

MEWAH INTERNATIONAL INC.

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

AND ITS SUBSIDIARIES

CONDENSED INTERIM FINANCIAL STATEMENTS

Unaudited for the six months period and financial year ended 31 December 2022

**MEWAH INTERNATIONAL INC.
AND ITS SUBSIDIARIES**

CONDENSED INTERIM FINANCIAL STATEMENTS

Unaudited for the six months period and financial year ended 31 December 2022

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**MEWAH INTERNATIONAL INC.
AND ITS SUBSIDIARIES**
CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT
Unaudited for the six months period and financial year ended 31 December 2022

	Note to Condensed Report	Note to Appendix 7.2	Six months ended 31 December			Twelve months ended 31 December		
			2022 US\$'000	2021 US\$'000	Change %	2022 US\$'000	2021 US\$'000	Change %
Revenue	3	8.1.2	2,725,951	2,231,503	22.2	5,428,528	4,348,818	24.8
Cost of sales		8.1.2	(2,477,336)	(2,052,017)	20.7	(5,055,653)	(4,025,770)	25.6
Gross profit		8.1.3	248,615	179,486	38.5	372,875	323,048	15.4
Other income	5.1	8.1.5	2,567	5,758	-55.4	6,145	7,913	-22.3
Other expenses and other losses (net)								
- Impairment losses on property, plant and equipment (net) and provision	5.1	8.1.6	(20,708)	(5,066)	308.8	(20,708)	(7,444)	178.2
- Other losses (net) (Note A)	5.1	8.1.6	(6,069)	(3,475)	74.6	(37,750)	(16,487)	129.0
(Provision)/Reversal of expected credit losses		8.1.7	(549)	(2,077)	-73.6	1,597	(5,129)	n.m.
Expenses								
- Selling and distribution		8.1.8	(31,813)	(46,398)	-31.4	(60,460)	(95,420)	-36.6
- Administrative		8.1.9	(51,816)	(45,312)	14.4	(100,479)	(86,969)	15.5
- Finance		8.1.10	(12,759)	(5,772)	121.0	(19,114)	(9,740)	96.2
Share of loss of associated company			(17)	(41)	-58.5	(54)	(27)	100.0
Profit before tax	5	8.1.11	127,451	77,103	65.3	142,052	109,745	29.4
Income tax expense	6	8.1.12	(25,178)	(20,176)	24.8	(28,989)	(28,598)	1.4
Profit after tax		8.1.13	102,273	56,927	79.7	113,063	81,147	39.3
Profit/(Loss) after tax attributable to:								
Equity holders of the Company		8.1.13	99,456	55,683	78.6	113,644	80,171	41.8
Non-controlling interests			2,817	1,244	126.4	(581)	976	n.m.
			102,273	56,927	79.7	113,063	81,147	39.3
Earnings per share attributable to equity holders of the Company (expressed in US cents per share)								
- Basic and diluted		6	6.63	3.71	78.6	7.57	5.34	41.8

n.m. – not meaningful

The accompanying notes form an integral part of these condensed interim financial statements.

**MEWAH INTERNATIONAL INC.
AND ITS SUBSIDIARIES**

CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT (CONTINUED)
Unaudited for the six months period and financial year ended 31 December 2022

The Group measures and tracks the earnings in terms of Operating Margin (“OM”) as calculated below:

	Note to Appendix 7.2	Six months ended 31 December			Twelve months ended 31 December		
		2022 US\$'000	2021 US\$'000	Change %	2022 US\$'000	2021 US\$'000	Change %
Gross profit		248,615	179,486	38.5	372,875	323,048	15.4
Add: Depreciation in Cost of sales		10,447	9,472	10.3	20,681	19,491	6.1
Less: Selling and distribution expenses		(31,813)	(46,398)	-31.4	(60,460)	(95,420)	-36.6
Less: (Provision)/Reversal of expected credit losses		(549)	(2,077)	-73.6	1,597	(5,129)	n.m.
Less: Foreign exchange losses (net)		(2,172)	(3,778)	-42.5	(33,789)	(16,912)	99.8
Operating margin	8.1.4	224,528	136,705	64.2	300,904	225,078	33.7

n.m. – not meaningful

Note A: Other losses included foreign exchange losses (net) of US\$2,172,000 for the six months ended 31 December 2022 (H2 2021: losses of US\$3,778,000) and US\$33,789,000 for the financial year (FY 2021: losses of US\$16,912,000). Foreign exchange gains or losses arise in the entities of 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. The Group primarily uses currency forward contracts to hedge against the foreign exchange fluctuation risk resulting from commodities forward contracts. The foreign exchange gains or losses are better read together with gross profit.

**MEWAH INTERNATIONAL INC.
AND ITS SUBSIDIARIES**
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Unaudited for the six months period and financial year ended 31 December 2022

	Six months ended 31 December			Twelve months ended 31 December		
	2022 US\$'000	2021 US\$'000	Change %	2022 US\$'000	2021 US\$'000	Change %
Profit after tax	102,273	56,927	79.7	113,063	81,147	39.3
Other comprehensive loss:						
Item that may be reclassified subsequently to profit or loss:						
Currency translation differences arising from foreign subsidiaries, net of tax						
- Gains/(Losses)	1,258	(488)	n.m.	(11,086)	(4,849)	128.6
Total comprehensive income, net of tax	103,531	56,439	83.4	101,977	76,298	33.7
Total comprehensive income/(loss) attributable to:						
Equity holders of the Company	100,529	55,309	81.8	102,460	75,216	36.2
Non-controlling interests	3,002	1,130	165.7	(483)	1,082	n.m.
	103,531	56,439	83.4	101,977	76,298	33.7

n.m. – not meaningful

The accompanying notes form an integral part of these condensed interim financial statements.

**MEWAH INTERNATIONAL INC.
AND ITS SUBSIDIARIES**
CONDENSED INTERIM BALANCE SHEET – GROUP AND COMPANY
Unaudited as at 31 December 2022

	Note to Condensed report	Note to Appendix 7.2	Group		Company	
			As at 31 Dec 2022 US\$'000	As at 31 Dec 2021 US\$'000	As at 31 Dec 2022 US\$'000	As at 31 Dec 2021 US\$'000
ASSETS						
Current assets						
Inventories		8.2.1	464,351	492,577	-	-
Trade receivables		8.2.2	499,717	253,467	-	-
Other receivables		8.2.3	128,967	78,752	318,641	307,640
Current income tax recoverable		8.2.4	874	1,042	-	-
Derivative financial instruments	12	8.2.5	51,361	49,360	-	-
Cash and bank balances		8.2.6	102,849	171,781	770	858
			1,248,119	1,046,979	319,411	308,498
Non-current assets						
Intangible asset	10		6,000	4,473	-	-
Property, plant and equipment	11	8.2.7	440,607	447,945	-	-
Investments in subsidiaries			-	-	849	849
Investment in associated company			498	582	-	-
Deferred income tax assets		8.2.4	779	1,674	-	-
Derivative financial instruments	12	8.2.5	7	897	-	1
			447,891	455,571	849	850
Total assets			1,696,010	1,502,550	320,260	309,348
LIABILITIES						
Current liabilities						
Trade payables		8.2.8	151,527	173,617	-	-
Other payables		8.2.10	95,488	82,999	205	211
Contract liabilities		8.2.11	19,660	18,617	-	-
Lease liabilities			572	367	-	-
Current income tax liabilities		8.2.4	14,960	7,958	91	110
Derivative financial instruments	12	8.2.5	55,047	62,808	-	-
Borrowings	13	8.2.12	443,259	358,890	-	-
			780,513	705,256	296	321
Non-current liabilities						
Lease liabilities			8,798	5,733	-	-
Deferred income tax liabilities		8.2.4	34,421	36,700	1,363	1,731
Borrowings	13	8.2.12	97,520	71,278	-	-
			140,739	113,711	1,363	1,731
Total liabilities			921,252	818,967	1,659	2,052
NET ASSETS			774,758	683,583	318,601	307,296

The accompanying notes form an integral part of these condensed interim financial statements.

**MEWAH INTERNATIONAL INC.
AND ITS SUBSIDIARIES**
CONDENSED INTERIM BALANCE SHEET – GROUP AND COMPANY (CONTINUED)
Unaudited as at 31 December 2022

	Note to Condensed report	Group		Company	
		As at 31 Dec 2022 US\$'000	As at 31 Dec 2021 US\$'000	As at 31 Dec 2022 US\$'000	As at 31 Dec 2021 US'000
EQUITY					
Capital and reserves attributable to equity holders of the Company:					
Share capital	14	1,501	1,501	1,501	1,501
Share premium	14	180,012	180,012	180,012	180,012
Other reserves		(48,931)	(38,864)	3,509	3,509
Retained profits		637,190	533,985	133,579	122,274
		769,772	676,634	318,601	307,296
Non-controlling interests		4,986	6,949	-	-
Total equity		774,758	683,583	318,601	307,296

The accompanying notes form an integral part of these condensed interim financial statements.

**MEWAH INTERNATIONAL INC.
AND ITS SUBSIDIARIES**
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY - GROUP
Unaudited for the financial year ended 31 December 2022

Note to Condensed report	← Attributable to equity holders of the Company →								Non- controlling interests US\$'000	Total equity US\$'000
	Share capital US\$'000	Share premium US\$'000	Capital redemption reserve US\$'000	Merger reserve US\$'000	General reserve US\$'000	Currency translation reserve US\$'000	Retained profits US\$'000	Total US\$'000		
2022										
Balance at 1 January 2022	1,501	180,012	3,509	(53,005)	(1,425)	12,057	533,985	676,634	6,949	683,583
Profit/(Loss) for the year	-	-	-	-	-	-	113,644	113,644	(581)	113,063
Other comprehensive (loss)/income for the year	-	-	-	-	-	(11,184)	-	(11,184)	98	(11,086)
Total comprehensive income/(loss) for the year	-	-	-	-	-	(11,184)	113,644	102,460	(483)	101,977
Acquisition of non-controlling interest	-	-	-	-	1,117	-	-	1,117	(1,237)	(120)
Dividends	-	-	-	-	-	-	(10,439)	(10,439)	(243)	(10,682)
Total transactions with owners, recognised directly in equity	-	-	-	-	1,117	-	(10,439)	(9,322)	(1,480)	(10,802)
Balance at 31 December 2022	1,501	180,012	3,509	(53,005)	(308)	873	637,190	769,772	4,986	774,758
2021										
Balance at 1 January 2021	1,501	180,012	3,509	(53,005)	(1,425)	17,012	463,593	611,197	(868)	610,329
Profit for the year	-	-	-	-	-	-	80,171	80,171	976	81,147
Other comprehensive (loss)/income for the year	-	-	-	-	-	(4,955)	-	(4,955)	106	(4,849)
Total comprehensive income for the year	-	-	-	-	-	(4,955)	80,171	75,216	1,082	76,298
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	6,872	6,872
Dividends	-	-	-	-	-	-	(9,779)	(9,779)	(137)	(9,916)
Total transactions with owners, recognised directly in equity	-	-	-	-	-	-	(9,779)	(9,779)	6,735	(3,044)
Balance at 31 December 2021	1,501	180,012	3,509	(53,005)	(1,425)	12,057	533,985	676,634	6,949	683,583

The accompanying notes form an integral part of these condensed interim financial statements.

**MEWAH INTERNATIONAL INC.
AND ITS SUBSIDIARIES**
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY - COMPANY
Unaudited for the financial year ended 31 December 2022

	Note to Condensed report	Attributable to equity holders of the Company				Total equity US\$'000
		Share capital US\$'000	Share premium US\$'000	Capital redemption reserve US\$'000	Retained profits US\$'000	
2022						
Balance at 1 January 2022		1,501	180,012	3,509	122,274	307,296
Profit for the year		-	-	-	21,744	21,744
Total comprehensive income for the year		-	-	-	21,744	21,744
Dividends	7	-	-	-	(10,439)	(10,439)
Total transactions with owners, recognised directly in equity		-	-	-	(10,439)	(10,439)
Balance at 31 December 2022		1,501	180,012	3,509	133,579	318,601
2021						
Balance at 1 January 2021		1,501	180,012	3,509	115,877	300,899
Profit for the year		-	-	-	16,176	16,176
Total comprehensive income for the year		-	-	-	16,176	16,176
Dividends	7	-	-	-	(9,779)	(9,779)
Total transactions with owners, recognised directly in equity		-	-	-	(9,779)	(9,779)
Balance at 31 December 2021		1,501	180,012	3,509	122,274	307,296

The accompanying notes form an integral part of these condensed interim financial statements.

**MEWAH INTERNATIONAL INC.
AND ITS SUBSIDIARIES**
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
Unaudited for the six months period and financial year ended 31 December 2022

	Note to Condensed Report	Six months ended 31 December		Twelve months ended 31 December	
		2022 US\$'000	2021 US\$'000	2022 US\$'000	2021 US\$'000
Cash flows from operating activities					
Profit after tax		102,273	56,927	113,063	81,147
Adjustments for:					
- Income tax expense	6	25,178	20,176	28,989	28,598
- Depreciation of property, plant and equipment		13,427	13,227	27,182	26,511
- Losses/(gains) on disposal of property, plant and equipment	5.1	193	(253)	251	(375)
- Property, plant and equipment written off	5.1	53	14	72	14
- Impairment loss on property, plant and equipment	5.1	20,708	5,066	20,708	7,444
- Interest income	5.1	(723)	(1,916)	(2,437)	(2,671)
- Interest expense		12,759	5,772	19,114	9,740
- Share of loss of associated company		17	41	54	27
Operating cash flows before working capital changes		173,885	99,054	206,996	150,435
Changes in operating assets and liabilities:					
- Inventories		16,259	(156,032)	4,794	(205,388)
- Trade and other receivables		(70,916)	46,970	(267,588)	32,144
- Contract liabilities		(46,717)	(869)	1,043	4,655
- Trade and other payables		(37,769)	72,776	(4,457)	32,590
- Derivative financial instruments		(24,631)	(11,781)	(9,183)	3,697
Cash flows from/(used in) operations		10,111	50,118	(68,395)	18,133
Interest received		723	1,916	2,437	2,671
Interest paid		(12,759)	(5,772)	(19,114)	(9,740)
Income tax paid		(9,467)	(12,422)	(21,302)	(21,012)
Net cash flows (used in)/from operating activities		(11,392)	33,840	(106,374)	(9,948)
Cash flows from investing activities					
Acquisition of subsidiaries, net of cash and cash equivalents acquired	15	(5,731)	(967)	(5,731)	(13,282)
(Increase)/Decrease in advance payment of property, plant and equipment		(8,310)	(3,685)	(4,464)	249
Additions to property, plant and equipment		(26,160)	(16,659)	(56,036)	(25,111)
Proceeds from disposal of property, plant and equipment		121	258	161	531
Net cash flows used in investing activities		(40,080)	(21,053)	(66,070)	(37,613)
Cash flows from financing activities					
Acquisition of non-controlling interests		(120)	-	(120)	-
Increase in restricted short term bank deposits		(651)	-	(651)	-
Proceeds from long term borrowings		26,788	42,717	58,609	50,985
Repayment of long term borrowings		(9,758)	(2,983)	(16,143)	(14,214)
Net (repayment)/proceeds from short term borrowings		(35,258)	2,250	80,026	115,695
Repayment of lease liabilities		(265)	(247)	(508)	(477)
Dividends paid to equity holders of the Company	7	(1,633)	(2,995)	(10,439)	(9,779)
Dividends paid to non-controlling interests		-	-	(243)	(137)
Net cash flows (used in)/from financing activities		(20,897)	38,742	110,531	142,073
Net change in cash and cash equivalents		(72,369)	51,529	(61,913)	94,512
Cash and cash equivalents at beginning of financial period/year		174,053	120,538	171,781	78,169
Effect of changes in exchange rate on cash and cash equivalents		514	(286)	(7,670)	(900)
Cash and cash equivalents at end of financial period/year		102,198	171,781	102,198	171,781

The accompanying notes form an integral part of these condensed interim financial statements.

**MEWAH INTERNATIONAL INC.
AND ITS SUBSIDIARIES**
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
Unaudited for the six months period and financial year ended 31 December 2022

	Note to Condensed Report	Six months ended 31 December		Twelve months ended 31 December	
		2022	2021	2022	2021
		US\$'000	US\$'000	US\$'000	US\$'000
Represented by:					
Cash and bank balances		102,849	171,781	102,849	171,781
Less: Restricted short term bank deposits		(651)	-	(651)	-
Cash and cash equivalents per consolidated statement of cash flows		102,198	171,781	102,198	171,781

Reconciliation of liabilities arising from financing activities

	1 January US\$'000	Proceeds from borrowings US\$'000	Principal payments US\$'000	Non-cash changes		31 December US\$'000
				Modification of lease liability US\$'000	Foreign exchange movement US\$'000	
2022						
Borrowings	430,168	138,635	(16,143)	-	(11,881)	540,779
Lease liabilities	6,100	-	(508)	3,816	(38)	9,370
2021						
Borrowings	284,179	166,680	(14,214)	-	(6,477)	430,168
Lease liabilities	6,431	-	(477)	146	-	6,100

The accompanying notes form an integral part of these condensed interim financial statements.

**MEWAH INTERNATIONAL INC.
AND ITS SUBSIDIARIES****NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

Unaudited for the six months period and financial year ended 31 December 2022

1. Corporate information

Mewah International Inc. (the “Company”) is listed on the Singapore Exchange and incorporated and domiciled in the Cayman Islands. These condensed interim financial statements as at and for the six months period and the financial year ended 31 December 2022 comprise the Company and its subsidiaries (collectively, the “Group”). The principal activity of the Company is that of investment holding.

The primary principal activities of the Group are:

- a. manufacturing and selling of vegetable oil products; and
- b. trading of edible oils, fats, dairy, food products and agricultural raw materials.

2. Basis of preparation

The condensed interim financial statements for the six months period and the financial year ended 31 December 2022 have been prepared in accordance with the SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the period ended 30 June 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in United States Dollar (“US\$”) (“presentation currency”), which is the functional currency of the Company.

2.1 New and amended standards adopted by the Group

On 1 January 2022, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”) that are mandatory for application for the current reporting period. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior interim periods.

**MEWAH INTERNATIONAL INC.
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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Unaudited for the six months period and financial year ended 31 December 2022

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(i) Valuation of commodities forward contracts

The Group is exposed to fluctuations in the prices of agri-commodities it deals in, including crude palm oil and palm oil products. The Group minimises the risk arising from such fluctuations by entering into commodities forward contracts and futures contracts (Note 9). As the Group has not adopted hedge accounting, the fair value changes on these derivative financial instruments are recognised in the profit or loss when the changes arise. The Group's commodities forward contracts are not traded in an active market and hence their fair values are estimated using a valuation technique as described in Note 9.

(ii) Assessment of recoverability of past due trade receivables of the Group

Management reviews its trade receivables on a regular basis to identify specific trade receivables that are credit impaired and recognises a loss allowance equal to lifetime expected credit loss in respect of these receivables. For the remaining trade receivables, they are grouped based on similar risk characteristics and days past due to determine the expected credit loss rate to be applied. In calculating the expected credit loss rates, management considers historical loss rates and adjusts to reflect current and forward looking macro-economic factors affecting the ability of the customers to settle the receivables.

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Unaudited for the six months period and financial year ended 31 December 2022

2.2 Use of judgements and estimates (continued)

(iii) Impairment assessment of the Group's property, plant and equipment

Property, plant and equipment ("PPE") is tested for impairment whenever there are indications that these assets may be impaired. Management performs reviews to determine whether there are any indications of impairment in relation to the PPE held by the Group.

At 31 December 2022, management has identified indications of impairment relating to a manufacturing plant, a manufacturing plant in progress and a mature plantation of the Group.

The recoverable amounts of the identified PPE are determined based on the value-in-use calculations. The value-in-use calculations are based on a discounted cash flow model and requires the Group to make an estimate of the expected future cash flows from the continuing use of the PPE.

The key assumption used in the value-in-use calculation that were subject to critical accounting estimates were relating to the estimation of the revenue, discount rate, terminal growth rate and operating margin. As the recoverable amount determined by management is less than the net book value of the PPE, the Group has recognised an impairment charge during the financial year amounting to US\$22,132,000.

(iv) Uncertain tax position of the Group

The Group is subject to income taxes in numerous jurisdictions. In determining the income tax liabilities, management is required to estimate the amount of capital allowances, incentives and deductibility of certain expenses ("uncertain tax positions") at each tax jurisdiction. Where the final outcome of these matters is different from the amounts that were initially recorded, such as due to changes in tax rules or revised interpretations of existing tax laws and precedent, such differences will impact the income tax provisions in the corresponding periods.

(v) Purchase price allocation for acquisition of business

The acquisition is accounted for as a business combination which requires the identifiable assets and liabilities to be recognised at fair value at the date of acquisition, with the excess of the acquisition cost over the identified fair values to be recognised as goodwill.

The assets and liabilities are identified and valued through a purchase price allocation and is expected to be finalised within 12 months from date of acquisition.

**MEWAH INTERNATIONAL INC.
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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

Unaudited for the six months period and financial year ended 31 December 2022

2.2 Use of judgements and estimates (continued)

(v) Purchase price allocation for acquisition of business (continued)

In assessing the fair valuation of the identifiable assets acquired, management had engaged an external professional firm to perform the fair valuation of the property, plant and equipment acquired. The purchase price allocation is subject to a significant degree of judgement and critical accounting estimates required in the identification and fair valuation of the assets acquired and liabilities assumed.

The provisional amounts recognised are disclosed in Note 15.

3. Segment and revenue information

3.1 Reportable segments

Management has determined the operating segments based on the reports reviewed by the Management Committee (“Mancom”) that are used to make strategic decisions, allocate resources, and assess performance. The Mancom is the Group’s chief operating decision-maker and comprises the Chief Executive Officer, Chief Operating Officer, the Chief Financial Officer, and the department heads of each business within each segment.

The Mancom considers the business from two segments:

- (i) The bulk segment which sources, manufactures and sells edible oils and specialty fats and oils in bulk and bioenergy products in bulk for a variety of end uses; and
- (ii) The consumer pack segment which manufactures and sells edible oils and bakery fats, dairy related products, soap and rice to consumers in packaged form.

The Group measures and tracks the profitability in terms of operating margin and adjusted earnings before interest, tax, depreciation and amortisation (“Adjusted EBITDA”).

Operating margin is calculated as revenue, less cost of sales (excluding depreciation), selling and distribution expenses, allowance for expected credit losses and foreign exchange gains/(losses). Operating margin relating to inter-segment sales are reported under the segment where the final sales to third parties are made.

Sales between segments reported to the Mancom is measured in a manner consistent with the Group's accounting policies.

Adjusted EBITDA is calculated as operating margin add other income, less administrative expenses (excluding depreciation), other expenses and other gains/(losses) excluding foreign exchange gains or losses which has been considered in operating margin and also excluding impairment of assets.

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3. Segment and revenue information (continued)
3.1 Reportable segments (continued)

The segment information provided to the Mancom for the reportable segments for the six months period ended 31 December 2022 is as follows:

<u>Group</u>	<u>Bulk</u> US\$'000	<u>Consumer</u> <u>Pack</u> US\$'000	<u>Total</u> US\$'000
Revenue			
Total segment sales	2,141,866	795,055	2,936,921
Inter-segment sales	(196,248)	(14,722)	(210,970)
Revenue from external parties	<u>1,945,618</u>	<u>780,333</u>	<u>2,725,951</u>
Operating margin			
Other income excluding interest income	162,177	62,351	224,528
Interest income	1,008	836	1,844
Administrative expenses, excluding depreciation	585	138	723
Other expenses and other losses (net) excluding foreign exchange losses (net) and impairment losses on property, plant and equipment (net)	(24,583)	(24,253)	(48,836)
	<u>(298)</u>	<u>(3,599)</u>	<u>(3,897)</u>
Adjusted EBITDA	138,889	35,473	174,362
Depreciation	(8,626)	(4,801)	(13,427)
Finance expense	(7,697)	(5,062)	(12,759)
Impairment losses on property, plant and equipment	(6,631)	(14,077)	(20,708)
Segment results	115,935	11,533	127,468
Unallocated			
Income tax expense			(25,178)
Share of loss of an associate			(17)
Profit after tax			<u>102,273</u>
Total segment assets	<u>1,131,452</u>	<u>562,407</u>	<u>1,693,859</u>
Unallocated			
Current income tax recoverable			874
Investment in associated company			498
Deferred income tax assets			779
Total assets			<u>1,696,010</u>
Total assets include:			
Additions to:			
- Property, plant and equipment	25,638	522	26,160
Total segment liabilities	<u>(582,270)</u>	<u>(289,601)</u>	<u>(871,871)</u>
Unallocated			
Current income tax liabilities			(14,960)
Deferred income tax liabilities			(34,421)
Total liabilities			<u>(921,252)</u>

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3. Segment and revenue information (continued)
3.1 Reportable segments (continued)

The segment information provided to the Mancom for the reportable segments for the six months period ended 31 December 2021 was as follows:

<u>Group</u>	<u>Bulk</u> US\$'000	<u>Consumer</u> <u>Pack</u> US\$'000	<u>Total</u> US\$'000
Revenue			
Total segment sales	1,823,542	568,122	2,391,664
Inter-segment sales	(149,842)	(10,319)	(160,161)
Revenue from external parties	<u>1,673,700</u>	<u>557,803</u>	<u>2,231,503</u>
Operating margin	88,498	48,207	136,705
Other income excluding interest income	2,029	1,813	3,842
Interest income	1,593	323	1,916
Administrative expenses, excluding depreciation	(18,885)	(22,672)	(41,557)
Other expenses and other losses (net) excluding foreign exchange losses (net) and impairment losses on property, plant and equipment (net)	279	24	303
Adjusted EBITDA	73,514	27,695	101,209
Depreciation	(8,783)	(4,444)	(13,227)
Finance expense	(3,260)	(2,512)	(5,772)
Impairment losses on property, plant and equipment	284	(5,350)	(5,066)
Segment results	61,755	15,389	77,144
Unallocated			
Income tax expense			(20,176)
Share of loss of an associate			(41)
Profit after tax			<u>56,927</u>
Total segment assets	964,746	534,506	1,499,252
Unallocated			
Current income tax recoverable			1,042
Investment in associated company			582
Deferred income tax assets			1,674
Total assets			<u>1,502,550</u>
Total assets include:			
Additions to:			
- Property, plant and equipment	12,736	3,923	16,659
Total segment liabilities	(549,755)	(224,554)	(774,309)
Unallocated			
Current income tax liabilities			(7,958)
Deferred income tax liabilities			(36,700)
Total liabilities			<u>(818,967)</u>

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3. Segment and revenue information (continued)
3.1 Reportable segments (continued)

The segment information provided to the Mancom for the reportable segments for the financial year ended 31 December 2022 is as follows:

<u>Group</u>	<u>Bulk</u> US\$'000	<u>Consumer</u> <u>Pack</u> US\$'000	<u>Total</u> US\$'000
Revenue			
Total segment sales	4,412,883	1,438,166	5,851,049
Inter-segment sales	(384,450)	(38,071)	(422,521)
Revenue from external parties	<u>4,028,433</u>	<u>1,400,095</u>	<u>5,428,528</u>
Operating margin	215,943	84,961	300,904
Other income excluding interest income	1,669	2,039	3,708
Interest income	2,113	324	2,437
Administrative expenses, excluding depreciation	(46,327)	(47,651)	(93,978)
Other expenses and other losses (net) excluding foreign exchange losses (net) and impairment losses on property, plant and equipment (net)	(374)	(3,587)	(3,961)
Adjusted EBITDA	173,024	36,086	209,110
Depreciation	(17,680)	(9,502)	(27,182)
Finance expense	(11,539)	(7,575)	(19,114)
Impairment losses on property, plant and equipment	(6,631)	(14,077)	(20,708)
Segment results	137,174	4,932	142,106
Unallocated			
Income tax expense			(28,989)
Share of loss of an associate			(54)
Profit after tax			113,063
Total segment assets	1,131,452	562,407	1,693,859
Unallocated			
Current income tax recoverable			874
Investment in associated company			498
Deferred income tax assets			779
Total assets			1,696,010
Total assets include:			
Additions to:			
- Property, plant and equipment	48,035	8,001	56,036
Total segment liabilities	(582,270)	(289,601)	(871,871)
Unallocated			
Current income tax liabilities			(14,960)
Deferred income tax liabilities			(34,421)
Total liabilities			(921,252)

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3. Segment and revenue information (continued)
3.1 Reportable segments (continued)

The segment information provided to the Mancom for the reportable segments for the financial year ended 31 December 2021 was as follows:

<u>Group</u>	<u>Bulk</u> US\$'000	<u>Consumer</u> <u>Pack</u> US\$'000	<u>Total</u> US\$'000
Revenue			
Total segment sales	3,563,241	1,105,041	4,668,282
Inter-segment sales	(302,679)	(16,785)	(319,464)
Revenue from external parties	<u>3,260,562</u>	<u>1,088,256</u>	<u>4,348,818</u>
Operating margin	150,399	74,679	225,078
Other income excluding interest income	2,764	2,478	5,242
Interest income	2,153	518	2,671
Administrative expenses, excluding depreciation	(36,712)	(43,237)	(79,949)
Other expenses and other losses (net) excluding foreign exchange losses (net) and impairment losses on property, plant and equipment (net)	308	117	425
Adjusted EBITDA	<u>118,912</u>	<u>34,555</u>	<u>153,467</u>
Depreciation	(17,937)	(8,574)	(26,511)
Finance expense	(5,608)	(4,132)	(9,740)
Impairment losses on property, plant and equipment	(2,094)	(5,350)	(7,444)
Segment results	93,273	16,499	109,772
Unallocated			
Income tax expense			(28,598)
Share of loss of an associate			(27)
Profit after tax			<u>81,147</u>
Total segment assets	964,746	534,506	1,499,252
Unallocated			
Current income tax recoverable			1,042
Investment in associated company			582
Deferred income tax assets			1,674
Total assets			<u>1,502,550</u>
Total assets include:			
Additions to:			
- Property, plant and equipment	17,797	7,314	25,111
Total segment liabilities	(549,755)	(224,554)	(774,309)
Unallocated			
Current income tax liabilities			(7,958)
Deferred income tax liabilities			(36,700)
Total liabilities			<u>(818,967)</u>

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3. Segment and revenue information (continued)
3.2 Disaggregation of revenue

	Group		
	At a point in time US\$'000	Over time US\$'000	Total US\$'000
Six months ended 31 December 2022			
Sale of vegetable oils products and bioenergy products in bulk	1,925,322	-	1,925,322
Sale of consumer products including edible oils and fats, dairy, soap and rice in consumer packs	725,277	-	725,277
Shipping services*	-	71,971	71,971
Charter income	-	3,381	3,381
Total	2,650,599	75,352	2,725,951
Six months ended 31 December 2021			
Sale of vegetable oils products and bioenergy products in bulk	1,648,889	-	1,648,889
Sale of consumer products including edible oils and fats, dairy, soap and rice in consumer packs	511,284	-	511,284
Shipping services*	-	68,240	68,240
Charter income	-	3,090	3,090
Total	2,160,173	71,330	2,231,503
Twelve months ended 31 December 2022			
Sale of vegetable oils products and bioenergy products in bulk	3,995,642	-	3,995,642
Sale of consumer products including edible oils and fats, dairy, soap and rice in consumer packs	1,294,184	-	1,294,184
Shipping services*	-	132,110	132,110
Charter income	-	6,592	6,592
Total	5,289,826	138,702	5,428,528
Twelve months ended 31 December 2021			
Sale of vegetable oils products and bioenergy products in bulk in bulk	3,214,027	-	3,214,027
Sale of consumer products including edible oils and fats, dairy, soap and rice in consumer packs	1,011,319	-	1,011,319
Shipping services*	-	116,788	116,788
Charter income	-	6,684	6,684
Total	4,225,346	123,472	4,348,818

* Shipping services relate to revenue earned arising from the delivery of products sold to customers.

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4. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2022 and 31 December 2021:

	Group		Company	
	31 December 2022 US\$'000	31 December 2021 US\$'000	31 December 2022 US\$'000	31 December 2021 US\$'000
Financial assets at fair value through profit or loss	51,368	50,257	-	1
Financial liabilities at fair value through profit or loss	(55,047)	(62,808)	-	-
Financial assets at amortised cost	683,995	455,043	319,401	308,465
Financial liabilities at amortised cost	(786,666)	(686,840)	(205)	(211)

5. Profit before taxation
5.1 Other expenses, other losses (net) and other income

	Group			
	Six months ended 31 December 2022 US\$'000		Twelve months ended 31 December 2021 US\$'000	
Other expenses				
Impairment losses on property, plant and equipment (net)	(20,708)	(5,066)	(20,708)	(7,444)
Other losses (net)				
Foreign exchange losses – net	(2,172)	(3,778)	(33,789)	(16,912)
(Loss)/Reversal of allowance on other receivables	(3,637)	64	(3,637)	64
(Losses)/Gains on disposal of property, plant and equipment	(193)	253	(251)	375
Property, plant and equipment written off	(53)	(14)	(72)	(14)
Others	(14)	-	(1)	-
	(6,069)	(3,475)	(37,750)	(16,487)
Other income				
Interest income on bank deposits and others	304	498	991	840
Late interest charged on trade receivables	419	1,418	1,446	1,831
	723	1,916	2,437	2,671
Rental income	147	105	309	325
Commission income	1	-	1	1
Insurance claims	525	2,573	1,493	2,687
Other miscellaneous income	1,171	1,164	1,905	2,229
	2,567	5,758	6,145	7,913

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5. Profit before taxation (continued)
5.2 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

	Group			
	Six months ended 31 December 2022		Twelve months ended 31 December 2021	
	US\$'000	US\$'000	US\$'000	US\$'000
Sales of finished goods to related parties	9,137	8,846	15,713	16,365
Purchases of raw materials from related parties	899	707	1,592	1,291
Purchases of plant and equipment from a related party	1,209	-	1,821	-
Losses from derivative financial instruments from related parties	(1,384)	(689)	(17)	(552)
Rental received/receivable				
- Associated company	1	2	3	4
- Related party	20	21	41	42
Interest income from related parties	-	-	-	1
Service fee income received/receivable				
- Associated company	37	30	61	51
Services paid/payable				
- Transportation and forwarding				
- Associated company	2,293	1,662	3,218	2,556
- Related party	-	94	-	159
- Packing material to related parties	63	189	214	443
- Consultation fees to related parties	512	526	1,567	1,607
- Travelling expenses to related parties	-	4	-	17

Related parties comprise mainly companies or individuals which are controlled or significantly influenced by the Group's key management personnel and their close family members.

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6. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated income statement are:

	Group			
	Six months ended 31 December		Twelve months ended 31 December	
	2022	2021	2022	2021
	US\$'000	US\$'000	US\$'000	US\$'000
Current income tax expense	16,901	8,536	29,246	24,143
Deferred income tax expense	9,504	12,125	1,470	4,940
	26,405	20,661	30,716	29,083
Over provision in prior financial years				
- Current income tax expense	(460)	(4)	(546)	(4)
- Deferred income tax expense	(767)	(481)	(1,181)	(481)
	(1,227)	(485)	(1,727)	(485)
Income tax expense	25,178	20,176	28,989	28,598

7. Dividends

	Group and Company Financial Year Ended 31 December	
	2022 US\$'000	2021 US\$'000
Declared and paid during the financial year:		
Dividends on ordinary shares:		
- Final exempt one-tier dividend of S\$0.0081 for 2021 (2020: S\$0.0060) per share	8,806	6,784
- Interim exempt one-tier dividend of S\$0.0015 for 2022 (2021: S\$0.0027) per share	1,633	2,995
	10,439	9,779
Proposed but not recognised as a liability as at 31 December:		
Final exempt one-tier dividend of S\$0.0140 for 2022 (2021: S\$0.0081) per share	15,237	9,005

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8. Net asset value

	Group		Company	
	31 December 2022 US\$'000	31 December 2021 US\$'000	31 December 2022 US\$'000	31 December 2021 US\$'000
Net asset value per ordinary share	51.30	45.09	21.23	20.48

9. Fair value measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- (i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

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9. Fair value measurement (continued)

	<u>Level 1</u> US\$'000	<u>Level 2</u> US\$'000	<u>Total</u> US\$'000
Group			
31 December 2022			
Financial Assets			
Derivative financial instruments (Note 12)			
- Currency forward contracts	-	8,793	8,793
- Commodities forward contracts	-	42,568	42,568
- Futures contracts on commodity exchange	7	-	7
	7	51,361	51,368
Financial Liabilities			
Derivative financial instruments (Note 12)			
- Currency forward contracts	-	(10,605)	(10,605)
- Commodities forward contracts	-	(27,194)	(27,194)
- Futures contracts on commodity exchange	(17,248)	-	(17,248)
	(17,248)	(37,799)	(55,047)
31 December 2021			
Financial Assets			
Derivative financial instruments (Note 12)			
- Currency forward contracts	-	8,158	8,158
- Commodities forward contracts	-	25,308	25,308
- Futures contracts on commodity exchange	16,791	-	16,791
	16,791	33,466	50,257
Financial Liabilities			
Derivative financial instruments (Note 12)			
- Currency forward contracts	-	(1,897)	(1,897)
- Commodities forward contracts	-	(60,911)	(60,911)
	-	(62,808)	(62,808)
Company			
31 December 2022			
Financial Assets			
Derivative financial instruments (Note 12)			
- Currency forward contracts	-	-	-
31 December 2021			
Financial Assets			
Derivative financial instruments (Note 12)			
- Currency forward contracts	-	1	1

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9. Fair value measurement (continued)

There were no transfers between Levels 1 and 2 during the year. The Group's commodities futures contracts are traded in active markets and their fair values reflect quoted prices at the balance sheet date in active markets such as Bursa Malaysia. These instruments are included in Level 1.

The Group's commodities forward contracts are not traded in an active market. Their fair values are estimated by a valuation technique that takes into consideration various sources of indicative market prices at the balance sheet date. The sources of indicative market prices include prices listed on the Malaysian Palm Oil Board (MPOB), prices obtained from an international news agency, quotes obtained from brokers and actual contracted prices entered into. The fair values of currency forward contracts are determined using quoted forward exchange rates at the balance sheet date. These instruments are included in Level 2.

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10. Intangible asset

	Group	
	2022	2021
	US\$'000	US\$'000
<i>Goodwill arising from acquisition of subsidiaries</i>		
Beginning of financial year	4,473	970
Acquisition of subsidiaries	-	3,503
End of financial year	<u>4,473</u>	<u>4,473</u>
<i>Intangible asset arising from acquisition of subsidiaries</i>		
Beginning of financial year	-	-
Acquisition of a subsidiary (Note 15)	1,527	-
End of financial year	<u>1,527</u>	<u>-</u>
Total	<u>6,000</u>	<u>4,473</u>

In the current financial year, the Group completed the acquisition of 100% of the issued equity of PT Simpang Kanan Lestarindo ("PTSKL"), an Indonesian company which owns and operates facilities in palm oil business, from non-related parties, through its wholly owned subsidiaries, PT Agro Perkasa, a company incorporated in Indonesia and Cavenagh Oleo (S) Pte Ltd, a company incorporated in Singapore with total purchase consideration of US\$5,731,000.

The assets and liabilities are identified and valued through a purchase price allocation which is expected to be finalised within 12 months from the date of acquisition. The identifiable assets and liabilities are recognised at their provisional amounts in the current financial year.

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10. Intangible asset (continued)

Impairment tests for goodwill

Goodwill arising from business combinations have been allocated to the respective cash-generating units (“CGUs”). The carrying amount of goodwill allocated to Jambi and PT Able businesses amounts to US\$970,000 and US\$3,503,000 respectively.

The recoverable amount of the CGUs was determined based on its value-in-use. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management covering a five-year period. The discount rate applied to the cash flow projections and the forecasted growth rates used to extrapolate cash flow projections beyond the five-year period are as follows:

Discount rate (pre-tax)	13.5%
Terminal growth rate	5.1%

The terminal growth rate used is consistent with the forecast included in industry reports and did not exceed the long-term average growth rate for the business in which the CGUs operates. The discount rate used was pre-tax and reflected specific risks relevant to the CGUs.

Based on the recoverable amounts determined by management, no impairment for the goodwill was deemed necessary as at 31 December 2022.

11. Property, plant and equipment

During the six months period ended 31 December 2022, the Group acquired property, plant and equipment amounting to US\$26,160,000 (H2 2021: US\$16,659,000), addition arising from the acquisition of a subsidiary amounting to US\$5,222,000 and disposal of property, plant and equipment amounting to US\$314,000 (H2 2021: US\$258,000).

During the financial year ended 31 December 2022, the Group acquired property, plant and equipment amounting to US\$56,036,000 (FY 2021: US\$25,111,000), addition arising from the acquisition of a subsidiary amounting to US\$5,222,000 (FY 2021: US\$21,446,000) and disposal of property, plant and equipment amounting to US\$412,000 (FY 2021: US\$531,000).

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12. Derivative financial instruments

Currency forward contracts are entered into by the Group to manage exposure to fluctuations in foreign currency exchange rates.

The Group enters into commodities forward contracts and futures contracts to protect the Group from movements in market prices, primarily in crude palm oil and palm oil products by establishing the price at which the products will be sold or purchased.

(a) Current portion

	Group Fair values	
	Asset	Liability
	US\$'000	US\$'000
31 December 2022		
Currency forward contracts (Note 9)	8,793	(10,605)
Commodities forward contracts (Note 9)	42,568	(27,194)
Futures contracts on commodity exchange (Note 9)	-	(17,248)
Total	51,361	(55,047)
31 December 2021		
Currency forward contracts (Note 9)	8,158	(1,897)
Commodities forward contracts (Note 9)	25,308	(60,911)
Futures contracts on commodity exchange (Note 9)	15,894	-
Total	49,360	(62,808)

(b) Non-current portion

	Group Fair values	
	Asset	Liability
	US\$'000	US\$'000
31 December 2022		
Futures contracts on commodity exchange (Note 9)	7	-
31 December 2021		
Futures contracts on commodity exchange (Note 9)	897	-
Company Fair values		
	Asset	Liability
	US\$'000	US\$'000
31 December 2022		
Currency forward contracts (Note 9)	-	-
31 December 2021		
Currency forward contracts (Note 9)	1	-

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13. Borrowings

	Group	
	31 December 2022	31 December 2021
	US\$'000	US\$'000
<i>Current</i>		
Bank borrowings:		
- Trade financing	415,156	343,515
- Revolving credit	1,589	1,755
- Hire purchase	498	493
- Term loans	26,016	13,127
	443,259	358,890
<i>Non-current</i>		
Bank borrowings:		
- Hire purchase	1,509	2,102
- Term loans	96,011	69,176
	97,520	71,278
 Total borrowings	 540,779	 430,168

Securities granted

Total borrowings include secured liabilities of US\$107,962,000 (31 December 2021: US\$74,083,000). These borrowings of the Group are secured by certain property, plant and equipment.

14. Share capital and share premium

	<u>No. of ordinary shares</u>		← Amount →		
	Authorised share capital at par value of <u>US\$0.001</u> '000	Issued share capital at par value of <u>US\$0.001</u> '000	Authorised share capital at par value of <u>US\$0.001</u> US\$'000	Share capital at par value of <u>US\$0.001</u> US\$'000	Share premium US\$'000
<u>Group and Company</u>					
31 December 2022					
Beginning and end of financial year, ordinary shares at par value, US\$0.001	30,000,000	1,500,667	30,000	1,501	180,012
 31 December 2021					
Beginning and end of financial year, ordinary shares at par value, US\$0.001	30,000,000	1,500,667	30,000	1,501	180,012

All issued ordinary shares were fully paid. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

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15. Business combinations
Business combinations under “acquisition method”

On 30 September 2022, the Group completed the acquisition of 100% of the issued equity of PT Simpang Kanan Lestarindo (“PTSKL”), an Indonesian company which owns and operates facilities in palm oil business, from non-related parties, through its wholly owned subsidiaries, PT Agro Perkasa, a company incorporated in Indonesia and Cavenagh Oleo (S) Pte Ltd, a company incorporated in Singapore with total purchase consideration of US\$5,731,000.

Details of the consideration paid, the assets acquired and liabilities assumed, the non-controlling interest recognised and the effects on the cash flows of the Group, at the acquisition date, are as follows:

	US\$'000
(i) <i>Purchase consideration</i>	
Cash paid	5,731
Total purchase consideration	5,731
(ii) <i>Effect on cash flows of the Group</i>	
Cash paid (as above)	5,731
Cash outflow on acquisition	5,731
(iii) <i>Identifiable assets acquired and liabilities assumed</i>	
Property, plant and equipment (Note 11)	5,222
Inventories	44
Total assets	<u>5,266</u>
Bank borrowings	(1,062)
Total liabilities	<u>(1,062)</u>
Total identifiable net assets	4,204
Add: Intangible asset [(Note 10) and Note (iv) below]	1,527
Consideration transferred for the business	5,731

(iv) *Fair values and intangible asset*

The assets and liabilities are identified and valued through a purchase price allocation which is expected to be finalised within 12 months from the date of acquisition. The identifiable assets and liabilities are recognised at their provisional amounts in the current financial year.

(v) *Acquisition-related costs*

Acquisition-related costs of US\$31,000 are included in “administrative expenses” in the condensed interim consolidated statement of comprehensive income and in operating cash flows in the condensed interim consolidated statement of cash flows.

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15. Business combinations (continued)
Business combinations under “acquisition method” (continued)
(vi) Revenue and profit contribution

The acquired business contributed revenue of US\$5,512,000 and net loss of US\$215,000 to the Group from the period from 1 October 2022 to 31 December 2022.

Had PTSKL been acquired from 1 January 2022, the revenue and loss after tax for the year ended 31 December 2022 would have been US\$19,900,000 and US\$1,566,000 respectively.

16. Commitments
Capital commitments

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements are as follows:

	Group	
	2022	2021
	US\$'000	US\$'000
Property, plant and equipment	56,530	52,175

17. Contingent liabilities
Group

In the current financial year, one of the wholly owned subsidiaries of the Company received notices from local land authorities in relation to revised project completion timelines and potential penalties due to delay in their manufacturing plant project. The project is currently suspended due to an ongoing arbitration with their contractor. Based on the legal advice obtained, the penalties, if any, is dependent on the local land authorities' judgment and decision based on the reasons for extension of the project. As of 31 December 2022, no provisions have been made for the penalties as the outcome is not presently determinable.

Company

The Company has issued unsecured corporate guarantees to banks for borrowings to certain subsidiaries. As at 31 December 2022, the borrowings under the guarantees amounted to US\$501,084,000 (2021: US\$427,448,000). The financial effects of SFRS(I) 9 relating to the financial guarantee contracts issued by the Company are not material to the financial statements of the Company and therefore are not recognised. The management does not expect any loss to arise from the guarantees.

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18. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

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Other Information Required by Listing Rule
Appendix 7.2

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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

Please refer to Condensed Interim Consolidated Income Statement.

1(a)(ii) STATEMENT OF COMPREHENSIVE INCOME

Please refer to Condensed Interim Consolidated Statement of Comprehensive Income.

1(b)(i) STATEMENT OF FINANCIAL POSITION

Please refer to Consolidated Interim Balance Sheet.

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

	Group As at 31 Dec 2022		Group As at 31 Dec 2021	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
The amount repayable in one year or less, or on demand	22,330	420,929	11,976	346,914
The amount repayable after one year	85,632	11,888	62,107	9,171
	107,962	432,817	74,083	356,085

Details of collaterals

Certain borrowings are collateralised by certain property, plant and equipment that are financed by certain banks. The collaterals also include corporate guarantees by the Company.

1(c) STATEMENT OF CASH FLOWS

Please refer to Condensed Interim Consolidated Statement of Cash Flows.

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

Please refer to Condensed Interim Statements of Changes in Equity.

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1(d)(ii) SHARE CAPITAL

Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 2022		
Issued and fully paid ordinary shares		
Balance at beginning/end of the financial year	<u>1,500,667,440</u>	<u>1,501</u>
FY 2021		
Issued and fully paid ordinary shares		
Balance at beginning/end of the financial year	<u>1,500,667,440</u>	<u>1,501</u>

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 1,500,667,440 as at 31 Dec 2022 (31 Dec 2021: 1,500,667,440).

The Company did not hold any treasury shares as at 31 Dec 2022 (31 Dec 2021: Nil). There were no unissued shares of the Company or its subsidiaries under option as at 31 Dec 2022 (31 Dec 2021: 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.

1(d)(v) A STATEMENT SHOWING ALL SALES, TRANSFERS, CANCELLATION AND/OR USE OF SUBSIDIARY HOLDINGS AS AT THE END OF THE CURRENT FINANCIAL PERIOD REPORTED ON

Not applicable.

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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.

3A. WHERE THE LATEST FINANCIAL STATEMENTS ARE SUBJECT TO AN ADVERSE OPINION, QUALIFIED OPINION OR DISCLAIMER OF OPINION

(a) Updates on the efforts taken to resolve each outstanding audit issue.

Not applicable.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

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 2021 except for the new or amended SFRS(I) that are mandatory for application for the financial year beginning on or after 1 Jan 2022. Changes to the Group's accounting policies have been made as required. The adoption of these new or amended SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

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

Except as disclosed under paragraph 4, there was no change to the accounting policies and method of computation in the financial statements.

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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	
	31 Dec 2022	31 Dec 2021
Basic and diluted based on weighted average number of shares (US cents per share)	7.57	5.34
Weighted average number of shares applicable to basic and diluted earnings per share ('000)	1,500,667	1,500,667

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 As at		Company As at	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Net asset value per ordinary share based on issued share capital as at end of the period (US cents per share)	51.30	45.09	21.23	20.48

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.

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8.1 Income statement

The Group's business consists of two segments, namely 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. Additionally, the Group also produces bioenergy products as part of its bulk products offerings.

The Consumer Pack segment produces vegetable-based edible oil and fat products, in consumer pack form and sell under 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 dairy, soap and rice products in consumer pack form under its own brands.

The following table summarises the segmental sales volume, sales revenue and operating margin ("OM"):

	Total			Bulk			Consumer Pack		
	FY 2022	FY 2021	Change	FY 2022	FY 2021	Change	FY 2022	FY 2021	Change
Sales volume (MT'000)	4,293.0	4,119.5	4.2%	3,124.2	3,037.4	2.9%	1,168.8	1,082.1	8.0%
Revenue (US\$million)	5,428.5	4,348.8	24.8%	4,028.4	3,260.5	23.6%	1,400.1	1,088.3	28.7%
<i>Average selling prices (US\$)</i>	<i>1,264.5</i>	<i>1,055.7</i>	<i>19.8%</i>	<i>1,289.4</i>	<i>1,073.5</i>	<i>20.1%</i>	<i>1,197.9</i>	<i>1,005.7</i>	<i>19.1%</i>
OM (US\$million)	300.9	225.1	33.7%	215.9	150.4	43.6%	85.0	74.7	13.8%
<i>OM per MT (US\$)</i>	<i>70.1</i>	<i>54.6</i>	<i>28.4%</i>	<i>69.1</i>	<i>49.5</i>	<i>39.6%</i>	<i>72.7</i>	<i>69.0</i>	<i>5.4%</i>

Operating margin relating to inter-segment sales is reported under the segment where the final sales to third parties are made.

The Group is proud to announce its all-time high record performance in terms of revenue and operating margins. The full-year net profit saw a significant increase of 41.8% to reach US\$113.6 million compared to last year. During the year, CPO prices went on a roller coaster ride from touching a record high of RM8,076 a tonne in early-March 2022 to finally closing the year at RM4,127. The average MPOB spot price for CPO was higher at RM5,136/tonne in 2022 compared to RM4,447/tonne in 2021. The vegetable oil market had to grapple with volatility triggered by recession fears, war and protectionist measures with respect to domestic food supplies. Despite all these challenging conditions, the Company has seen tremendous success and growth. The Company attributes this unprecedented level of success to the hard work and commitment of its employees together with the support of its customers, suppliers and all other stakeholders.

This significant volatility in prices and disruptions in supply chains led customers and suppliers to prefer such processors and supply chain managers who have strong balance sheet, a global footprint and a longstanding record of outstanding customer service. This enabled our Bulk segment to achieve 2.9% increase in sales volume for the year with higher operating margins of US\$69.1 per MT for the year. Our Consumer Pack Segment improved its sales volume by an impressive 8.0% and maintained its operating margin at US\$72.7 per MT. The high average commodity prices during FY 2022 also resulted in increased working capital deployment for the Group.

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8.1.1 Sales volume

For the full year ended 31 Dec 2022 (“FY 2022”), the Group’s sales volume of 4,293,000 MT was 4.2% higher than the prior year (“FY 2021”). Bulk Segment recorded an increase of 2.9% to 3,124,200 MT and Consumer Pack segment recorded an increase of 8.0% to 1,168,800 MT. Bulk and Consumer Pack segments contributed 72.8% and 27.2% of total sales volume respectively (FY 2021: 73.7% and 26.3% respectively).

8.1.2 Revenue and Cost of sales

For FY 2022, revenue increased 24.8% to US\$5,428.5 million on the back of 19.8% higher average selling prices and 4.2% higher sales volume. Bulk segment recorded an increase of 23.6% in revenue supported by 20.1% higher average selling prices and 2.9% higher sales volume. Consumer Pack segment recorded an increase of 28.7% in revenue due to 19.1% higher average selling prices and 8.0% higher sales volume. Bulk and Consumer Pack segments contributed 74.2% and 25.8% of total revenue respectively (FY 2021: 75.0% and 25.0% respectively). Correspondingly, cost of sales, mainly consisting of cost of inventories increased 25.6% to US\$5,055.7 million, in line with the increase in revenue.

8.1.3 Gross profit

For FY 2022, an increase of US\$1,079.7 million in revenue and a lower increase of US\$1,029.9 million in cost of sales resulted in gross profit increasing by US\$49.8 million to US\$372.9 million.

The Group reviews the performance at operating margin level as explained under section 8.1.4.

8.1.4 Operating margin

For FY 2022, operating margin increased 33.7% to US\$300.9 million on the back of higher operating margin (“OM”) of US\$70.1 per MT compared to US\$54.6 in FY 2021 and 4.2% higher sales volume. For Bulk segment, operating margin increased 43.6% to US\$215.9 million on the back of higher OM of US\$69.1 per MT compared to US\$49.5 in FY 2021 and 2.9% higher sales volume. For Consumer Pack segment, operating margin increased 13.8% to US\$85.0 million on the back of higher OM of US\$72.7 per MT compared to US\$69.0 in FY 2021 and 8.0% higher sales volume. The segments contributed 71.8% and 28.2% of total OM respectively (FY 2021: 66.8% and 33.2% respectively).

8.1.5 Other income

For FY 2022, other income of US\$6.1 million (FY 2021: US\$7.9 million) included interest income of US\$2.4 million (FY 2021: US\$2.7 million) and insurance claims of US\$1.5 million (FY 2021: US\$2.7 million).

Interest income depends upon the credit terms of the sales and interest recovery for any delayed payments by customers.

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8.1.6 Other expenses and other losses (net)

	Group		
	Twelve months ended 31 December		
	2022	2021	Change
	US\$'000	US\$'000	%
Other expenses			
Impairment losses on property, plant and equipment (net)	(20,708)	(7,444)	178.2
Other losses (net)			
Foreign exchange losses - net	(33,789)	(16,912)	99.8
(Loss)/Reversal of allowance on other receivables	(3,637)	64	n.m.
(Losses)/Gains on disposal of property, plant and equipment	(251)	375	n.m.
Property, plant and equipment written off	(72)	(14)	414.3
Others	(1)	-	n.m.
	(37,750)	(16,487)	129.0

n.m. – not meaningful

Foreign exchange losses or gains arise in the entities of 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. The Group uses currency forward contracts primarily to hedge against the foreign exchange fluctuation risk resulting from commodities forward contracts. The foreign exchange losses or gains are better read together with gross profit.

For FY 2022, impairment losses on property, plant and equipment (net) amounting to US\$20.7 million arose mainly from certain assets where the discounted future cash flows of the cash generating unit is below its carrying amount.

8.1.7 (Provision)/Reversal of expected credit losses

The Group has identified specific trade receivables that are credit impaired and recognised a loss allowance at amount equal to lifetime expected credit loss in respect of these receivables. For the remaining trade receivables, they are grouped based on similar risk characteristics and days past due to determine the expected credit loss rate to be applied. In calculating the expected credit loss rates, the Group considers historical loss rates and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables. Where recoveries are made, the provision shall reverse in profit or loss.

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8.1.8 Selling and distribution expenses

	Group		
	Twelve months ended 31 December		
	2022	2021	Change
	US\$'000	US\$'000	%
Freight	(2,656)	(2,266)	17.2
Storage, handling and forwarding	(36,069)	(33,610)	7.3
Export duties	(19,599)	(56,968)	-65.6
Other selling and distribution expenses	(2,136)	(2,576)	-17.1
Total	(60,460)	(95,420)	-36.6

The selling and distribution expenses decreased US\$35.0 million mainly due to lower sales volume on products subjected to export duty. The selling and distribution expenses 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.

8.1.9 Administrative expenses

For FY 2022, administrative expenses increased 15.5% to US\$100.5 million from US\$87.0 million in prior year mainly due to increase in manpower cost.

8.1.10 Finance expenses

For FY 2022, finance expenses increased 96.2% to US\$19.1 million from US\$9.7 million in prior year due to higher average bank borrowings and higher interest rate.

8.1.11 Profit before tax

For FY 2022, the profit before tax increased US\$32.4 million from US\$109.7 million for FY 2021 to US\$142.1 million for the current year mainly due to increase in operating margin of US\$75.8 million, partially offset by increase in other operating expenses of US\$15.2 million, increase in impairment losses on property, plant and equipment of US\$13.3 million, increase in impairment losses on other receivables of US\$3.7 million, increase in finance expenses of US\$9.4 million and decrease in other income of US\$1.8 million.

8.1.12 Income tax expense

For FY 2022, income tax expense increased to US\$29.0 million compared to US\$28.6 million in prior year due to change in the mix of results of our subsidiaries in the various jurisdictions and the differences in taxable profits and accounting profits.

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8.1.13 Profit after tax

For FY 2022, the Group reported a profit after tax of US\$113.1 million compared to US\$81.1 million for FY 2021. Profit after tax attributable to equity holders of the Company was US\$113.6 million compared to US\$80.2 million for FY 2021.

8.2 Balance Sheet**8.2.1 Inventories**

On 31 Dec 2022, the inventories of US\$464.4 million were lower by US\$28.2 million representing inventories days of 34 days (31 Dec 2021: US\$492.6 million and 45 days respectively). The Group was carrying lower inventories as at 31 Dec 2022.

8.2.2 Trade receivables

On 31 Dec 2022, the trade receivables of US\$499.7 million were higher by US\$246.3 million representing trade receivables of 34 days (31 Dec 2021: US\$253.5 million and 22 days respectively). The increase in trade receivables was due to higher average selling prices and higher receivable turnover days.

8.2.3 Other receivables**Group**

On 31 Dec 2022, other receivables of US\$129.0 million (31 Dec 2021: US\$78.8 million) included US\$5.7 million (31 Dec 2021: US\$4.9 million) relating to refundable Goods Service Tax (GST), US\$58.6 million (31 Dec 2021: US\$2.8 million) paid to Bursa Malaysia Derivatives Clearing Bhd ("Bursa") for commodity trading initial and variation margin payment, US\$15.1 million (31 Dec 2021: US\$10.6 million) for advance payments for capital expenditure, US\$20.9 million (31 Dec 2021: US\$24.2 million) for advance payment for the purchase of raw materials and US\$11.9 million (31 Dec 2021: US\$14.5 million) relating to cooking oil subsidy receivable from statutory authority.

Company

On 31 Dec 2022, other receivables of US\$318.6 million (31 Dec 2021: US\$307.6 million) relates mainly to amounts receivable from subsidiaries.

8.2.4 Current income tax recoverable/liabilities and deferred income tax assets/liabilities

On 31 Dec 2022, the Group had net current and deferred income tax liabilities of US\$47.7 million (31 Dec 2021: US\$41.9 million) mainly due to timing of current income tax payments made by subsidiaries.

8.2.5 Derivative financial instruments

On 31 Dec 2022, the Group had net derivative financial instruments liabilities of US\$3.7 million (31 Dec 2021: US\$12.6 million). The amount represents net payables arising from the fair value changes of derivative financial instruments from the date of the contract to the financial reporting date.

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8.2.6 Cash and bank balances

Cash and bank balances decreased from US\$171.8 million on 31 Dec 2021 to US\$102.8 million on 31 Dec 2022 as explained in Note 8.3 below.

8.2.7 Property, plant and equipment

On 31 Dec 2022, property, plant and equipment decreased US\$7.3 million to US\$440.6 million. The decrease mainly due to depreciation of US\$27.2 million (31 Dec 2021: US\$26.5 million), impairment of US\$20.7 million (31 Dec 2021: US\$7.4 million) and foreign exchange translation losses of US\$24.0 million (31 Dec 2021: US\$12.4 million). The decrease was partially offset by acquisition of property, plant and equipment amounting to US\$56.0 million (31 Dec 2021: US\$25.1 million) and addition arising from the acquisition of subsidiaries amounting to US\$5.2 million (31 Dec 2021: US\$21.4 million).

8.2.8 Trade payables

On 31 Dec 2022, the trade payables of US\$151.5 million were lower by US\$22.1 million representing trade payables of 11 days (31 Dec 2021: US\$173.6 million and 16 days respectively). The decrease in trade payable was mainly due to lower payable turnover days.

8.2.9 Cycle time

On 31 Dec 2022, the Group achieved cycle time (Inventories days add trade receivables days less trade payables days) of 57 days due to higher trade receivable days (31 Dec 2021: 51 days).

8.2.10 Other payables

On 31 Dec 2022, other payables increased US\$12.5 million to US\$95.5 million compared to US\$83.0 million on 31 Dec 2021 mainly due to increase in accrued operating expenses.

8.2.11 Contract liabilities

On 31 Dec 2022, contract liabilities increased US\$1.1 million to US\$19.7 million compared to US\$18.6 million on 31 Dec 2021.

8.2.12 Borrowings

On 31 Dec 2022, Group borrowings were US\$540.8 million giving debt to equity ratio of 0.70 (31 Dec 2021: US\$430.2 million and 0.63 respectively). Excluding cash and cash equivalents, net debt was US\$437.9 million, giving net debt to equity ratio of 0.57 (31 Dec 2021: US\$258.4 million and 0.38 respectively). The increase in borrowings was majorly due to increase in working capital requirements arising from higher average commodity prices and as part of overall liquidity planning.

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8.3 Consolidated statement of cash flows**FY 2022**

The Group generated operating cash flows of US\$207.0 million before working capital changes and utilised US\$275.4 million from changes in working capital. The Group utilised US\$38.0 million for net interest and income tax, thus the net cash flows used in operating activities was at US\$106.4 million. US\$66.1 million was used for investing activities and US\$110.5 million generated from financing activities. After adjusting for effect of changes in exchange rate, cash and cash equivalents decreased by US\$69.6 million to US\$102.2 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 or no 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

The United Nations predicts that the global population will reach 9.7 billion in 2050 with significant variations in population growth rates among different regions. In the coming years, sub-Saharan Africa is projected to experience the most substantial growth, with its population expected to nearly double from 1.1 billion to 2.1 billion. Meanwhile, South Asia is expected to see a significant increase in population, from 2 billion in 2022 to 2.5 billion in 2050. This growth in population presents a sustainable opportunity for agri-businesses, particularly in the medium to long-term. In the immediate future, we expect macro, geopolitical and climate volatility to continue. However our Group has demonstrated three consecutive years of strong earnings and good cashflow, resulting in a significant increase in our equity base. Our large-scale integrated production facilities in Malaysia, expanding presence in Indonesia, established brands and widespread global supply chain network will enable the Group to continue to drive growth and success.

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11. DIVIDEND

(a) Whether an interim (final) ordinary dividend has been declared (recommended) for the current financial period reported on?

Yes.

(b) Amount per share for current and previous corresponding period

(i) Current Financial Period Reported On

Name of dividend	Proposed Final Exempt one-tier dividends	Interim Exempt on-tier dividends	Total
Dividend type	Cash	Cash	Cash
Dividend amount per share (Singapore cent per share)	1.40	0.15	1.55

(ii) Corresponding period of the immediately preceding financial year

Name of dividend	Proposed Final Exempt one-tier dividends	Interim Exempt on-tier dividends	Total
Dividend type	Cash	Cash	Cash
Dividend amount per share (Singapore cent per share)	0.81	0.27	1.08

(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)

Dividend is tax exempt and declared in Singapore.

(d) Date Payable

17 May 2023

(e) Books Closure Date

9 May 2023

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

Not applicable.

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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)
	FY 2022 US\$'000	FY 2022 US\$'000
Prelude Gateway Sdn. Bhd.	124	3,224
Ecolex Sdn. Bhd.	2,062	16,659
Containers Printers Pte Ltd	NIL	181
Nature International Pte Ltd	3	NIL
Mr Cheo Seng Jin	783	NIL
Mr Cheo Tiong Choon	783	NIL
Futura Ingredients Singapore Pte Ltd	11	NIL
Cheo @ Berrima	53	NIL
PT Mas Makmur	4	NIL

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14. NEGATIVE CONFIRMATION PURSUANT TO RULE 705(5)

Not applicable.

15. CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS (IN THE FORMAT SET OUT IN APPENDIX 7.7) UNDER RULE 720(1) OF THE MAINBOARD RULES

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7 of the Mainboard Rules) under Rule 720(1) of the Mainboard Rules.

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Part II Additional Information Required for Full Year Announcement
16. SEGMENTED REVENUE AND RESULTS FOR BUSINESS OR GEOGRAPHICAL SEGMENTS (OF THE GROUP) IN THE FORM PRESENTED IN THE ISSUER'S MOST RECENTLY AUDITED ANNUAL FINANCIAL STATEMENTS, WITH COMPARATIVE INFORMATION FOR THE IMMEDIATELY PRECEDING YEAR

Please refer to Note 3 in Notes to the Condensed Interim Financial Statements.

17. IN THE REVIEW OF PERFORMANCE, THE FACTORS LEADING TO ANY MATERIAL CHANGES IN CONTRIBUTIONS TO TURNOVER AND EARNINGS BY THE BUSINESS OR GEOGRAPHICAL SEGMENTS

Not applicable, except as mentioned in Note 8.

18. BREAKDOWN OF SALES

	2022 US\$'000	2021 US\$'000	Change %
(a) Sales reported for first half year	2,702,577	2,117,315	27.6
(b) Operating profit after tax before deducting minority interests reported for first half year	14,188	24,488	-42.1
(c) Sales reported for second half year	2,725,951	2,231,503	22.2
(d) Operating profit after tax before deducting minority interests reported for second half year	99,456	55,683	78.6

Note: Operating profit after tax is profit after tax.

19. BREAKDOWN OF THE TOTAL ANNUAL DIVIDENDS (IN THOUSAND DOLLAR VALUE) FOR THE ISSUER'S LATEST FULL YEAR AND ITS PREVIOUS FULL YEAR

Please refer to Note 7 in Notes to the Condensed Interim Financial Statements.

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20. DISCLOSURE OF PERSON OCCUPYING A MANAGERIAL POSITION IN THE ISSUER OR ANY OF ITS PRINCIPAL SUBSIDIARIES WHO IS A RELATIVE OF A DIRECTOR OR CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDER OF THE ISSUER PURSUANT TO RULE 704(13) IN THE FORMAT BELOW. IF THERE ARE NO SUCH PERSONS, THE ISSUER MUST MAKE AN APPROPRIATE NEGATIVE STATEMENT

Name	Age	Family relationship with any director and/or substantial shareholder	Current position And duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Ms Cheo Chong Cher	75	Sister of Dr Cheo Tong Choon	Senior Manager, Controller Department since 1981	Not applicable
Ms Cheo Sor Cheng Angeline	63	Sister of Dr Cheo Tong Choon	Manager, Controller Department since 1999	Not applicable
Ms Cheo Su Ching	71	Sister of Dr Cheo Tong Choon	Manager, Controller Department since 2008	Not applicable
Mr Cheo Jian Jia	37	Son of Dr Cheo Tong Choon; Brother of Ms Michelle Cheo Hui Ning and Ms Bianca Cheo Hui Hsin	Trading Manager, since 2014	Not applicable

BY ORDER OF THE BOARD

MICHELLE CHEO HUI NING
Chief Executive Officer and Executive Director
28 February 2023