

# Chairman's Message

In 2025, the global economy saw moderate growth amid persistent uncertainties. Tight monetary policies from prior years helped ease inflationary pressures in many major economies. However, continued geopolitical tensions, weather-related supply disruptions and trade policy shifts, particularly by the United States, drove market volatility and affected cross-border trade and investment.

In our industry, these forces contributed to a tightening of crude palm oil ("CPO") supply in Malaysia and Indonesia early in the year, with prices peaking at RM4,924 per tonne in January, slipping to RM3,780 per tonne in May and closing at RM4,003 per tonne in December. For the full year, the average CPO price was RM4,307 per tonne, up from RM4,228 per tonne in 2024.

In the first half of the year, prices were supported by strong biodiesel demand under favourable biofuel policies and by reduced output and inventories due to weather disruptions such as floods. In the second half of 2025, prices softened as record Malaysian output lifted inventories. India's mid-year duty reduction briefly bolstered demand, though

weaker buying from China and competition from other vegetable oils capped further price gains.

Amid this volatility, we stayed focused on customer service, product quality, and production and distribution excellence. Together with the expansion of our operations in Indonesia, the Group delivered historically high revenue of US\$5.98 billion and sales volume of 5.2 million metric tonnes ("MT").

The Group recorded a net profit attributable to shareholders of US\$53.6 million for the year ended December 2025, an increase of 38.1% from US\$38.8 million in the preceding year. This reflects the strength of our core operations even after a US\$13.1 million equity write-off stemming from a fire at a 70%-owned Indonesian facility in the Consumer Pack segment during the second half of the year. We have a comprehensive insurance coverage and any confirmed insurance proceeds will be recognised in future periods upon approval.

Our financial position remains solid, with total equity of US\$893.7 million, net debt to equity ratio of 0.72 and a current ratio of 1.52 as at year end.

This performance is especially meaningful as we marked the 75th anniversary of our founders beginning the business in the 1950s, a legacy that has grown into today's Mewah Group and ultimately, Mewah International Inc. Our journey has not been without challenges, but our resilience and focus on collective growth, innovation and sustainability have enabled us to emerge stronger time and again.

The support and trust of our stakeholders, including our valued shareholders, supportive bankers, collaborative partners and dedicated employees, have been instrumental in these accomplishments. As a gesture of appreciation to our shareholders, the Board of Directors is proposing a final exempt dividend of S\$0.0062 per ordinary share. Together with the interim dividend of S\$0.0018 paid earlier, this brings the total dividend for the full year to S\$0.0080 per ordinary share.

We would also like to take this opportunity to extend our sincere thanks to our Independent Director Datuk Dr Fawzia Binti Abdullah, who retires in April 2026 after nearly nine years of valuable service. We wish her every success in her future endeavors.

Looking ahead to 2026, the operating environment is expected to remain mixed. We remain attentive to potential spillovers from the conflict in the Middle East, including possible effects on energy costs, shipping lanes and global demand patterns. We will continue to prioritise disciplined risk management, supply chain agility and customer diversification. We remain confident that the stable foundation we have built over the years; our strong track record of sales performance, customer diversification strategy and geographic footprint; will help us navigate uncertainties and capture opportunities for sustainable growth.

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

