



(Company Registration No: 200404900H)

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**MEMORANDUM OF UNDERSTANDING FOR PROPOSED DISPOSAL OF SUBSIDIARY,  
Z-POWER AUTOMATION PTE. LTD.**

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The Board of Directors of BH Global Corporation Limited (the “Group”) wishes to announce that the Group has entered into a non-binding memorandum of understanding (“MOU”) with XMH Holdings Ltd. (“XMH”) for the disposal of the Group’s 60% stake of the entire issued and paid-up share capital, consisting of 1,610,000 ordinary shares, of its subsidiary Z-Power Automation Pte. Ltd. (“ZPA”) to XMH (“Proposal Disposal”).

ZPA specializes in designing and manufacturing marine switchboards, remote control distribution systems and other integrated marine automation products.

Under the terms of the non-binding MOU, the Group will receive a total consideration of S\$9.9 million for its 60% shareholding in ZPA which will be paid in two tranches. The first tranche of S\$7.92 million will be paid shortly after the completion of the disposal, and the second tranche of S\$1.98 million will be paid on around the 1<sup>st</sup> year of the completion of the disposal. The agreed valuation of ZPA was determined on a willing-buyer-willing-seller basis and took into consideration specific warranties.

All agreements and arrangements existing as at the date of this MOU entered into between ZPA and the Group for the supply of the products of the Group to ZPA will be maintained and continue to be in full force and effect for at least three (3) years from the completion date.

Save as disclosed in above, none of the Directors and substantial Shareholders of the Group has any interests, direct or indirect, in the Proposed Disposal, (other than in his capacity as Director or Shareholder of the Group).

The Group will make further announcement(s) via the SGXNET as appropriate when there are material developments to the Proposed Disposal and/or disclose further details as required under the SGX-ST Listing Manual.

By Order of the Board

Vincent Lim Hui Eng  
Chief Executive Officer  
Date: 20 August 2014