



Condensed interim financial statements
For the six months ended 30 June 2024

BH GLOBAL CORPORATION LIMITED
Condensed Interim Financial Statements
For the Six Months Ended 30 June 2024 (“1H2024”)

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A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Group		% Change Increase/ (Decrease)
		6 months ended		
		30-Jun-24 \$'000	30-Jun-23 \$'000	
Revenue	4	29,542	29,145	1%
Cost of sales		(17,707)	(17,218)	3%
Gross profit		11,835	11,927	(1%)
Other operating income		698	526	33%
Selling and distribution expenses		(7,507)	(6,815)	10%
Administrative expenses		(3,948)	(4,071)	(3%)
Finance costs		(339)	(334)	1%
Impairment loss on financial assets		(14)	(32)	(56%)
		725	1,201	(40%)
Share of results of joint ventures		462	367	26%
Share of results of associated companies		(85)	(97)	(12%)
Profit before tax	6	1,102	1,471	(25%)
Income tax expense	7	(551)	(468)	18%
Profit for the period		551	1,003	(45%)
Attributable to:				
Equity holders of the Company		934	1,541	(39%)
Non-controlling interests		(383)	(538)	(29%)
		551	1,003	(45%)
Other comprehensive (loss)/income:				
<i>Items that are or may be reclassified subsequently to profit or loss:</i>				
Currency translation differences arising on consolidation		2	(32)	N.M.
Share of other comprehensive loss of associated companies		(22)	(38)	(42%)
Share of other comprehensive loss of joint ventures		–	(272)	N.M.
<i>Item that will not be reclassified subsequently to profit or loss:</i>				
Currency translation differences arising on consolidation		–	4	N.M.
Other comprehensive loss for the period, net of tax		(20)	(338)	(94%)
Total comprehensive income for the period		531	665	(20%)
Total comprehensive income attributable to:				
Equity holders of the Company		1,046	1,199	(13%)
Non-controlling interests		(515)	(534)	(3%)
		531	665	(20%)
Earnings per share attributable to equity holders of the Company:				
Basic and diluted (in cents)	9	0.31	0.51	

N.M. Not meaningful

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B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	<u>Group</u>		<u>Company</u>	
		30-Jun-24 \$'000	31-Dec-23 \$'000	30-Jun-24 \$'000	31-Dec-23 \$'000
Non-current assets					
Property, plant and equipment	11	17,496	17,476	-	-
Investment in subsidiaries		-	-	11,695	11,163
Investment in joint ventures		2,965	2,884	949	949
Investment in associated companies	12	-	-	-	-
Deferred tax assets		1,671	1,361	213	213
Intangible assets	13	5,258	4,921	-	-
Financial assets at fair value through profit or loss	14	3	2	-	-
Loan to an associated company		3,410	3,517	4,000	4,000
Total non-current assets		30,803	30,161	16,857	16,325
Current assets					
Inventories		36,078	30,743	-	-
Contract assets		1,160	1,297	-	-
Trade receivables		15,013	16,258	-	-
Other receivables		4,700	4,598	5,336	5,005
Cash and cash equivalents		2,944	5,305	89	325
Total current assets		59,895	58,201	5,425	5,330
Total assets		90,698	88,362	22,282	21,655
Non-current liabilities					
Deferred tax liabilities		309	309	-	-
Borrowings	15	960	1,577	-	-
Lease liabilities		7,973	7,657	-	-
Total non-current liabilities		9,242	9,543	-	-
Current liabilities					
Contract liabilities		3,826	4,011	-	-
Trade payables		8,167	5,519	-	-
Other payables		2,978	4,203	11,209	8,230
Provisions		109	83	-	-
Borrowings	15	9,675	6,377	-	267
Lease liabilities		429	374	-	-
Tax payable		2,398	2,846	-	-
Total current liabilities		27,582	23,413	11,209	8,497
Total liabilities		36,824	32,956	11,209	8,497
Net assets		53,874	55,406	11,073	13,158

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

	Note	<u>Group</u>		<u>Company</u>	
		30-Jun-24 \$'000	31-Dec-23 \$'000	30-Jun-24 \$'000	31-Dec-23 \$'000
Equity					
Share capital	16	58,535	58,535	58,535	58,535
Currency translation reserve		(604)	(584)	-	-
Capital reserves		(1,342)	(1,342)	-	-
Accumulated losses		(1,439)	(309)	(47,462)	(45,377)
<hr/>					
Equity attributable to equity holders of the Company, total		55,150	56,300	11,073	13,158
Non-controlling interests		(1,276)	(894)	-	-
Total equity		53,874	55,406	11,073	13,158

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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
2024							
At 1 January 2024	58,535	(584)	(1,342)	(309)	56,300	(894)	55,406
Profit/(loss) for the financial period	-	-	-	934	934	(515)	419
<i>Other comprehensive (loss)/income</i>							
Currency translation differences arising on consolidation	-	2	-	-	2	-	2
Share of other comprehensive loss of associated companies	-	(22)	-	-	(22)	-	(22)
Acquisition of a subsidiary	-	-	-	-	-	133	133
Other comprehensive (loss)/income for the financial period, net of tax	-	(20)	-	-	(20)	133	113
Total comprehensive (loss)/income for the period	-	(20)	-	934	914	(382)	532
Dividend (Note 8)	-	-	-	(2,064)	(2,064)	-	(2,064)
At 30 June 2024	58,535	(604)	(1,342)	(1,439)	55,150	(1,276)	53,874

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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
2023							
At 1 January 2023	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)
At 30 June 2023	58,535	(791)	(1,977)	(1,930)	53,837	(639)	53,198

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

<u>Company</u>	Share capital	Accumulated losses	Total
	\$'000	\$'000	\$'000
At 1 January 2024	58,535	(45,377)	13,158
Loss for the financial period	-	(21)	(21)
Dividend (Note 8)	-	(2,064)	(2,064)
At 30 June 2024	58,535	(47,462)	11,073
At 1 January 2023	58,535	(48,501)	10,034
Loss for the financial period	-	(378)	(378)
Dividend (Note 8)	-	(1,500)	(1,500)
At 30 June 2023	58,535	(50,379)	8,156

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D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Group	
		30-Jun-24 \$'000	30-Jun-23 \$'000
Cash flows from operating activities			
Profit before tax		1,102	1,471
Adjustments for:			
Amortisation of intangible assets		270	289
Depreciation of property, plant and equipment		820	789
Fair value loss on financial assets at fair value through profit and loss		(1)	–
Foreign exchange difference		(23)	(22)
Gain on disposal of property, plant and equipment		(3)	(1)
Loss on lease modification		3	–
Intangible assets written off		105	–
Interest expense		339	334
Interest income		(150)	(192)
Writedown of inventories		655	909
Reversal of impairment loss on trade receivables		14	32
Provision for warranty		30	50
Reversal of provision for warranty		(4)	(20)
Share of results of associated companies		85	97
Share of results of joint ventures		(462)	(367)
Operating cash flows before working capital changes		2,780	3,369
Inventories		(5,990)	927
Contract assets		137	747
Contract liabilities		(185)	1,833
Receivables		1,128	(561)
Payables		1,557	(2,232)
Currency translation adjustments		(2)	(64)
Cash (used in)/from operations		(575)	4,019
Income paid		(1,307)	(175)
Net cash (used in)/from operating activities		(1,882)	3,844
Cash flows from investing activities			
Development costs		(712)	(622)
Dividend received from joint venture		381	377
Interest received		150	192
Acquisition of subsidiary		(133)	–
Proceeds of disposal of property, plant and equipment		5	3
Purchase of property, plant and equipment		(253)	(773)
Net cash used in investing activities		(562)	(823)

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

	Note	Group 6 months ended	
		30-Jun-24 \$'000	30-Jun-23 \$'000
Cash flows from financing activities			
Net drawdown of short-term borrowings		3,500	–
Dividend paid to shareholders	8	(2,064)	(1,500)
Repayment of bank borrowings		(819)	(939)
Repayment of lease liabilities		(218)	(420)
Interest paid		(339)	(334)
Decrease in fixed deposits under pledge and restricted cash		200	1
Net cash from/(used in) financing activities		260	(3,192)
Net decrease in cash and cash equivalents			
		(2,184)	(171)
Cash and cash equivalents at beginning of financial period		5,105	5,533
Effects of exchange rate changes on cash and cash equivalents		23	21
Cash and cash equivalents at end of the period		2,944	5,383
Cash and cash equivalents comprise the following:			
Cash and cash equivalents		2,944	5,583
Less Restricted cash		–	(200)
Cash and cash equivalents as per statement of cash flows		2,944	5,383

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 2024 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 2024 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 2023.

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 2023.

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 \$3,410,000 (2023: \$3,517,000) and \$2,179,000 (2023: \$2,009,000) 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 \$36,078,000 (2023: 30,743,000) and \$655,000 (2023: \$909,000) 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
1 January 2024 to 30 June 2024							
Segment revenue:							
Sales to external customers	23,591	–	2,463	3,488	–	–	29,542
Intersegment sales	339	–	77	42	–	(458)	–
Total revenue	23,930	–	2,540	3,530	–	(458)	29,542
Segment results	4,892	–	(1,497)	(709)	(1,961)	–	725
Share of profit/(loss) from equity - accounted joint ventures and associates	462	(85)	–	–	–	–	377
Profit before tax							1,102
Income tax expense							(551)
Profit after tax							551
Depreciation and amortisation	612	–	203	275	–	–	1,090
Interest income	4	–	–	–	146	–	150
Finance cost	323	–	13	–	3	–	339
Other significant non-cash items	(168)	–	132	828	–	–	792
Segment assets	55,887	–	13,815	12,818	6,508	–	89,027
Unallocated assets							1,671
Total assets							90,698
<i>Segment assets includes</i>							
Investment in joint ventures and associates	2,965	–	–	–	–	–	2,965
Additions to non-current assets	652	–	477	423	–	–	1,552
Segment liabilities	25,696	–	3,695	4,084	643	–	34,117
Unallocated liabilities							2,707
Total liabilities							36,824

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
1 January 2023 to 30 June 2023							
Segment revenue:							
Sales to external customers	21,035	–	4,066	4,044	–	–	29,145
Intersegment sales	325	–	473	–	–	(798)	–
Total revenue	21,360	–	4,539	4,044	–	(798)	29,145
Segment results	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
Segment assets	49,063	–	15,264	14,087	6,376	–	84,790
Unallocated assets							1,465
Total assets							86,255
<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
Segment liabilities	19,497	–	4,696	4,420	1,461	–	30,074
Unallocated liabilities							2,983
Total liabilities							33,057

4.1 Reportable segments (Cont'd)

	Group	
	6 months ended	
	30-Jun-24	30-Jun-23
	\$'000	\$'000
Significant non-cash items (other than depreciation and amortisation) consist of the following:		
Impairment loss on trade receivables	14	32
Reversal of provision for warranty	(4)	(20)
Provision for warranty	30	50
Write down of inventories	655	909
Intangible assets written off	105	–
	800	971

4.2 Disaggregation of Revenue

	Electrical and Technical Supply \$'000	Security \$'000	Integration Engineering \$'000	Total \$'000
6 months ended 30 June 2024				
Timing of revenue recognition				
At a point in time	23,592	1,759	465	25,816
Over time	–	703	3,023	3,726
Total revenue	23,592	2,462	3,488	29,542
6 months ended 30 June 2023				
Timing of revenue recognition				
At a point in time	21,035	2,966	929	24,930
Over time	–	1,100	3,115	4,215
Total revenue	21,035	4,066	4,044	29,145

Geographical information

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

	6 months ended	
	30.6.2024	30.6.2023
	\$'000	\$'000
Singapore	20,332	19,858
Japan	3,819	3,753
Indonesia	1,420	397
United Arab Emirates	1,337	917
Malaysia	547	248
United States of America	370	550
Vietnam	240	263
Denmark	210	41
United Kingdom	204	459
Netherlands	197	197
Other countries	866	2,462
	29,542	29,145

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 2024 and 31 December 2023:

	Group		Company	
	30 June 2024 \$'000	31 December 2023 \$'000	30 June 2024 \$'000	31 December 2023 \$'000
Financial assets				
Financial assets at amortised cost	23,607	28,158	7,385	9,281
Financial assets at fair value through profit or loss	3	2	–	–
Financial liabilities				
At amortised cost	29,508	24,895	10,210	8,361

6. Profit before taxation

6.1 Significant items

	Group	
	30-Jun-24 \$'000	30-Jun-23 \$'000
Profit for the financial period is arrived after charging:		
Amortisation of intangible assets	270	289
Depreciation of property, plant and equipment	820	789
Intangible assets written off	106	–
Interest expense	339	334
Provision of impairment loss on trade receivables	14	32
Provision for warranty	30	50
Write down of inventories	655	909
and crediting:		
Foreign exchange gain – net	253	67
Gain on disposal of a property, plant and equipment	3	1
Government grant income	236	102
Interest income from associated company	150	192
Reversal of provision for warranty	4	20

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:

	Group	
	6 months ended	
	30-Jun-24	30-Jun-23
	\$'000	\$'000
<u>With jointly controlled entities</u>		
Dividend income	381	377
Sales of goods	164	555
Purchase of goods	158	13
	<hr/>	<hr/>
<u>With associated companies</u>		
Sales of goods	992	1,007
Purchase of goods	2,383	1,635
Management fee income	18	14
Interest income	150	192
	<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:

	Group	
	6 months ended	
	30-Jun-24	30-Jun-23
	\$'000	\$'000
Current income tax	862	878
Deferred tax	(311)	(410)
	<hr/>	<hr/>
	551	468
Over provision of income tax in prior years	-	-
	<hr/>	<hr/>
	551	468
	<hr/>	<hr/>

8. Dividend

	Group	
	6 months ended	
	30-Jun-24	30-Jun-23
	\$'000	\$'000
Tax-exempt one tier final dividend of 0.7 cents (2023: 0.5 cents) per share paid in respect of the previous financial year	2,064	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-24 \$'000	30-June-23 \$'000
Net profit attributable to equity holders of the Company	934	1,541
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)	0.31	0.51
Diluted earnings per share (cents per share)	0.31	0.51

The Group has no dilution in its earnings per share at 30 June 2024 and 30 June 2023.

10. Net asset value per ordinary share

	Group		Company	
	30-Jun-24	31-Dec-23	30-Jun-24	31-Dec-23
Net asset value per ordinary share based on existing share capital	18.0 cents	18.5 cents	3.7 cents	4.5 cents

Net asset value per ordinary share as at 30 June 2024 and 31 December 2023 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 2024, the Group acquired assets amounting to \$834,000 (30 June 2023 : \$773,000) and disposed assets amounting to 39,000 (30 June 2023 : 2,000).

12. Investment in associated companies

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

	<u>Group</u>		<u>Company</u>	
	30-Jun-24 \$'000	31-Dec-23 \$'000	30-Jun-24 \$'000	31-Dec-23 \$'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. 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 impact of the recent macroeconomic uncertainties and rising interest rate in its determination of value in use and discount rate.

13. Intangible assets

	Goodwill \$'000	Acquired technology \$'000	Main- tenance contracts \$'000	Develop- ment costs \$'000	Total \$'000
Group Cost					
At 1 January 2023	4,833	2,920	141	5,604	13,489
Additions	–	–	–	1,994	1,994
Written off	–	–	–	(17)	(17)
At 31 December 2023	4,833	2,920	141	7,581	15,475
Additions	–	–	–	712	712
Written off	–	–	–	(105)	(105)
At 30 June 2024	4,833	2,920	141	8,188	16,082
Accumulated amortisation					
At 1 January 2023	–	438	117	2,271	2,826
Charge for the year	–	–	–	567	567
At 31 December 2023	–	438	117	2,838	3,393
Charge for the period	–	–	–	270	270
At 30 June 2024	–	438	117	3,108	3,663
Accumulated impairment					
At 1 January 2023	4,548	2,482	24	107	7,161
At 31 December 2023	4,548	2,482	24	107	7,161
At 30 June 2023	4,548	2,482	24	107	7,161
Net carrying amount					
At 30 June 2023	285	–	–	4,973	5,258
At 31 December 2022	285	–	–	4,636	4,921

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 2024. The carrying amount of goodwill is allocated as follows:

	Group	
	30-Jun-24 \$'000	31-Dec-23 \$'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
	285	285

14. Financial assets at fair value through profit or loss

	Group	
	30-Jun-24 \$'000	31-Dec-23 \$'000
Quoted equity shares	3	2

15. Borrowings

	Group		Company	
	30-June-24 \$'000	31-Dec-23 \$'000	30-June-24 \$'000	31-Dec-23 \$'000
<u>Amount repayable within one year or on demand</u>				
Secured	8,500	5,267	–	267
Unsecured	1,175	1,110	–	–
	9,675	6,377	–	267
<u>Amount repayable after one year</u>				
Secured	–	–	–	–
Unsecured	960	1,577	–	–
	960	1,577	–	–
Total borrowings	10,635	7,954	–	267

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

- (a) Legal charge on the Group's leasehold properties with net book value of \$15.9 million (31 December 2023 : \$15.9 million);
- (b) Corporate guarantee by the Company.

Included in the above borrowings is a term loan of \$Nil (31 December 2023 : \$0.3 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

	Group and Company			
	30 June 2024		31 December 2023	
	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 2024 and 31 December 2023	300,000	58,535	300,000	58,535

The Company did not hold any treasury shares as at 30 June 2024 and 31 December 2023.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2024 and 31 December 2023.

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 2024 (“1H2024”)

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 2024 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 (1H2024 vs 1H2023)

Revenue

	Group		
	1H2024	1H2023	%
	\$'000	\$'000	Change
Electrical and Technical Supply	23,591	21,035	12
Security	2,463	4,066	(39)
Integration Engineering	3,488	4,044	(14)
Total revenue	29,542	29,145	1

Electrical and Technical Supply

For 1H2024, revenue from the Electrical and Technical Supply Division increased by \$2.6 million as compared to 1H2023 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 decreased by \$1.6 million mainly due to decrease in revenue of \$1.5 million from Cyber Security and decreased in revenue of \$0.1 million from Infrared and Thermal Sensing Technology.

Integration Engineering

The decrease in revenue for the Integration Engineering Division by \$0.6 million is attributed to decrease 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 remains comparatively unchanged for 1H2024 as compared to 1H2023, decreasing marginally by \$92k from \$11.9 million in 1H2023 to \$11.8 million in 1H2024.

Other operating income

Other operating income increased by \$0.17 million from \$0.52 million in 1H2023 to \$0.70 million in 1H2024 mainly due to higher foreign exchange gain.

Operating expenses

Selling & Distribution expenses increased by \$0.7 million, from \$6.8 million in 1H2023 to \$7.5 million in 1H2024, mainly due to increase in personnel related and research and development costs offset by a lower write-down of inventory.

Both administrative expenses and finance cost remain comparatively unchanged.

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 1H2024.

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 1H2024.

Net profit for the period

The Group registered a lower net profit of \$0.5 million mainly due to increase in selling and distribution expenses.

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

(B) Financial Position of the Group

Inventories

Inventories increased by \$5.4 million from \$30.7 million as at FY2023 to \$36.1 million as at 1H2024, mainly due to increase in Electrical and Technical Supply of \$5.7 million; offset by decrease in Integration Engineering Division \$0.3 million.

Trade receivables

Trade receivables decreased by \$1.2 million from \$16.3 million as at FY2023 to \$15.0 million as at 1H2024. This is mainly due to decrease in Electrical and Technical Supply by \$1.2 million as a result of faster collection.

Trade payables

Trade payables increased by \$2.6 million from \$5.5 million as at FY2023 to \$8.2 million as at 1H2024 as a result of higher purchases.

Borrowings

Overall increase in total bank borrowings (current and non-current) of \$2.7 million mainly due to working capital loan net drawdown of \$3.5 million offset by repayment of term loan of \$0.8 million.

(C) Cash flow review (1H2024 vs 1H2023)

As a result of higher working capital requirements, cash used in operating activities for 1H2024 was \$1.9 million, as compared to net cash from operating activities of \$3.8 million in 1H2023.

The net cash flows used in investing activities for 1H2024 was \$0.5 million, mainly due to development costs incurred and purchase of property, plant and equipment offset against dividend received from joint venture.

The net cash from financing activities was mainly due to net drawdown of short-term borrowings of \$3.5 million offset against dividend paid to shareholders \$2.1 million for 1H2024 and repayment of bank borrowings \$0.8 million.

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

The Maritime industry continues to adapt to disruptions from geopolitical tensions, trade policies and IMO (International Maritime Organisation) regulations, which have highlighted the need for more resilient supply chains. Maritime routes and trade flows continue to be impacted by changing geopolitical landscapes, including the Middle-East conflicts, and shifting alliances.

The integration of digital technologies, such as AI, IoT, and blockchain, is enhancing operational efficiency, safety, and transparency in maritime. However, 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.

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.

The maritime industry is poised for growth and transformation as it navigates these challenges and opportunities.

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.

- (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.

5. Dividend (Cont'd)

- (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 2024 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 2024 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
12 August 2024

Patrick Lim Hui Peng
Chief Operating Officer