



FOR IMMEDIATE RELEASE

XMH Completes the Earnings Accretive Acquisition of the 80% stake in Z-Power Automation for S\$12.8 Million

- **Group's second major acquisition after the acquisition of Mech-Power Generator in 2013**
- **Synergies on expansion of product range and cross-selling are expected to improve products offering and revenue stream**

Singapore, 04 March 2015 – 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 announce that the Group has today effected the completion of the 80% equity stake acquisition of Z-Power Automation Pte. Ltd. (“**ZPA**”) from BH Global Corporation Limited, Ang Cheng Siew, See Hoon, Tang Hing Yiu and Tai Mui Foong (collectively, the “**Vendors**”).

ZPA is a provider of world-class automation services and total solutions in the design and manufacturing for the marine & offshore industries. ZPA specializes in the assembly, retrofitting and manufacturing of type-tested switchboards, distribution panels, console, control systems, switchgears and other integrated marine automation products. It is also a leading provider of major shipyards and ship owners in the ASEAN region for new builds, conversion and retrofitting projects.

ZPA's capabilities will allow XMH to tap on ZPA's inherent technical strengths, expand its range of product offering to its existing customers, and leverage on the clientele and sales network of ZPA to promote XMH's existing products and services.

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The total consideration for the acquisition is S\$12.8 million. XMH will fund the acquisition with its internal resources.

Commenting on the completion of the ZPA acquisition, Mr. Elvin Tan Tin Yeow, the Chairman and CEO of XMH, commented, *“The completion of the ZPA acquisition will mark another milestone in the Group’s growth path. With ZPA’s reputation in the industry, its technical expertise and the network in the market, we are confident to bring our product offering and business growth to a new level. ZPA has a strong management team and has consistently turned in profitable results in the last few years; we are pleased to have the vendors continue on board with us and extend their expertise post the acquisition.*

We are building up a virtuous circle in product offering, client network and market coverage; and the acquisition will be mutually beneficial to both XMH’s original business and ZPA’s business, as cross-selling gains momentum and other synergies propel our future growth.”

--- 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, Scania, 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

Issued for and on behalf of XMH Holdings Ltd.

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