.9. Based on the Group's FY2024 unaudited financial statements, the percentage contribution of the SFT Group would be -5% instead, and hence would also not be considered a principal subsidiary.

### ***Management of the SFT Group***

- 2.10. SFTS's current directors include Mr. Vincent Lim Hui Eng, Mr. Patrick Lim Hui Peng and Mr. George Lee Sze Min.
- 2.11. Mr. Vincent Lim is also the Executive Chairman and Chief Executive Officer of the Company. Mr. Vincent Lim is responsible for the Group's strategic business planning and development and has over three decades of experience in the supply chain management business of the marine electrical industry.
- 2.12. Mr. Patrick Lim is also an Executive Director and the Chief Operating Officer of the Company. He is responsible for the Group's overall operations and strategic planning for the Group's various businesses.
- 2.13. Mr. George Lee has been principally involved in green initiatives in the maritime electrification industry and has more than two decades of experience in the marine and offshore sector, specializing in marine systems, repairs and engineering.
- 2.14. While all three directors collectively oversee the management and direction of the SFT Group, day-to-day management of the SFT Group is generally undertaken by Mr. George Lee. Mr. Vincent Lim and Mr. Patrick Lim generally take on a less operational role in the SFT Group, and are more focused on ensuring that the activities and plans of the SFT Group are consistent with the Group's strategic direction and overall plans.
- 2.15. The Company intends that either Mr. Vincent Lim or Mr. Patrick Lim will be replaced as directors of SFT Group within 6 months of completion of the Potential Spin-Off, and that such replacement director would not be associated with the remaining Group following the Potential Spin-Off.

### **3. RATIONALE FOR THE POTENTIAL SPIN-OFF**

#### ***Securing Funding for the SFT Group Whilst Preserving Shareholder Value***

- 3.1. The SFT Group intends to invest into and accelerate its research and development of sustainability technologies for maritime electrification, enhance its current capabilities in energy storage and charging systems, as well as further its business expansion plans by acquiring management expertise, investing in companies engaged in similar or complementary businesses or technology, acquire capabilities in the areas of Internet of Things and web-based interfaces, and manufacturing and repairing motor systems locally and overseas.
- 3.2. These plans are estimated to require funding of approximately S\$31,000,000. This is due to the maritime electrification industry being highly competitive, driven by rapid technological advancements and industry competition. This amount exceeds the funding that the SFT Group was expected to require when SFP was incorporated in October 2020 and SFE was acquired in March 2021. Nonetheless, the SFT Group is of the view that acquiring such technology will allow it to stay ahead of its competition. Hence, following the Potential Spin-Off, it is intended for the SFT Group to carry out further rounds of equity financing by way of private placements or otherwise in the event necessary to address a funding shortfall.
- 3.3. Presently, the Group has faced difficulty in securing funding due to the SFT Group being loss-making since FY2021 and the uncertainty involved in research and development. Internal funding is not feasible without diverting material resources from other key business divisions of the Group, and alternative external funding options (such as loans) could increase the risk exposure of the Group and be prejudicial to shareholders and/or require the Group to assume additional liabilities that are disproportionate to the SFT Group's contribution to the Group's revenue. Further, in view of the losses of the SFT Group, fund raising by way of private

investments will likely require the Company to offer private investors large discounts on the SFT Group's valuation that reduce the Company's ability to realize its investment in the SFT Group.

- 3.4. Yet, disposing of the SFT Group at this juncture is also unlikely to allow the Group to realize its investment in the SFT Group. Any proceeds from a sale are expected to be insignificant after offsetting the legal and carveout expenses incurred by the Group in the process of such disposal. Additionally, in light of the possible benefit that the SFT Group's expansion plans may bring to its growth, the Group is also of the opinion that a disposal might be premature at this juncture.
- 3.5. Therefore, without the Potential Spin-Off, the SFT Group's expansion would be difficult, and realizing the Group's investment in the SFT Group would also be unlikely. Conversely, with the Potential Spin-Off, the Group's exposure to risks arising from the SFT Group's expansion plans could be reduced, the impact of the SFT Group's loss-making position on the Group's profits could also be reduced, but the Group could still be able to, should the SFT Group become profitable, realize a significant portion of its initial investment in the SFT Group. Hence, the Group believes that the Potential Spin-Off is the most viable way to secure funding for the SFT Group whilst preserving shareholder value.

#### ***Unlocking Value and Creating Investment Flexibility for Shareholders***

- 3.6. The Potential Spin-Off is expected to enable the Group to unlock and increase value for the Company's shareholders by realizing the value of the Group's investment in the SFT Group without a corresponding increase in the Group's exposure and financial liability for the other Group entities after the Potential Spin-Off ("**Remaining Group**"). Following the Potential Spin-Off, the Remaining Group is not expected to be required to fund the expansion of the SFT Group. Meanwhile, with its independent listed status, the SFT Group is expected to have greater capacity to fund its operations and growth independent of the Group and without the Group having to assume the risk of providing additional funding. As the Company intends to retain a controlling stake in the SFT Group upon completion of the Potential Spin-Off, the Company and its shareholders are expected to be able to continue to participate in and benefit from the growth of the SFT Group. Shareholders and new investors are also expected to benefit from the Potential Spin-Off as they would have the flexibility to invest in the shares of either or both listed entities, in accordance with their personal preferences and risk appetites.

#### ***Enabling management to focus on the Remaining Group's businesses, and allowing growth of the SFT Group to be driven by an independent, specialized management***

- 3.7. Following the Potential Spin-Off, it is intended for Mr. Vincent Lim and Mr. Patrick Lim to step down as directors of SFTS and for SFTS to source for persons who have specific expertise in areas into which the SFT Group is looking to expand. This is intended to enrich the management of the SFT Group with specialized skillsets and allow it greater autonomy to develop its business and react to market demands faster, with less constraints of a conglomerate structure. Concurrently, the management of the Remaining Group is expected to be able to divert more capital and resources to the strategies, growth, opportunities and operations of the Remaining Group. Hence, the Company expects the Potential Spin-Off to benefit the growth of both the SFT Group and Remaining Group.

#### **4. SHAREHOLDERS' APPROVAL**

- 4.1. As the SFT Group is not a principal subsidiary, the transactions envisaged by the Potential Spin-Off are neither acquisitions nor disposals, and no consideration is expected to be given or received by the Group, the Group is not intending to convene any shareholders' meeting to seek approval for the Potential Spin-Off under Rule 805(2) or Chapter 10 of the Listing Manual or otherwise.

## **5. CLEARANCE WITH THE SGX-ST**

- 5.1. Based on the above, the Company had sought the SGX-ST's:
- a. Waiver of the third requirement for spin-off proposals as stated in the SGX-ST's Regulatory Column on 3 February 2010 (the "**Spin-off Guidance**");
  - b. Confirmation that no shareholders' approval would be required for the Potential Spin-Off; and
  - c. Approval to the Potential Spin-Off.
- 5.2. The Company is pleased to announce that based on the Company's submission to the SGX-ST and representations made, the SGX-ST was of the view that:
- a. The Potential Spin-Off is not a chain listing under Rule 210(6) of the Listing Manual and complies with the Spin-off Guidance;
  - b. Based on the Company's representation that the SFT Group is not a principal subsidiary the SGX-ST had no objection to the Company's view that the Potential Spin-Off would not require shareholders' approval pursuant to Rule 805(2) or Chapter 10 of the Listing Manual; and
  - c. The SGX-ST had no comments to the Potential Spin-Off, subject to:
    - i. the Company's submission of a confirmation that the Remaining Group would have sufficient management expertise and resources in compliance with Listing Rule 103(1) as either Mr. Vincent Lim or Mr. Patrick Lim (the "**Overlapping Directors**") will be replaced as directors of SFT Group within 6 months of completion of the Potential Spin-Off, and that such replacement director would not be associated with the Remaining Group;
    - ii. The Company ensuring that one of the Overlapping Directors as directors of SFT Group had been replaced in the SFT Group in accordance with (i) above in a timely manner; and
    - iii. The Company's submission of a confirmation that there are no material changes to the submissions and representations made in its original application to the SGX-ST when all relevant figures have been updated accordingly, and that the Potential Spin-Off will remain in compliance with the Spin-off Guidance without triggering the thresholds under Rule 805(2) or Chapter 10 of the Listing Manual based on the updated figures.

## **6. FURTHER ANNOUNCEMENTS AND CAUTIONARY STATEMENT**

- 6.1. As at the date of this announcement, save for their directorships and (if any) shareholdings in the Company, none of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the Potential Spin-Off.
- 6.2. The Company will continue to keep shareholders updated and will make further announcements when there are material developments in respect of the Potential Spin-Off or when appropriate from time to time.
- 6.3. Shareholders and potential investors of the Company are advised to read this announcement and all further announcements released by the Company carefully. Shareholders and potential investors of the Company should exercise caution when trading in shares of the Company and

where in doubt as to the action they should take, should consult their legal, financial, tax or other professional adviser(s) in a timely manner.

*This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities nor is it intended or calculated to invite any such offer or invitation in Singapore or on any foreign stock exchange. Any public offering of securities to be made in Singapore or on any foreign stock exchange will be made by way of a prospectus or an offering document or analogous (as applicable) and will contain detailed information about the Potential Spin-Off as required by the laws and regulations of the relevant jurisdiction and stock exchange.*

**BY ORDER OF THE BOARD**

Vincent Lim Hui Eng  
Executive Chairman and Chief Executive Officer  
1 April 2025