Global Brands, Local Favourites

MEWAH INTERNATIONAL INC.

(Company Registration No.: CR-166055)

NEWS RELEASE :
FINANCIAL RESULTS FOR THE 4TH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2013

MEWAH DELIVERS STRONG Q4 EARNINGS

- ***Higher Sales Volume for both Bulk and Consumer Pack segments***
- ***Higher Operating Margin supported by robust margins for Bulk segment***
- ***Balance sheet remained strong with low net debt to equity ratio of 0.36***
- ***Proposed a final exempt dividend of S$0.0073 per share***

Results Highlights

	Q4 2013	Q4 2012	Change (YOY)	Q3 2013	Change (QOQ)	FY 2013	FY 2012	Change
Sales volume (MT'000)	**971.2**	830.2	17.0%	933.0	4.1%	**3,733.4**	3,400.6	9.8%
Revenue (US$'million)	**830.9**	767.8	8.2%	796.3	4.3%	**3,193.7**	3,620.8	-11.8%
Operating margin (US$'million)	**30.1**	23.6	27.5%	27.4	9.9%	**115.5**	108.2	6.7%
Operating margin per MT (US$)	**31.0**	28.4	9.2%	29.3	5.8%	**30.9**	31.8	-2.8%
Profit before tax (US$'million)	**9.3**	0.8	1089.5%	4.7	97.2%	**22.7**	18.1	25.2%
Net profit * (US$'million)	**9.3**	9.0	2.9%	3.6	158.5%	**20.9**	24.8	-15.6%
Net profit * excluding exceptional net gains (US$'million)	**9.3**	4.2	120.9%	3.6	158.5%	**20.9**	20.0	4.9%

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

Singapore, Feb 27, 2014 – 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 results for its fourth quarter and full year ended 31 December 2013.

The Group has posted net profit of US$9.3 million for the quarter, up 2.9% from a year earlier. Last year's net profit included exceptional net gains of US$4.8 million arising from tax credit pertaining to earlier years, fair value gains on put option and impairment of goodwill. Excluding the exceptional net gains, the net profit would have more than doubled from US$4.2 million to US$9.3 million. For Q3 2013, the group had reported a net profit of US$3.6 million.

For the full year, the Group reported net profit of US$20.9 million, 15.6% lower than last year's reported profit of US$24.8 million. Excluding last year's exceptional net gains, the net profit would have increased by 4.9% from US$20.0 million to US$20.9 million.

Sales volume for the quarter increased by 17.0% on Year-over-Year ("YOY") basis and by 4.1% on Quarter-on-Quarter ("QOQ") basis to 971,200 metric tonne ("MT"). For the full year, sales volume of 3,733,400 MT was up 9.8%.

Revenue for the quarter increased by 8.2% to US$830.9 million from US$767.8 million a year ago on the back of 17.0% higher sales volume despite 7.5% lower average selling prices. On QOQ basis, revenue increase was 4.3%. For the full year, despite 9.8% higher sales volume, lower average selling prices brought the revenue down by 11.8% to US$3,193.7 million.

The Group achieved improved operating margin per MT of US$31.0, up 9.2% from US$28.4 last year and up 5.8% from US$29.3 last quarter. Higher margins coupled with higher sales volume helped the Group to improve its total operating margin by 27.5% on YOY basis from US$23.6 million to US$30.1 million. On QOQ basis, total operating margin increased by 9.9%.

The Group said in the result announcement, "Improved industry sentiments supported by Malaysian's restructured export duty that was introduced in the beginning of the year helped the Group to achieve higher sales volumes at improved margins during the quarter".

Commenting on the performance for the quarter, Mr Rajesh Chopra, Group CFO said, "Last two years of depressed sentiments for the palm oil industry and tough operating conditions, particularly for Malaysian refiners have resulted in the industry to consolidate. As the market conditions and outlook improved towards the end of 2013, our unique consolidated position in the midstream and downstream parts of the value chain helped us to participate in larger trade flows and our competitive position in the industry enabled us to appropriate better margins".

Segmental Performance

Bulk segment

	Q4 2013	Q4 2012	Change	Q3 2013	Change	FY 2013	FY 2012	Change
Sales volume (MT'000)	**716.0**	600.2	19.3%	681.0	5.1%	**2,707.1**	2,576.1	5.1%
Revenue (US$'million)	**590.2**	517.2	14.1%	575.1	2.6%	**2,240.5**	2,649.4	-15.4%
Average selling prices (US$)	**824.3**	861.7	-4.3%	844.5	-2.4%	**827.6**	1,028.5	-19.5%
Operating margin (US$'million)	**19.9**	10.5	89.5%	19.5	2.1%	**73.7**	64.5	14.3%
Operating margin per MT (US$)	**27.8**	17.5	58.9%	28.6	-2.8%	**27.2**	25.0	8.8%

Sales volume for the Bulk segment improved impressively to 716,000, up 19.3% and 5.1% on YOY and QOQ basis respectively. For the full year, sales volume increased by 5.1% to 2,707,100 MT. Bulk segment sales were supported by higher sales within Asia particularly to India, China and Bangladesh.

Revenue improved by 14.1% on YOY basis and by 2.6% on QOQ basis to US$590.2 million for the quarter on the back of higher sales volume despite lower average selling prices. For the full year, lower average selling prices resulted in revenue decreasing by 15.4% to US$2,240.5 million.

For the quarter, operating margin almost doubled to US$19.9 million on YOY basis on the back of higher sales volume and higher operating margin per MT. On QOQ basis, operating margin increased by 2.1%. For the full year, operating margin improved by 14.3% to US$73.7 million.

The segment contributed 73.7% to total sales volume, 71.0% to total revenue and 66.1% to total operating margin of the Group for the quarter. For full year, the segment's contributions were 72.5%, 70.2% and 63.8% respectively.

Consumer Pack segment

	Q4 2013	Q4 2012	Change	Q3 2013	Change	FY 2013	FY 2012	Change
Sales volume (MT'000)	**255.2**	230.0	11.0%	252.0	1.3%	**1,026.3**	824.5	24.5%
Revenue (US$'million)	**240.7**	250.6	-4.0%	221.2	8.8%	**953.2**	971.4	-1.9%
Average selling prices (US$)	**943.2**	1,089.6	-13.4%	877.8	7.5%	**928.8**	1,178.2	-21.2%
Operating margin (US$'million)	**10.2**	13.1	-22.1%	7.9	29.1%	**41.7**	43.8	-4.8%
Operating margin per MT (US$)	**40.0**	57.0	-29.8%	31.3	27.8%	**40.6**	53.1	-23.5%

Sales volume for the Consumer Pack segment improved to 255,200, up 11.0% and 1.3% on YOY and QOQ basis respectively. For the full year, sales volume increased by 24.5% to 1,026,300 MT. The segment included rice sales of 256,900 MT for the year compared to 124,800 MT for the corresponding period last year. Excluding rice, Consumer Pack segment sales volume increased by 10.0% for the year.

Higher sales volume but lower average selling prices resulted in revenue decreasing by 4.0% on YOY basis to US$240.7 million. However, revenue was 8.8% higher than the last quarter. For the full year, sales revenue declined marginally by 1.9% to US$953.2 million on account of lower average selling prices despite higher sales volume.

Operating margin of U$ 10.2 million for the quarter, though higher than last quarter, was still lower than U$13.1 million for the same period a year ago due to pressure on the margins this year. Operating margin per MT was US$40.0 for the quarter and US$40.6 for the year. For the full year, lower operating margin per MT despite higher sales volume reduced the total operating margin to US$41.7 million.

The segment contributed 26.3% of total sales volume, 29.0% of total revenue and 33.9% of total operating margin of the Group for the quarter. For the full year, contributions were 27.5%, 29.8% and 36.2% respectively.

Balance Sheet

Mewah group generated strong operating cash flows of US$27.0 million for the quarter. For the full year, generation of operating cash flows of US$188.2 million helped the Group to bring down the net debt by US$132.7 million to US$202.2 million at the end of the year.

The Group's balance sheet stood strong with debt to equity ratio of 0.48 or net debt to equity ratio of 0.36.

The Group continued to maintain operational efficiency reflected in cycle time (inventories days add trade receivables days less trade payables days) of 46.7 days.

Dividends

To show appreciation for the support of the shareholders, the Board of Directors has proposed a final exempt dividend of S$0.0073 per ordinary share, which along with interim dividend of S$0.0012, making total dividend of S$0.0085 per ordinary share for the full year, same as last year.

Future Outlook

CPO prices, after falling from the peak of above RM3,500 in April 2012 to about RM2,200 by the end of 2012, remained range bound between RM2,200 and RM2,500 for first ten months of 2013 before breaching the resistance level of RM2,500 and have since remained above RM2,500. Robust destination demand supported by higher local demand in Indonesia and Malaysia due to bio-fuel mandate has turned the sentiments positive. The Group also expects the supply to improve after weak production in 2013 and hopes for the positive momentum to continue. Meanwhile the Group expects to capitalize on the increased refining capacity after its new Sabah refinery becomes operational in year 2014 that will not only help the Group to participate in the improved refining margins but also explore new markets and serve the existing customers better. The Group is also looking forward to adding dairy products to its consumer pack product portfolio after its dairy plant becomes fully operational in year 2014. At the same time, the Group remains conscious of the fact that it will take time for the Group to reach optimum level of capacity utilization and it may face pressure on its profitability as income stream may lag behind the incremental standalone costs in terms of depreciation, manpower cost and other operating expenses resulting from investments in new refinery, dairy plant and bio-fuel facilities.

Mr Chopra added, "We are pleased to end the year on a positive note and expect the positive momentum to continue. We have sustained our commitment during tough times and are strengthening the platform for future growth by increasing our refining capacity from 2.8 million MT to 3.5 million MT in 2014, go further downstream by adding biofuel business, and make further strides into other consumer products such as rice and dairy. We will continue to remain prudent in our operations and maintain strong balance sheet and financial liquidity".

About Mewah International Inc.

Mewah International Inc. ("Mewah" or the "Group") has been in operation since the 1950s. The Group has a proven integrated business model throughout the edible oils and fats value chain, spanning from the sourcing and processing of raw materials, to the packing, merchandising, shipping and distribution of its products to reach end customers globally. This allows the Group to enjoy significant operating efficiencies, have better quality control and to extract value and earn margins from each stage of the value chain. Its business model also enables the Group to better manage cyclicality and respond quickly to changes in demand, supply and pricing through its ability to produce a wide variety of value-added products.

Mewah produces a wide range of refined and fractionated vegetable oils and fats principally from palm oil. It has three strategically located refineries and processing plants in Malaysia at Semenyih, Pasir Gudang and Westport; two packing plants in Malaysia and one in Singapore. The Group's ISO-certified refineries are located near ports along major shipping routes, with its facilities strategically situated to have easy access to raw materials, customers, distribution and transportation facilities.

Mewah's bulk and consumer pack products are marketed to more than 100 countries in the Asia Pacific, the Indian sub-continent, the Middle East, Africa, Europe and the America through a well-established global sales and distribution network. In particular, Mewah's wide range of consumer pack products are marketed under its house brands such as "Oki", "Mona", "Moi", "Krispi" and "Cabbage", and are distributed to consumers worldwide either under Mewah's own brands or the brands of third parties.

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

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