

Unaudited Financial Statements For The First Quarter Ended 31 March 2014

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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

	Group		
	THREE MONTHS ENDED		
	31 Mar 2014	31 Mar 2013	Change
	US\$'000	US\$'000	%
Revenue	814,404	859,239	-5.2%
Cost of sales	(766,936)	(790,768)	-3.0%
Gross profit	47,468	68,471	-30.7%
Other income	1,529	1,492	2.5%
Other losses	(760)	(2,879)	-73.6%
Expenses			
- Selling and distribution	(26,846)	(38,837)	-30.9%
- Administrative	(17,399)	(19,853)	-12.4%
- Finance	(2,819)	(4,047)	-30.3%
Share of profit of associated company	16	27	-40.7%
Profit before tax	1,189	4,374	-72.8%
Income tax expense	(207)	(602)	-65.6%
Profit after tax	982	3,772	-74.0%
Profit after tax attributable to:			
Equity holders of the company	995	3,962	-74.9%
Non-controlling interests	(13)	(190)	-93.2%
	982	3,772	-74.0%
The following items have been included			
in arriving at profit after tax:			
Depreciation	(4,778)	(4,650)	2.8%
Amortisation	(304)	(329)	-7.6%

n.m. – not meaningful

Unaudited Financial Statements For The First Quarter Ended 31 March 2014

1(a)(ii) STATEMENT OF COMPREHENSIVE INCOME

	Group		
	THREE MONTHS ENDED		
	31 Mar 2014	31 Mar 2013	Change
	US\$'000	US\$'000	%
Profit after tax	982	3,772	-74.0%
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from foreign subsidiaries, net of tax	1,878	(1,610)	n.m.
Total comprehensive income, net of tax	2,860	2,162	32.3%
Total comprehensive income attributable to:			
Equity holders of the company	2,834	2,230	27.1%
Non-controlling interests	26	(68)	n.m.
	2,860	2,162	32.3%

n.m. – not meaningful

MEWAH INTERNATIONAL INC.

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

Unaudited Financial Statements For The First Quarter Ended 31 March 2014
1(b)(i) STATEMENT OF FINANCIAL POSITION

	Group		Company	
	As at	As at	As at	As at
	31 Mar 2014	31 Dec 2013	31 Mar 2014	31 Dec 2013
	US\$'000	US\$'000	US\$'000	US\$'000
ASSETS				
Current assets				
Inventories	199,568	247,486	-	-
Trade receivables	256,655	292,702	-	-
Other receivables	26,197	27,685	195,963	195,670
Current income tax recoverable	8,689	9,779	-	-
Derivative financial instruments	29,202	31,277	-	-
Cash and cash equivalents	100,855	63,145	380	75
	621,166	672,074	196,343	195,745
Non-current assets				
Deferred income tax assets	10,204	10,862	-	-
Property, plant and equipment	366,132	347,167	-	-
Leasehold prepayments	18,155	18,459	-	-
Investments in subsidiaries	-	-	820	820
Investment in associated company	342	323	-	-
Derivative financial instruments	2,631	550	-	-
	397,464	377,361	820	820
Total assets	1,018,630	1,049,435	197,163	196,565
LIABILITIES				
Current liabilities				
Trade payables	129,253	141,042	-	-
Other payables	48,901	39,589	181	148
Current income tax liabilities	1,061	2,832	162	162
Derivative financial instruments	11,563	21,459	-	-
Borrowings	148,641	178,562	-	-
	339,419	383,484	343	310
Non-current liabilities				
Borrowings	98,208	86,781	-	-
Deferred income tax liabilities	23,617	22,345	307	307
	121,825	109,126	307	307
Total liabilities	461,244	492,610	650	617
NET ASSETS	557,386	556,825	196,513	195,948
EQUITY				
Capital and reserves attributable to equity holders of the Company:				
Share capital	1,507	1,507	1,507	1,507
Share premium	185,416	185,416	185,416	185,416
Retained profits	397,771	396,776	9,590	9,025
Other reserves	(22,768)	(22,308)	-	-
	561,926	561,391	196,513	195,948
Non-controlling interests	(4,540)	(4,566)	-	-
Total equity	557,386	556,825	196,513	195,948

Unaudited Financial Statements For The First Quarter Ended 31 March 2014

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

	Group		Group	
	As at		As at	
	31 Mar 2014		31 Dec 2013	
	Secured	Unsecured	Secured	Unsecured
	US\$'000	US\$'000	US\$'000	US\$'000
The amount repayable in one year or less, or on demand	40,239	108,402	37,452	141,110
The amount repayable after one year	98,208	-	86,781	-
	138,447	108,402	124,233	141,110

Details of collaterals

Certain borrowings are collateralised by certain property, plant and equipment, inventories, trade receivables, cash and cash equivalents that are financed by certain banks and financial institutions. The collaterals also include corporate guarantees by the Company, a subsidiary and personal guarantee by a director of a subsidiary.

Unaudited Financial Statements For The First Quarter Ended 31 March 2014
1(c) STATEMENT OF CASH FLOWS

	Group	
	THREE MONTHS ENDED	
	31 Mar 2014	31 Mar 2013
	US\$'000	US\$'000
Cash flows from operating activities		
Profit after tax	982	3,772
Adjustments for:		
- Income tax expense	207	602
- Amortisation	304	329
- Depreciation	4,778	4,650
- Gains on disposal of property, plant and equipment	(4)	(26)
- Property, plant and equipment written off	9	39
- Interest income	(1,096)	(1,225)
- Interest expense	2,819	4,047
- Share of profit of associated company	(16)	(27)
- Exchange differences (net)	(2,366)	3,924
Operating cash flows before working capital changes	5,617	16,085
Changes in operating assets and liabilities:		
- Inventories	47,918	12,128
- Trade and other receivables	40,635	(16,365)
- Trade and other payables	(2,477)	(41,301)
- Derivative financial instruments	(9,902)	8,561
Cash flows from/(used in) operations	81,791	(20,892)
Interest received	1,034	1,142
Interest paid	(2,819)	(4,047)
Income tax refund received (net)	503	691
Net cash flows from/(used in) operating activities	80,509	(23,106)
Cash flows from investing activities		
(Increase)/Decrease in other receivables	(3,100)	3,801
Additions to property, plant and equipment	(20,398)	(14,667)
Additions of leasehold prepayment	(1)	(2,475)
Proceeds from disposals of property, plant and equipment	4	557
Net cash flows used in investing activities	(23,495)	(12,784)
Cash flows from financing activities		
Decrease/(Increase) in restricted short term deposits	596	(2,758)
Proceeds from long term borrowings	21,671	25,128
Repayment of long term borrowings	(8,585)	(7,646)
Net (repayment of)/proceed from short term borrowings	(32,715)	49,567
Repayment of finance lease liabilities	(8)	(37)
Interest received	62	83
Net cash flows (used in)/from financing activities	(18,979)	64,337
Net change in cash and cash equivalents	38,035	28,447
Cash and cash equivalents at beginning of the financial period	59,976	48,557
Effect of changes in exchange rate on cash and cash equivalents	271	(267)
Cash and cash equivalents at end of the financial period	98,282	76,737
Represented by:		
Cash and bank balances	100,855	79,732
Less: restricted short term bank deposits	(2,271)	(2,948)
Less: bank overdrafts	(302)	(47)
Cash and cash equivalents per consolidated statement of cash flows	98,282	76,737

MEWAH INTERNATIONAL INC.

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

Unaudited Financial Statements For The First Quarter Ended 31 March 2014

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

For the period from 1 Jan 2014 to 31 Mar 2014 Group	Attributable to Equity Holders of the Company							Total	Non- controlling interests	Total equity
	Share capital	Share premium	Merger reserve	General reserve	Asset revaluation reserve	Currency translation reserve	Retained profits			
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Beginning of the financial period	1,507	185,416	(50,706)	(2,608)	10,058	20,948	396,776	561,391	(4,566)	556,825
Acquisition of a subsidiary under common control	-	-	(2,299)	-	-	-	-	(2,299)	-	(2,299)
Total comprehensive income for the period	-	-	-	-	-	1,839	995	2,834	26	2,860
End of the financial period	1,507	185,416	(53,005)	(2,608)	10,058	22,787	397,771	561,926	(4,540)	557,386

For the period from 1 Jan 2013 to 31 Mar 2013 Group	Attributable to Equity Holders of the Company							Total	Non- controlling interests	Total equity
	Share capital	Share premium	Merger reserve	General reserve	Asset revaluation reserve	Currency translation reserve	Retained profits			
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Beginning of the financial period	1,507	185,416	(50,706)	(2,608)	10,058	35,667	383,946	563,280	(3,333)	559,947
Realisation of reserve upon disposal	-	-	-	-	(39)	-	39	-	-	-
Currency translation differences arising from asset revaluation reserve	-	-	-	-	169	(169)	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	(1,732)	3,962	2,230	(68)	2,162
End of the financial period	1,507	185,416	(50,706)	(2,608)	10,188	33,766	387,947	565,510	(3,401)	562,109

MEWAH INTERNATIONAL INC.

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

Unaudited Financial Statements For The First Quarter Ended 31 March 2014

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

For the period from 1 Jan 2014 to 31 Mar 2014 Company	Attributable to Equity Holders of the Company			
	Share capital US\$'000	Share premium US\$'000	Retained profits US\$'000	Total equity US\$'000
Beginning of the financial period	1,507	185,416	9,025	195,948
Total comprehensive income for the period	-	-	565	565
End of the financial period	1,507	185,416	9,590	196,513

For the period from 1 Jan 2013 to 31 Mar 2013 Company	Attributable to Equity Holders of the Company			
	Share capital US\$'000	Share premium US\$'000	Retained profits US\$'000	Total equity US\$'000
Beginning of the financial period	1,507	185,416	14,913	201,836
Total comprehensive income for the period	-	-	828	828
End of the financial period	1,507	185,416	15,741	202,664

Unaudited Financial Statements For The First Quarter Ended 31 March 2014

1(d)(ii) SHARE CAPITAL

Details of any changes in the company's share capital arising from rights issue, bonus issue, 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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

	No. of ordinary shares	Share capital US\$'000
FY 2014		
Issued and fully paid ordinary shares		
Balance at beginning/end of the financial period	1,507,061,440	1,507
FY 2013		
Issued and fully paid ordinary shares		
Balance at beginning/end of the financial period	1,507,061,440	1,507

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 1,507,061,440 as at 31 Mar 2014 (31 Dec 2013: 1,507,061,440).

The Company did not hold any treasury shares as at 31 Mar 2014 (31 Dec 2013: Nil). There were no unissued shares of the Company or its subsidiaries under option as at 31 Mar 2014 (31 Dec 2013: 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.

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.

Unaudited Financial Statements For The First Quarter Ended 31 March 2014

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 preparation of the financial statements for the current period compared to the Group's most recently audited financial statements for the year ended 31 Dec 2013 except for the new or amended Financial Reporting Standards ("FRS") and Interpretation to FRS ("INT FRS") that are mandatory for financial year beginning on or after 1 January 2014 and have been adopted by the Company. The adoption of these new or amended FRS and INT FRS has no material impact to the Group's accounting policies and financial statements.

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

There was no change to the accounting policies and method of computation in the financial statements.

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	
	THREE MONTHS ENDED	
	31 Mar 2014	31 Mar 2013
Basic and diluted based on weighted average number of shares (US cents per share)	0.07	0.26
Weighted average number of shares applicable to basic and diluted earnings per share ('000)	1,507,061	1,507,061

Unaudited Financial Statements For The First Quarter Ended 31 March 2014
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		Company	
	As at		As at	
	31 Mar 2014	31 Dec 2013	31 Mar 2014	31 Dec 2013
Net asset value per ordinary share based on issued share capital as at end of the period (US cents per share)	37.29	37.25	13.04	13.00

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.

8.1 Income statement

The Group measures and tracks the earnings in terms of operating margin ("OM") per metric tonne ("MT") of sales volume. OM is calculated by adjusting the depreciation in cost of sales, selling and distribution expenses and foreign exchange differences in other gains or losses to gross profit as tabled below. OM relating to inter-segment sales is reported under the segment where the final sales to third parties are made.

	Group		
	THREE MONTHS ENDED		
	31 Mar 2014	31 Mar 2013	Change
	US\$'000	US\$'000	%
Revenue	814,404	859,239	-5.2%
Cost of sales	(766,936)	(790,768)	-3.0%
Gross profit	47,468	68,471	-30.7%
Add: Depreciation in Cost of sales	3,217	2,892	11.2%
Less: Selling and distribution expenses	(26,846)	(38,837)	-30.9%
Less: Foreign exchange losses	(756)	(2,862)	-73.6%
Operating margin	23,083	29,664	-22.2%

Unaudited Financial Statements For The First Quarter Ended 31 March 2014

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

The Bulk segment sources, produces and sells vegetable-based edible oil and fat products in bulk form to refiners, processors, wholesalers and retailers in the food, animal feed and oleochemicals industries.

The Consumer Pack segment produces, packs and sells consumer products in the form of consumer packs to wholesalers and retailers under the Group's house brands and to customers who then resell the products under their own brands.

The following table summarises the segmental sales volume, sales revenue and OM:

For the quarter	Total			Bulk			Consumer Pack		
	Q1 2014	Q1 2013	Change	Q1 2014	Q1 2013	Change	Q1 2014	Q1 2013	Change
Sales volume (MT'000)	915.5	980.2	-6.6%	664.3	735.6	-9.7%	251.2	244.6	2.7%
Revenue (US\$'million)	814.4	859.2	-5.2%	571.5	618.1	-7.5%	242.9	241.2	0.7%
Average selling prices (US\$)	889.6	876.6	1.5%	860.3	840.3	2.4%	967.0	986.1	-1.9%
OM (US\$'million)	23.1	29.7	-22.2%	10.4	19.3	-46.1%	12.7	10.4	22.1%
OM per MT (US\$)	25.2	30.3	-16.8%	15.7	26.2	-40.1%	50.6	42.5	19.1%

Drought conditions during the quarter in Indonesia and Malaysia put pressure on availability of crude palm oil ("CPO") in the seasonally low production period of the year. This, together with the additional refining capacities recently completed in Indonesia affected refinery margins.

At lower margins, the Group remained selective in its trade participation, particularly for the Bulk segment. Consumer Pack segment, well supported by rice business, performed well during the quarter on robust demand from end markets.

8.1.1 Sales volume

For the quarter ended 31 March 2014 ("Q1 2014"), sales volume decreased by 6.6% to 915,500 MT. Bulk segment registered a decrease of 9.7% to 664,300 MT while Consumer Pack segment grew by 2.7% to 251,200 MT. Bulk and Consumer Pack segments contributed 72.6% and 27.4% to the total sales volume respectively (Q1 2013: 75.0% and 25.0% respectively).

8.1.2 Revenue

6.6% lower sales volume partially offset by 1.5% increase in average selling prices resulted in revenue decreasing by 5.2% to US\$814.4 million for Q1 2014.

For Bulk segment, 9.7% lower sales volume but 2.4% higher average selling prices resulted in revenue decreasing by 7.5% to US\$571.5 million. For Consumer Pack segment, revenue increased by 0.7% to US\$242.9 million on the back of 2.7% improved sales volume despite 1.9% lower average selling prices. Bulk and Consumer Pack segments contributed 70.2% and 29.8% to the total revenue respectively (Q1 2013: 71.9% and 28.1% respectively).

Unaudited Financial Statements For The First Quarter Ended 31 March 2014

8.1.3 Cost of sales

	Group		
	THREE MONTHS ENDED		
	31 Mar 2014	31 Mar 2013	Change
	US\$'000	US\$'000	%
Cost of inventories	752,515	782,303	-3.8%
Losses/(gains) from derivative financial instruments	4,718	(312)	n.m.
	757,233	781,991	-3.2%
Labour costs and other overheads	9,703	8,777	10.6%
Total	766,936	790,768	-3.0%

n.m. – not meaningful

For Q1 2014, the Group had losses from derivative financial instruments of US\$4.7 million compared to gains of US\$0.3 million for Q1 2013. Variance is explained by changes in the fair value of derivative financial instruments from the date of the contracts, to the relevant financial reporting date and upon settlement. Cost of inventories coupled with losses or gains from derivative financial instruments, decreased by 3.2%. Labour costs and other overheads increased by 10.6% to US\$9.7 million, primarily due to higher utilities. Taking into account labour costs and other overheads, cost of sales decreased by 3.0% to US\$766.9 million in tandem with 5.2% decrease in revenue for the quarter.

Unaudited Financial Statements For The First Quarter Ended 31 March 2014

8.1.4 Selling and distribution expenses

	Group		
	THREE MONTHS ENDED		
	31 Mar 2014	31 Mar 2013	Change
	US\$'000	US\$'000	%
Selling and distribution expenses	26,846	38,837	-30.9%
Included:			
Freight	18,469	26,341	-29.9%
Handling, forwarding and transportation	4,414	3,860	14.4%
Marine insurance	796	889	-10.5%
Net (reversal of)/allowance for impairment of trade receivables	(1,058)	665	n.m.

n.m. – not meaningful

Freight, handling, forwarding, transportation and marine insurance costs 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.

Allowance for impairment of trade receivables is made based on the assessment of recovery from customers under the contracts that have been recognised as revenue in the financial statements. Subsequent to the allowance made, when the amount is recovered or when the Group has strong reasons to expect recovery, such allowance is reversed.

8.1.5 Other losses

	Group		
	THREE MONTHS ENDED		
	31 Mar 2014	31 Mar 2013	Change
	US\$'000	US\$'000	%
Other losses	(760)	(2,879)	-73.6%
Included:			
Foreign exchange losses	(756)	(2,862)	-73.6%

Foreign exchange gains or losses arise within entities in 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.

Unaudited Financial Statements For The First Quarter Ended 31 March 2014

8.1.6 Operating margin

For Q1 2014, 6.6% lower sales volume and lower OM of US\$25.2 per MT compared to US\$30.3 per MT a year ago resulted in operating margin decreasing by 22.2% from US\$29.7 million to US\$23.1 million.

For Bulk segment, 9.7% lower sales volume and lower OM of US\$15.7 per MT compared to US\$26.2 per MT last year resulted in OM decreasing from US\$19.3 million to US\$10.4 million. For Consumer Pack segment, operating margin improved by 22.1% from US\$10.4 million to US\$12.7 million due to 2.7% higher sales volume and higher OM of US\$50.6 per MT compared to US\$42.5 per MT last year.

Bulk and Consumer Pack segments contributed 45.0% and 55.0% of total OM respectively (Q1 2013: 65.0% and 35.0% respectively).

8.1.7 Other income

Other income of US\$1.5 million for the quarter (Q1 2013: US\$1.5 million) included interest income of US\$1.1 million (Q1 2013: US\$1.2 million). The interest income decreased as the Group received prompt payment from customers.

8.1.8 Administrative expenses

For Q1 2014, administrative expenses decreased from US\$19.9 million to US\$17.4 million for the corresponding quarter last year mainly due to lower bank charges.

8.1.9 Finance costs

Finance costs decreased from US\$4.0 million to US\$2.8 million for Q1 2014 due to lower borrowings for the period.

8.1.10 Profit before tax

US\$6.6 million lower operating margin, partially offset by reduction of US\$3.4 million in other operating expenses resulted in profit before tax decreasing by US\$3.2 million from US\$4.4 million to US\$1.2 million for Q1 2014.

8.1.11 Income tax

Due to change in the mix of results of our subsidiaries in the various jurisdictions, the weighted average effective tax rate was 17.4% compared to 13.8% last year.

Lower taxable profit partially offset by higher weighted average effective tax rate resulted in lower income tax of US\$0.2 million for Q1 2014 compared to US\$0.6 million for Q1 2013.

8.1.12 Profit after tax

For Q1 2014, the Group achieved a profit after tax of US\$1.0 million, compared to US\$3.8 million for Q1 2013. Profit after tax attributable to equity holders of the Company was US\$1.0 million, compared to US\$4.0 million for Q1 2013.

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

Current assets decreased by US\$50.9 million from US\$672.1 million to US\$621.2 million mainly due to:

- (a) decrease of US\$47.9 million in inventories, giving inventories days of 23.7 days (31 Dec 2013: 30.6 days).
- (b) decrease of US\$36.0 million in trade receivables, giving trade receivables days of 28.8 days (31 Dec 2013: 33.5 days). The Group received prompt payments from customers during the quarter.
- (c) decrease of US\$1.5 million in other receivables.
- (d) decrease of US\$2.1 million in derivative financial instruments assets due to lower changes in the fair value of derivative financial instruments from the date of the contracts to the financial reporting date.
- (e) increase of US\$37.7 million in cash and cash equivalents.

8.2.2 Non-current assets

Non-current assets increased by US\$20.1 million from US\$377.4 million to US\$397.5 million. The increase resulted primarily from investments in dairy products facilities in Westport, refining facilities in Sabah and acquisition of a biofuel plant in Westport, Malaysia.

8.2.3 Current and non-current liabilities

Current and non-current liabilities decreased by US\$31.4 million from US\$492.6 million to US\$461.2 million mainly due to:

- (a) decrease of US\$11.8 million in trade payables, giving trade payables days of 15.4 days (31 Dec 2013: 17.4 days). Amount of trade payables depends upon payment terms for the purchases and is part of overall cash flow planning.
- (b) increase of US\$9.3 million in other payables mainly due to increase in amount due to Bursa Malaysia Derivatives Clearing Bhd for commodity trading margin.
- (c) decrease of US\$9.9 million in derivative financial instruments liabilities due to lower changes in the fair value of derivative financial instruments from the date of the contracts to the financial reporting date.
- (d) decrease of US\$18.5 million in borrowings as part of overall cash flow planning.

8.3 Consolidated statement of cash flows**Q1 2014**

The Group generated operating cash flows before working capital changes of US\$5.6 million. Additional generation of US\$76.2 million from changes in operating assets and liabilities and use of US\$1.3 million for interest and income tax, resulted in net cash flows from operating activities of US\$80.5 million. The Group used US\$23.5 million in investing activities and used US\$19.0 million in financing activities including net repayment of borrowings of US\$19.6 million. As a result, cash and cash equivalent increased by US\$38.0 million to US\$98.3 million at the end of the quarter. Including restricted short-term bank deposits, total cash and cash equivalents balance was US\$100.9 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 and no prospect statement were 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

There are growing concerns of El Nino developing in the third quarter of 2014 which would cause drought in the Asia-Pacific region thereby affecting palm oil production. Limited supply of CPO coupled with an increase in refining capacity in Indonesia would continue to limit the availability of CPO thus impacting refining margins in the short term. However, with the Group having embarked on consolidation and diversification of its business, it remains positive about its long term prospect.

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11. DIVIDENDS

(a) Current financial period reported on	31 March 2014
Any dividend recommended for the current financial period reported on?	No
Name of dividend	Not applicable
Dividend type	Not applicable
Dividend amount per share	Not applicable

(b) Corresponding period of the immediately preceding financial year	31 March 2013
Any dividend declared for the corresponding period of the immediately preceding financial year?	No
Name of dividend	Not applicable
Dividend type	Not applicable
Dividend amount per share	Not applicable

(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)

Not applicable

(d) Date Payable

Not applicable

(e) Books Closure Date

Not applicable

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

No dividend has been declared or recommended for the first quarter ended 31 March 2014.

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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)
	Q1 2014 US\$'000	Q1 2014 US\$'000
Prelude Gateway Sdn. Bhd.	NIL	692
Perfect Venue Sdn. Bhd	2,291	NIL
Ecolex Sdn. Bhd.	27	5,641
Containers Printers Pte Ltd	NIL	1,452
Nature International Pte Ltd	NIL	10,587
Mr Cheo Seng Jin	426	NIL
Mr Cheo Tiong Choon	426	NIL
Kent Holidays (S) Pte Ltd	47	NIL
Choon Heng Logistics Pte Ltd	10	NIL
Expertway (M) Sdn Bhd	30	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 31 March 2014 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

BY ORDER OF THE BOARD

MICHELLE CHEO HUI NING
Chief Executive Officer and Executive Director
15th May 2014