



Global Brands, Local Favourites

MEWAH INTERNATIONAL INC.

(Company Registration No.: CR-166055)

ASSET ACQUISITIONS AND DISPOSALS:

DISPOSAL OF LAND IN INDONESIA

1. INTRODUCTION

Mewah International Inc. (the “Company”, and together with its subsidiaries, the “Group”) wishes to announce that PT. Mas Mewah, an indirect wholly-owned subsidiary of the Company has sold a land in Indonesia (“the Land”) to a non-related party (“the Disposal”).

2. INFORMATION OF THE PROPERTY

The disposed land is located in Indonesia with a total land area of 56,360m².

3. CONSIDERATION

The consideration for the disposal was Indonesian Rupiah (“IDR”) 101 billion (equivalent to approximately US\$ 7.6 million) and was fully satisfied in cash. The consideration was derived on a willing buyer, willing seller basis.

4. RATIONALE FOR THE DISPOSAL AND USE OF PROCEEDS

The Land no longer matches the Group’s investment objective and the Group believes the proceeds can be deployed to better use.

5. FINANCIAL EFFECTS OF THE DISPOSAL

The book value of the Land at the date of disposal was IDR 30 billion (equivalent to approximately US\$ 2.2 million). The Group expects to realise net gain of approximately IDR 66 billion (equivalent to approximately US\$ 4.9 million) after deducting expected selling costs.

5.1 NTA per share

The table illustrates the effect of the transaction on the net tangible assets per share of the Company for the most recently completed financial year ended 31 December 2016, assuming that the transaction had been effected at the end of the year.

	Before the Proposed Disposal	After the Proposed Disposal
NTA (US\$'000)	488,760	493,660
Number of Shares outstanding as at 31 December 2016 ('000)	1,500,667	1,500,667
NTA per share (US cents)	32.57	32.90

5.2 EPS

The table illustrates the effect of the transaction on the earnings per share of the Company for the most recently completed financial year ended 31 December 2016, assuming that the transaction had been effected at the beginning of the year.

	Before the Proposed Disposal	After the Proposed Disposal
Profit after tax attributable to equity holders of the Company (US\$'000)	20,801	25,701
Weighted average number of Shares outstanding during the year ended 31 December 2016 ('000)	1,500,667	1,500,667
EPS (US cents)	1.39	1.71

The gain and resultant impact on EPS is exceptional and one time in nature.

The transaction is expected to have positive impact on the Group's earnings per share for the third quarter ending 30 September 2017 and for the financial year ending 31 December 2017 but is not expected to have any material impact on the Group's consolidated net tangible assets for the financial year ending 31 December 2017.

6. RELATIVE FIGURES COMPUTED BASED ON RULE 1006 OF THE MAINBOARD RULES

Based on Rule 1006 of the Mainboard rules of Singapore Exchange Securities Trading Limited, the relative figures for the Disposal are computed below:

Rule 1006	Basis	The Disposal
Rule 1006(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value.	0.5%
Rule 1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.	23.6%
Rule 1006(C)	The aggregate value of the consideration given or received, compared with the market capitalisation of the Company based on the total number of issued shares excluding treasury shares.	2.3%

Note: Numbers are calculated based on the most recently completed financial year ended 31 December 2016

Considering the above, the transaction constitutes to be a discloseable transaction, not requiring shareholders' approval.

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or Substantial Shareholders of the Company has any direct or indirect interest in the above investment.

Issued by

MEWAH INTERNATIONAL INC.

11 August 2017