

**MEWAH INTERNATIONAL INC.**

*(Incorporated in the Cayman Islands, Registration Number: CR-166055)*

**AND ITS SUBSIDIARIES**

**CONDENSED INTERIM FINANCIAL STATEMENTS**

*Unaudited for the first half year ended 30 June 2023*

**MEWAH INTERNATIONAL INC.  
AND ITS SUBSIDIARIES**

**CONDENSED INTERIM FINANCIAL STATEMENTS**  
*Unaudited for the first half year ended 30 June 2023*

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**MEWAH INTERNATIONAL INC.  
AND ITS SUBSIDIARIES**
**CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT**
*Unaudited for the first half year ended 30 June 2023*

	Notes to Condensed report	Notes to Appendix 7.2	Six months ended 30 June		Change %
			2023 US\$'000	2022 US\$'000	
Revenue	3	8.1.2	2,135,812	2,702,577	-21.0
Cost of sales		8.1.2	(2,007,088)	(2,578,317)	-22.2
Gross profit		8.1.3	128,724	124,260	3.6
Other income	5.1	8.1.5	3,933	3,578	9.9
Other expenses and other losses (net) (Note A)	5.1	8.1.6	(25,044)	(31,681)	-20.9
Reversal of expected credit losses		8.1.7	835	2,146	-61.1
Expenses					
- Selling and distribution		8.1.8	(26,150)	(28,647)	-8.7
- Administrative		8.1.9	(55,984)	(48,663)	15.0
- Finance		8.1.10	(14,288)	(6,355)	124.8
Share of profit/(loss) of associated company			16	(37)	n.m.
Profit before tax	5	8.1.11	12,042	14,601	-17.5
Income tax expense	6	8.1.12	(2,759)	(3,811)	-27.6
<b>Profit for the financial period, net of tax</b>		8.1.13	<b>9,283</b>	<b>10,790</b>	<b>-14.0</b>
<b>Profit after tax attributable to:</b>					
Equity holders of the Company			10,159	14,188	-28.4
Non-controlling interests			(876)	(3,398)	-74.2
			<b>9,283</b>	<b>10,790</b>	<b>-14.0</b>
Earnings per share attributable to equity holders of the Company (expressed in US cents per share)					
- Basic and diluted			0.68	0.95	-28.4

n.m. – not meaningful

*The accompanying notes form an integral part of these condensed interim financial statements.*

**MEWAH INTERNATIONAL INC.  
AND ITS SUBSIDIARIES**

**CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT (CONTINUED)**

*Unaudited for the first half year ended 30 June 2023*

The Group measures and tracks the earnings in terms of Operating Margin (“OM”) as calculated below:

		<b>Six months ended</b>		
		<b>30 June</b>		
	Notes to Appendix 7.2	<b>2023</b> <b>US\$'000</b>	<b>2022</b> <b>US\$'000</b>	<b>Change</b> <b>%</b>
Gross profit		<b>128,724</b>	124,260	3.6
Add: Depreciation in Cost of sales		<b>10,920</b>	10,234	6.7
Less: Selling and distribution expenses		<b>(26,150)</b>	(28,647)	-8.7
Add: Reversal of expected credit losses		<b>835</b>	2,146	-61.1
Less: Foreign exchange losses - net		<b>(25,243)</b>	(31,617)	-20.2
<b>Operating margin</b>	8.1.4	<b>89,086</b>	76,376	16.6

Note A: Other losses (net) included foreign exchange losses (net) of US\$25,243,000 for the first half year (H1 2022: US\$31,617,000). Foreign exchange gains or losses arise in the entities of the Group when transactions are denominated in currencies other than the entities' functional currencies. Variance is explained by changes in the exchange rates from the dates of transactions to the dates of settlements or the financial reporting date. The Group primarily uses currency forward contracts to hedge against the foreign exchange fluctuation risk resulting from commodities forward contracts. The foreign exchange gains or losses are better read together with gross profit.

**MEWAH INTERNATIONAL INC.  
AND ITS SUBSIDIARIES**
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
*Unaudited for the first half year ended 30 June 2023*


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	Six months ended 30 June		
	2023 US\$'000	2022 US\$'000	Change %
<b>Profit for the financial period, net of tax</b>	9,283	10,790	-14.0
<b>Other comprehensive loss:</b>			
Item that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from foreign subsidiaries, net of tax			
- Losses	(14,745)	(12,344)	19.5
<b>Total comprehensive loss for the period, net of tax</b>	<b>(5,462)</b>	<b>(1,554)</b>	<b>251.5</b>
<b>Total comprehensive loss attributable to:</b>			
Equity holders of the Company	(4,309)	1,931	n.m.
Non-controlling interests	(1,153)	(3,485)	-66.9
	<b>(5,462)</b>	<b>(1,554)</b>	<b>251.5</b>

n.m. – not meaningful

**MEWAH INTERNATIONAL INC.  
AND ITS SUBSIDIARIES**
**CONDENSED INTERIM BALANCE SHEET – GROUP AND COMPANY**
*Unaudited as at 30 June 2023*

	Note to Condensed report	Note to Appendix 7.2	Group		Company	
			As at 30 Jun 2023 US\$'000	As at 31 Dec 2022 US\$'000	As at 30 Jun 2023 US\$'000	As at 31 Dec 2022 US\$'000
<b>ASSETS</b>						
<b>Current assets</b>						
Inventories		8.2.1	350,096	464,351	-	-
Trade receivables			391,675	499,717	-	-
Other receivables			68,034	128,967	345,301	318,641
Current income tax recoverable			1,527	874	-	-
Derivative financial instruments	12		53,987	51,361	9	-
Cash and bank balances			124,958	102,849	635	770
			<b>990,277</b>	<b>1,248,119</b>	<b>345,945</b>	<b>319,411</b>
<b>Non-current assets</b>						
Intangible asset	10	8.2.2	7,891	6,000	-	-
Property, plant and equipment	11		452,452	440,607	-	-
Investments in subsidiaries			-	-	849	849
Investment in associated company			473	498	-	-
Deferred income tax assets			760	779	-	-
Derivative financial instruments	12		2	7	-	-
			<b>461,578</b>	<b>447,891</b>	<b>849</b>	<b>849</b>
<b>Total assets</b>			<b>1,451,855</b>	<b>1,696,010</b>	<b>346,794</b>	<b>320,260</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Trade payables			93,922	151,527	-	-
Other payables			85,685	95,488	146	205
Contract liabilities			20,005	19,660	-	-
Lease liabilities			596	572	-	-
Current income tax liabilities			10,201	14,960	316	91
Derivative financial instruments	12		46,055	55,047	-	-
Borrowings	13		295,387	443,259	-	-
			<b>551,851</b>	<b>780,513</b>	<b>462</b>	<b>296</b>
<b>Non-current liabilities</b>						
Lease liabilities			8,544	8,798	-	-
Deferred income tax liabilities			29,018	34,421	1,179	1,363
Borrowings	13		109,070	97,520	-	-
			<b>146,632</b>	<b>140,739</b>	<b>1,179</b>	<b>1,363</b>
<b>Total liabilities</b>		8.2.3	<b>698,483</b>	<b>921,252</b>	<b>1,641</b>	<b>1,659</b>
<b>NET ASSETS</b>			<b>753,372</b>	<b>774,758</b>	<b>345,153</b>	<b>318,601</b>

*The accompanying notes form an integral part of these condensed interim financial statements.*

**MEWAH INTERNATIONAL INC.  
AND ITS SUBSIDIARIES**

**CONDENSED INTERIM BALANCE SHEET – GROUP AND COMPANY (CONTINUED)**  
*Unaudited as at 30 June 2023*

	Note to Condensed report	Group		Company	
		As at 30 Jun 2023 US\$'000	As at 31 Dec 2022 US\$'000	As at 30 Jun 2023 US\$'000	As at 31 Dec 2022 US\$'000
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders of the Company:</b>					
Share capital	14	1,501	1,501	1,501	1,501
Share premium	14	180,012	180,012	180,012	180,012
Other reserves		(63,528)	(48,931)	3,509	3,509
Retained profits		631,632	637,190	160,131	133,579
		<b>749,617</b>	<b>769,772</b>	<b>345,153</b>	<b>318,601</b>
<b>Non-controlling interests</b>		<b>3,755</b>	<b>4,986</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>753,372</b>	<b>774,758</b>	<b>345,153</b>	<b>318,601</b>

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**MEWAH INTERNATIONAL INC.  
AND ITS SUBSIDIARIES**
**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY - GROUP**
*Unaudited for the first half year ended 30 June 2023*

	← Attributable to equity holders of the Company →										
	Note to Condensed report	Share capital US\$'000	Share premium US\$'000	Capital redemption reserve US\$'000	Merger reserve US\$'000	General reserve US\$'000	Currency translation reserve US\$'000	Retained profits US\$'000	Total US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
<b>2023</b>											
<b>Balance at 1 January 2023</b>		1,501	180,012	3,509	(53,005)	(308)	873	637,190	769,772	4,986	774,758
Profit/(Loss) for the period		-	-	-	-	-	-	10,159	10,159	(876)	9,283
Other comprehensive loss for the period		-	-	-	-	-	(14,468)	-	(14,468)	(277)	(14,745)
<b>Total comprehensive loss for the period</b>		-	-	-	-	-	<b>(14,468)</b>	<b>10,159</b>	<b>(4,309)</b>	<b>(1,153)</b>	<b>(5,462)</b>
Acquisition of non-controlling interest		-	-	-	-	(129)	-	-	(129)	129	-
Dividends	7	-	-	-	-	-	-	(15,717)	(15,717)	(207)	(15,924)
<b>Total transactions with owners, recognised directly in equity</b>		-	-	-	-	<b>(129)</b>	-	<b>(15,717)</b>	<b>(15,846)</b>	<b>(78)</b>	<b>(15,924)</b>
<b>Balance at 30 June 2023</b>		<b>1,501</b>	<b>180,012</b>	<b>3,509</b>	<b>(53,005)</b>	<b>(437)</b>	<b>(13,595)</b>	<b>631,632</b>	<b>749,617</b>	<b>3,755</b>	<b>753,372</b>
<b>2022</b>											
<b>Balance at 1 January 2022</b>		1,501	180,012	3,509	(53,005)	(1,425)	12,057	533,985	676,634	6,949	683,583
Profit/(Loss) for the period		-	-	-	-	-	-	14,188	14,188	(3,398)	10,790
Other comprehensive loss for the period		-	-	-	-	-	(12,257)	-	(12,257)	(87)	(12,344)
<b>Total comprehensive income/(loss) for the period</b>		-	-	-	-	-	<b>(12,257)</b>	<b>14,188</b>	<b>1,931</b>	<b>(3,485)</b>	<b>(1,554)</b>
Dividends	7	-	-	-	-	-	-	(8,806)	(8,806)	(243)	(9,049)
<b>Total transactions with owners, recognised directly in equity</b>		-	-	-	-	-	-	<b>(8,806)</b>	<b>(8,806)</b>	<b>(243)</b>	<b>(9,049)</b>
<b>Balance at 30 June 2022</b>		<b>1,501</b>	<b>180,012</b>	<b>3,509</b>	<b>(53,005)</b>	<b>(1,425)</b>	<b>(200)</b>	<b>539,367</b>	<b>669,759</b>	<b>3,221</b>	<b>672,980</b>

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**MEWAH INTERNATIONAL INC.  
AND ITS SUBSIDIARIES**
**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY - COMPANY**
*Unaudited for the first half year ended 30 June 2023*

	Note to Condensed report	Attributable to equity holders of the Company				Total equity US\$'000
		Share capital US\$'000	Share premium US\$'000	Capital redemption reserve US\$'000	Retained profits US\$'000	
<b>2023</b>						
<b>Balance at 1 January 2023</b>		<b>1,501</b>	<b>180,012</b>	<b>3,509</b>	<b>133,579</b>	<b>318,601</b>
Profit for the period		-	-	-	42,269	42,269
<b>Total comprehensive income for the period</b>		-	-	-	<b>42,269</b>	<b>42,269</b>
Dividends	7	-	-	-	(15,717)	(15,717)
<b>Total transactions with owners, recognised directly in equity</b>		-	-	-	<b>(15,717)</b>	<b>(15,717)</b>
<b>Balance at 30 June 2023</b>		<b>1,501</b>	<b>180,012</b>	<b>3,509</b>	<b>160,131</b>	<b>345,153</b>
<b>2022</b>						
<b>Balance at 1 January 2022</b>		<b>1,501</b>	<b>180,012</b>	<b>3,509</b>	<b>122,274</b>	<b>307,296</b>
Profit for the period		-	-	-	12,640	12,640
<b>Total comprehensive income for the period</b>		-	-	-	<b>12,640</b>	<b>12,640</b>
Dividends	7	-	-	-	(8,806)	(8,806)
<b>Total transactions with owners, recognised directly in equity</b>		-	-	-	<b>(8,806)</b>	<b>(8,806)</b>
<b>Balance at 30 June 2022</b>		<b>1,501</b>	<b>180,012</b>	<b>3,509</b>	<b>126,108</b>	<b>311,130</b>

*The accompanying notes form an integral part of these condensed interim financial statements.*

**MEWAH INTERNATIONAL INC.  
AND ITS SUBSIDIARIES**
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**
*Unaudited for the first half year ended 30 June 2023*

	Notes to Condensed Report	Six months ended 30 June	
		2023 US\$'000	2022 US\$'000
<b>Cash flows from operating activities</b>			
Profit after tax		9,283	10,790
Adjustments for:			
- Income tax expense	6	2,759	3,811
- Depreciation of property, plant and equipment		14,206	13,755
- Losses on disposal of property, plant and equipment	5.1	71	58
- Property, plant and equipment written off	5.1	1	19
- Interest income	5.1	(1,122)	(1,714)
- Interest expense		14,288	6,355
- Share of (profit)/loss of associated company		(16)	37
Operating cash flows before working capital changes		39,470	33,111
Changes in operating assets and liabilities:			
- Inventories		98,932	(11,465)
- Trade and other receivables		182,835	(196,672)
- Contract liabilities		345	47,760
- Trade and other payables		(79,817)	33,312
- Derivative financial instruments		(12,656)	15,448
Cash flows from/(used) in operations		229,109	(78,506)
Interest received		1,122	1,714
Interest paid		(14,288)	(6,355)
Income tax paid		(11,100)	(11,835)
<b>Net cash flows from/(used in) operating activities</b>		<b>204,843</b>	<b>(94,982)</b>
<b>Cash flows from investing activities</b>			
Decrease in other receivables		4,273	3,846
Additions to property, plant and equipment		(40,539)	(29,876)
Acquisition of subsidiaries, net of cash and cash equivalents acquired	15	(1,647)	-
Proceeds from disposal of property, plant and equipment		11	40
<b>Net cash flows used in investing activities</b>		<b>(37,902)</b>	<b>(25,990)</b>
<b>Cash flows from financing activities</b>			
Proceeds from long-term borrowings		31,667	31,821
Repayment of long-term borrowings		(11,264)	(6,385)
Net (repayment of)/proceeds from short term borrowings		(145,547)	115,284
Repayment of lease liabilities		(223)	(243)
Dividends paid to equity holders of the Company	7	(15,717)	(8,806)
Dividends paid to non-controlling interests		(207)	(243)
<b>Net cash flows (used)/from financing activities</b>		<b>(141,291)</b>	<b>131,428</b>
<b>Net change in cash and cash equivalents</b>		<b>25,650</b>	<b>10,456</b>
Cash and cash equivalents at beginning of financial period		102,198	171,781
Effect of changes in exchange rate on cash and cash equivalents		(3,551)	(8,184)
<b>Cash and cash equivalents at end of financial period</b>		<b>124,297</b>	<b>174,053</b>
<b>Represented by:</b>			
Cash and bank balances		124,958	174,381
Less: Restricted short term bank deposits		(661)	-
Less: Bank overdrafts		-	(328)
<b>Cash and cash equivalents per consolidated statement of cash flows</b>		<b>124,297</b>	<b>174,053</b>

*The accompanying notes form an integral part of these condensed interim financial statements.*

**MEWAH INTERNATIONAL INC.  
AND ITS SUBSIDIARIES**
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**
*Unaudited for the first half year ended 30 June 2023*
**Reconciliation of liabilities arising from financing activities**

	1 January US\$'000	Proceeds from borrowings US\$'000	Principal payments US\$'000	Non-cash changes		30 June US\$'000
				Modification of lease liability US\$'000	Foreign exchange movement US\$'000	
2023						
Borrowings	<b>540,779</b>	<b>31,667</b>	<b>(156,811)</b>	-	<b>(11,178)</b>	<b>404,457</b>
Lease liabilities	<b>9,370</b>	-	<b>(223)</b>	-	<b>(7)</b>	<b>9,140</b>
2022						
Borrowings	430,168	147,105	(6,385)	-	(16,106)	554,782
Lease liabilities	6,100	-	(243)	4,519	(33)	10,343

*The accompanying notes form an integral part of these condensed interim financial statements.*

**MEWAH INTERNATIONAL INC.  
AND ITS SUBSIDIARIES****NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

*Unaudited for the first half year ended 30 June 2023*

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**1. Corporate information**

Mewah International Inc. (the “Company”) is listed on the Singapore Exchange and incorporated and domiciled in the Cayman Islands. These condensed interim financial statements as at and for the six months period ended 30 June 2023 comprise the Company and its subsidiaries (collectively, the “Group”). The principal activity of the Company is that of investment holding.

The primary principal activities of the Group are:

- a. manufacturing and selling of vegetable oil products and bioenergy products; and
- b. trading of edible oils, fats, dairy, soap, food products and agricultural raw materials.

**2. Basis of preparation**

The condensed interim financial statements for the first half year ended 30 June 2023 have been prepared in accordance with the SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The unaudited condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual consolidated financial statements for the year ended 31 December 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The unaudited condensed interim financial statements are presented in United States Dollar (“US\$”) (“presentation currency”), which is the functional currency of the Company.

**2.1 New and amended standards adopted by the Group**

On 1 January 2023, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”) that are mandatory for application for the current reporting period. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior interim periods.

**MEWAH INTERNATIONAL INC.  
AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

*Unaudited for the first half year ended 30 June 2023*

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**2.2 Use of judgements and estimates**

In preparing the unaudited condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(i) Valuation of commodities forward contracts

The Group is exposed to fluctuations in the prices of agri-commodities it deals in, including crude palm oil and palm oil products. The Group minimises the risk arising from such fluctuations by entering into commodities forward contracts and futures contracts (Note 9). As the Group has not adopted hedge accounting, the fair value changes on these derivative financial instruments are recognised in the profit or loss when the changes arise. The Group's commodities forward contracts are not traded in an active market and hence their fair values are estimated using a valuation technique as described in Note 9.

(ii) Assessment of recoverability of past due trade receivables of the Group

Management reviews its trade receivables on a regular basis to identify specific trade receivables that are credit impaired and recognises a loss allowance equal to lifetime expected credit loss in respect of these receivables. For the remaining trade receivables, they are grouped based on similar risk characteristics and days past due to determine the expected credit loss rate to be applied. In calculating the expected credit loss rates, management considers historical loss rates and adjusts to reflect current and forward looking macro-economic factors affecting the ability of the customers to settle the receivables.

**MEWAH INTERNATIONAL INC.  
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**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

*Unaudited for the first half year ended 30 June 2023*

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**2.2 Use of judgements and estimates (continued)**

(iii) Uncertain tax position of the Group

The Group is subject to income taxes in numerous jurisdictions. In determining the income tax liabilities, management is required to estimate the amount of capital allowances, incentives and deductibility of certain expenses (“uncertain tax positions”) at each tax jurisdiction. Where the final outcome of these matters is different from the amounts that were initially recorded, such as due to changes in tax rules or revised interpretations of existing tax laws and precedent, such differences will impact the income tax provisions in the corresponding periods.

(iv) Purchase price allocation for acquisition of business

The acquisition is accounted for as a business combination which requires the identifiable assets and liabilities to be recognised at fair value at the date of acquisition, with the excess of the acquisition cost over the identified fair values to be recognised as goodwill.

The assets and liabilities are identified and valued through a purchase price allocation and is expected to be finalised within 12 months from date of acquisition.

In assessing the fair valuation of the identifiable assets acquired, management had engaged an external professional firm to perform the fair valuation of the property, plant and equipment acquired. The purchase price allocation is subject to a significant degree of judgement and critical accounting estimates required in the identification and fair valuation of the assets acquired and liabilities assumed.

The provisional amounts recognised are disclosed in Note 15.

**MEWAH INTERNATIONAL INC.  
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**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

*Unaudited for the first half year ended 30 June 2023*

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**3. Segment and revenue information**

**3.1 Reportable segments**

Management has determined the operating segments based on the reports reviewed by the Management Committee (“Mancom”) that are used to make strategic decisions, allocate resources, and assess performance. The Mancom is the Group’s chief operating decision-maker and comprises the Chief Executive Officer, Chief Operating Officer, the Chief Financial Officer, and the department heads of each business within each segment.

The Mancom considers the business from two segments:

- (i) The bulk segment which sources, manufactures and sells edible oils and specialty fats and oils in bulk and bioenergy products in bulk for a variety of end uses; and
- (ii) The consumer pack segment which manufactures and sells edible oils and bakery fats, dairy related products, soap and rice to consumers in packaged form.

The Group measures and tracks the profitability in terms of operating margin and adjusted earnings before interest, tax, depreciation and amortisation (“Adjusted EBITDA”).

Operating margin is calculated as revenue, less cost of sales (excluding depreciation), selling and distribution expenses, allowance for /(reversal of) expected credit losses and foreign exchange gains/(losses). Operating margin relating to inter-segment sales are reported under the segment where the final sales to third parties are made.

Sales between segments reported to the Mancom is measured in a manner consistent with the Group's accounting policies.

Adjusted EBITDA is calculated as operating margin add other income, less administrative expenses (excluding depreciation), other expenses and other gains/(losses) excluding foreign exchange gains or losses which has been considered in operating margin and also excluding impairment of assets.

**MEWAH INTERNATIONAL INC.  
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*Unaudited for the first half year ended 30 June 2023*
**3. Segment and revenue information (continued)**
**3.1 Reportable segments (continued)**

The segment information provided to the Mancom for the reportable segments for the first half year ended 30 June 2023 is as follows:

<u>Group</u>	<u>Bulk</u> US\$'000	<u>Consumer</u> <u>Pack</u> US\$'000	<u>Total</u> US\$'000
<b>Revenue</b>			
Total segment sales	1,641,933	660,112	2,302,045
Inter-segment sales	(157,568)	(8,665)	(166,233)
Revenue from external parties	<u>1,484,365</u>	<u>651,447</u>	<u>2,135,812</u>
<b>Operating margin</b>	<b>46,448</b>	<b>42,638</b>	<b>89,086</b>
Other income excluding interest income	1,395	1,416	2,811
Interest income	948	174	1,122
Administrative expenses, excluding depreciation	(24,770)	(27,928)	(52,698)
Other expenses and other losses (net) excluding foreign exchange losses (net)	(1,198)	1,397	199
<b>Adjusted EBITDA</b>	<b>22,823</b>	<b>17,697</b>	<b>40,520</b>
Depreciation	(9,271)	(4,935)	(14,206)
Finance expense	(8,340)	(5,948)	(14,288)
<b>Segment results</b>	<b>5,212</b>	<b>6,814</b>	<b>12,026</b>
<b>Unallocated</b>			
Income tax expense			(2,759)
Share of profit of an associate			16
<b>Profit after tax</b>			<b>9,283</b>
<b>Total segment assets</b>	<b>932,695</b>	<b>516,400</b>	<b>1,449,095</b>
<b>Unallocated</b>			
Current income tax recoverable			1,527
Investment in associated company			473
Deferred income tax assets			760
<b>Total assets</b>			<b>1,451,855</b>
Total assets include:			
Additions to:			
- Property, plant and equipment	38,396	2,143	40,539
<b>Total segment liabilities</b>	<b>(408,713)</b>	<b>(250,551)</b>	<b>(659,264)</b>
<b>Unallocated</b>			
Current income tax liabilities			(10,201)
Deferred income tax liabilities			(29,018)
<b>Total liabilities</b>			<b>(698,483)</b>



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**3. Segment and revenue information (continued)**
**3.1 Reportable segments (continued)**

The segment information provided to the Mancom for the reportable segments for the first half year ended 30 June 2022 is as follows:

<u>Group</u>	<u>Bulk</u> US\$'000	<u>Consumer</u> <u>Pack</u> US\$'000	<u>Total</u> US\$'000
<b>Revenue</b>			
Total segment sales	2,271,017	643,111	2,914,128
Inter-segment sales	(188,202)	(23,349)	(211,551)
Revenue from external parties	<u>2,082,815</u>	<u>619,762</u>	<u>2,702,577</u>
<b>Operating margin</b>	<b>53,766</b>	<b>22,610</b>	<b>76,376</b>
Other income excluding interest income	661	1,203	1,864
Interest income	1,528	186	1,714
Administrative expenses, excluding depreciation	(21,744)	(23,398)	(45,142)
Other losses (net) excluding foreign exchange losses (net)	(76)	12	(64)
<b>Adjusted EBITDA</b>	<b>34,135</b>	<b>613</b>	<b>34,748</b>
Depreciation	(9,054)	(4,701)	(13,755)
Finance expense	(3,842)	(2,513)	(6,355)
<b>Segment results</b>	<b>21,239</b>	<b>(6,601)</b>	<b>14,638</b>
<b>Unallocated</b>			
Income tax expense			(3,811)
Share of loss of an associate			(37)
<b>Profit after tax</b>			<u><b>10,790</b></u>
<b>Total segment assets</b>	<b>1,213,041</b>	<b>554,569</b>	<b>1,767,610</b>
<b>Unallocated</b>			
Current income tax recoverable			3,124
Investment in associated company			514
Deferred income tax assets			1,734
<b>Total assets</b>			<u><b>1,772,982</b></u>
Total assets include:			
Additions to:			
- Property, plant and equipment	26,916	7,479	34,395
<b>Total segment liabilities</b>	<b>(778,420)</b>	<b>(285,451)</b>	<b>(1,063,871)</b>
<b>Unallocated</b>			
Current income tax liabilities			(9,230)
Deferred income tax liabilities			(26,901)
<b>Total liabilities</b>			<u><b>(1,100,002)</b></u>

**MEWAH INTERNATIONAL INC.  
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**3. Segment and revenue information (continued)**
**3.2 Disaggregation of revenue**

	<b>At a point in time US\$'000</b>	<b>Group Over time US\$'000</b>	<b>Total US\$'000</b>
<b>First half year ended 30 June 2023</b>			
Sale of vegetable oils products and bioenergy products in bulk	1,460,388	-	1,460,388
Sale of consumer products including edible oils and fats, dairy, soap and rice in consumer packs	625,650	-	625,650
Shipping services*	-	45,026	45,026
Charter income	-	4,748	4,748
Total	<u>2,086,038</u>	<u>49,774</u>	<u>2,135,812</u>
<b>First half year ended 30 June 2022</b>			
Sale of vegetable oils products and bioenergy products in bulk	2,070,320	-	2,070,320
Sale of consumer products including edible oils and fats, dairy, soap and rice in consumer packs	568,907	-	568,907
Shipping services*	-	60,139	60,139
Charter income	-	3,211	3,211
Total	<u>2,639,227</u>	<u>63,350</u>	<u>2,702,577</u>

\* *Shipping services relate to revenue earned arising from the delivery of products sold to customers.*

There is no transaction with a single external customer amounting to 10 per cent or more of the Group's revenues for the first half year ended 30 June 2023 and 2022.

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**4. Financial assets and financial liabilities**

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2023 and 31 December 2022:

	<b>Group</b>		<b>Company</b>	
	<b>30 June 2023 US\$'000</b>	<b>31 December 2022 US\$'000</b>	<b>30 June 2023 US\$'000</b>	<b>31 December 2022 US\$'000</b>
Financial assets at fair value through profit or loss	<b>53,989</b>	51,368	<b>9</b>	-
Financial liabilities at fair value through profit or loss	<b>(46,055)</b>	(55,047)	-	-
Financial assets at amortised cost	<b>542,072</b>	683,995	<b>345,882</b>	319,401
Financial liabilities at amortised cost	<b>(588,300)</b>	(786,666)	<b>(146)</b>	(205)

**5. Profit before taxation**
**5.1 Other income, other expenses and other losses (net)**

	<b>Group Six months ended 30 June</b>	
	<b>2023 US\$'000</b>	<b>2022 US\$'000</b>
<b>Other income</b>		
Interest income on bank deposits and others	<b>724</b>	687
Late interest charged on trade receivables	<b>398</b>	1,027
	<b>1,122</b>	1,714
Rental income	<b>150</b>	162
Insurance claims	<b>948</b>	968
Other miscellaneous income	<b>1,713</b>	734
	<b>3,933</b>	3,578
<b>Other expenses</b>		
Reversal of provision for legal claim (Note 18)	<b>116</b>	-
<b>Other losses (net)</b>		
Foreign exchange losses – net	<b>(25,243)</b>	(31,617)
Losses on disposal of property, plant and equipment	<b>(71)</b>	(58)
Reversal of allowance on other receivables	<b>155</b>	-
Property, plant and equipment written off	<b>(1)</b>	(19)
Others	<b>-</b>	13
	<b>(25,160)</b>	(31,681)
	<b>(25,044)</b>	(31,681)

**MEWAH INTERNATIONAL INC.  
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**5. Profit before taxation (continued)**
**5.2 Related party transactions**

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

	<b>Group</b>	
	<b>Six months ended</b>	
	<b>30 June</b>	
	<b>2023</b>	<b>2022</b>
	<b>US\$'000</b>	<b>US\$'000</b>
Sales of finished goods to related parties	<b>7,006</b>	6,576
Purchases of raw materials from related parties	<b>955</b>	693
Purchases of plant and equipment from a related party	<b>-</b>	612
(Losses)/Gains from derivative financial instruments from related parties	<b>(117)</b>	1,367
Rental received/receivable		
- Associated company	<b>2</b>	2
- Related party	<b>24</b>	21
Service fee income received/receivable		
- Associated company	<b>30</b>	24
Services paid/payable		
- Transportation and forwarding to associated company	<b>1,544</b>	925
- Packing material to related parties	<b>142</b>	151
- Consultation fees to related parties	<b>1,107</b>	1,055

Related parties comprise mainly companies or individuals which are controlled or significantly influenced by the Group's key management personnel and their close family members.

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**6. Taxation**

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the unaudited condensed interim consolidated income statement are:

	<b>Group</b>	
	<b>Six months ended</b>	
	<b>30 June</b>	
	<b>2023</b>	<b>2022</b>
	<b>US\$'000</b>	<b>US\$'000</b>
Current income tax expense	5,814	12,345
Deferred income tax credit	(3,512)	(8,034)
	<u>2,302</u>	<u>4,311</u>
Under/(Over) provision in prior financial years		
- Current income tax	353	(86)
- Deferred income tax	104	(414)
Income tax expense	<u>2,759</u>	<u>3,811</u>

**7. Dividends**

	<b>Group and Company</b>	
	<b>Six months ended</b>	
	<b>30 June</b>	
	<b>2023</b>	<b>2022</b>
	<b>US\$'000</b>	<b>US\$'000</b>
<b>Declared and paid during the financial period:</b>		
Dividends on ordinary shares:		
- Final exempt one-tier dividend of S\$0.0140 for 2022 (2021: S\$0.0081) per share	<u>15,717</u>	<u>8,806</u>
<b>Declared after the financial period and not recognised as a liability as at 30 June:</b>		
Interim exempt one-tier dividend of S\$0.0014 (2022: S\$0.0015) per share	<u>1,572</u>	<u>1,633</u>

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**8. Net asset value**

	<b>Group</b>		<b>Company</b>	
	<b>30 June 2023 US\$'000</b>	<b>31 December 2022 US\$'000</b>	<b>30 June 2023 US\$'000</b>	<b>31 December 2022 US\$'000</b>
Net asset value per ordinary share	<b>49.95</b>	51.30	<b>23.00</b>	21.23

**9. Fair value measurement**

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- (i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

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**9. Fair value measurement (continued)**

	Level 1 US\$'000	Level 2 US\$'000	Total US\$'000
<b>Group</b>			
<b>30 June 2023</b>			
<b>Financial Assets</b>			
Derivative financial instruments (Note 12)			
- Currency forward contracts	-	15,054	15,054
- Commodities forward contracts	-	20,772	20,772
- Futures contracts on commodity exchange	18,163	-	18,163
	<b>18,163</b>	<b>35,826</b>	<b>53,989</b>
<b>Financial Liabilities</b>			
Derivative financial instruments (Note 12)			
- Currency forward contracts	-	(13,594)	(13,594)
- Commodities forward contracts	-	(32,461)	(32,461)
	<b>-</b>	<b>(46,055)</b>	<b>(46,055)</b>
<b>31 December 2022</b>			
<b>Financial Assets</b>			
Derivative financial instruments (Note 12)			
- Currency forward contracts	-	8,793	8,793
- Commodities forward contracts	-	42,568	42,568
- Futures contracts on commodity exchange	7	-	7
	<b>7</b>	<b>51,361</b>	<b>51,368</b>
<b>Financial Liabilities</b>			
Derivative financial instruments (Note 12)			
- Currency forward contracts	-	(10,605)	(10,605)
- Commodities forward contracts	-	(27,194)	(27,194)
- Futures contracts on commodity exchange	(17,248)	-	(17,248)
	<b>(17,248)</b>	<b>(37,799)</b>	<b>(55,047)</b>
<b>Company</b>			
<b>30 June 2023</b>			
<b>Financial Assets</b>			
Derivative financial instruments (Note 12)			
- Currency forward contracts	-	9	9
<b>31 December 2022</b>			
<b>Financial Assets</b>			
Derivative financial instruments (Note 12)			
- Currency forward contracts	-	-	-

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**9. Fair value measurement (continued)**

There were no transfers between Levels 1 and 2 during the period. The Group's commodities futures contracts are traded in active markets and their fair values reflect quoted prices at the balance sheet date in active markets such as Bursa Malaysia. These instruments are included in Level 1.

The Group's commodities forward contracts are not traded in an active market. Their fair values are estimated by a valuation technique that takes into consideration various sources of indicative market prices at the balance sheet date. The sources of indicative market prices include prices listed on the Malaysian Palm Oil Board (MPOB), prices obtained from an international news agency, quotes obtained from brokers and actual contracted prices entered into. The fair values of currency forward contracts are determined using quoted forward exchange rates at the balance sheet date. These instruments are included in Level 2.

**10. Intangible asset**

	<b>Group</b>	
	<b>30 June 2023 US\$'000</b>	<b>31 December 2022 US\$'000</b>
<i>Goodwill arising from acquisition of subsidiaries</i>		
Beginning/End of financial period	<u>4,473</u>	4,473
<i>Intangible asset arising from acquisition of subsidiaries</i>		
Beginning of financial period	<b>1,527</b>	-
Acquisition of a subsidiary (Note 15)	<b>1,891</b>	1,527
End of financial period	<u>3,418</u>	<u>1,527</u>
Total	<u><b>7,891</b></u>	<u>6,000</u>

In the current financial period, the Group completed the acquisition of 100% of the issued equity of PT Kencana Inti Perkasa ("PTKIP"), an Indonesian company which owns and operates facilities in palm oil business, from non-related parties, through its wholly owned subsidiaries, PT Agro Perkasa, a company incorporated in Indonesia and Cavenagh Oleo (S) Pte Ltd, a company incorporated in Singapore with total purchase consideration of US\$1,647,000.

In the previous financial year, the Group completed the acquisition of 100% of the issued equity of PT Simpang Kanan Lestarindo ("PTSKL"), an Indonesian company which owns and operates facilities in palm oil business, from non-related parties, through its wholly owned subsidiaries, PT Agro Perkasa, a company incorporated in Indonesia and Cavenagh Oleo (S) Pte Ltd, a company incorporated in Singapore with total purchase consideration of US\$5,731,000.



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**10. Intangible asset (continued)**

The assets and liabilities are identified and valued through a purchase price allocation of the above acquisitions which are expected to be finalised within 12 months from the date of acquisition. The identifiable assets and liabilities are recognised at their provisional amounts in the current financial period and previous financial year.

*Impairment tests for goodwill*

Goodwill arising from business combinations have been allocated to the respective cash-generating units ("CGUs"). The carrying amount of goodwill allocated to Jambi and PT Able businesses amounts to US\$970,000 and US\$3,503,000 respectively.

Based on the management's assessment, there were no impairment indicators for the goodwill as at 30 June 2023.

**11. Property, plant and equipment**

During the first half year ended 30 June 2023, the Group acquired property, plant and equipment amounting to US\$40,539,000 (H1 2022: US\$34,395,000), acquisition from a subsidiary amounting to US\$4,872,000 (H1 2022: US\$Nil) and disposal of property, plant and equipment amounting to US\$82,000 (H1 2022: US\$98,000).

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**12. Derivative financial instruments**

Currency forward contracts are entered into by the Group to manage exposure to fluctuations in foreign currency exchange rates.

The Group enters into commodities forward contracts and futures contracts to protect the Group from movements in market prices, primarily in crude palm oil and palm oil products by establishing the price at which the products will be sold or purchased.

**(a) Current portion**

	<b>Group Fair values</b>	
	<b>Asset</b>	<b>Liability</b>
	<b>US\$'000</b>	<b>US\$'000</b>
<b>30 June 2023</b>		
Currency forward contracts (Note 9)	15,054	(13,594)
Commodities forward contracts (Note 9)	20,772	(32,461)
Futures contracts on commodity exchange (Note 9)	18,161	-
<b>Total</b>	<b>53,987</b>	<b>(46,055)</b>
<b>31 December 2022</b>		
Currency forward contracts (Note 9)	8,793	(10,605)
Commodities forward contracts (Note 9)	42,568	(27,194)
Futures contracts on commodity exchange (Note 9)	-	(17,248)
<b>Total</b>	<b>51,361</b>	<b>(55,047)</b>
	<b>Company Fair values</b>	
	<b>Asset</b>	<b>Liability</b>
	<b>US\$'000</b>	<b>US\$'000</b>
<b>30 June 2023</b>		
Currency forward contracts (Note 9)	9	-
<b>31 December 2022</b>		
Currency forward contracts (Note 9)	-	-

**(b) Non-current portion**

	<b>Group Fair values</b>	
	<b>Asset</b>	<b>Liability</b>
	<b>US\$'000</b>	<b>US\$'000</b>
<b>30 June 2023</b>		
Futures contracts on commodity exchange (Note 9)	2	-
<b>31 December 2022</b>		
Futures contracts on commodity exchange (Note 9)	7	-

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**13. Borrowings**

	<b>Group</b>	
	<b>30 June 2023 US\$'000</b>	<b>31 December 2022 US\$'000</b>
<i>Current</i>		
Bank borrowings:		
- Trade financing	<b>264,307</b>	415,156
- Revolving credit	<b>1,664</b>	1,589
- Hire purchase	<b>482</b>	498
- Term loans	<b>28,934</b>	26,016
	<b>295,387</b>	443,259
<i>Non-current</i>		
Bank borrowings:		
- Hire purchase	<b>1,174</b>	1,509
- Term loans	<b>107,896</b>	96,011
	<b>109,070</b>	97,520
 Total borrowings	 <b>404,457</b>	 540,779

Securities granted

Total borrowings include secured liabilities of US\$124,655,000 (31 December 2022: US\$107,962,000). These borrowings of the Group are secured by certain property, plant and equipment.

**14. Share capital and share premium**

	<u>No. of ordinary shares</u>		← Amount →		
	Authorised share capital at par value of <u>US\$0.001</u> '000	Issued share capital at par value of <u>US\$0.001</u> '000	Authorised share capital at par value of <u>US\$0.001</u> US\$'000	Share capital at par value of <u>US\$0.001</u> US\$'000	Share premium US\$'000
<u>Group and Company</u>					
<b>30 June 2023</b>					
Beginning and end of financial period, ordinary shares at par value, US\$0.001	<b>30,000,000</b>	<b>1,500,667</b>	<b>30,000</b>	<b>1,501</b>	<b>180,012</b>
<b>31 December 2022</b>					
Beginning and end of financial year, ordinary shares at par value, US\$0.001	30,000,000	1,500,667	30,000	1,501	180,012

All issued ordinary shares were fully paid. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

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**15. Business combinations**
Business combinations under “acquisition method”

a. PT Kencana Inti Perkasa (“PTKIP”)

On 3 April 2023, the Group completed the acquisition of 100% of the issued equity of PTKIP, an Indonesian company which owns and operates facilities in palm oil business, from non-related parties, through its wholly owned subsidiaries, PT Agro Perkasa, a company incorporated in Indonesia and Cavenagh Oleo (S) Pte Ltd, a company incorporated in Singapore with total purchase consideration of US\$1,647,000.

Details of the consideration paid, the assets acquired and liabilities assumed, the non-controlling interest recognised and the effects on the cash flows of the Group, at the acquisition date, are as follows:

	<b>US\$'000</b>
(i) <i>Purchase consideration</i>	
Cash paid	1,647
<b>Total purchase consideration</b>	<b>1,647</b>
(ii) <i>Effect on cash flows of the Group</i>	
Cash consideration paid (as above)	1,647
<b>Cash outflow on acquisition</b>	<b>1,647</b>
(iii) <i>Identifiable assets acquired and liabilities assumed</i>	
Property, plant and equipment (Note 11)	4,872
Inventories	28
Other receivables	12
Total assets	4,912
Bank borrowings	(2,171)
Other payables	(2,985)
	(5,156)
<b>Total identifiable net liabilities</b>	<b>(244)</b>
Add: Intangible asset [(Note 10) and Note (iv) below]	1,891
<b>Consideration transferred for the business</b>	<b>1,647</b>
(iv) <i>Fair values and intangible asset</i>	

The assets and liabilities are identified and valued through a purchase price allocation which is expected to be finalised within 12 months from the date of acquisition. The identifiable assets and liabilities are recognised at their provisional amounts in the current financial period.

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**15. Business combinations (continued)**

Business combinations under “acquisition method” (continued)

a. PT Kencana Inti Perkasa (“PTKIP”) (continued)

(v) *Acquisition-related costs*

Acquisition-related costs of US\$52,000 are included in “administrative expenses” in the unaudited condensed interim consolidated statement of comprehensive income and in operating cash flows in the unaudited condensed interim consolidated statement of cash flows.

(vi) *Revenue and profit contribution*

The acquired business contributed revenue of US\$3,358,000 and net loss of US\$535,000 to the Group from the period from 4 April 2023 to 30 June 2023.

Had PTKIP been acquired from 1 January 2023, the revenue and loss after tax for the period ended 30 June 2023 would have been US\$3,358,000 and US\$826,000 respectively.

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**15. Business combinations (continued)**
Business combinations under “acquisition method” (continued)
**b. PT Simpang Kanan Lestarindo (“PTSKL”)**

On 30 September 2022, the Group completed the acquisition of 100% of the issued equity of PTSKL, an Indonesian company which owns and operates facilities in palm oil business, from non-related parties, through its wholly owned subsidiaries, PT Agro Perkasa, a company incorporated in Indonesia and Cavenagh Oleo (S) Pte Ltd, a company incorporated in Singapore with total purchase consideration of US\$5,731,000.

Details of the consideration paid, the assets acquired and liabilities assumed, the non-controlling interest recognised and the effects on the cash flows of the Group, at the acquisition date, are as follows:

	<b>US\$'000</b>
<i>(i) Purchase consideration</i>	
Cash paid	5,731
<b>Total purchase consideration</b>	<b>5,731</b>
<i>(ii) Effect on cash flows of the Group</i>	
Cash consideration paid (as above)	5,731
<b>Cash outflow on acquisition</b>	<b>5,731</b>
<i>(iii) Identifiable assets acquired and liabilities assumed</i>	
Property, plant and equipment (Note 11)	5,222
Inventories	44
Total assets	5,266
Bank borrowings	(1,062)
Total liabilities	(1,062)
<b>Total identifiable net assets</b>	<b>4,204</b>
Add: Intangible asset [(Note 10) and Note (iv) below]	1,527
<b>Consideration transferred for the business</b>	<b>5,731</b>
<i>(iv) Fair values and intangible asset</i>	

The assets and liabilities are identified and valued through a purchase price allocation which is expected to be finalised within 12 months from the date of acquisition. The identifiable assets and liabilities are recognised at their provisional amounts in the current financial period and previous financial year.

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**15. Business combinations (continued)**
Business combinations under “acquisition method” (continued)

b. PT Simpang Kanan Lestarindo (“PTSKL”) (continued)

(v) *Acquisition-related costs*

Acquisition-related costs of US\$31,000 are included in “administrative expenses” in the unaudited condensed interim consolidated statement of comprehensive income and in operating cash flows in the unaudited condensed interim consolidated statement of cash flows.

(vi) *Revenue and profit contribution*

The acquired business contributed revenue of US\$5,512,000 and net loss of US\$215,000 to the Group from the period from 1 October 2022 to 31 December 2022.

Had PTSKL been acquired from 1 January 2022, the revenue and loss after tax for the year ended 31 December 2022 would have been US\$19,900,000 and US\$1,566,000 respectively.

**16. Commitments**
Capital commitments

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements are as follows:

	<b>Group</b>	
	<b>30 June 2023 US\$'000</b>	<b>31 December 2022 US\$'000</b>
Property, plant and equipment	<b>57,713</b>	<b>56,530</b>

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**17. Contingent liabilities***Group*

In the previous financial year, one of the wholly owned subsidiaries of the Company had received notice from local land authorities about revised project timelines and potential penalties for delays in their manufacturing plant project, which was suspended due to an ongoing arbitration with their contractor. As of 30 June 2023, no provisions have been made for potential penalties as the outcome is not presently determinable and, based on the legal advice obtained earlier, is dependent on the local land authorities' judgment regarding the reasons for project extension.

*Company*

The Company has issued unsecured corporate guarantees to banks for borrowings to certain subsidiaries. As at 30 June 2023, the borrowings under the guarantees amounted to US\$376,377,000 (31 December 2022: US\$501,084,000). The financial effects of SFRS(I) 9 relating to the financial guarantee contracts issued by the Company are not material to the financial statements of the Company and therefore are not recognised. The management does not expect any loss to arise from the guarantees.

**18. Subsequent events**

In July 2023, the ongoing arbitration with the Company's contractor (Note 17) was concluded subsequent to the Company making final payment to the contractor. Based on the conclusion of the arbitration proceedings, the Company has recognised the reversal of provision for legal claim of US\$116,000 (Note 5.1) in the current financial period. The Company plans to resume the project construction and has not received any further notice to date from local land authorities regarding potential penalties for the manufacturing plant project delay.



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**Other Information Required by Listing Rule  
Appendix 7.2**

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*Some figures and percentages within the explanations may not exactly match due to rounding off.*

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**Part I Information Required for Quarterly (Q1, Q2 & Q3), Half-Year and Full Year Announcements**
**1(a)(i) INCOME STATEMENT**

Please refer to Condensed Interim Consolidated Income Statement.

**1(a)(ii) STATEMENT OF COMPREHENSIVE INCOME**

Please refer to Condensed Interim Consolidated Statement of Comprehensive Income.

**1(b)(i) STATEMENT OF FINANCIAL POSITION**

Please refer to Consolidated Interim Balance Sheet.

**1(b)(ii) GROUP'S BORROWINGS AND DEBT SECURITIES**

	Group As at 30 Jun 2023		Group As at 31 Dec 2022	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
The amount repayable in one year or less, or on demand	25,226	270,161	22,330	420,929
The amount repayable after one year	99,429	9,641	85,632	11,888
	<b>124,655</b>	<b>279,802</b>	107,962	432,817

**Details of collaterals**

Certain borrowings are collateralised by certain property, plant and equipment that are financed by certain banks. The collaterals also include corporate guarantees by the Company.

**1(c) STATEMENT OF CASH FLOWS**

Please refer to Condensed Interim Consolidated Statement of Cash Flows.

**1(d)(i) STATEMENT OF CHANGES IN EQUITY**

Please refer to Condensed Interim Statements of Changes in Equity.

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**1(d)(ii) SHARE CAPITAL**

Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	No. of ordinary shares	Share capital US\$'000
<b>30 June 2023</b>		
<b>Issued and fully paid ordinary shares</b>		
Balance at beginning/end of the financial period	<u>1,500,667,440</u>	<u>1,501</u>
<b>31 December 2022</b>		
<b>Issued and fully paid ordinary shares</b>		
Balance at beginning/end of the financial year	<u>1,500,667,440</u>	<u>1,501</u>

**1(d)(iii) TO SHOW THE TOTAL NUMBER OF ISSUED SHARES EXCLUDING TREASURY SHARES AS AT THE END OF THE CURRENT FINANCIAL PERIOD AND AS AT THE END OF THE IMMEDIATELY PRECEDING YEAR**

The Company's total number of issued shares is 1,500,667,440 as at 30 Jun 2023 (31 Dec 2022: 1,500,667,440).

The Company did not hold any treasury shares as at 30 Jun 2023 (31 Dec 2022: Nil). There were no unissued shares of the Company or its subsidiaries under option as at 30 Jun 2023 (31 Dec 2022: Nil).

**1(d)(iv) A STATEMENT SHOWING ALL SALES, TRANSFERS, DISPOSAL, CANCELLATION AND/OR USE OF TREASURY SHARES AS AT THE END OF THE CURRENT FINANCIAL PERIOD REPORTED ON**

Not applicable.

**1(d)(v) A STATEMENT SHOWING ALL SALES, TRANSFERS, CANCELLATION AND/OR USE OF SUBSIDIARY HOLDINGS AS AT THE END OF THE CURRENT FINANCIAL PERIOD REPORTED ON**

Not applicable.

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**2. WHETHER THE FIGURES HAVE BEEN AUDITED OR REVIEWED, AND IN ACCORDANCE WITH WHICH AUDITING STANDARD OR PRACTICE**

The financial statements presented have not been audited or reviewed by the Company's independent auditors.

**3. WHERE THE FIGURES HAVE BEEN AUDITED OR REVIEWED, THE AUDITORS' REPORT (INCLUDING ANY QUALIFICATIONS OR EMPHASIS OF A MATTER)**

Not applicable.

**3A. WHERE THE LATEST FINANCIAL STATEMENTS ARE SUBJECT TO AN ADVERSE OPINION, QUALIFIED OPINION OR DISCLAIMER OF OPINION**

(a) Updates on the efforts taken to resolve each outstanding audit issue.

Not applicable.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

**4. WHETHER THE SAME ACCOUNTING POLICIES AND METHODS OF COMPUTATION AS IN THE ISSUER'S MOST RECENTLY AUDITED ANNUAL FINANCIAL STATEMENTS HAVE BEEN APPLIED**

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current period compared to the Group's most recently audited financial statements for the year ended 31 December 2022 except for the new or amended SFRS(I) that are mandatory for application for the financial year beginning on or after 1 January 2023. Changes to the Group's accounting policies have been made as required. The adoption of these new or amended SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

**5. IF THERE ARE ANY CHANGES IN THE ACCOUNTING POLICIES AND METHODS OF COMPUTATION, INCLUDING ANY REQUIRED BY AN ACCOUNTING STANDARD, WHAT HAS CHANGED, AS WELL AS THE REASONS FOR, AND THE EFFECT OF, THE CHANGE**

Except as disclosed under paragraph 4, there was no change to the accounting policies and method of computation in the financial statements.

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**6. EARNINGS PER ORDINARY SHARE OF THE GROUP FOR THE CURRENT FINANCIAL PERIOD REPORTED ON AND THE CORRESPONDING PERIOD OF THE IMMEDIATELY PRECEDING FINANCIAL YEAR, AFTER DEDUCTING ANY PROVISION FOR PREFERENCE DIVIDENDS:-**

- (a) Based on the weighted average number of ordinary shares on issue; and  
(b) On a fully diluted basis (detailing any adjustments made to the earnings)

	Group	
	Six months ended 30 Jun 2023	30 Jun 2022
Basic and diluted based on weighted average number of shares (US cents per share)	<b>0.68</b>	0.95
Weighted average number of shares applicable to basic and diluted earnings per share ('000)	<b>1,500,667</b>	1,500,667

**7. NET ASSET VALUE (FOR THE ISSUER AND GROUP) PER ORDINARY SHARE BASED ON THE TOTAL NUMBER OF ISSUED SHARES EXCLUDING TREASURY SHARES OF THE ISSUER AT THE END OF THE:-**

- (a) current financial period reported on; and  
(b) immediately preceding financial year

	Group As at		Company As at	
	30 Jun 2023	31 Dec 2022	30 Jun 2023	31 Dec 2022
Net asset value per ordinary share based on issued share capital as at end of the period (US cents per share)	<b>49.95</b>	51.30	<b>23.00</b>	21.23

**8. A REVIEW OF THE PERFORMANCE OF THE GROUP, TO THE EXTENT NECESSARY FOR A REASONABLE UNDERSTANDING OF THE GROUP'S BUSINESS. IT MUST INCLUDE A DISCUSSION OF THE FOLLOWING:-**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and  
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

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**8.1 Income statement**

The Group's business consists of two segments, namely Bulk segment and Consumer Pack segment.

The Bulk segment produces and sells vegetable-based edible oil and fat products in bulk form primarily to distributors and factories involved in the production of confectionery, bakery products and other food items. Additionally, the Group also produces bioenergy products as part of its bulk products offerings.

The Consumer Pack segment produces vegetable-based edible oil and fat products, in consumer pack form and sell under own brands and under the brands of third parties, primarily to importers and distributors at destination markets. The specialty fats and confectionary oils are sold primarily to distributors, and factories involved in the production of confectionery, bakery products, soap and other food items. Besides edible oil and fat products, the Group also sells rice and dairy products in consumer pack form under its own brands.

The following table summarises the segmental sales volume, sales revenue and operating margin ("OM"):

	Total			Bulk			Consumer Pack		
	H1 2023	H1 2022	Change	H1 2023	H1 2022	Change	H1 2023	H1 2022	Change
Sales volume (MT'000)	<b>2,123.9</b>	1,914.0	11.0%	<b>1,515.8</b>	1,417.9	6.9%	<b>608.1</b>	496.1	22.6%
Revenue (US\$million)	<b>2,135.8</b>	2,702.6	-21.0%	<b>1,484.4</b>	2,082.8	-28.7%	<b>651.4</b>	619.8	5.1%
<i>Average selling prices (US\$)</i>									
	1,005.6	1,412.0	-28.8%	979.3	1,468.9	-33.3%	1,071.2	1,249.3	-14.3%
OM (US\$million)	<b>89.1</b>	76.4	16.6%	<b>46.5</b>	53.8	-13.6%	<b>42.6</b>	22.6	88.5%
OM per MT (US\$)	41.9	39.9	5.0%	30.7	37.9	-19.0%	70.1	45.6	53.7%

Despite macro-economic uncertainties the Group performed well in the first half of 2023. During the first half of the year, the average CPO prices stood at RM3,885/tonne compared to RM6,339/tonne for the corresponding period last year. These prices peaked at RM4,343/tonne in March 2023, reached their lowest point of RM3,298/tonne in May 2023, and eventually closed at RM3,808/tonne by the end of the period. The decrease in CPO prices between March and May was influenced by various forecasts about record harvest of soyabeans, increased production for palm oil and static demand from China and India. But later, CPO prices found support from factors such as higher prices of competing vegetable oils, anticipated collapse of the Black Sea Grain initiative and sentiments created by El Nino.

During H1 2023, the Group volumes increased by 11.0 % with support from decent price spread between palm oil and competing vegetable oils in our markets. Our H1 2023 revenue still declined by 21.0% due to lower prevailing selling prices compared to the corresponding period last year. An increase of 16.6% in total operating margin enabled the Group to report a net profit of US\$10.2 million for the first half of the year. This net profit was lower 28.4% y-o-y mainly due to higher finance costs and administrative expenses. Our Bulk segment saw 6.9% increase in sales volume for H1 2023 but its operating margins compressed by 13.6% y-o-y due to an increase in operating costs such as energy and wages. Our Consumer Pack segment delivered a robust performance capitalising on its widespread customer network. The operating margin of Consumer Pack segment for H1 2023 improved by an 88.5% well supported by 22.6% increase in volumes.



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**8.1.1 Sales volume**

For the first half year ended 30 Jun 2023 (“H1 2023”), the Group’s sales volume increased 11.0% to 2,123,900 MT from 1,914,000 MT in the corresponding period last year (“H1 2022”). Bulk Segment recorded an increase of 6.9% to 1,515,800 MT and Consumer Pack segment recorded an increase of 22.6% to 608,100 MT. Bulk and Consumer Pack segments contributed 71.4% and 28.6% of total sales volume respectively (H1 2022: 74.1% and 25.9% respectively).

**8.1.2 Revenue and Cost of sales**

For H1 2023, revenue decreased 21.0% to US\$2,135.8 million due to 28.8% lower average selling prices partially mitigated by 11.0% increase in sales volume. Bulk segment recorded a decrease of 28.7% in revenue due to 33.3% lower average selling prices partially mitigated by 6.9% increase in sales volume. Consumer Pack segment recorded an increase of 5.1% in revenue due to 22.6% higher sales volume partially mitigated by 14.3% lower average selling prices. Bulk and Consumer Pack segments contributed 69.5% and 30.5% of total revenue respectively (H1 2022: 77.1% and 22.9% respectively). Correspondingly, cost of sales, mainly consisting of cost of inventories decreased 22.2% to US\$2,007.1 million, in line with the decrease in revenue.

**8.1.3 Gross profit**

For H1 2023, a decrease of US\$566.8 million in revenue and a higher decrease of US\$571.2 million in cost of sales resulted in gross profit increasing by US\$4.5 million to US\$128.7 million.

The Group reviews the performance at operating margin level as explained under section 8.1.4.

**8.1.4 Operating margin**

For H1 2023, operating margin increased 16.6% to US\$89.1 million on the back of higher operating margin (“OM”) of US\$41.9 per MT compared to US\$39.9 in H1 2022 and 11.0% higher sales volume. For Bulk segment, operating margin decreased 13.6% to US\$46.5 million due to lower OM of US\$30.7 per MT compared to US\$37.9 in H1 2022 partially mitigated by 6.9% higher sales volume. For Consumer Pack segment, operating margin increased 88.5% to US\$42.6 million on the back of higher OM of US\$70.1 per MT compared to US\$45.6 in H1 2022 and 22.6% higher sales volume. The segments contributed 52.2% and 47.8% of total OM respectively (H1 2022: 70.4% and 29.6% respectively).

**8.1.5 Other income**

For H1 2023, other income of US\$3.9 million (H1 2022: US\$3.6 million) included interest income of US\$1.1 million (H1 2022: US\$1.7 million).

Interest income depends upon the credit terms of the sales and interest recovery for any delayed payments by customers.

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**8.1.6 Other expenses and other losses (net)**

	<b>Group</b>		
	<b>Six months ended 30 June</b>		
	<b>2023</b>	<b>2022</b>	<b>Change</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>%</b>
<b>Other expenses</b>			
Reversal of provision for legal claim	116	-	n.m.
<b>Other losses (net)</b>			
Foreign exchange losses - net	(25,243)	(31,617)	-20.8
Reversal of allowance on other receivables	155	-	n.m.
Losses on disposal of property, plant and equipment	(71)	(58)	22.4
Property, plant and equipment written off	(1)	(19)	-94.7
Others	-	13	-100.0
	<b>(25,160)</b>	<b>(31,681)</b>	<b>-20.6</b>
	<b>(25,044)</b>	<b>(31,681)</b>	<b>-20.9</b>

n.m. – not meaningful

Foreign exchange losses or gains arise in the entities of the Group when transactions are denominated in currencies other than the entities' functional currencies. Variance is explained by changes in the exchange rates from the dates of transactions to the dates of settlements or the financial reporting date. The Group uses currency forward contracts primarily to hedge against the foreign exchange fluctuation risk resulting from commodities forward contracts. The foreign exchange losses or gains are better read together with gross profit.

For H1 2023, reversal of provision for legal claim relates to conclusion of the arbitration proceedings as explained in Note 18 of unaudited condensed interim financial statements.

**8.1.7 Reversal of expected credit losses**

The Group has identified specific trade receivables that are credit impaired and recognised a loss allowance at amount equal to lifetime expected credit loss in respect of these receivables. For the remaining trade receivables, they are grouped based on similar risk characteristics and days past due to determine the expected credit loss rate to be applied. In calculating the expected credit loss rates, the Group considers historical loss rates and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables. Where recoveries are made, the provision shall reverse in profit or loss.

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**8.1.8 Selling and distribution expenses**

	<b>Group</b>		
	<b>Six months ended 30 June</b>		
	<b>2023</b>	<b>2022</b>	<b>Change</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>%</b>
Freight	1,180	968	21.9
Storage, handling and forwarding	18,452	15,840	16.5
Export duties	5,062	10,302	-50.9
Other selling and distribution expenses	1,456	1,537	-5.3
<b>Total</b>	<b>26,150</b>	<b>28,647</b>	<b>-8.7</b>

The selling and distribution expenses decreased US\$2.5 million mainly due to lower sales volume on products subjected to export duty. The selling and distribution expenses are generally passed-on to customers through the selling prices. The amounts may vary from period to period depending on the sale-terms with the customers.

**8.1.9 Administrative expenses**

For H1 2023, administrative expenses increased 15.0% to US\$56.0 million from US\$48.7 million in H1 2022 mainly due to increase in manpower cost and other overhead costs.

**8.1.10 Finance expenses**

For H1 2023, finance expenses increased 124.8% to US\$14.3 million from US\$6.4 million in H1 2022 due to higher interest rates during the period together with higher average bank borrowings in initial months of this year.

**8.1.11 Profit before tax**

For H1 2023, the profit before tax decreased US\$2.6 million to US\$12.0 million from US\$14.6 million in H1 2022 mainly due to the increase of US\$7.9 million in finance expenses and increase of US\$7.8 million in other operating expenses. The decrease was partially offset by the increase in operating margin of US\$12.7 million and increase of US\$0.4 million in other income.

**8.1.12 Income tax expense**

For H1 2023, income tax expense decreased to US\$2.8 million compared to US\$3.8 million in prior period due to change in the mix of results of our subsidiaries in the various jurisdictions and the differences in taxable profits and accounting profits.

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**8.1.13 Profit after tax**

For H1 2023, the Group reported a profit after tax of US\$9.3 million compared to US\$10.8 million for H1 2022. Profit after tax attributable to equity holders of the Company was US\$10.2 million compared to US\$14.2 million for H1 2022.

**8.2 Statement of financial position****8.2.1 Current assets**

Current assets decreased US\$257.8 million from US\$1,248.1 million to US\$990.3 million mainly due to:

- (a) decrease of US\$114.3 million in inventories, giving inventories days of 32 days (31 Dec 2022: 34 days). The Group was carrying lower inventories as at 30 Jun 2023 compared to 31 Dec 2022.
- (b) decrease of US\$108.0 million in trade receivables, giving trade receivables days of 34 days (31 Dec 2022: 34 days). The decrease in trade receivables was mainly due to lower average selling prices.
- (c) decrease of US\$60.9 million in other receivables mainly due to decrease in commodity trading variation margin paid to Bursa Malaysia Derivatives Clearing Bhd and also lower advances made to suppliers for purchase of raw materials.
- (d) increase of US\$2.6 million in derivative financial instruments assets due to changes in the fair value of derivative financial instruments from the date of the contracts to the financial reporting date.
- (e) increase of US\$22.1 million in cash and cash equivalents as explained in Note 8.3.

**8.2.2 Non-current assets**

Non-current assets increased US\$13.7 million from US\$447.9 million to US\$461.6 million. The increase came mainly due to acquisition of property, plant and equipment amounting to US\$40.5 million and additional intangibles assets from acquisition of a subsidiary partially offset by depreciation charges of US\$14.2 million and translation difference from depreciation of currencies in the jurisdictions where the Group holds these assets.

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**8.2.3 Total liabilities**

Total liabilities decreased US\$222.8 million from US\$921.3 million to US\$698.5 million mainly due to:

- (a) decrease of US\$136.3 million in borrowings due to decrease in working capital requirements and as part of overall cash flow planning.
- (b) decrease of US\$57.6 million in trade payables, giving trade payables days of 9 days (31 Dec 2022: 11 days). Amount of trade payables depends on payment terms for the purchases.
- (c) decrease of US\$9.8 million in other payables mainly due to payment of accrued operating expenses.
- (d) decrease of US\$9.0 million in derivative financial instruments liabilities due to changes in the fair value of derivative financial instruments from the date of the contracts to the financial reporting date.
- (e) increase of US\$0.3 million in contract liabilities mainly due to increase in advances received from customer.

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**8.3 Consolidated statement of cash flows****H1 2023**

The Group generated operating cash flows of US\$39.5 million before working capital changes and generated US\$189.6 million from changes in working capital. The Group utilised US\$24.3 million for net interest and income tax, thus the net cash flows used in operating activities was at US\$204.8 million. US\$37.9 million was used for investing activities and US\$141.3 million used for financing activities. After adjusting for effect of changes in exchange rate, cash and cash equivalents increased by US\$22.1 million to US\$124.3 million.

**H1 2022**

The Group generated operating cash flows of US\$33.1 million before working capital changes and utilised US\$111.6 million from changes in working capital. The Group utilised US\$16.5 million for net interest and income tax, thus the net cash flows used in operating activities was at US\$95.0 million. US\$26.0 million was used for investing activities and US\$131.4 million generated from financing activities. After adjusting for effect of changes in exchange rate and bank overdraft, cash and cash equivalents increased by US\$2.3 million to US\$174.1 million.

**9. WHERE A FORECAST, OR A PROSPECT STATEMENT, HAS BEEN PREVIOUSLY DISCLOSED TO SHAREHOLDERS, ANY VARIANCE BETWEEN IT AND THE ACTUAL RESULTS**

No forecast or no prospect statement was previously disclosed to shareholders.

**10. A COMMENTARY AT THE DATE OF THE ANNOUNCEMENT OF THE SIGNIFICANT TRENDS AND COMPETITIVE CONDITIONS OF THE INDUSTRY IN WHICH THE GROUP OPERATES AND ANY KNOWN FACTORS OR EVENTS THAT MAY AFFECT THE GROUP IN THE NEXT REPORTING PERIOD AND THE NEXT 12 MONTHS**

The global economy is facing a slow down with persistent inflation, raised geopolitical tensions and rapid monetary tightening policies by major central banks. If El Nino turns out to be a strong one, it will further reduce palm oil production yields in Indonesia and Malaysia leading to tighter inventories. Besides, Indonesia is rolling out B35 biodiesel mandate and continues with its domestic market obligations policy. For the Group, our large-scale integrated manufacturing facilities in Malaysia, growing presence in Indonesia, established brands, widespread global supply chain network and healthy balance sheet keeps us well positioned to implement our strategies effectively amidst these macro-economic uncertainties

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**11. DIVIDEND**

(a) Whether an interim (final) ordinary dividend has been declared (recommended) for the current financial period reported on?

Yes.

(b) Amount per share for current and previous corresponding period

(i) Current Financial Period Reported On

Name of dividend	Interim exempt dividends
Dividend type	Cash
Dividend amount per share (Singapore cent per share)	0.14

(ii) Corresponding period of the immediately preceding financial year

Name of dividend	Interim exempt dividends
Dividend type	Cash
Dividend amount per share (Singapore cent per share)	0.15

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)

Dividend is tax exempt and declared in Singapore.

(d) Date Payable

31 August 2023

(e) Books Closure Date

22 August 2023

**12. IF NO DIVIDEND HAS BEEN DECLARED OR RECOMMENDED, A STATEMENT TO THAT EFFECT**

Not applicable.

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**13. IF THE GROUP HAS OBTAINED A GENERAL MANDATE FROM SHAREHOLDERS FOR IPTs, THE AGGREGATE VALUE OF SUCH TRANSACTIONS AS REQUIRED UNDER RULE 920(1)(A)(II). IF NO IPT MANDATE HAS BEEN OBTAINED, A STATEMENT TO THAT EFFECT**

Name of Interested Person	Aggregate value of all IPT during the period under review (excluding transactions less than SGD100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPT conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than SGD100,000)
	H1 2023 US\$'000	H1 2023 US\$'000
Prelude Gateway Sdn. Bhd.	104	1,544
Ecolex Sdn. Bhd.	9	6,555
Containers Printers Pte Ltd	200	232
Nature International Pte Ltd	3	NIL
Mr Cheo Seng Jin	557	NIL
Mr Cheo Tiong Choon	736	NIL
Futura Ingredients Singapore Pte Ltd	41	NIL
PT Mas Makmur	3	NIL



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**14. NEGATIVE CONFIRMATION PURSUANT TO RULE 705(5)**

We, Dr Cheo Tong Choon @ Lee Tong Choon and Michelle Cheo Hui Ning, being two of the directors of Mewah International Inc. (the “Company”), do hereby confirm on behalf of the directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial results of the Company and of the Group for the financial period ended 30 June 2023 to be false or misleading, in any material aspect.

On behalf of the Board of Directors,

DR CHEO TONG CHOON @ LEE TONG CHOON  
Chairman and Executive Director

MICHELLE CHEO HUI NING  
Chief Executive Officer and Executive  
Director

**15. CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS (IN THE FORMAT SET OUT IN APPENDIX 7.7) UNDER RULE 720(1) OF THE MAINBOARD RULES**

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7 of the Mainboard Rules) under Rule 720(1) of the Mainboard Rules.

BY ORDER OF THE BOARD

MICHELLE CHEO HUI NING  
Chief Executive Officer and Executive Director  
14 August 2023