Mewah
Global Brands, Local Favourites

MEWAH INTERNATIONAL INC.

(Company Registration No.: CR-166055)

NEWS RELEASE :
FINANCIAL RESULTS FOR THE 3RD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2015

MEWAH REPORTS US$1.3 MILLION PROFIT FOR THE QUARTER

- ***Group achieved all-time-high quarterly sales volume of 1,139,500 MT***
- ***Amidst challenging operating conditions, Group's margins remained resilient.***
- ***Balance sheet remained strong with low net debt to equity ratio of 0.38.***

Results Highlights

	Q3 2015	Q3 2014	Change (YOY)	Q2 2015	Change (QOQ)	9M 2015	9M 2014	Change
Sales volume (MT'000)	**1,139.5**	1,089.0	4.6%	965.4	18.0%	**3,036.5**	2,949.1	3.0%
Revenue (US$'million)	**746.6**	930.5	-19.8%	695.2	7.4%	**2,134.4**	2,610.3	-18.2%
Operating margin (US$'million)	**21.7**	26.4	-17.8%	23.7	-8.4%	**69.6**	62.5	11.3%
Operating margin per MT (US$)	**19.0**	24.2	-21.5%	24.5	-22.4%	**22.9**	21.2	8.0%
Profit/(Loss) before tax (US$'million)	**2.129**	1.368	55.6%	1.426	50.0%	**6.385**	(6.433)	n.m.
Net profit/(loss) * (US$'million)	**1.335**	1.250	6.8%	1.089	18.2%	**4.671**	(5.991)	n.m.

** Profit after tax attributable to equity holders of the Company*

Singapore, November 13, 2015 – Mainboard-listed Mewah International Inc. ("Mewah", "the Group" or "the Company"), an integrated agri-business group that is one of the largest palm oil processors in the world by capacity, today announced financial results for its third quarter and nine months ended 30 September 2015.

The Group reported net profit of US$1.335 million for the quarter, 6.8% higher than US$1.250 achieved last year (Q3 2014); and up 18.2% from previous quarter. For the nine months ended 30 September 2015 (9M 2015), net profit was US$4.671 million compared to a loss reported last year (9M 2014).

Prices remain volatile and low during the quarter. The Company said in the announcement, "The quarter saw high volatility in Crude Palm Oil ("CPO") prices during the quarter. Prices dropped by 17% to RM1,846 in the last week of August from RM2,224 on 30 June, before recovering 24% to RM2,295 by the end of the quarter. Weakening of Malaysian Ringgit to US Dollar by 18% from 3.78 to 4.46 during the quarter, also increased volatility in the prices. Pressure on CPO prices continued due to oversupply and stock-buildup in originating countries, though there was some price support due to weather concerns and weaker Ringgit."

However the Company was able to achieve attractive growth in sales volumes and achieved historically highest quarterly volume. It added, "Amidst uncertain and challenging industry conditions, margins for the refiners continued to be under pressure. However, the Group was able to leverage its competitive position in the industry to scale up volumes during the quarter."

For the quarter, the Group achieved all-time-high quarterly volume of 1,139,500 MT, surpassing previous high of 1,089,000 MT achieved in the third quarter of 2014. For 9M 2015, sales volume of 3,036,500 MT was 3.0% higher than similar period last year. However lower average selling prices of 23.3% and 20.6% resulted in revenue declining by 19.8% and 18.2% to US$746.6 million and US$2,134.4 million for the quarter and for 9M 2015 respectively.

Amidst challenging operating conditions, operating margins remained under pressure during the quarter. Despite, higher sales volumes achieved for the quarter, lower operating margin of US$19.0 per MT compared to US$24.2 last year resulted in total operating margin decreasing from US$26.4 million to US$21.7 million. For 9M 2015, total operating margin improved by 11.3% to US$69.6 million supported by 3.0% higher sales volume and improved operating margin of US$22.9 per MT compared to US$21.2 last year.

Segmental Performance

Bulk segment

	Q3 2015	Q3 2014	Change	Q2 2015	Change	9M 2015	9M 2014	Change
Sales volume (MT'000)	**863.9**	791.2	9.2%	712.7	21.2%	**2,302.0**	2,129.2	8.1%
Revenue (US$'million)	**538.0**	647.6	-16.9%	487.9	10.3%	**1,538.1**	1,825.2	-15.7%
Average selling prices (US$)	**622.8**	818.5	-23.9%	684.6	-9.0%	**668.2**	857.2	-22.0%
Operating margin (US$'million)	**9.5**	13.0	-26.9%	10.4	-8.7%	**34.4**	25.0	37.6%
Operating margin per MT (US$)	**11.0**	16.4	-32.9%	14.6	-24.7%	**14.9**	11.7	27.4%

Sales volume for Bulk segment grew by 9.2% to 863,900 MT for the quarter, a record quarterly volume for the Group, surpassing previous high of 791,200 MT achieved in the third quarter last year. Compared to previous quarter, the volume was 21.2% higher. For the nine months, sales volume grew by 8.1% to 2,302,000 MT. Despite increase in sales volume, 23.9% lower average selling prices resulted in the revenue decreasing by 16.9% to US$538.0 million for the quarter. For 9M 2015, 22.0% drop in the average selling prices resulted in the revenue decreasing by 15.7% to US$1,538.1 million.

For the quarter, despite higher sales volume, lower operating margin of US$11.0 per MT resulted in total operating margin declining to US$9.5 million. For the nine months, the Group achieved improved operating margin of US$14.9 per MT compared to US$11.7 last year helping the Group to achieve total operating margin of US$34.4 million compared to US$25.0 million last year.

The segment contributed 75.8% of total sales volume, 72.1% of total revenue and 43.8% of total operating margin of the Group for the quarter. For the nine months, the segment's contributions were 75.8%, 72.1% and 49.4% respectively.

Consumer Pack segment

	Q3 2015	Q3 2014	Change	Q2 2015	Change	9M 2015	9M 2014	Change
Sales volume (MT'000)	**275.6**	297.8	-7.5%	252.7	9.1%	**734.5**	819.9	-10.4%
Revenue (US$'million)	**208.6**	282.9	-26.3%	207.3	0.6%	**596.3**	785.1	-24.0%
Average selling prices (US$)	**756.9**	950.0	-20.3%	820.3	-7.7%	**811.8**	957.6	-15.2%
Operating margin (US$'million)	**12.2**	13.4	-9.0%	13.3	-8.3%	**35.2**	37.5	-6.1%
Operating margin per MT (US$)	**44.3**	45.0	-1.6%	52.6	-15.8%	**47.9**	45.7	4.8%

For Consumer Pack segment, compared to previous quarter, 7.5% lower sales volumes and 20.3% lower average selling prices resulted in the revenue declining by 26.3% to US$208.6 million for the quarter. Compared to previous quarter, revenue increased marginally as 9.1% increase in the volume was offset by 7.7% decrease in the prices. For the nine months period, revenue declined by 24.0% to US$596.3 million due to 10.4% and 15.2% drop in sales volume and average selling prices respectively.

For the quarter, lower sales volume and lower operating margin of US$44.3 per MT compared to US$45.0 a year ago, resulted in total operating margin declining from US$13.4 million to US$12.2 million. For the nine months, despite higher operating margin of US$47.9 per MT compared to US$45.7 last year, a larger drop in sales volume resulted in operating margin decreasing by 6.1% to US$35.2 million from US$37.5 million last year.

The segment contributed 24.2% of total sales volume, 27.9% of total revenue and 56.2% of total operating margin of the Group for the quarter. For nine months, the segment's contributions were 24.2%, 27.9% and 50.6% respectively.

Balance Sheet

The Group's balance sheet remained strong with debt to equity ratio of 0.52 or net debt to equity ratio of 0.38.

The Group continued to maintain operational efficiency and sustained a short cycle time of 44 days. (inventories days add trade receivables days less trade payables days)

Future Outlook

The company noted in its results announcement, "Volatility in the prices is expected to continue due to uncertainty resulting from weather conditions and low prices. Operating conditions for the refiners are expected to remain challenging due to low margins for Plantation companies and excess refining capacity in Indonesia. The Group will continue to tread cautiously while consolidating its position in oils and fats business and striving to strategically position itself to become a global consumer products business group by expanding the range of consumer products."

About Mewah International Inc.

Mewah International Inc. ("Mewah" or the "Group") is an integrated agri-business focused on edible oils and fats. One of the largest palm oil processors in the world by capacity, Mewah produces a wide range of refined and fractionated vegetable oils and fats principally from palm oil. It also produces oils and fats from lauric oils, such as palm kernel oil and coconut oil; and from soft oils, such as soybean oil, canola oil, sunflower seed oil and corn oil. Featuring integrated operations throughout the edible oils and fats value chain, from sourcing and processing of raw materials to packing, branding, merchandising, shipping and distribution of the products, Mewah's products are sold to customers in more than 100 countries, duly supported by its wide range of brands including long established and well recognized Oki and Moi brands.

The Group's business consists of two business segments namely the 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. The Consumer Pack segment produces vegetable-based edible oil and fat products, in the form of consumer packs and sells under Group's 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 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.

Mewah Group has been in operation since the 1950s. Today, Mewah has grown to be one of the largest edible oils and fats businesses with a current total refining capacity of 10,000 MT a day or 3.5 million MT annually. Mewah currently has four refineries and processing plants, two packing plants, a biodiesel plant and a dairy manufacturing facility in Malaysia and one packing plant in Singapore.

Mewah was listed on the Mainboard of the Singapore Exchange Securities Trading Limited on November 24, 2010.

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