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MEWAH INTERNATIONAL INC.

(Company Registration No.: CR-166055)

ANNOUNCEMENT ON LEGAL PROCEEDINGS IN CONNECTION WITH AN ONGOING PROJECT

Mewah International Inc. (the “Company”, and together with its subsidiaries, the “Group”) wishes to announce that on June 6, 2019, an arbitration application had been filed against its indirect wholly owned subsidiary, Mewah Oils (Tianjin) Co. Ltd, China (“the project company” or “Mewah Tianjin”) by China Construction Second Engineering Bureau Construction Installation Co. Ltd., (the turn-key contractor) with the The Tianjin Arbitration Commission, for project construction related contractual disputes and withholding of payment. On July 11, 2019, The Tianjin Arbitration Commission had accepted the counterclaim by Mewah Tianjin.

Vide copy of Court order received on 4th November 2020 the project company was made aware that on application from the turn-key contractor, the Tianjin People’s Court has ordered in accordance with Clauses 101, 102 and 103 of Civil Procedure Law a freeze of the project company’s specified bank deposits for one year and project land for three years effective 24th August 2020. The project company’s subsequent application to the Court to discharge the freezing order on bank deposits has been dismissed and communicated to the project company on December 2, 2020. The Bank deposits seized amount to RMB 409,315 (equivalent to USD63,000). If the Arbitration proceedings are settled before the expiry of the freeze period, or the project company furnishes cash deposit or bank guarantee then the freeze order may be discharged.

Presently the proceedings have progressed to a stage where the first opinion draft issued by the Arbitration committee appointed independent surveyor is being discussed.

Under the Court order the project land cannot be transferred to other party or mortgaged during this period, but normal business activities including project construction can be continued. Therefore, the company does not foresee this order to have any material impact on the company’s performance in current financial year beyond the provisions already taken in prior year. The Company is also keeping its options open to complete the remaining project work under a new contractor.

The Company is working closely with its lawyers to, inter alia, enforce the project company’s rights under the Contracts and safeguard as well as protect its interests. The Company will further update shareholders as and when there are material developments concerning this matter.

Issued by

MEWAH INTERNATIONAL INC.

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