



**XMH HOLDINGS LTD.**  
(Incorporated in the Republic of Singapore)  
(Company Registration Number 201010562M)

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**SALE AND PURCHASE AGREEMENT (“SPA”) IN RESPECT OF THE PROPOSED ACQUISITION OF Z-POWER AUTOMATION PTE. LTD. (“ZPA”)**

**CLARIFICATION ANNOUNCEMENT**

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The Board of Directors (the “**Board**”) of XMH Holdings Ltd. (the “**Company**” or “**Purchaser**”) refers to its announcement dated 17 November 2014 regarding execution of the SPA in respect of the afore-captioned Proposed Acquisition (“**Announcement**”). All defined terms used herein shall have the same meaning ascribed thereto in the Announcement unless otherwise defined herein.

Reference is made in particular to paragraph 7.1 of the Announcement and the Rule 1006(b) profit comparison in respect of the Proposed Acquisition. As stated in footnote 1 of paragraph 7.1, the said comparison ratio was determined based on the audited net profits attributable to ZPA for the 12 months ended 31 December 2013 of S\$1.9 million, compared with the Company’s audited net profits S\$7.1 million for financial year ended 30 April 2014. The latest consolidated accounts of the Company were for the first quarter ended 31 July 2014 which were announced on 24 September 2014. A comparison between ZPA’s first quarter (or third quarter) profits for its current financial year and the Company’s latest announced unaudited consolidated accounts for the first quarter of its current financial year would only offer a 3-month snap shot of the relative profitability. This would not have taken into account the wider scope of pertinent business and commercial factors affecting overall corporate performance and profits as full year financial information would, and hence may not be as useful or meaningful an indication of the significance of the Proposed Acquisition especially in the context of profitability. Further, both sets of full year figures used for comparison have been audited, and that of the Company was in respect of the financial year ended 30 April 2014, which in our context and for our purposes are still relevant and not entirely outdated when compared with results for first quarter ended 31 July 2014. It is also noted that ZPA is a subsidiary of the SGX listed BH Global Corporation Limited and any unpublished financial information is price-sensitive and may not be readily available.

BY ORDER OF THE BOARD

Tan Tin Yeow  
Chairman and CEO  
18 November 2014