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

Unaudited Financial Statements For The First Quarter Ended 31 March 2012

Credit Suisse (Singapore) Limited acted as the Sole Global Coordinator, Joint Bookrunner, Underwriter and Issue Manager, BNP Paribas, Singapore Branch acted as Joint Bookrunner and Underwriter, RHB Bank Berhad, Singapore Branch, and United Overseas Bank Limited acted as Joint Lead Managers and Underwriters in respect of the initial public offering of ordinary shares in the capital of the Company which was completed on 24 November 2010, and assume no responsibility for the contents of the announcement.

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PART I INFORMATION REQUIRED FOR QUARTERLY, HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) INCOME STATEMENT

		Group		
		THREE MONTHS ENDED		
	Note	31 Mar 2012	31 Mar 2011	Inc/(Dec)
		US$'000	US$'000	%
Revenue	8.1.1	**996,207**	1,115,324	-10.7%
Cost of sales	8.1.2	**(949,635)**	(1,078,058)	-11.9%
Gross profit		**46,572**	37,266	25.0%
Other income	8.1.7	**1,519**	1,736	-12.5%
Expenses				
- Selling and distribution expenses	8.1.4	**(24,288)**	(21,991)	10.4%
- Administrative expenses	8.1.8	**(16,169)**	(12,197)	32.6%
- Other operating gains	8.1.5	**6,352**	18,997	-66.6%
- Finance costs	8.1.9	**(4,293)**	(2,726)	57.5%
Share of profit of associate		**20**	75	-73.3%
Profit before tax	8.1.10	**9,713**	21,160	-54.1%
Income tax	8.1.11	**(1,575)**	(3,951)	-60.1%
Profit after tax	8.1.12	**8,138**	17,209	-52.7%
Profit after tax attributable to:				
Equity holders of the Company		**8,307**	17,011	-51.2%
Non-controlling interests		**(169)**	198	n.m.
		8,138	17,209	-52.7%

The following items have been included in arriving at profit after tax:			
Interest income	**1,128**	**1,072**	5.2%
Interest on borrowings	**(4,293)**	**(2,726)**	57.5%
Depreciation	**(4,115)**	**(3,366)**	22.3%
Amortisation	**(204)**	**-**	n.m.

n.m. – not meaningful

1(a)(ii) STATEMENT OF COMPREHENSIVE INCOME

	Group		
	THREE MONTHS ENDED		
	31 Mar 2012	31 Mar 2011	Inc/(Dec)
	US$'000	US$'000	%
Profit after tax	**8,138**	17,209	-52.7%
Other comprehensive income:			
Currency translation differences arising from foreign operations, net of tax	**5,375**	4,672	15.0%
Total comprehensive income	**13,513**	21,881	-38.2%
Total comprehensive income attributable to:			
Equity holders of the Company	**13,747**	21,531	-36.2%
Non-controlling interests	**(234)**	350	n.m.
	13,513	21,881	-38.2%

n.m. – not meaningful

1(b)(i) STATEMENT OF FINANCIAL POSITION

		Group		Company	
		As at	As at	As at	As at
	Note	31 Mar 2012	31 Dec 2011	31 Mar 2012	31 Dec 2011
		US$'000	US$'000	US$'000	US$'000
ASSETS					
Current assets					
Inventories	8.3.1	**300,997**	307,490	**-**	-
Trade receivables	8.3.2	**499,221**	410,963	**-**	-
Other receivables	8.3.5	**33,255**	24,590	**168,699**	154,434
Tax recoverable		**16,821**	20,613	**-**	-
Derivative financial instruments		**50,740**	38,747	**-**	-
Cash and cash equivalents	8.3.6	**103,133**	136,799	**26,993**	41,082
		1,004,167	939,202	**195,692**	195,516
Non-current assets					
Property, plant and equipment	8.3.7	**305,700**	287,796	**-**	-
Leasehold prepayments	8.3.8	**13,194**	13,514	**-**	-
Investment in subsidiaries		**-**	-	**820**	820
Investment in associate		**233**	204	**-**	-
Intangible asset	8.3.9	**3,337**	3,189	**-**	-
Derivative financial instruments		**1,842**	185	**-**	-
		324,306	304,888	**820**	820
Total assets		**1,328,473**	1,244,090	**196,512**	196,336
LIABILITIES					
Current liabilities					
Trade payables	8.3.3	**147,919**	210,463	**-**	-
Other payables		**40,387**	51,353	**229**	203
Tax payable		**3,603**	1,157	**219**	248
Derivative financial instruments		**43,367**	42,317	**25**	30
Borrowings	8.3.10	**436,971**	339,359	**-**	-
		672,247	644,649	**473**	481
Non-current liabilities					
Borrowings	8.3.10	**89,641**	46,771	**-**	-
Deferred tax liabilities		**15,282**	14,880	**-**	-
		104,923	61,651	**-**	-
Total liabilities		**777,170**	706,300	**473**	481
NET ASSETS		**551,303**	537,790	**196,039**	195,855
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
Other reserves		**(10,005)**	(15,415)	**-**	-
Retained profits		**376,671**	368,334	**9,116**	8,932
		553,589	539,842	**196,039**	195,855
Non-controlling interests		**(2,286)**	(2,052)	**-**	-
Total equity		**551,303**	537,790	**196,039**	195,855

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

	Group 31 Mar 2012		Group 31 Mar 2011	
	Secured US$'000	Unsecured US$'000	Secured US$'000	Unsecured US$'000
The amount repayable in one year or less, or on demand	**93,726**	**343,245**	68,040	271,319
The amount repayable after one year	**89,641**	**-**	46,771	-
	183,367	**343,245**	114,811	271,319

Details of collaterals

The borrowings of the Group are secured by:

- Letter of subordination of substantial shareholders and group entities
- Joint and several guarantees by a certain director and related parties
- Specific fixed charge and legal charge against the assets of certain subsidiaries
- Fixed and floating debentures against existing and future assets of certain subsidiaries
- Corporate guarantees by the Company and certain subsidiaries

1(c) STATEMENT OF CASH FLOWS

	Group	
	THREE MONTHS ENDED	
	31 Mar 2012	31 Mar 2011
	US$'000	US$'000
Cash flows from operating activities		
Profit after tax	**8,138**	17,209
Adjustments for:		
- Income tax	**1,575**	3,951
- Amortisation	**204**	-
- Depreciation	**4,115**	3,366
- (Gains)/losses on disposals of property, plant and equipment	**(245)**	135
- Property, plant and equipment written off	**-**	227
- Interest income	**(1,128)**	(1,072)
- Interest expense	**4,293**	2,726
- Share of profit of associate	**(20)**	(75)
- Exchange differences	**(5,522)**	(1,343)
Operating cash flows before working capital changes	**11,410**	25,124
Changes in operating assets and liabilities:		
- Inventories	**6,492**	2,934
- Trade and other receivables	**(98,707)**	(44,715)
- Trade and other payables	**(73,510)**	(53,297)
- Derivative financial instruments	**(12,599)**	4,805
Cash flows used in operations	**(166,914)**	(65,149)
Interest received	**920**	880
Interest paid	**(4,293)**	(2,726)
Income tax refunded/(paid)	**5,064**	(8,974)
Net cash flows used in operating activities	**(165,223)**	(75,969)
Cash flows from investing activities		
Acquisition of non-controlling interests	**-**	(634)
Other receivables	**1,785**	(7,452)
Purchase of property, plant and equipment	**(12,744)**	(18,340)
Proceeds from disposal of property, plant and equipment	**280**	209
Net cash flows used in investing activities	**(10,679)**	(26,217)

1(c) STATEMENT OF CASH FLOWS (continued)

	Group	
	THREE MONTHS ENDED	
	31 Mar 2012	31 Mar 2011
	US$'000	US$'000
Cash flows from financing activities		
Restricted short term bank deposits	**(8)**	164
Proceeds from long term borrowings	**45,023**	-
Repayment of long term borrowings	**(817)**	(2,701)
Net proceeds from short term borrowings	**96,440**	71,128
Interest received	**208**	192
Net cash flows from financing activities	**140,846**	68,783
Net change in cash and cash equivalents	**(35,056)**	(33,403)
Cash and cash equivalents at beginning of the financial period	**136,464**	215,151
Effect of changes in exchange rate on cash and cash equivalents	**1,546**	1,524
Cash and cash equivalents at end of the financial period	**102,954**	183,272
Represented by:		
Cash and bank balances	**103,133**	183,870
Less: Restricted short term bank deposits	**(179)**	(7)
Less: Bank overdrafts	**-**	(591)
Cash and cash equivalents per consolidated statement of cash flows	**102,954**	183,272

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

For the period from 1 Jan 2012 to 31 Mar 2012 Group	Share capital US$'000	Share premium US$'000	Merger reserve US$'000	General reserve US$'000	Asset revaluation reserve US$'000	Currency translation reserve US$'000	Retained profits US$'000	Total US$'000	Non-controlling Interests US$'000	Total Equity US$'000
	Attributable to Equity Holders of the Company									
Beginning of the financial period	1,507	185,416	(50,749)	(2,608)	10,146	27,796	368,334	539,842	(2,052)	537,790
Realisation of reserve upon disposal	-	-	-	-	(30)	-	30	-	-	-
Total comprehensive income for the period	-	-	-	-	-	5,440	8,307	13,747	(234)	13,513
End of the financial period	**1,507**	**185,416**	**(50,749)**	**(2,608)**	**10,116**	**33,236**	**376,671**	**553,589**	**(2,286)**	**551,303**

For the period from 1 Jan 2011 to 31 Mar 2011 Group	Share capital US$'000	Share premium US$'000	Merger reserve US$'000	General reserve US$'000	Asset revaluation reserve US$'000	Currency translation reserve US$'000	Retained profits US$'000	Total US$'000	Non-controlling Interests US$'000	Total Equity US$'000
	Attributable to Equity Holders of the Company									
Beginning of the financial period										
As previously stated	1,507	185,416	(50,749)	(832)	10,281	31,794	330,287	507,704	1,464	509,168
Finalisation of purchase price allocation	-	-	-	-	-	-	-	-	(592)	(592)
Beginning of the financial period (restated)	1,507	185,416	(50,749)	(832)	10,281	31,794	330,287	507,704	872	508,576
Acquisition of non-controlling interests	-	-	-	(180)	-	-	-	(180)	(454)	(634)
Realisation of reserve upon disposal	-	-	-	-	(31)	-	31	-	-	-
Total comprehensive income for the period	-	-	-	-	-	4,520	17,011	21,531	350	21,881
End of the financial period (restated)	**1,507**	**185,416**	**(50,749)**	**(1,012)**	**10,250**	**36,314**	**347,329**	**529,055**	**768**	**529,823**

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

	Attributable to Equity Holders of the Company			
For the period from 1 Jan 2012 to 31 Mar 2012 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	8,932	195,855
Total comprehensive income for the period	-	-	184	184
End of the financial period	**1,507**	**185,416**	**9,116**	**196,039**

	Attributable to Equity Holders of the Company			
For the period from 1 Jan 2011 to 31 Mar 2011 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	(3,105)	183,818
Total comprehensive income for the period	-	-	3,630	3,630
End of the financial period	1,507	185,416	525	187,448

<u>Finalisation of purchase price allocation</u>

The statement of financial position, Group's borrowings and debt securities, statement of cash flows and statement of changes in equity for the year ended 31 Dec 2010 have been restated due to additional information obtained as part of the process of finalising the purchase price allocation in accordance with FRS 103 – Business Combinations.

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 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 2012		
Issued and fully paid ordinary shares		
Balance at beginning/end of the financial period	**1,507,061,440**	**1,507**
FY 2011		
Issued and fully paid ordinary shares		
Balance at beginning/end of the financial period	1,507,061,440	1,507

1(d)(iii) 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 2012 (31 Dec 2011: 1,507,061,440).

The Company did not hold any treasury shares as at 31 Mar 2012 (31 Dec 2011: Nil). There were no unissued shares of the Company or its subsidiaries under option as at 31 Mar 2012 (31 Dec 2011: Nil).

1(d)(iv) 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 are not required and 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.

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 Dec 2011 as well as all applicable amended financial reporting standards ("FRS") that become effective for financial year beginning on or after 1 January 2012. The adoption of these standards did not result in substantial changes to the Group's accounting policies, and there is no material impact to the 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 2012	31 Mar 2011
Basic and diluted based on weighted average number of shares (US cents per share)	**0.55**	1.13
Weighted average number of shares applicable to basic and diluted earnings per share ('000)	**1,507,061**	1,507,061

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 2012	31 Dec 2011	31 Mar 2012	31 Dec 2011
Net asset value per ordinary share based on issued share capital as at end of the period (US cents per share)	**36.73**	35.82	**13.20**	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

2011 witnessed falling CPO prices throughout the year due to bumper CPO production, destocking at destination markets and built up of inventories in Indonesia and Malaysia. Global economic concerns and tough financial conditions continued during the first quarter of 2012 and the buyers at destinations remained cautious in rebuilding their inventories. Consequently, the operating margins achieved during the quarter remained lower compared to strong operating margins achieved in the first quarter last year.

The Group usually experiences stronger demand in sales of its products during the second half of the year due to the festive seasons.

8.1.1 Revenue

4.9% higher sales volume but 14.8% lower average selling prices resulted in revenue decreasing by 10.7% from US$1,115.3 million for the first quarter last year ("Q1 2011") to US$996.2 million for the first quarter ended 31 Mar 2012 ("Q1 2012").

Refer to Note 8.2.2 for segmental revenue.

8.1.2 Cost of Sales

	Group		
	THREE MONTHS ENDED		
	31 Mar 2012 US$'000	31 Mar 2011 US$'000	Inc/(Dec) US$'000
Cost of inventories	**930,835**	1,086,167	-14.3%
Losses/(Gains) from derivative financial instruments	**8,787**	(17,667)	n.m.
	939,622	1,068,499	-12.1%
Labour costs and other overheads	**10,013**	9,559	4.8%
Total	**949,635**	1,078,058	-11.9%

For Q1 2012 the Group had losses from derivative financial instruments of US$8.8 million compared to gains of US$17.7 million for the corresponding quarter last year. 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. Gains or losses from derivative financial instruments being hedging instruments should be read together with the cost of inventories. Cost of inventories coupled with gains or losses from financial derivative financial instruments reduced by 12.1% in line with reduction of 10.7% in the revenue. Labour costs and other overheads increased by 4.8%, mainly on account of higher depreciation, to US$10.0 million. Effectively, the cost of sales decreased by 11.9% to US$949.6 million for the quarter.

8.1.3 Gross profit

For Q1 2012, a decrease in revenue by 10.7% coupled with a higher decrease of 11.9% in cost of sales resulted in gross profit increasing by 25.0% to US$46.6 million.

8.1.4 Selling and distribution expenses

	Group THREE MONTHS ENDED		
	31 Mar 2012 US$'000	**31 Mar 2011 US$'000**	**Inc/(Dec) US$'000**
Selling and distribution expenses	**24,288**	**21,991**	10.4%
Included:			
Freight	**15,118**	15,333	-1.4%
Marine insurance	**922**	938	-1.6%
Transportation and forwarding	**3,097**	2,499	23.9%
Allowance for doubtful debts	**1,186**	-	n.m.

Freight, transportation and forwarding and marine insurance are generally passed to the customers through the selling prices. The amount may vary from period to period depending on the sales terms with the customers.

For Q1 2012, allowance for doubtful debts of US$1.2 million (Q1 2011: nil) was based on the assessment of recoveries from customers under the contracts that have been recognised as revenue in the financial statements. The Group assesses the recoverability from time to time and when the Group has strong reasons to expect the recovery, such allowances are reversed.

8.1.5 Other operating gains

	Group THREE MONTHS ENDED		
	31 Mar 2012 US$'000	**31 Mar 2011 US$'000**	**Inc/(Dec) US$'000**
Other operating gains	**6,352**	**18,997**	-66.6%
Included:			
Foreign exchange gains (net)	**6,107**	**19,371**	-68.5%

Foreign exchange gains or losses arise mainly on account of hedging, and are considered in the calculation of operating margin.

8.1.6 Operating Margin (OM)

The Group measures and tracks the profitability in terms of Operating Margin ("OM") per metric tonne ("MT") of sales volume. OM is calculated as revenue, less cost of sales (excluding depreciation), selling and distribution expenses and foreign exchange gains or losses. OM relating to inter-segment sales are reported under the segment where the final sales to third parties are made.

OM and the related ratios in this document are supplemental measures of the performance and are not required by, or presented in accordance with FRS and should not be considered as alternatives to net income, operating income or any other performance measures derived in accordance with FRS. Other companies may calculate OM differently from us, limiting its usefulness as comparative measures.

	Group		
	THREE MONTHS ENDED		
	31 Mar 2012 US$'000	31 Mar 2011 US$'000	Inc/(Dec) US$'000
Operating margin:			
Revenue	**996,207**	1,115,324	-10.7%
Less: Cost of sales (excluding depreciation)	**(947,275)**	(1,076,147)	-12.0%
Less: Selling and distribution expenses	**(24,288)**	(21,991)	10.4%
Add: Foreign exchange gains	**6,107**	19,371	-68.5%
Operating margin	**30,751**	36,557	-15.9%

Refer to Note 8.2.3 for segmental review.

8.1.7 Other income

For Q1 2012, other income of US$1.5 million (Q1 2011: US$1.7 million) included interest income of US$1.1 million (Q1 2011: US$1.1 million).

Other income also includes rental income, commission income and sales of by-products and waste.

8.1.8 Administrative expenses

For Q1 2012, administrative expenses were US$16.2 million compared to US$12.2 million for the corresponding quarter last year. Administrative expenses were higher this quarter mainly due to higher employee compensation, consultancy fees, bank charges and depreciation.

8.1.9 Finance costs

For Q1 2012, finance costs representing interest on borrowings increased to US$4.3 million from US$2.7 million for the corresponding quarter last year in line with the increase in borrowings.

8.1.10 Profit before tax

For Q1 2012, lower OM per MT resulted in Operating Margin decreasing by US$5.8 million or 15.9% to US$30.8 million. Additionally, net losses of US$5.6 million on account of change in Other Income and Expenses resulted in Profit Before Tax decreasing by US$11.4 million or 54.1% to US$9.7 million.

8.1.11 Income tax

Income tax expense for Q1 2012 was US$1.6 million at weighted average effective tax rate of 16.2% compared to US$4.0 million in Q1 2011 at weighted average effective tax rate of 18.7%.

Lower tax expenses for Q1 2012 were primarily due to change in the mix of results of our subsidiaries in the various jurisdictions.

8.1.12 Profit after tax

For Q1 2012, the Group achieved a profit after tax of US$8.1 million, 52.7% lower than US$17.2 million for the corresponding quarter last year.

Profit after tax attributable to equity holders of the Company was US$8.3 million, 51.2% lower than US$17.0 million for the corresponding quarter last year.

8.2 Segment review

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

The Bulk segment sources, manufactures and sells edible oils and fats (including specialty fats) in bulk to wholesalers and processors for a variety of end uses including applications in the food, pharmaceutical and oleochemical industries.

The Consumer Pack segment manufactures, packs and sells a wide range of edible oils and fats and specialised bakery and confectionery oils and fats which are sold to end customers in consumer packs under the Group's own brands or to customers who then sell the products under their own brands.

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

	Total			Bulk			Consumer Pack		
	Q1 2012	**Q1 2011**	**Inc/(Dec)**	**Q1 2012**	**Q1 2011**	**Inc/(Dec)**	**Q1 2012**	**Q1 2011**	**Inc/(Dec)**
Sales volume (MT'000)	**898.0**	856.4	4.9%	**678.3**	660.0	2.8%	**219.7**	196.4	11.9%
Sales revenue (US$'million)	**996.2**	1,115.3	-10.7%	**732.7**	824.2	-11.1%	**263.5**	291.1	-9.5%
Average selling prices (US$)	1,109.4	1,302.3	-14.8%	1,080.2	1,248.8	-13.5%	1,199.4	1,482.2	-19.1%
OM (US$'million)	**30.8**	36.6	-15.9%	**17.3**	21.5	-19.5%	**13.5**	15.0	-10.0%
OM per MT (US$)	34.2	42.6	-19.7%	25.5	32.6	-21.8%	61.4	76.4	-19.6%

8.2.1. Segmental Sales volume

Sales of 44.9 thousand MT for newly started rice business under Consumer Pack segment helped total sales volume increasing by 4.9% to 898.0 thousand MT during the quarter, compared to 856.4 thousand MT for the corresponding quarter last year. Bulk segment registered an increase of 2.8% to 678.3 thousand MT while volume for Consumer Pack segment increased by 11.9% to 219.7 thousand MT on the back of newly started rice business. Excluding rice volume, Consumer Pack volume declined by 11.0% to 174.8 thousand MT due to continued slowed demand from the destination customers. Bulk segment and Consumer Pack segment contributed 75.5% and 24.5% of total sales volume respectively (Q1 2011: 77.1% and 22.9% respectively).

8.2.2 Segmental revenue

In line with lower CPO prices this quarter, average selling prices realised during the quarter declined by 14.8% to US$1,109.4 from US$1,302.3 achieved in the corresponding quarter last year. Average selling prices for Bulk segment and Consumer Pack segment were lower by 13.5% and 19.1% respectively. Lower rice average selling prices also contributed to lower average selling prices.

4.9% higher sales volume but 14.8% lower average selling prices resulted in the revenue decreasing by 10.7% to US$996.2 million (Q1 2011: US$1,115.3 million). For Bulk segment, 2.8% higher sales volume but 13.5% lower average selling prices resulted in revenue decreasing by 11.1% to US$732.7 million (Q1 2011: US$824.2 million). For Consumer Pack segment, 11.9% higher sales volume but 19.1% lower average selling prices resulted in revenue decreasing by 9.5% to US$263.5 million (Q1 2011: US$291.1 million). Bulk segment and Consumer Pack segment contributed 73.5% and 26.5% of total revenue respectively (Q1 2011: 73.9% and 26.1% respectively).

8.2.3 Segmental Operating Margin

Global economic concerns, tough industry conditions particularly for Malaysian refiners, high inventory levels at origin countries and low inventories at destinations confirming cautious approach of buyers kept the operating margin under pressure for both Bulk and Consumer Pack segments.

For Q1 2012, though the volume was higher by 4.9%, 19.7% lower OM of US$34.2 per MT resulted in OM declining by 15.9% to US$30.8 million from US$36.6 million for the corresponding quarter last year.

For Bulk segment, lower OM of US$25.5 per MT for the quarter compared to US$32.6 per MT for the corresponding quarter last year, resulted in OM decreasing by 19.5% to US$17.3 million. For Consumer Pack segment, lower OM of US$61.4 per MT this quarter compared to US$76.4 per MT for the corresponding quarter last year, resulted in OM decreasing by 10.0% to US$13.5 million. Bulk segment and Consumer Pack segment contributed 56.2% and 43.8% of total OM respectively (Q1 2011: 58.9% and 41.1% respectively).

8.3 Statement of financial position

8.3.1 Inventories

On 31 Mar 2012, the Group had inventories of US$301.0 million and represented inventories of 28.9 days (31 Dec 2011: US$307.5 million and 26.2 days respectively).

8.3.2 Trade receivables

On 31 Mar 2012, the Group had trade receivables of US$499.2 million representing trade receivables of 45.7 days (31 Dec 2011: US$411.0 million and 33.6 days respectively). Under tough economic and financial conditions, slowed payment from the customers resulted in higher trade receivables. We expect the situation to continue till macro economic factors improved considerably.

8.3.3 Trade payables

On 31 Mar 2012, the Group had trade payables of US$147.9 million representing trade payables of 14.2 days (31 Dec 2011: US$210.5 million and 17.9 days respectively). Amount of trade payables at any time is part of overall cash flow planning and payment terms for the purchases.

8.3.4 Cycle time

On 31 Mar 2012, cycle time (inventories days add trade receivables days less trade payables days) was 60.4 days (31 Dec 2011: 41.9 days).

8.3.5 Other receivables

Group

On 31 Mar 2012, other receivables of US$33.3 million (31 Dec 2011: US$24.6 million) included US$4.5 million (31 Dec 2011: US$6.3 million) of advance payments for capital expenditure projects, subsidy receivable from Malaysian Palm Oil Board of US$10.5 million (31 Dec 2011: US$6.8 million) and US$7.0 million (31 Dec 2011: US$5.5 million) held in commodity trading accounts in Bursa Malaysia Derivatives Clearing Bhd.

Company

On 31 Mar 2012, other receivables of US$168.7 million (31 Dec 2011: US$154.4 million) were mainly on account of amounts receivable from subsidiaries.

8.3.6 Cash and cash equivalents

Cash and cash equivalents of US$103.1 million (31 Dec 2011: US$136.8 million) included IPO proceeds balances of US$39.5 million (31 Dec 2011: US$57.7 million) reserved for purposes as mentioned in the Prospectus dated 16 November 2010.

8.3.7 Property, plant and equipment

Property, plant and equipment increased from US$287.8 million on 31 Dec 2011 to US$305.7 million on 31 Mar 2012, mainly for capital expenditure for dairy products facilities in Westport and refinery project in Sabah.

8.3.8 Leasehold prepayments

On 31 Mar 2012, leasehold prepayments were US$13.2 million (31 Dec 2011: US$13.5 million) represented the land use rights in Indonesia.

8.3.9 Intangible asset

On 31 Mar 2012, intangible asset of US$3.3 million (31 Dec 2011: US$3.2 million) represented carrying value of goodwill resulting from acquisition of Molly Foods bvba.

8.3.10 Borrowings

On 31 Mar 2012, Group borrowings were US$526.6 million giving debt to equity ratio (Borrowings divided by Total Equity) of 0.96 (31 Dec 2011: US$386.1 million and 0.72 respectively).

On 31 Mar 2012, net debt (Borrowings less Cash and cash equivalents) was US$423.5 million, giving net debt to equity ratio of 0.77 (31 Dec 2011: US$249.3 million and 0.46 respectively).

8.4 Consolidated statement of cash flows

Q1 2012

The Group generated operating cash flows before working capital changes of US$11.4 million. Cash flows of US$178.3 million used in the changes in operating assets and liabilities mainly on account of increase in trade and other receivables by US$98.7 million resulted in cash flows used in operations of US$166.9 million. Adjusting for interest and income tax, net cash flows used in operating activities was US$165.2 million.

The Group used US$10.7 million in investing activities, primarily for the purchase of property, plant and equipment. Net cash flows of US$140.8 million were generated from financing activities, resulting in net decrease in cash and cash equivalents of US$35.1 million.

Net decrease of U$35.1 million for the period, along with increase of US$1.5 million due to changes in exchange rate, resulted in decrease of cash and cash equivalents from US$136.5 million at the beginning of the year to US$103.0 million at the end of the year.

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 a 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

Group’s outlook remains cautious for rest of 2012 in view of continuing weak global macro situation but remains confident for its future prospects as the market conditions improve.

Concerns of low soybean and rapeseed production and expected slower growth for palm oil production in 2012 have helped the CPO prices go up in recent months. However, inventory levels particularly in originating countries remain high while customers at destinations continue to remain cautious in rebuilding their inventories. This is expected to keep pressure on the margins for midstream refiners in the short term. However, we remain optimistic and expect the margins to improve once macro economic factors improve and the customers start rebuilding their inventories. Meanwhile, the Group is consolidating its competitive position by adding more refining capacity in Indonesia and adding more products to its portfolio.

11. DIVIDENDS

(a) Current financial period reported on	**31 Mar 2012**
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 Mar 2011**
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 Mar 2012.

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) Q1 2012 US$'000	Aggregate value of all IPT conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than SGD100,000) Q1 2012 US$'000
Prelude Gateway Sdn. Bhd.	Nil	709
Perfect Venue Sdn. Bhd.	4	15
Ecolex Sdn. Bhd.	7	8,599
Capital Paradise Sdn. Bhd.	Nil	15
Containers Printers Pte Ltd	Nil	1,887
Nature International Pte Ltd	Nil	12,852
AGF Insurance Agencies Sdn. Bhd.	11	Nil
Expertway (M) Sdn. Bhd.	10	Nil
Mr Cheo Seng Jin	427	Nil
Mr Cheo Tiong Choon	427	Nil
Kent Holidays (S) Pte Ltd	84	Nil
Futura Ingredients Singapore Pte Ltd	11	Nil

14. NEGATIVE CONFIRMATION PURSUANT TO RULE 705(5)

We, hereby confirm to the best of our knowledge, nothing has come to the attention of the Board of Directors of Mewah International Inc. which may render the financial results of the Group for the period ended 31 March 2012 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
11th May 2012