



**XMH HOLDINGS LTD.**  
(Incorporated in Singapore)  
(Company Registration No.: 201010562M)

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## **RESPONSE TO QUERIES FROM SHAREHOLDER ON THE COMPANY'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025**

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The Board of Directors (the “**Board**”) of XMH Holdings Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce the following in response to the queries raised by a shareholder of the Company with respect to the Company's Annual Report for the financial year ended 30 April 2025 (“**FY2025**”) (“**Annual Report**”).

*Any defined term used shall have the same meaning ascribed thereto in the Annual Report, unless otherwise defined herein.*

### **Query 1:**

The company reported an order book of S\$190.6 million as at 18 July 2025. Can the company provide some details on the breakdown by segments (esp. projects vs distribution) and how it supports growth visibility for FY2026 and beyond?

#### **Company's response to Query 1:**

As at 18 July 2025, our order book of S\$190.6 million comprises a healthy mix of project-based contracts and recurring distribution orders across our marine and industrial segments. The current pipeline provides strong visibility into FY2026 and beyond for both segments.

### **Query 2:**

Can the company elaborate how it intends to sustain the exceptional growth in its project revenue? Isn't data centres sales one off? What is the total addressable market (e.g. data centres in Malaysia) for the company going forward?

#### **Company's response to Query 2:**

Data centre-related sales are not one-off. Our solutions cater not only to new builds but also to expansions, upgrades, and backup power systems for existing facilities. The rapid growth in cloud computing, AI applications, and e-commerce continues to drive sustained demand for data centres across Southeast Asia. According to a report by Research and Markets, the Southeast Asia data centre market is set to expand significantly, with its value projected to reach US\$30.47 billion by 2030, growing at a compound annual growth rate of 14.24%. Countries such as Indonesia, the Philippines, Thailand and Malaysia are expanding their digital infrastructure to attract global hyperscalers, creating recurring and long-term opportunities for us throughout the region.

### **Query 3:**

What are the growth initiatives or expansion plans for the company going forward to sustain its current growth momentum (in terms of revenue and profitability)? Does the company see any further growth opportunities in Singapore versus Malaysia or Indonesia vs other SE-Asian markets?

#### **Company's response to Query 3:**

We will continue to build on our core strengths, leveraging on our strong partners relationships and networks and technical expertise to deliver reliable solutions. Expansion into new geographies and underserved markets remains a priority, as does deepening relationships with existing customers. We see opportunities in markets like Singapore, Malaysia and Indonesia. While the relative pace of growth

will vary by market, our diversified regional presence positions us well to capture demand wherever it arises.

**Query 4:**

Could the company elaborate on its current cash flow generation capacity and plans for managing debt levels going forward?

**Company's response to Query 4:**

Our balance sheet is healthy, with a net gearing ratio of 0.79% and net cash generated from operations of S\$9.4 million for FY2025. This strong cash flow generation allows us to fund working capital, pursue growth opportunities, and maintain prudent debt levels without over-leveraging.

**Query 5:**

What is the board's philosophy on dividend payments versus reinvestment for growth, especially considering the recent special dividend payout?

**Company's response to Query 5:**

The Company does not have a formal dividend policy. Our approach is to pay an appropriate return (yield) to the shareholders taking into consideration the long-term viability of the Group while retaining sufficient funds to reinvest in business opportunities that can drive long term growth.

**Query 6:**

Are there plans for strategic investments or acquisitions to accelerate growth, and how might these be funded?

**Company's response to Query 6:**

Our focus remains on growing in areas where we have expertise and competitive advantage. At the same time, we remain open to strategic investments or acquisitions that can accelerate growth or broaden our capabilities. Should such opportunities arise, our first preference would be to fund them internally, given our strong cash position, while retaining flexibility to consider other financing options where appropriate.

**Query 7:**

Under what circumstance would the company consider a higher or even 100% dividend payout ratio?

**Company's response to Query 7:**

See answer to Query 5 above.

**BY ORDER OF THE BOARD**

Tan Tin Yeow  
Chairman and Managing Director  
22 August 2025