



FOR IMMEDIATE RELEASE

XMH finishes FY2013 on a strong note with 20.1% increase in net profit to S\$11.4 million

- **56.9% increase in Group's revenue to S\$97.6 million, driven mainly by the Group's distribution business segment as the Group continues growth momentum**
- **Healthy cash balance to aid Group in exploring feasible M&A opportunities**
- **Proposes total dividend of 1.2 cents per share, up from 1.0 cent in FY2012**

Singapore, 27 June 2013 – XMH Holdings Ltd., (“XMH”, “**新明华控股**” or the “**Group**”), a diesel engine, propulsion and power generating solution provider in the marine and industrial sectors, is pleased to announced today that it has posted a strong finish for the full year ended 30 April 2013 (“**FY2013**”) with a laudable 20.1% increase in net profit from S\$9.5 million to S\$11.4 million.

Financial Highlights:

	4Q2013	4Q2012	% Change	FY2013	FY2012	% Change
	S\$'000	S\$'000		S\$'000	S\$'000	
Revenue	29,650	26,135	13.4	97,645	62,249	56.9
Gross Profit	6,087	6,089	0.0	22,918	15,656	46.4
Gross Profit Margin	20.5%	23.3%	(2.8) pp	23.5%	25.2%	(1.7) pp
Operating Expenses*	(3,945)	(3,024)	30.5	(9,834)	(8,220)	19.6
Other Income	962	103	N.M	1,084	3,938	NM
Net Profit Attributable to Equity Holders	3,507	2,883	21.6	11,431	9,514	20.1
Net Margin	11.8%	11.0%	0.8 pp	11.7%	15.3%	(3.6) pp
Basic EPS (cents)[#]	0.91	0.73	24.7	2.96	2.40	23.3

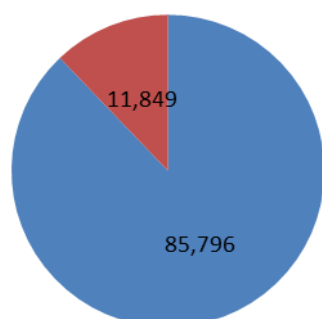
* Including distribution expenses, administrative expenses and other expenses

pp denoted percentage points

Based on 385,774,250 weighted average number of shares for 4Q2013 (4Q2012: 393,672,636) and 386,130,535 weighted average number of shares for FY2013 (FY2012: 395,650,140)

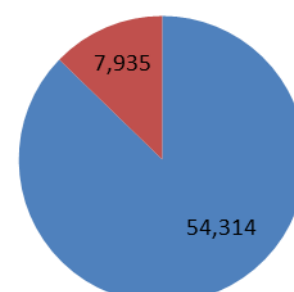
Financial Review

FY2013 Revenue



■ Distribution ■ After Sales Service

FY2012 Revenue



■ Distribution ■ After Sales Service

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The Group's revenue increased 56.9% to S\$97.6 million in FY2013 and was mainly due to an increase of 58.0% in revenue to S\$85.8 million from the Group's main "Distribution" business segment. This business segment has seen expansion in product range and service offerings over the years and includes the Group's own in-house IPS solutions package, which has seen good growth in revenue. The Group believes that this product still has plenty of room to fulfill its potential and it is hopeful that the sales of the IPS solutions package will continue to show good results. The Group was also aided by a healthy increase of customers taking deliveries, contributing to the increase in revenue.

Gross profit for the Group grew by 46.4% to S\$22.9 million in FY2013, in line with the surge in revenue. There was however, a slight dip of 1.7 percentage points in the gross profit margin of the Group due to the lower margins of the Group's "Distribution" business segment.

Operating expenses, which is inclusive of distribution expenses, administrative expenses and other expenses increased 19.6% from S\$8.2 million in FY2012 to S\$9.8 million in FY2013. This was due mainly to the increases in payroll, marketing and promotion activities and professional fees.

The Group also saw its other income, attributed mainly to the deposit forfeited from a customer, decrease from S\$3.7 million in FY2012 to S\$0.7 million in FY2013.

Subsequently, the Group concluded FY2013 with a strong showing by posting a net profit attributable to shareholders of S\$11.4 million, an increase of 20.1% compared to S\$9.5 million posted in FY2012.

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The Group has also recorded positive cash flow from its operating activities of S\$19.6 million during the year with cash and cash equivalents standing at approximately S\$43.7 million as at 30 April 2013. This healthy cash balance will provide the Group with the resources to enhance its facilities as part of its plans to accommodate new assembly and production lines and also to increase general warehousing capacities. In addition, our new subsidiary, Acegen, has already begun assembling our own in-house power generating sets and silencers for our customers, with the expected delivery in July 2013. The Group is also actively exploring M&A opportunities which will provide synergy to the Group's business and enhance the value proposition of the Group.

Speaking on the Group's financial performance, Mr. Elvin Tan Tin Yeow, Chairman and CEO, commented, ***"In light of the uncertain global economy, I believe that XMH has done well to achieve a very commendable set of results for FY2013. We will look to use this set of encouraging results as a platform on which to propel the Group to greater heights."***

To reward our loyal shareholders, the Board has proposed a total of 1.2 cents per share as dividend for FY2013, and this amount includes a special dividend of 0.2 cents per share. We have increased our dividend amount from 1 cent per share for last year."

Revvng up for the future

The Group is optimistic that the marine transportation industry within Indonesia, both for domestic consumption and export will continue to drive the market for tugs and barges. The overall trans-shipment growth has been positive and in addition, Indonesia has put in place cabotage laws, which states that only vessels flying the Indonesian flag will be allowed to operate within Indonesia in the marine industry. We are hopeful that this will translate into additional opportunities for the Group as the demand for Indonesian-owned tugs and barges will increase, and we will be able to leverage on our wide range of products under renowned brands to cater to the marine market there.

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Earlier in the year, the Group completed the acquisition of a plot of land which is intended for the construction of the Group's new premises. This new premises will be able to accommodate new assembly and production lines and increase the Group's general warehousing capacities. The Group has targeted to complete the construction by 2016 and will provide timely updates to shareholders as and when available.

Sharing his thoughts on the Group's future prospects, Mr. Elvin Tan Tin Yeow, Chairman and CEO, continued, ***"XMH has had a good track record of operating in Indonesia and with the marine transportation industry continuing to show great promise, we are optimistic that we will be able to increase our exposure and ultimately secure more orders for our expanded range of products and service offerings."***

In June 2013, XMH received from the SGX-ST the approval-in-principle for Credence Capital to acquire new shares in the Company and its entry in XMH signifies its belief in our growth story and we will strive to ensure that its faith in us is repaid handsomely."

--- The End---

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ABOUT XMH HOLDINGS LTD (Bloomberg Ticker: XMH SP)

XMH Holdings Ltd is a diesel engine, propulsion and power generating solutions provider in the marine and industrial sectors. The Group's business activities may be broadly categorised into the following: (i) distribution and provision of value-added products and services; and (ii) after-sales services, trading and others. The Group's marine products are marketed to shipyards, vessel owners and dealers whilst its industrial products are distributed to hotel proprietors, building owners and main contractors for a wide range of applications.

The Group has been granted distributorship, agency or dealership rights from reputable brands such as Mitsubishi ,Akasaka and Kamome (Japan), Hyundai, D-I and Doosan (South Korea), SOLÉ, Korsør, Reintjes, CENTA (Europe), GDF (PRC China) and Mentrade (Singapore) to distribute and sell a large variety of products which include marine and industrial engines, power generating sets and related components.

The Group also leverages on its technical know-how and wide product range of marine and industrial diesel engines, power generating sets, genuine spare parts and related components to provide value-added products and solutions which include "ACEGEN", its in-house range of power generating sets and "XMH IPS", a one-stop integrated solution to vessel owners requiring diesel engine (or electricity) driven propeller-based propulsion systems to power its vessels.

For more information please visit www.xmh.com.sg

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.

Issued for and on behalf of XMH Holdings Ltd.

By Financial PR Pte Ltd

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