



YOUR CONNECTION TO THE RIGHT MACHINE

ENGINEERED FOR
CONTINUOUS GROWTH

FY2015 Results Presentation

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Presentation Outline

-  Financial Highlights
-  Outlook, Strategies
and Recent
Developments



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Financial Highlights



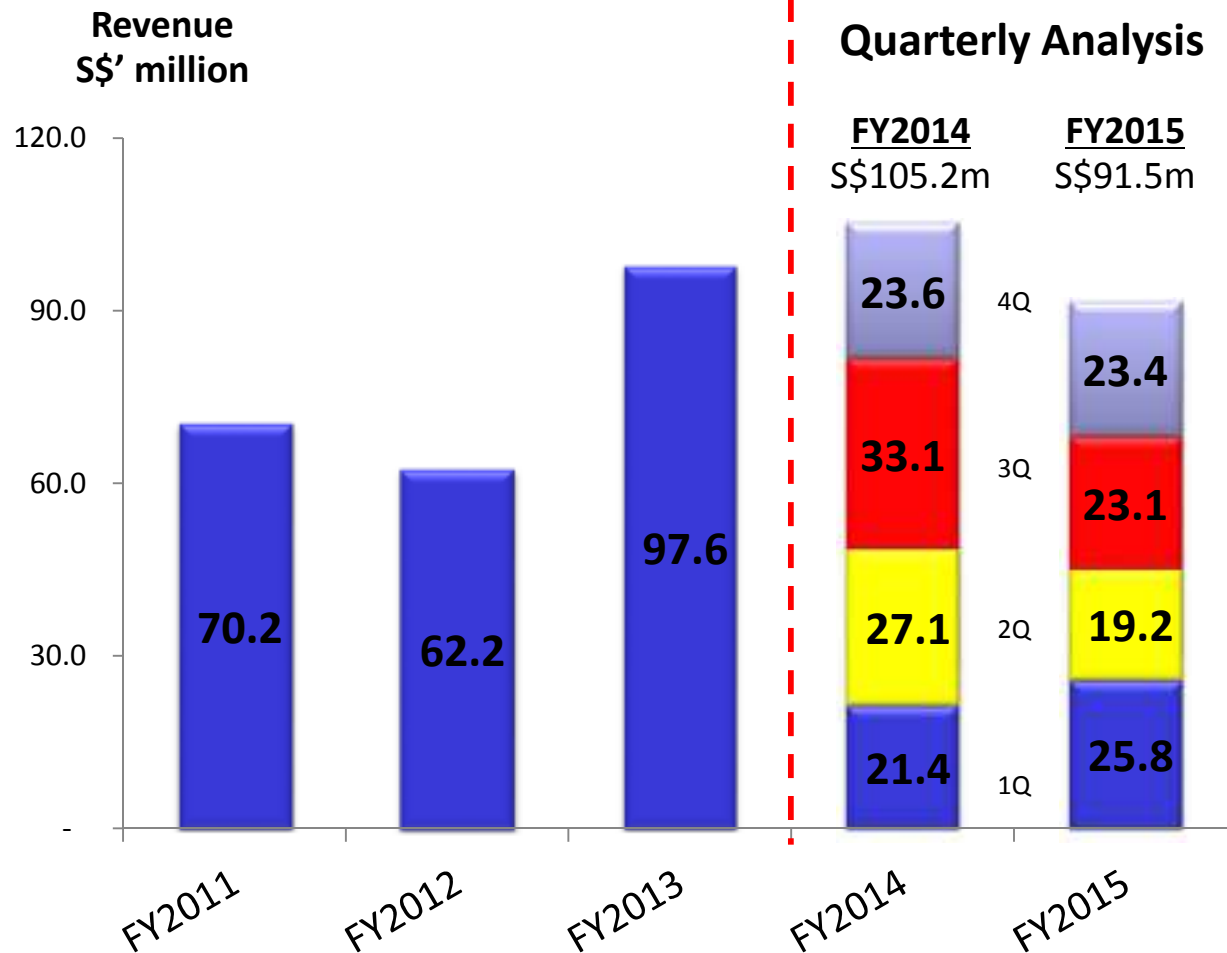
Financial Summary

FY2015 Revenue was weaker y-o-y due to slower sales from the Indonesian market; Gross Profit and GPM improved due to overall increase in margins and increased contribution from “projects” business; NPM remained stable

Profit & Loss	4Q2015 S\$'000	4Q2014 S\$'000	Change %	FY2015 S\$'000	FY2014 S\$'000	Change %
Revenue	23,427	23,582	(0.7)	91,514	105,174	(13.0)
Gross Profit	8,309	6,754	23.0	27,999	27,309	2.5
Gross Profit Margin (GPM)	35.5%	28.6%	6.9 pp	30.6%	26.0%	4.6 pp
Operating Expenses	(7,099)	(4,447)	59.6	(20,908)	(16,009)	30.6
Operating Profit	1,210	(1,760)	NM	6,425	7,401	(13.2)
Net Profit	611	(1,745)	NM	5,429	6,125	(11.4)
Net Profit Margin (NPM)	2.6%	NM	NM	5.9%	5.8%	0.1 pp
Fully Diluted Earnings Per Share (S\$' cents)#	0.10	(0.34)	NM	1.18	1.45	(18.6)

#: Based on 445,127,292 weighted average number of shares for 4Q2015 and FY2015 (4Q2014: 435,532,210 and FY2014: 423,419,908)
pp denotes percentage points, NM denotes not meaningful

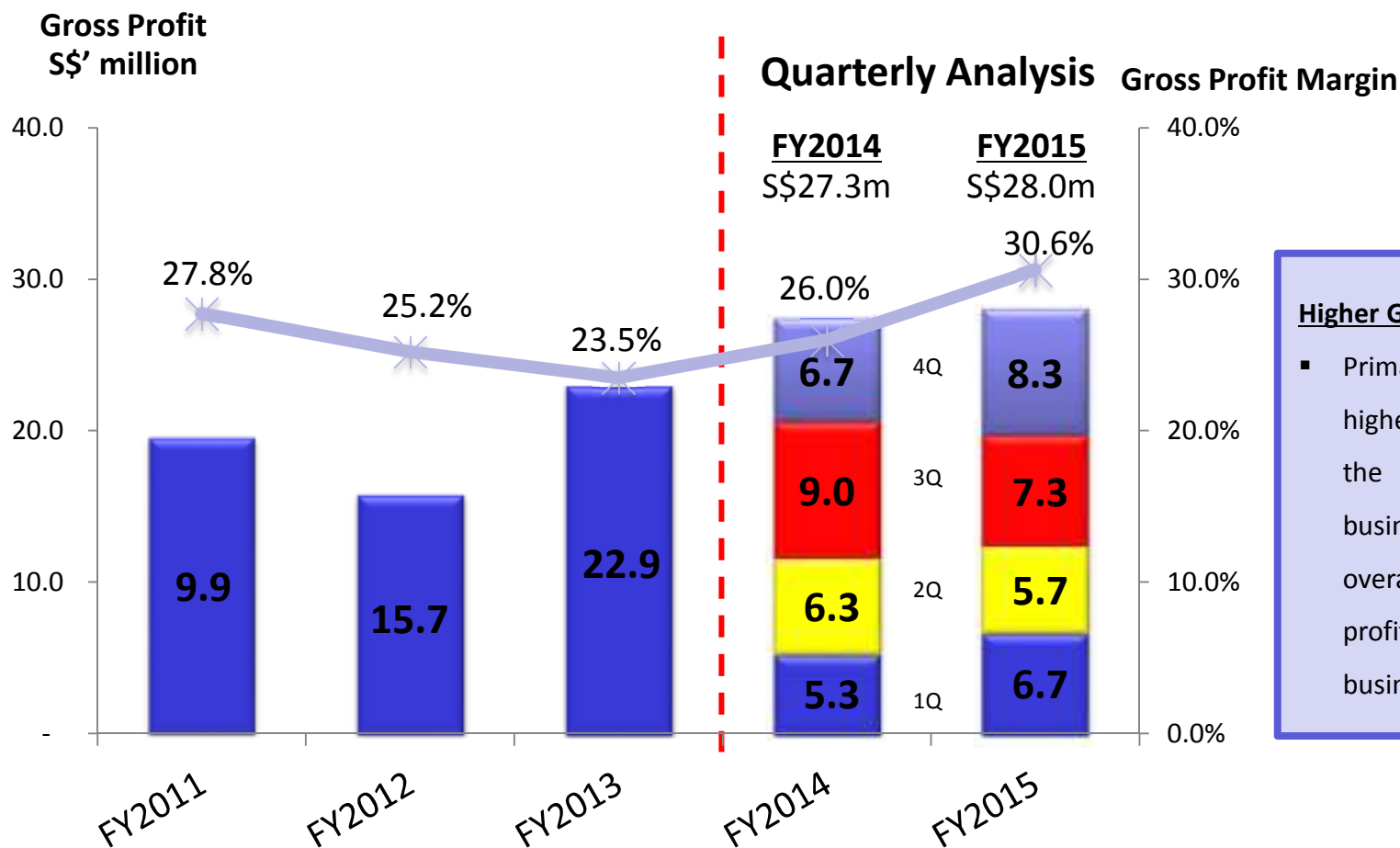
Revenue



Decrease in Revenue

- Primarily due to the decrease from both the “distribution” and “after sales” business segments amidst the weak Indonesian market.
- Offset by an increase in revenue from the “projects” business segment.

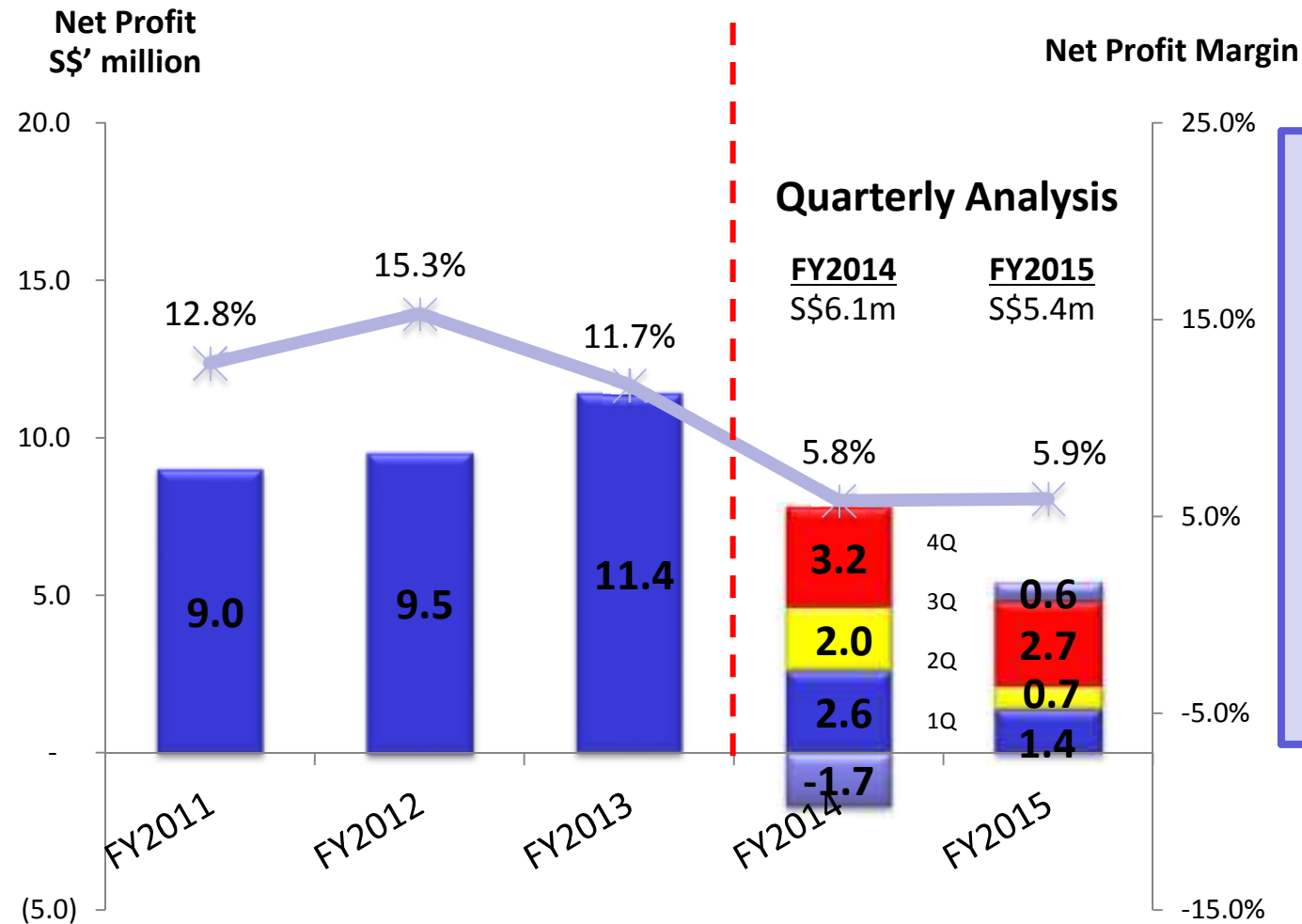
Profitability Trend (Gross Profit / Gross Profit Margin)



Higher GP and GPM

- Primarily due to the higher contributions from the Group's "projects" business segment, and overall increase in gross profit margins across all business segments.

Profitability Trend (Net Profit / Net Profit Margin)



Steady NPM

- Net profit for 4Q2015 reversed into a profit from 4Q2014.
- However, FY2015 net profit fell 11.4%, and in line with decrease in revenue.
- Overall net profit margin remained stable despite weak macro conditions.

Balance Sheet

Balance Sheet	30 April 2015 S\$'000	30 April 2014 S\$'000
Property, plant and equipment	32,467	7,455
Intangible assets	15,570	10,241
Inventories	32,367	22,525
Trade and other receivables	30,882	15,380
Contract work-in-progress	9,443	10,805
Cash and cash equivalents	24,568	36,388
Loans and borrowings	32,589	14,845
Total equity	59,469	58,381
Net gearing ratio	0.13	Net cash
Net asset value per ordinary share (S\$' cents)#	13.70	13.59

#: Based on 434,126,661 number of shares at end of the year for FY2015 (FY2014: 431,343,661)



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Outlook, Strategies & Developments

Outlook

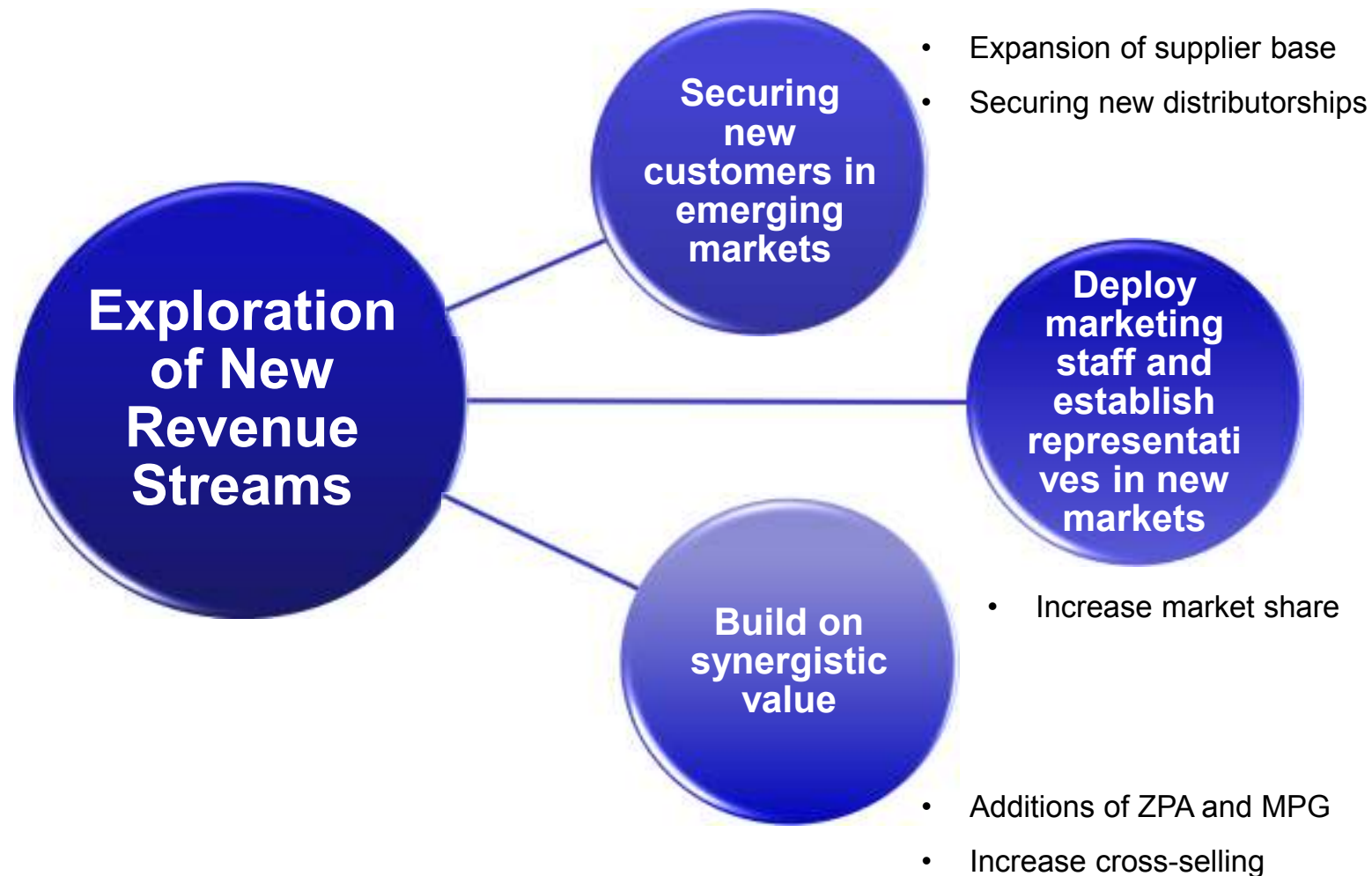
Outlook remains volatile and challenging

- Macro economic uncertainty
- Slow down in offshore and marine industry
 - Prevalent weak oil prices

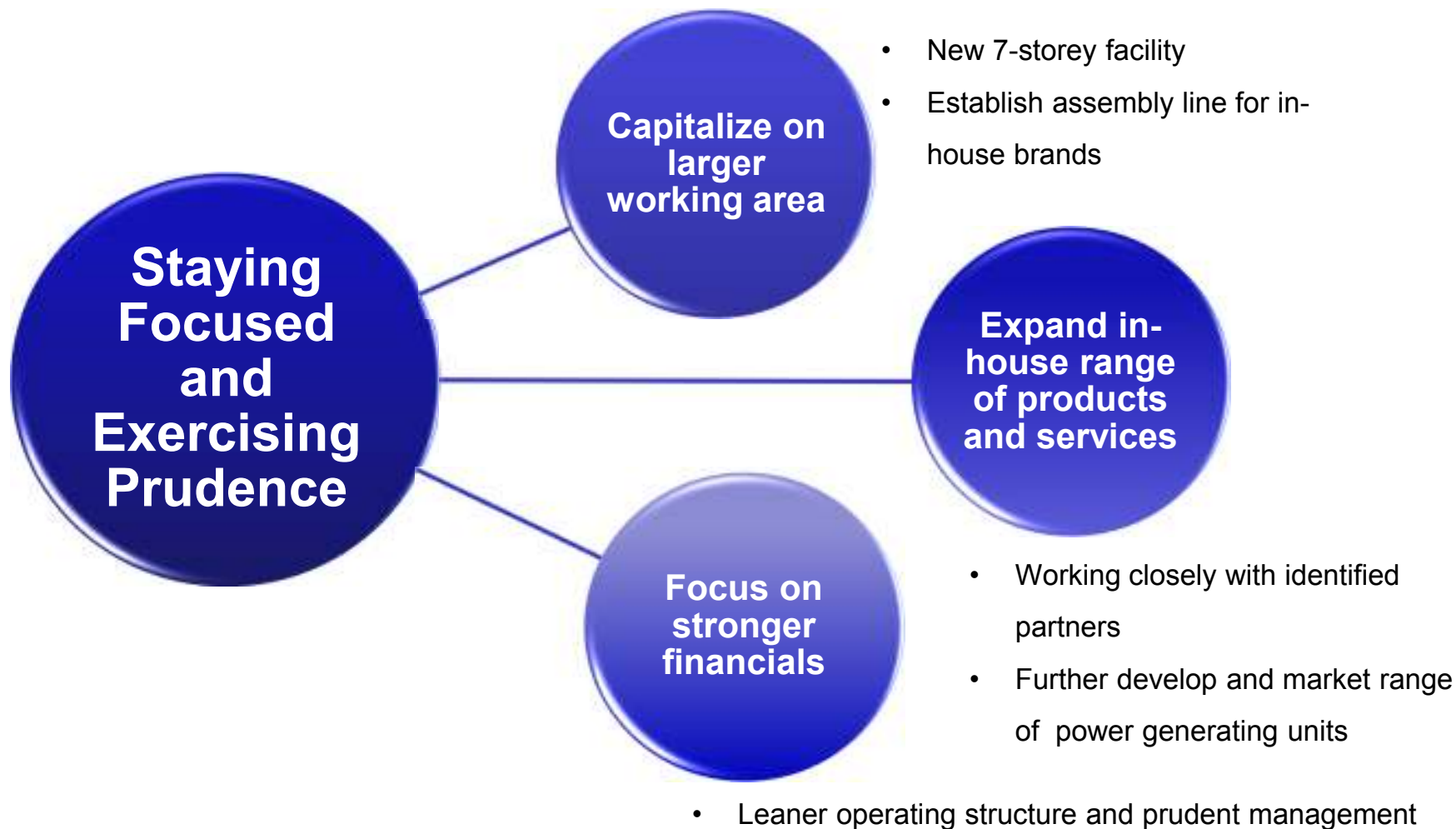
Riding on country-specific developments

- Singapore's transition into a infocomm hub and increased healthcare spending in the region
- Indonesia's mega plans for shipbuilding
- Vietnam's gradual increased activities in general

Growth Strategies



Growth Strategies



Recent Developments

- **Jun 2015 – XMH secures new contracts worth over S\$23.1 million**
 - MPG secured two contracts in different industries, for a data centre and another for a healthcare centre totalling S\$15.5 million
 - ZPA secured a total of six consecutive contract wins in the recent month totalling S\$7.6 million
 - New orders shows customer confidence in Group’s in-house products and effectiveness of Group’s businesses in penetrating international markets
 - New orders provide a flow of activities through 2015 to March 2017
- **Jun 2015 – ZPA awarded with prestigious ABB Value Provider Certification**
 - Certification recognises ZPA’s technical capabilities and management’s commitment to support ABB worldwide outside of Finland
 - Certification authorizes ZPA to market ABB products, build and assemble ABB liquid and air-cooled Variable Frequency Drives (“VFD”) outside of Finland

Recent Developments

- **Mar 2015 – Completion of ZPA acquisition**
 - A profitable entity and immediately earnings accretive
 - Promote business growth leveraging on ZPA's sales network and existing customer base
 - Gradually implement ZPA's technical knowledge and capabilities into XMH
 - Complementary suite of services that create synergy with original business
- **Nov 2014 – MPG secures contracts worth S\$11.3 million**
 - Contracts to supply Changi Airport's upcoming Terminal 4 and a 5-storey data centre in Jurong Industrial Estate with standby generators
 - First delivery scheduled for December 2014 and final delivery by February 2015
- **Jun 2014 – MPG secures multiple contracts worth S\$10.57 million**
 - Total of five contracts, three that provide a flow of activities through to Jan 2016
 - The remaining two sets to be fully delivered by Aug 2014

Share Statistics

Bloomberg code	XMH SP EQUITY	
Reuters code	XMHL.SI	
Share Price	S\$0.20	
Market Capitalization (433.4M shares)	S\$84.7 million	
P/E	16.25	
NAV per share	S\$0.13	
Free Float	22.0%	
Substantial Shareholders	Insiders	50.7%
	Credence Capital	19.3%
House	Call / Target Price	
OSK-DMG (Lee Yue Jer)	BUY / S\$0.30	

Source: Bloomberg as at 29 Jun 2015

Summary

- **Our business, especially “distribution” segment was weighed down by**
 - The decline in oil prices and the uncertainty in macroeconomic factor
 - Slow economic growth in Indonesia
- **“Projects” segment performed well**
- **Macro conditions will only recover gradually**
 - Vietnamese marine industry is gradually gaining momentum
- **Group will remain competitive as**
 - Synergy from ZPA acquisition to be played out
 - Healthy contract-win momentum at MPG
 - Stay abreast to all relevant developments



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THANK YOU

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