



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

FOURTH QUARTER (“4Q2012”) AND FULL YEAR (“FY2012”) FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 APRIL 2012

1(a)(i) A consolidated statement of comprehensive income (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group					
	4Q2012	4Q2011	Change	FY2012	FY2011	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	26,135	16,868	54.9%	62,249	70,237	(11.4%)
Cost of sales	(20,046)	(12,785)	56.8%	(46,593)	(50,746)	(8.2%)
Gross profit	6,089	4,083	49.1%	15,656	19,491	(19.7%)
Other income	103	32	Nm	3,938	243	Nm
Distribution expenses	(1,250)	(1,098)	13.8%	(3,288)	(2,670)	23.1%
Administrative expenses	(1,774)	(1,010)	75.6%	(4,254)	(4,267)	(0.3%)
Other expenses	-	-	Nm	(678)	-	Nm
Results from operating activities	3,168	2,007	57.8%	11,374	12,797	(11.1%)
Finance income	649	195	232.8%	835	441	89.3%
Finance costs	(64)	(3,958)	(98.4%)	(542)	(1,696)	Nm
Net finance income/(costs)	585	(3,763)	Nm	293	(1,255)	Nm
Profit before income tax	3,753	(1,756)	Nm	11,667	11,542	1.1%
Income tax expense	(870)	(412)	(111.2%)	(2,153)	(2,555)	(15.7%)
Profit/(loss) for the period/year	2,883	(2,168)	Nm	9,514	8,987	5.9%
Exchange differences arising from translation of the financial statements of the subsidiaries whose functional currency is different from that of the Company	748	(1,009)	Nm	592	170	Nm
Impairment loss on financial assets available-for-sale transferred to profit or loss	62	-	Nm	501	-	Nm
Net changes in the fair value of financial assets available-for-sale	(49)	56	Nm	(193)	(30)	Nm
Deferred tax arising from financial assets available-for-sale	(2)	(10)	80.0%	(52)	5	Nm
Other comprehensive income/(expenses) for the period/year, net of income tax	759	(963)	Nm	848	145	Nm
Total comprehensive income/(expenses) for the period/year	3,642	(3,131)	Nm	10,362	9,132	13.5%
Profit/(loss) attributable to owners of the Company	2,883	(2,168)	Nm	9,514	8,987	5.9%
Total comprehensive income/(expenses) attributable to owners of the Company	3,642	(3,131)	Nm	10,362	9,132	13.5%

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Note: Prior to the initial public offering (IPO) of the Company, the Company and its subsidiaries undertook a group restructuring exercise (Restructuring Exercise) as described on Page 63 of the IPO prospectus. The Restructuring Exercise involved a transfer of equity interests under common control and has been accounted for in a manner similar to the pooling of interests method. Pursuant to the Restructuring Exercise, the historical consolidated financial statements of Xin Ming Hua Pte. Ltd. acquired by the Company were presented as the Group's consolidated financial statements for the period ended 30 April 2011 and the historical consolidated results of Xin Ming Hua Pte. Ltd. group for the period from 1 May 2010 to 24 June 2010 were included in the consolidated results of the Group for the period ended 30 April 2011. Such a manner of presentation reflects the economic substance of the combining enterprise, although the Company was not incorporated, nor was the legal parent-subsidiary relationship established until 24 June 2010 on which the Restructuring Exercise was completed.

1(a)(ii) The statement of comprehensive income is arrived after (charging)/crediting the following:

Group						
4Q2012	4Q2011	Change	FY2012	FY2011	Change	
S\$'000	S\$'000	%	S\$'000	S\$'000	%	
Other income including interest income	104	32	225.0%	3,938	247	Nm
Depreciation of property, plant and equipment	(140)	(80)	75.0%	(360)	(301)	19.6%
Interest expenses on borrowings	-	(31)	Nm	(41)	(175)	(76.6%)
Foreign exchange gains/(losses)	347	(3,829)	Nm	280	(1,425)	Nm
Impairment loss on financial assets available-for-sale transferred to profit or loss	(62)	-	Nm	(501)	-	Nm
Allowance for/(reversal of allowance) for doubtful receivables	1	93	Nm	-	32	Nm
Reversal of/Allowance for inventory obsolescence	26	(182)	Nm	26	(182)	Nm
Gain on disposal of available-for-sale financial assets	259	98	164.3%	259	208	24.5%
Net changes in fair value of financial assets at fair value through profit or loss	(3)	-	Nm	17	58	(70.7%)

Nm denotes not meaningful

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1(b)(i) A statement of financial position (for the Company and Group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30 April 2012	30 April 2011	30 April 2012	30 April 2011
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant and equipment	1,975	946	-	-
Other financial assets	6,822	2,191	-	-
Investments in subsidiaries	-	-	900	900
Club memberships	306	306	-	-
Deferred tax assets	13	90	-	-
	9,116	3,533	900	900
Current assets				
Inventories	26,118	18,454	-	-
Trade and other receivables	14,967	6,358	1,769	2,026
Cash and cash equivalents	39,233	53,862	16,921	19,799
	80,318	78,674	18,690	21,825
Total assets	89,434	82,207	19,590	22,725
Equity attributable to equity holder of the Company				
Share capital	21,068	21,068	21,068	21,068
Treasury shares	(2,218)	-	(2,218)	-
Reserves	(2,119)	(3,052)	85	-
Accumulated profits/(losses)	25,829	20,315	(931)	(1,199)
Total equity	42,560	38,331	18,004	19,869
Non-current liabilities				
Loans and borrowings	-	593	-	-
	-	593	-	-
Current liabilities				
Trade and other payables	45,121	39,319	1,586	2,856
Loans and borrowings	-	1,723	-	-
Current tax payable	1,753	2,241	-	-
	46,874	43,283	1,586	2,856
Total liabilities	46,874	43,876	1,586	2,856
Total equity and liabilities	89,434	82,207	19,590	22,725

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1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the financial period reported on with comparative figures as at the end of the immediately preceding financial year:

Amount repayable in one year or less, or on demand

- Secured
- Unsecured

Amount repayable after one year

- Secured
- Unsecured

GROUP	
30 April 2012	30 April 2011
S\$'000	S\$'000
-	1,723
-	-
-	1,723
-	593
-	-
-	593
-	2,316

Details of any collaterals

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

- a) Legal mortgage on a leasehold building of a subsidiary;
- b) Corporate guarantee by the Company; and
- c) Pledge of fixed deposit of S\$1.3 million.

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1(c) A consolidated statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	FY2012	FY2011
	S\$'000	S\$'000
Cash flows from operating activities		
Profit for the year	9,514	8,987
Adjustments for:		
Depreciation of property, plant and equipment	360	301
Share-based payment expenses	85	-
(Reversal of)/allowance for inventory obsolescence	(26)	182
Interest income	(91)	(4)
Interest expense	41	175
Dividend income	(141)	(43)
Net changes in fair value of financial assets at fair value through profit or loss	(17)	(58)
Impairment loss of financial assets available-for-sale	501	-
Gain on disposal of financial assets available-for-sale	(259)	(208)
Impairment losses on trade receivables	-	93
Reversal of/allowance for impairment loss on trade receivables	(1)	(125)
Net foreign exchange (gains)/loss	(326)	1,425
Income tax expenses	2,153	2,555
	11,793	13,280
Change in inventories	(7,664)	1,302
Change in trade and other receivables	(8,609)	(2,734)
Change in trade and other payables	5,802	7,028
Cash generated from operating activities	1,322	18,876
Income taxes paid	(2,613)	(3,121)
Net cash (used in)/generated from operating activities	(1,291)	15,755
Cash flows from investing activities		
Interest received	91	4
Dividend received	141	43
Investments in structured deposits	(4,248)	-
Proceeds from disposal of listed equity shares	1,893	799
Purchase of listed equity shares	(2,017)	-
Acquisition of property, plant and equipment	(1,267)	(70)
Net cash (used in)/generated from investing activities	(5,407)	776
Cash flows from financing activities		
Proceeds from borrowings	1,072	-
Proceeds received/receivable from issuance of ordinary shares, net of issue expenses	-	20,168
Repayment of borrowings	(3,388)	(3,518)
Payment of finance lease liabilities	-	(25)
Purchase of treasury shares	(2,218)	-
Dividends paid	(4,000)	(12,000)
Interest paid	(41)	(175)
Net cash (used in)/generated from financing activities	(8,575)	4,450
Net (decrease)/increase in cash and cash equivalents	(15,273)	20,981
Cash and cash equivalents at beginning of the year	53,862	33,098
Effect of exchange rate fluctuations on cash held	644	(217)
Cash and cash equivalents at end of the year	39,233	53,862

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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group						
	Share capital	Treasury shares	Share option reserve	Fair value reserve	Foreign currency translation reserve	Accumulated Profits	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 May 2010	900	-	-	(204)	(2,993)	11,328	9,031
Total comprehensive income for the year							
Profit for the year	-	-	-	-	-	8,987	8,987
Other comprehensive income/(expense)							
Exchange differences arising from translation of the financial statements of the subsidiaries whose functional currency is different from that of the Company	-	-	-	-	170	-	170
Net changes in the fair value of financial assets available-for-sale	-	-	-	(30)	-	-	(30)
Deferred tax arising from financial assets available-for-sale	-	-	-	5	-	-	5
Total other comprehensive (expense)/income	-	-	-	(25)	170	-	145
Total comprehensive (expense)/income for the year	-	-	-	(25)	170	8,987	9,132
Transaction with owners, recorded directly in equity							
Contributions by and distributions to owners							
Issue of ordinary shares							
- Issue upon incorporation	-*	-	-	-	-	-	-*
- initial public offering, net of issue expenses	20,168	-	-	-	-	-	20,168
Total transactions with owners	20,168	-	-	-	-	-	20,168
At 30 April 2011	21,068	-	-	(229)	(2,823)	20,315	38,331
At 1 May 2011	21,068	-	-	(229)	(2,823)	20,315	38,331
Total comprehensive income for the year							
Profit for the year	-	-	-	-	-	9,514	9,514
Other comprehensive income/(expense)							
Exchange differences arising from translation of the financial statements of the subsidiaries whose functional currency is different from that of the Company	-	-	-	-	592	-	592
Impairment loss on financial assets available-for-sale transferred to profit or loss	-	-	-	501	-	-	501
Net changes in the fair value of financial assets available-for-sale	-	-	-	(193)	-	-	(193)
Deferred tax arising from financial assets available-for-sale	-	-	-	(52)	-	-	(52)
Total other comprehensive income	-	-	-	256	592	-	848
Total comprehensive income for the year	-	-	-	256	592	9,514	10,362
Transaction with owners, recorded directly in equity							
Contributions by and distributions to owners							
Dividends to equity holders	-	-	-	-	-	(4,000)	(4,000)
Share-based payment transactions	-	-	85	-	-	-	85
Purchase of treasury shares	-	(2,218)	-	-	-	-	(2,218)
Total transactions with owners	-	(2,218)	85	-	-	(4,000)	(6,133)
At 30 April 2012	21,068	(2,218)	85	27	(2,231)	25,829	42,560

* denotes less than S\$1,000

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Company				
Share capital	Treasury shares	Share option reserve	Accumulated losses	Total
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
As at date of incorporation	-*	-	-	-
Restructuring exercise ^(#)	900	-	-	900
Issuance of ordinary shares, net of issue expenses	20,168	-	-	20,168
Loss for the period	-	-	(1,199)	(1,199)
At 30 April 2011	21,068	-	(1,199)	19,869
At 1 May 2011	21,068	-	(1,199)	19,869
Profit for the year	-	-	4,268	4,268
Dividend to equity holders	-	-	(4,000)	(4,000)
Share-based payment transactions	-	-	85	85
Purchase of treasury shares	-	(2,218)	-	(2,218)
At 30 April 2012	21,068	(2,218)	85	(931)

* denotes less than S\$1,000

Pursuant to the Restructuring Exercise, the Company entered into a share swap agreement to acquire the entire share capital of Xin Ming Hua Pte. Ltd. at a consideration of S\$900,000 which was satisfied by the issue of 315,000,000 shares of the Company to the then shareholders of Xin Ming Hua Pte. Ltd.

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1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Purchase of treasury shares

The Company has undertaken a share buy-back in September 2011. As at 30 April 2012, the Company's issued and fully paid up capital (excluding treasury shares) comprises 386,261,003 (30 April 2011: 400,000,003) ordinary shares. The changes during 4Q2012 and 4Q2011 are set out below.

4Q2012	
Number of shares	Share Capital (S\$)
As at 1 February 2012	391,964,003 21,067,947
Purchase of treasury shares	(5,703,000) -
As at 30 April 2012	386,261,003 21,067,947

4Q2011	
Number of shares	Share Capital (S\$)
As at 1 February 2011 and 30 April 2011	400,000,003 21,067,947

The number of treasury shares held by the Company represents 3.43% of the total number of issued shares (including treasury shares) of the Company as at 30 April 2012. The Company did not hold any treasury shares as at 30 April 2011.

The total consideration for the purchase of treasury shares since the launch of the share buy-back scheme was S\$2,218,000 for a total of 13,739,000 shares.

XMH Share Option Scheme

The Company granted 3,819,000 share options to the eligible participants of the Company and its subsidiaries under the XMH Share Option Scheme on 19 September 2011. As at 30 April 2012, the outstanding balance of unexercised options under the XMH Share Option Scheme totaled 3,819,000 (30 April 2011: Nil) or 0.95% of total issued shares in the capital of the Company.

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1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	30 April 2012	30 April 2011
Total number of shares issued	400,000,003	400,000,003
Less: Treasury shares	(13,739,000)	-
Issued shares excluding treasury shares	386,261,003	400,000,003

1(d)(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Please refer to 1(d)(ii).

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures for the periods ended 30 April 2011 and 30 April 2012 have not been audited or reviewed by auditors.

3. Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied.

Except as disclosed in item 5, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those adopted for the audited consolidated financial statements for the financial year ended 30 April 2011.

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5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted all new and revised Financial Reporting Standards (“FRS”) and Implementation to FRS (“INT FRS”) that are relevant to its operation and effective for annual periods beginning after 1 January 2011.

Among the changes is FRS 24 Related Party Disclosures.

From 1 May 2011, the Group has applied the revised FRS 24 Related Party Disclosures (2010) to identify parties that are related to the Group and to determine the disclosures to be made on transactions and outstanding balances, including commitments, between the Company and its related parties. FRS 24 (2010) improved the definition of a related party in order to eliminate inconsistencies and ensure symmetrical identification of relationships between two parties.

The adoption of FRS 24 (2010) has not resulted in additional disclosures and there is no financial effect on the results and financial position of the Group for the current and previous financial years.

The adoption of the other new and revised FRS is assessed to have no material impact to the results of the Group and of the Company for the year ended 30 April 2012.

6. **Earnings per ordinary share (“EPS”) of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Earnings per ordinary share for the period based on net profit attributable to shareholders:-

	Group			
	4Q2012	4Q2011	FY2012	FY2011
EPS (based on consolidated net profit attributable to equity holders):-				
a) Based on the weighted average number of ordinary shares in issue (cents)	0.73	(0.54)	2.40	2.67
b) On a fully diluted basis (cents)	0.73	(0.54)	2.40	2.67
Weighted average number of shares in issue during the period used in the computing of EPS	393,672,636	400,000,003	395,650,140	337,123,291
Weighted average number of shares on fully diluted basis during the period used in the computing of EPS	394,577,428	400,000,003	396,468,252	337,123,291

Note:

- (1) The consolidated financial statements of the Group have been prepared to reflect the operations of the Company and its subsidiaries as a single economic enterprise and consist of those companies under common control for the period ended 30 April 2011. In calculating earnings per share for the period ended 30 April 2011, the number of shares in issue is on the basis of the completion of the Restructuring Exercise as set out in the Note to Section 1(a)(i).
- (2) The weighted average number of shares in issue is computed taking into account the purchase of treasury shares during the quarter/year.

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(3) The weighted average number of shares on a fully diluted basis is computed taking into account the purchase of treasury shares and potential ordinary shares issued for the share options granted in September 2011.

7. **Net asset value (for the Company and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**
- current financial period reported on; and**
 - immediately preceding financial year**

	Group		Company	
	30 April 2012	30 April 2011	30 April 2012	30 April 2011
Net asset value per ordinary share based on existing share capital (cents)	11.02	9.58	4.66	4.97
Number of shares at end of the period	386,261,003	400,000,003	386,261,003	400,000,003

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Notes to the statement of comprehensive income

Quarter ended 30 April 2012 ("4Q2012") vs quarter ended 30 April 2011 ("4Q2011")

(i) Revenue

The increase in revenue of approximately S\$9.3 million or 54.9% from approximately S\$16.9 million for 4Q2011 to approximately S\$26.1 million for 4Q2012 was due mainly to an increase of approximately S\$10.6 million from the "distribution and value-added products & services" business segment due to the clearing of back-log orders from customers, offset by a decrease of approximately S\$1.4 million in "after sales services, trading & others" business segment.

(ii) Cost of Sales and Gross Profit Margin

Cost of sales increased by approximately S\$7.2 million or 56.8% from approximately S\$12.8 million for 4Q2011 to approximately S\$20.0 million for 4Q2012, in line with the increase in the Group's revenue.

Gross profit increased by approximately S\$2.0 million or 49.1% from approximately S\$4.1 million for 4Q2011 to approximately S\$6.1 million for 4Q2012. There was a slight decrease in the gross profit margin of approximately 24.2% for 4Q2011 to 23.3% for 4Q2012. This was primarily due to the lower margin achieved for the "distribution and value-added products & services" business segment.

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(iii) Distribution Expenses

Distribution expenses increased by approximately S\$0.2 million from approximately S\$1.1 million for 4Q2011 to approximately S\$1.3 million for 4Q2012. This was mainly due to the increase of incentive bonus for the higher net income generated in FY2012.

(iv) Administrative Expenses

Administrative expenses increased by approximately S\$0.8 million from approximately S\$1.0 million for 4Q2011 to approximately S\$1.8 million for 4Q2012. This was mainly due to the increase of incentive bonus for the higher net income generated in FY2012.

(v) Net Finance Income/Costs

In 4Q2012, the Group registered net finance income of approximately S\$0.6 million as compared to the net finance costs of S\$3.8 million in 4Q2011. The net finance costs for 4Q2011 comprised mainly foreign exchange losses arising from the translation of Japanese Yen denominated monetary assets and liabilities of the subsidiaries to their functional currency.

Full year ended 30 April 2012 (“FY2012”) vs full year ended 30 April 2011 (“FY2011”)

(i) Revenue

The decrease in revenue of approximately S\$8.0 million or 11.4% from approximately S\$70.2 million for FY2011 to approximately S\$62.2 million for FY2012 was due mainly to the decrease of approximately S\$6.6 million from the “distribution and value-added products & services” business segment. This was due mainly to: (i) the re-scheduling of deliveries by our customers (citing factors as projects delays); (ii) cancellation of orders by customer; (iii) delays in the supply of some components by suppliers; and (iv) uncertainty in global markets.

(ii) Cost of Sales and Gross Profit Margin

Cost of sales decreased by approximately S\$4.1 million or 8.2% from approximately S\$50.7 million in FY2011 to approximately S\$46.6 million for FY2012, in line with the decline in the Group’s revenue.

Gross profit reduced by approximately S\$3.8 million or 19.7% from approximately S\$19.5 million for FY2011 to approximately S\$15.7 million for FY2012. This translated to a gross profit margin of 25.2% in FY2012, which was lower than that of 27.8% in FY2011. This was primarily due to the lower margin achieved for the “distribution and value-added products & services” business segment.

(iii) Other Income

Other income increased by approximately S\$3.7 million from approximately S\$0.2 million for FY2011 to approximately S\$3.9 million for FY2012 and this was due mainly to the one-time gain arising from the deposits forfeited from a customer.

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(iv) Distribution Expenses

Distribution expenses increased by approximately S\$0.6 million from approximately S\$2.7 million for FY2011 to approximately S\$3.3 million for FY2012. This was due mainly to the increase in payroll & benefits for higher net income generated in FY2012 and the greater marketing efforts made to promote the Group's business in new markets such as Vietnam.

(v) Other Expenses

Other expenses increased by approximately S\$0.7 million due mainly to the deposit forfeited by a supplier arising from the cancellation of orders by a customer.

(vi) Net Finance Costs

In FY2012, the Group registered net finance income comprised mainly due to the gain on disposal of listed security shares of S\$0.3 million and foreign exchange gain of S\$0.3 million and offset by the impairment loss on listed security shares of S\$0.5 million. In FY2011, the Group registered net finance costs of approximately S\$1.3 million due mainly to foreign exchange losses arising from the translation of Japanese Yen denominated monetary assets and liabilities of the subsidiaries to their functional currency.

Notes to statements of financial position

(i) Property, plant and equipment

The increase in property, plant and equipment was due mainly to the construction of a warehouse adjacent to the existing building of the Group.

(ii) Other financial assets

Other financial assets increased by approximately S\$4.6 million from approximately S\$2.2 million as at 30 April 2011 to approximately S\$6.8 million as at 30 April 2012 due mainly to the investments in structured deposits of S\$4.2 million and purchase of listed equity shares .

(iii) Inventories

Inventories increased by approximately S\$7.6 million from approximately S\$18.5 million as at 30 April 2011 to approximately S\$26.1 million as at 30 April 2012, due mainly to the re-scheduling of deliveries by our customers.

(iv) Trade and other receivables

Trade and other receivables increased by approximately S\$8.6 million from approximately S\$6.4 million as at 30 April 2011 to approximately S\$15.0 million as at 30 April 2012 due mainly to the increase in revenues for 4Q2012.

(v) Trade and other payables

Trade and other payables increased by approximately S\$5.8 million from approximately S\$39.3 million as at 30 April 2011 to approximately S\$45.1 million as at 30 April 2012, due mainly to the increase in non-refundable deposits from customers of S\$5.4 million and increase in trade payables.

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(vi) Loans and borrowings (non-current and current)

Loans and borrowings were fully settled as at 30 April 2012.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

10. Where a forecast, or a prospect statement, has been previously disclosed to Commentary on the significant trends and the 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

Indonesia remains the Group's key market. Demand for marine transportation within Indonesia continues to support demand for smaller tugs and barges. These translate to opportunities for the Group that offer a wide range of products under renowned brands to cater to the marine market.

Our marketing efforts in India and Vietnam are underway and we actively source for sales leads in these markets. We will update our stakeholders once these leads materialise.

On the business front, the Group has secured new principals like Guangzhou Diesel (industrial/marine diesel engine and power generating sets) and Kamome Propeller (propeller and thruster) under its portfolio. We are working closely with our customers to clear our existing backlog but we remain cautious as weak market sentiments may persist in the coming quarters.

The Group is in a net cash position and has cash and cash equivalents of approximately S\$39.2 million as at 30 April 2012. Moving ahead, this provides the Group with a solid base to scale up its operations and to explore potential growth opportunities through merger & acquisition ("M&A") activities. The Group will release appropriate and timely announcements on such M&A opportunities as and when there are definite developments, in accordance with the requirements of the listing rules.

Barring any unforeseen circumstances, the Group expects to remain profitable for the financial year ending 30 April 2013 (i.e. FY2013).

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For the financial quarter ended 30 April 2012**

11. Dividend

a) Current financial period reported on?

Any dividend declared for the current financial period reported on?

	FY2012
Name of dividend	Final (Proposed)
Dividend type	Cash
Amount	1 cent per share
Tax rate	Tax exempt (one-tier)

b) Corresponding period of the immediately preceding financial period

	FY2011
Name of dividend	Final
Dividend type	Cash
Amount	1 cent per share
Tax rate	Tax exempt (one-tier)

Any dividend declared for the corresponding period of the immediately preceding financial year?

c) Date payable:

To be announced later. The proposed dividend is subject to the approval of shareholders at the forthcoming Annual General Meeting.

d) Books Closure Date:

To be announced later. The proposed dividend is subject to the approval of shareholders at the forthcoming Annual General Meeting.

12. If no dividend has been declared/(recommended), a statement to that effect

Not applicable.

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13. **Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recent audited financial statements, with comparative information for the immediate preceding year.**

	Distribution \$'000	Sales service \$'000	Segments total \$'000	Others \$'000	Total \$'000
FY2012					
External revenues	54,314	7,935	62,249	-	62,249
Interest income	-	-	-	91	91
Interest expenses	-	-	-	(41)	(41)
Depreciation	-	-	-	(360)	(360)
Reportable segment profit before income tax	14,006	1,650	15,656	(3,989)	11,667
Income tax expense					(2,153)
Profit for the year					9,514
Reportable segment assets	39,428	5,776	45,204	44,230	89,434
Capital expenditure	-	-	-	1,267	1,267
Reportable segment liabilities	41,607	784	42,391	4,483	46,874
FY2011					
External revenues	60,953	9,284	70,237	-	70,237
Interest income	-	-	-	4	4
Interest expenses	-	-	-	(175)	(175)
Depreciation	-	-	-	(301)	(301)
Reportable segment profit before income tax	17,421	2,070	19,491	(7,949)	11,542
Income tax expense					(2,555)
Profit for the year					8,987
Reportable segment assets	32,920	5,978	38,898	43,309	82,207
Capital expenditure	-	-	-	70	70
Reportable segment liabilities	37,152	241	37,393	6,483	43,876

Financial Statements and Dividend Announcement
For the financial quarter ended 30 April 2012

- 14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

The Group's revenue decreased 11.4% year-on-year ("y-o-y") to S\$62.2 million for the financial year ended 31 April 2012 ("FY2012"). This was primarily due to (i) the re-scheduling of deliveries by our customers (citing factors as projects delays); (ii) cancellation of order by customer; (iii) delays in the supply of some components by suppliers; and (iv) uncertainty in global markets. These have an adverse impact on revenue recognition within the financial period.

Profit for the period held up at S\$9.5 million in FY2012, 5.9% y-o-y increase from S\$9.0 million in FY2011, despite sliding revenue. This was largely due to recognition of the one-time gain arising from the deposits forfeited from a customer of approximately S\$3.9 million in FY2012.

- 15. A breakdown of sales as follows:**

	Group		
	FY2011	FY2011	Change
	\$'000	\$'000	(%)
Sales for first half year	21,797	33,884	(35.7)
Operating profit after tax for first half year	2,989	5,442	(45.1)
Sales for second half year	40,452	36,353	11.3
Operating profit after tax for second half year	6,525	3,545	84.1

- 16. If the Company has obtained a general mandate from shareholders for interested person transactions (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 general mandate for interested person transaction(s) from the shareholders.

The Company would like to inform that the consultancy arrangement with Mr. Tan Tum Beng was extended by 3 months, following the initial 1 year term, and ceased on 26 April 2012. More information on the consultancy arrangement can be found in the Company's IPO prospectus.

- 17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:**

	FY2012	FY2011
	Proposed	Paid
	\$'000	\$'000
Ordinary	3,863	4,000
Total	3,863	4,000

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18. Report of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Name	Age	Family relationship with any director, chief executive officer and/or substantial shareholder	Current position and duties and the year the position was first held	Details of changes in duties and position held, if any, during the year
Tan Fu Yuan	28	Son of Mr. Tan Seng Hee (Deputy CEO and Executive Director (Trading & Support)).	Responsible for managing the Product Support Sales, Parts Department. Year when position was first held: 2011	NA

19. Use of IPO proceeds

The net proceeds raised from the Company's IPO, after deducting listing expenses of approximately \$2.4 million was approximately \$18.9 million. As at the date of this report, the Company has not utilised such proceeds. Please see table below:

Purpose	Amount raised	Amount utilised	Balance Amount
	\$'000	\$'000	\$'000
Development of new premises or acquisition of premises for general warehousing and work areas and the establishment of an assembly line for in-house of power generating sets	10,000	-	10,000
Pursue expansion opportunities	7,000	-	7,000
General working capital	1,850	-	1,850
Total	18,850	-	18,850

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For the financial quarter ended 30 April 2012**

BY ORDER OF THE BOARD

United Overseas Bank Limited (“UOB”) was the manager, underwriter and placement agent for the initial public offering of XMH Holdings Ltd.. UOB assumes no responsibility for the contents of this announcement.
