XMH HOLDINGS LTD.
(Incorporated in Singapore)
(Company Registration No.: 201010562M)

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL OF SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

XMH Holdings Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") was placed on the watch-list due to Financial Entry Criterion with effect from 4 December 2019.

Pursuant to Rule 1313(2) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Board of Directors of the Company wishes to provide a quarterly update on the financial situation, its future direction and other material development that may have a significant impact on the Group's financial position.

Financial Results

For Q3FY2021, all the three business segments of the Group recorded an increase in revenue and total revenue of the Group increased by about 56.9% compared to the corresponding quarter in the last financial year. Revenue from Distribution and Project segments increased significantly by 100% and 47% respectively. This was mainly due to:

1) increase in Distribution segment revenue upon delivery of back orders coupled with an increase in demand for tugboat engines; and

2) increase in Project segment revenue upon fulfilment of performance obligation over time.

Future Direction and Other Material Development

The Group continues to review its business and strategies and is actively considering various options, taking into consideration the current market conditions and uncertainty in the global economy in view of the COVID-19 pandemic. The Group had already streamlined its cost structure and implemented wage cuts for senior managerial level as announced on 11 September 2020 and 11 December 2020. The Group will continue to monitor these measures.

Besides this, the Board wishes to inform that the Company is actively considering various options to meet the requirements of Rule 1314(2) of Listing Manual of SGX-ST within 36 months from 4 December 2019 and would update shareholders in due course.

BY ORDER OF THE BOARD

Tan Tin Yeow
Chairman and Managing Director
11 March 2021