

Mewah International Inc.

Q3 2012 Financial Results Briefing

9<sup>th</sup> November, 2012

**Building**  
Capabilities



This presentation, as well as Financial statements appended herewith should be read in conjunction with Mewah International Inc.'s Unaudited Financial Statements for the Third Quarter and Nine Months period ended 30 September 2012 lodged on the SGXNET on 9<sup>th</sup> Nov, 2012.

Certain statements in this presentation constitute “forward looking statements”. All statements other than statements of historical facts are forward looking and are based on management’s optimistic view about the future developments. Forward looking statements involve certain risks and uncertainties and actual results may vary materially from those targeted, expected and projected, due to various factors.

Although we believe that the expectations reflected in the forward statements are reasonable, you are advised to exercise judgements before relying on these forward statements. We do not intend to update any forward looking statements to compare those statements to actual results, other than required by applicable laws and regulations.

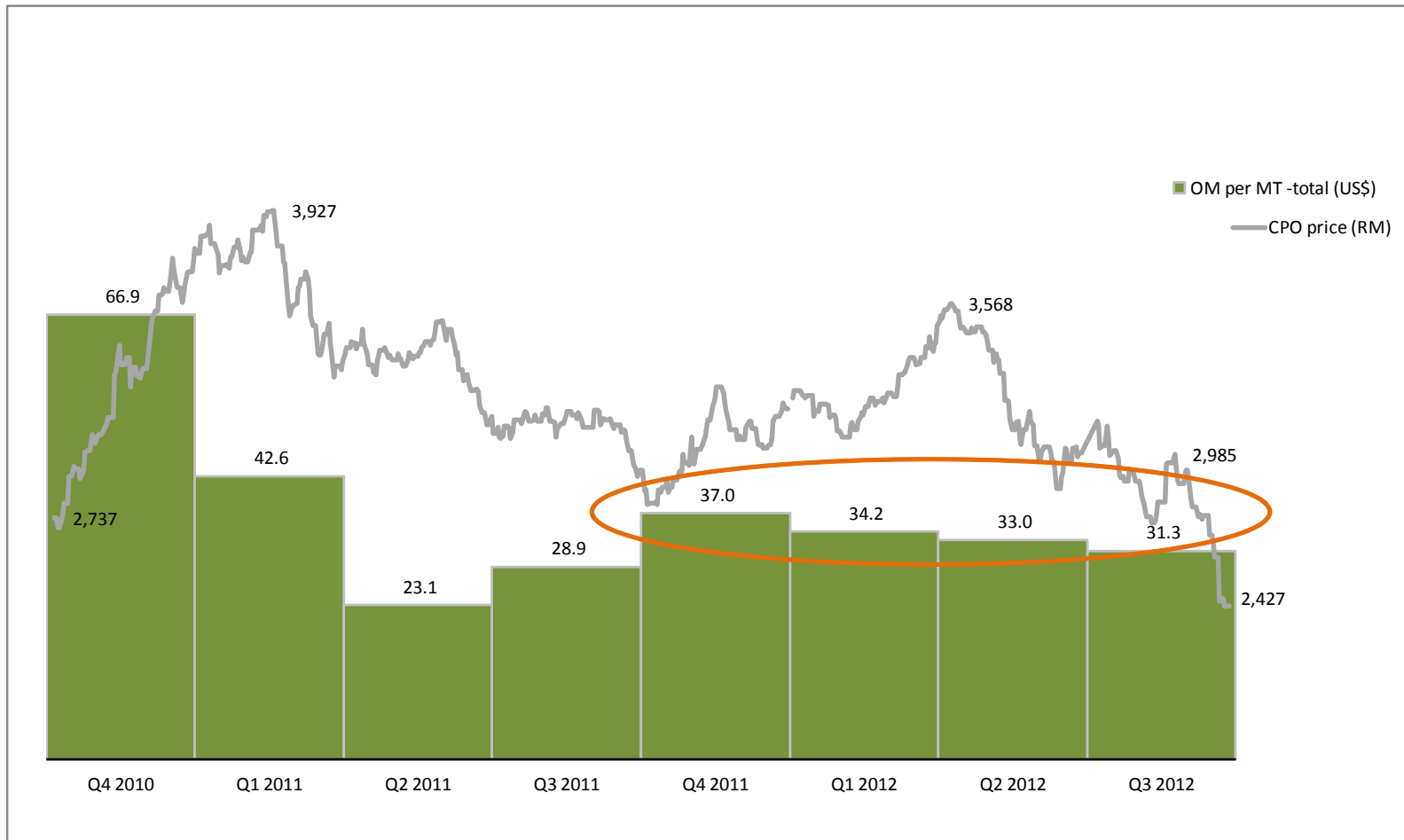
# Income Statement – Q3 2012



In the nearest US\$ million, unless stated otherwise

	Q3 2012	Q3 2011	Change	Change%
<b>Sales volume</b> (MT'000)	<b>777.7</b>	<b>893.5</b>	<b>-115.8</b>	<b>-13.0%</b>
ASP (US\$)	1,085.8	1,220.6	-134.8	-11.0%
<b>Sales revenue</b>	<b>844.4</b>	<b>1,090.6</b>	<b>-246.2</b>	<b>-22.6%</b>
OM per MT (US\$)	31.3	28.9	2.4	8.3%
<b>Operating margin ("OM")</b>	<b>24.3</b>	<b>25.8</b>	<b>-1.5</b>	<b>-5.9%</b>
Other income	0.3	0.5	-0.1	-25.4%
Overheads	(17.4)	(14.4)	-3.1	21.3%
Depreciation	(4.2)	(3.6)	-0.6	16.9%
Finance costs, net of Interest income	(2.3)	(1.9)	-0.4	20.3%
Income tax	0.0	(1.2)	1.2	n.m
<b>Profit after tax</b>	<b>0.8</b>	<b>5.2</b>	<b>-4.5</b>	<b>-85.5%</b>
Non-controlling interest	0.4	1.3	-0.9	-68.8%
<b>Net profit</b>	<b>1.2</b>	<b>6.5</b>	<b>-5.4</b>	<b>-82.2%</b>

## Market prices for CPO vs. OM per MT of the Group



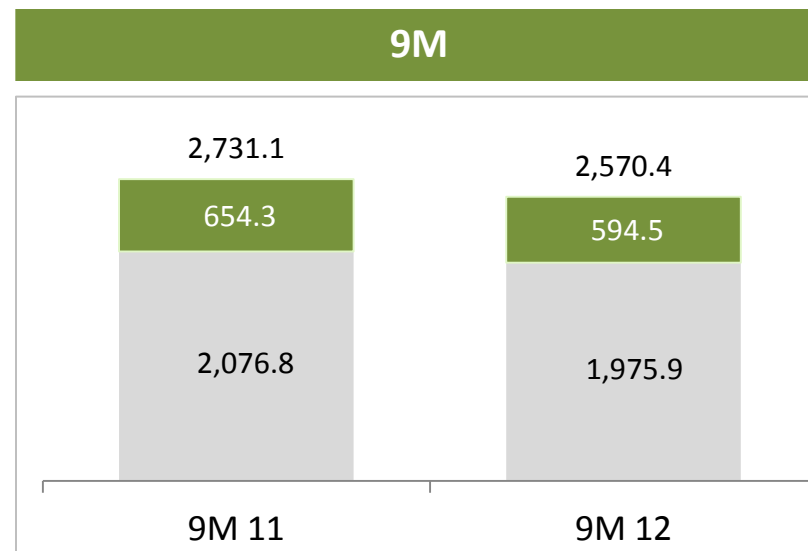
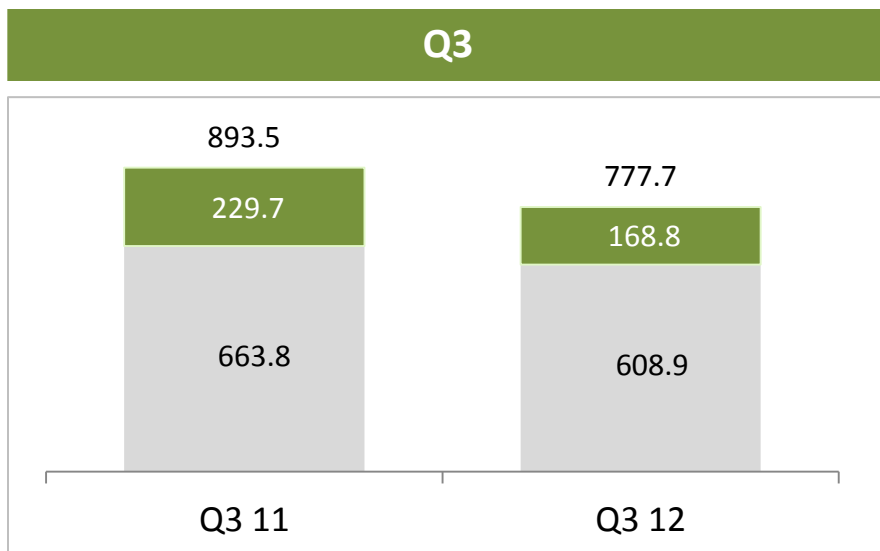
# Income Statement – 9M 2012



In the nearest US\$ millions unless stated otherwise

	9M 2012	9M 2011	Change	Change%
<b>Sales volume</b> (MT'000)	<b>2,570.4</b>	<b>2,731.1</b>	<b>-160.7</b>	<b>-5.9%</b>
ASP (US\$)	1,109.9	1,264.4	-154.5	-12.2%
<b>Sales revenue</b>	<b>2,853.0</b>	<b>3,453.3</b>	<b>-600.3</b>	<b>-17.4%</b>
OM per MT (US\$)	32.9	31.1	1.8	5.8%
<b>Operating margin</b>	<b>84.6</b>	<b>85.0</b>	<b>-0.4</b>	<b>-0.5%</b>
Other income	1.2	2.0	-0.8	-39.7%
Overheads	(48.0)	(37.2)	-10.8	29.0%
Depreciation	(12.4)	(10.4)	-2.0	19.7%
Finance costs, net of Interest income	(8.1)	(5.9)	-2.2	38.1%
Income tax	(2.3)	(6.1)	3.8	-62.6%
<b>Profit after tax</b>	<b>15.1</b>	<b>27.5</b>	<b>-12.5</b>	<b>-45.3%</b>
Non-controlling interest	0.7	2.1	-1.4	-66.6%
<b>Net profit</b>	<b>15.7</b>	<b>29.6</b>	<b>-13.8</b>	<b>-46.8%</b>

In MT'000



■ Bulk ■ Consumer Pack

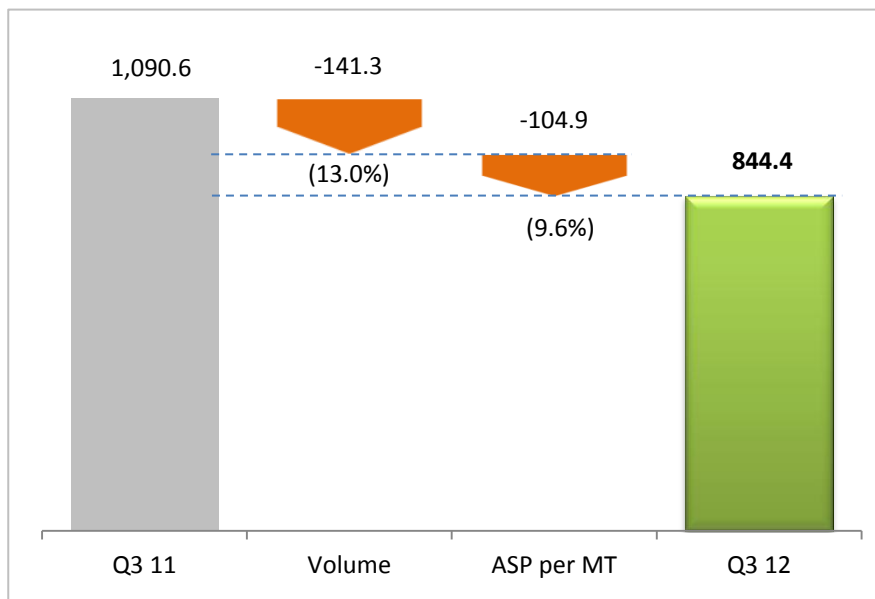
% change	Q3 2012 vs Q3 2011			9M 2012 vs 9M 2011		
<b>Bulk</b>			-8.3%			-4.9%
<b>Consumer Pack</b>			-26.5%			-9.1%
<b>Total</b>			-13.0%			-5.9%

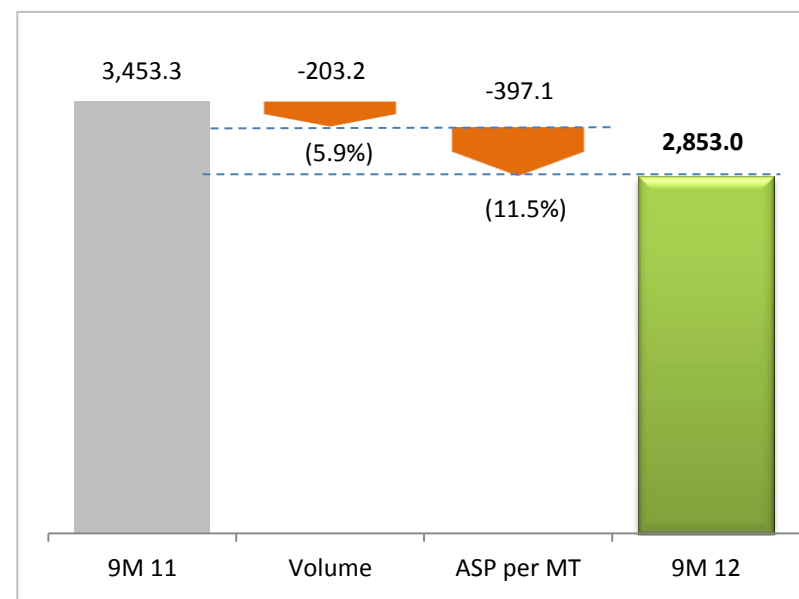
Segmental contribution	Q3 2011	Q3 2012	Change %	9M 2011	9M 2012	Change %
<b>Bulk</b>	74.3%	<b>78.3%</b>	4.0%	76.0%	<b>76.9%</b>	-1.4%
<b>Consumer Pack</b>	25.7%	<b>21.7%</b>	-4.0%	24.0%	<b>23.1%</b>	1.4%

In the nearest US\$ million, unless stated otherwise

## Q3



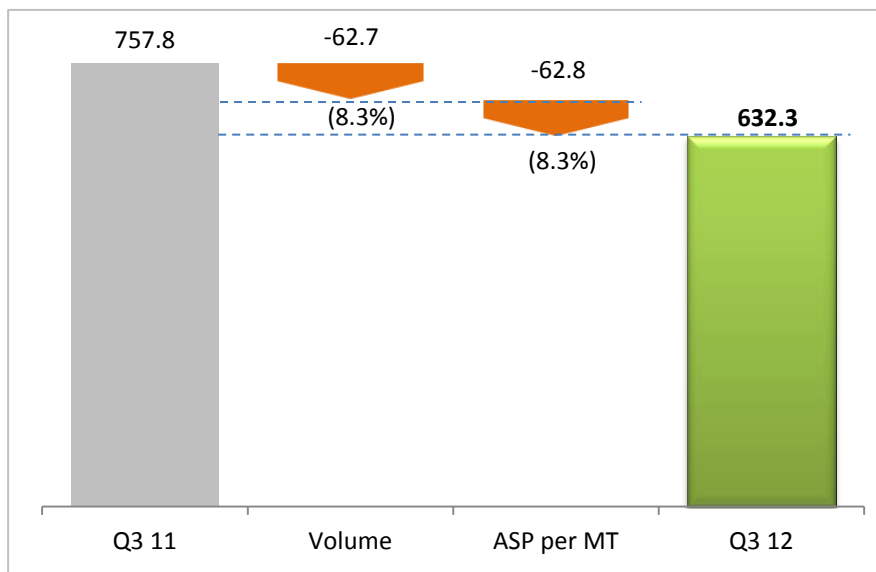
## 9M



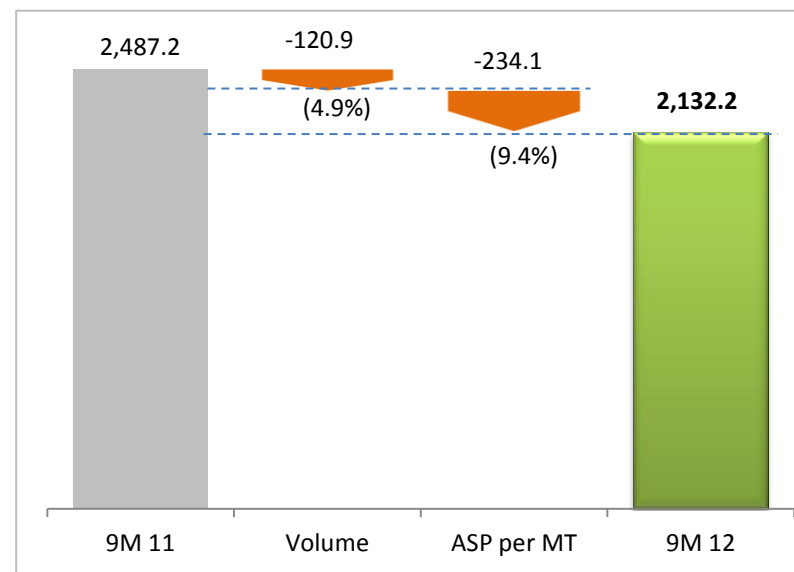
	Q3 2011	Q3 2012	Change %	9M 2011	9M 2012	Change %
<b>Sales volume</b> (MT'000)	893.5	<b>777.7</b>	-13.0%	2,731.1	<b>2,570.4</b>	-5.9%
ASP (US\$)	1,220.6	<b>1,085.8</b>	-11.0%	1,264.4	<b>1,109.9</b>	-12.2%
<b>Sales revenue</b>	1,090.6	<b>844.4</b>	-22.6%	3,453.3	<b>2,853.0</b>	-17.4%

In the nearest US\$ million, unless stated otherwise

## Q3



## 9M

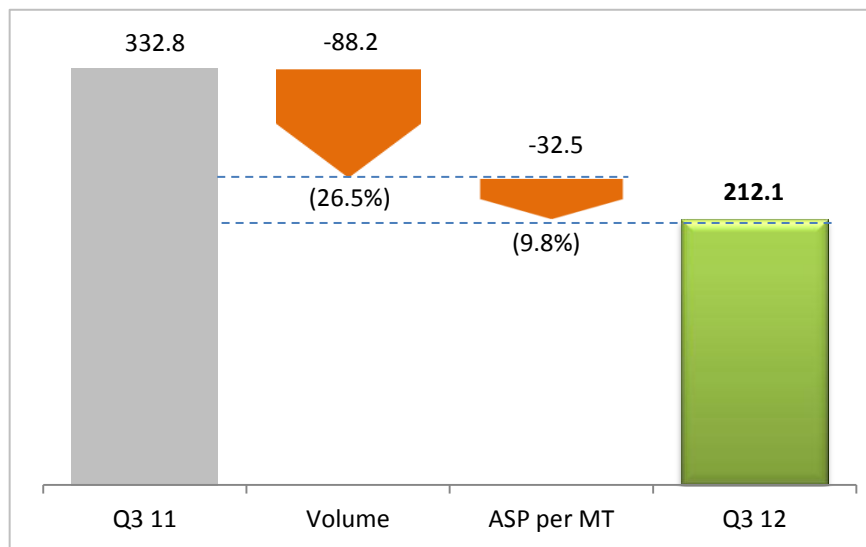


BULK	Q3 2011	Q3 2012	Change %	9M 2011	9M 2012	Change %
<b>Sales volume</b> (MT'000)	663.8	<b>608.9</b>	-8.3%	2,076.8	<b>1,975.9</b>	-4.9%
ASP (US\$)	1,141.6	<b>1,038.5</b>	-9.0%	1,197.6	<b>1,079.1</b>	-9.9%
<b>Sales revenue</b>	757.8	<b>632.3</b>	-16.6%	2,487.2	<b>2,132.2</b>	-14.3%

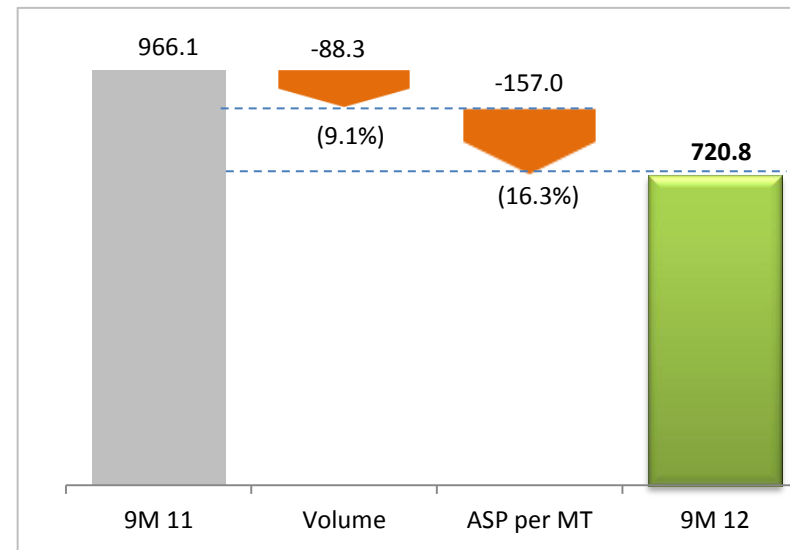


In the nearest US\$ million, unless stated otherwise

## Q3



## 9M

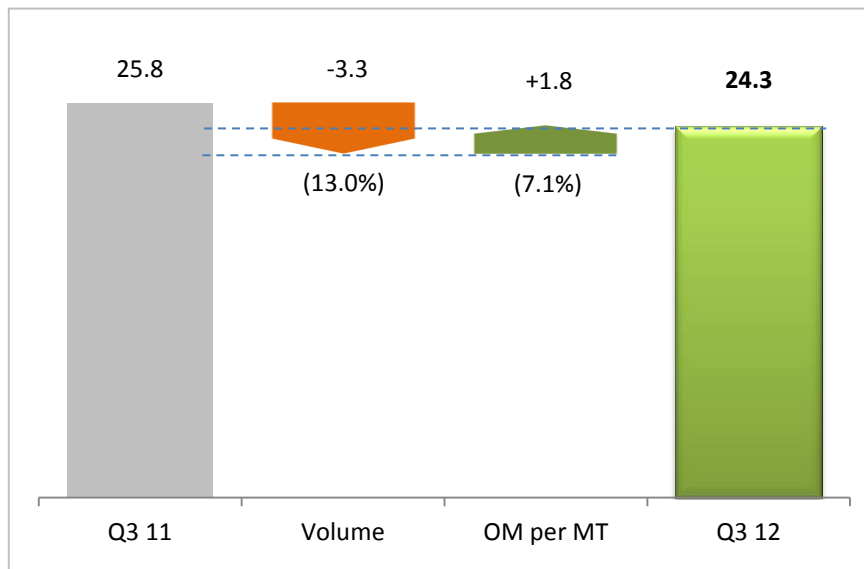


CONSUMER PACK	Q3 2011	Q3 2012	Change %	9M 2011	9M 2012	Change %
Sales volume (MT'000)	229.7	<b>168.8</b>	-26.5%	654.3	<b>594.5</b>	-9.1%
ASP (US\$)	1,448.8	<b>1,256.5</b>	-13.3%	1,476.5	<b>1,212.4</b>	-17.9%
Sales revenue	332.8	<b>212.1</b>	-36.3%	966.1	<b>720.8</b>	-25.4%

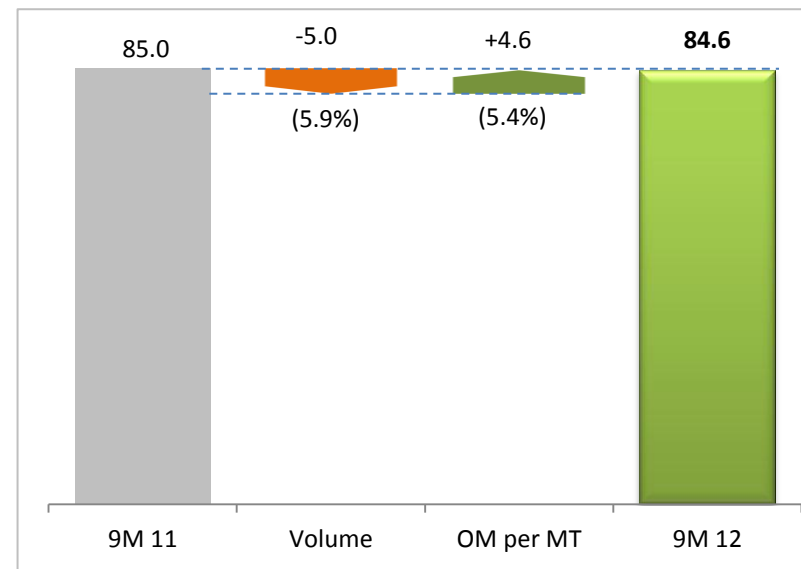
# Operating margin - Total

In the nearest US\$ million, unless stated otherwise

## Q3



## 9M

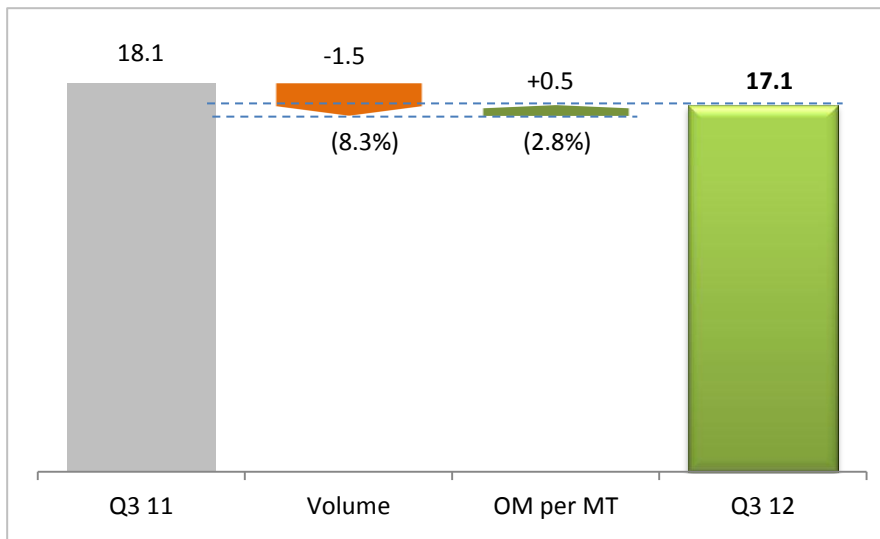


Total	Q3 2011	Q3 2012	Change %	9M 2011	9M 2012	Change %
<b>Sales volume</b> (MT'000)	893.5	<b>777.7</b>	-13.0%	2,731.1	<b>2,570.4</b>	-5.9%
OM per MT (US\$)	28.9	<b>31.3</b>	8.3%	31.1	<b>32.9</b>	5.8%
<b>Operating margin</b>	25.8	<b>24.3</b>	-5.9%	85.0	<b>84.6</b>	-0.5%

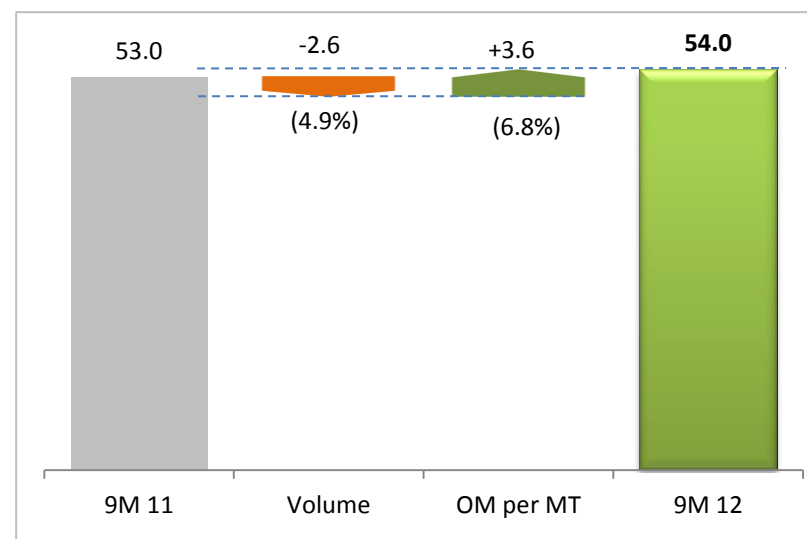
# Operating margin - Bulk

In the nearest US\$ million, unless stated otherwise

## Q3



## 9M

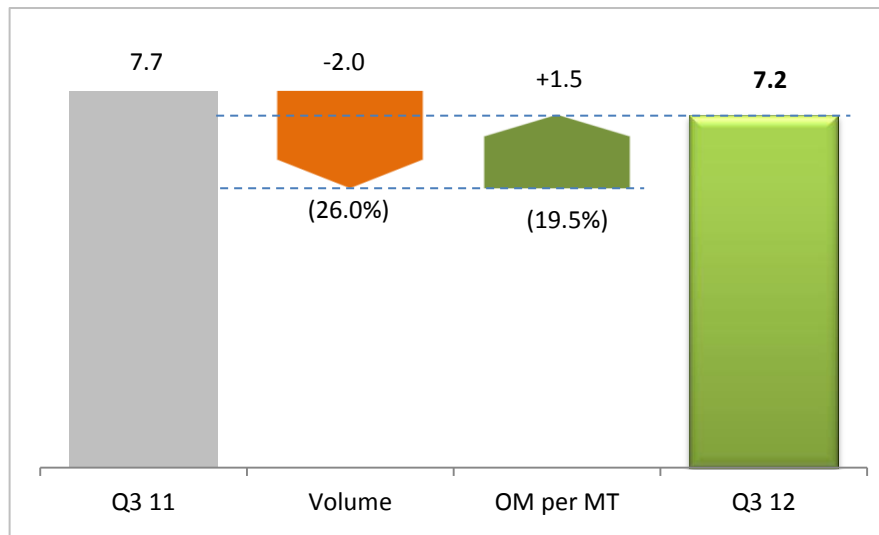


BULK	Q3 2011	Q3 2012	Change %	9M 2011	9M 2012	Change %
Sales volume (MT'000)	663.8	<b>608.9</b>	-8.3%	2,076.8	<b>1,975.9</b>	-4.9%
OM per MT (US\$)	27.3	<b>28.1</b>	2.9%	25.5	<b>27.3</b>	7.1%
Operating margin	18.1	<b>17.1</b>	-5.5%	53.0	<b>54.0</b>	1.9%

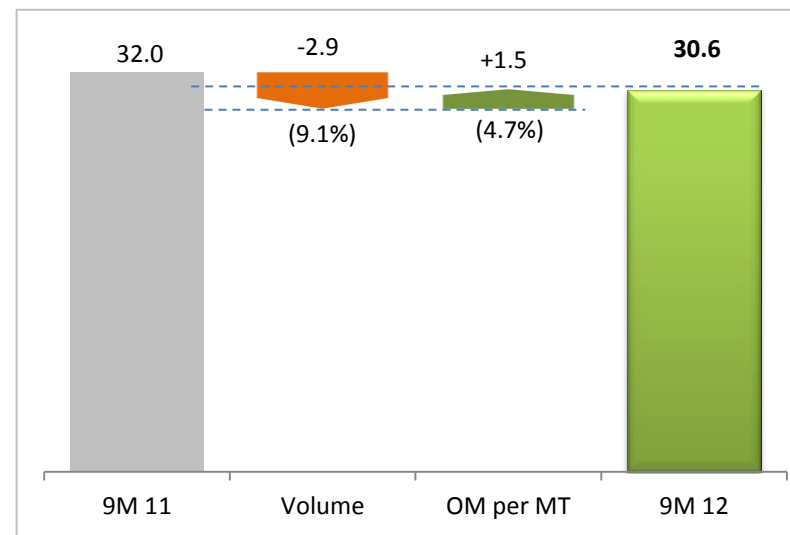
# Operating margin – Consumer Pack

In the nearest US\$ million, unless stated otherwise

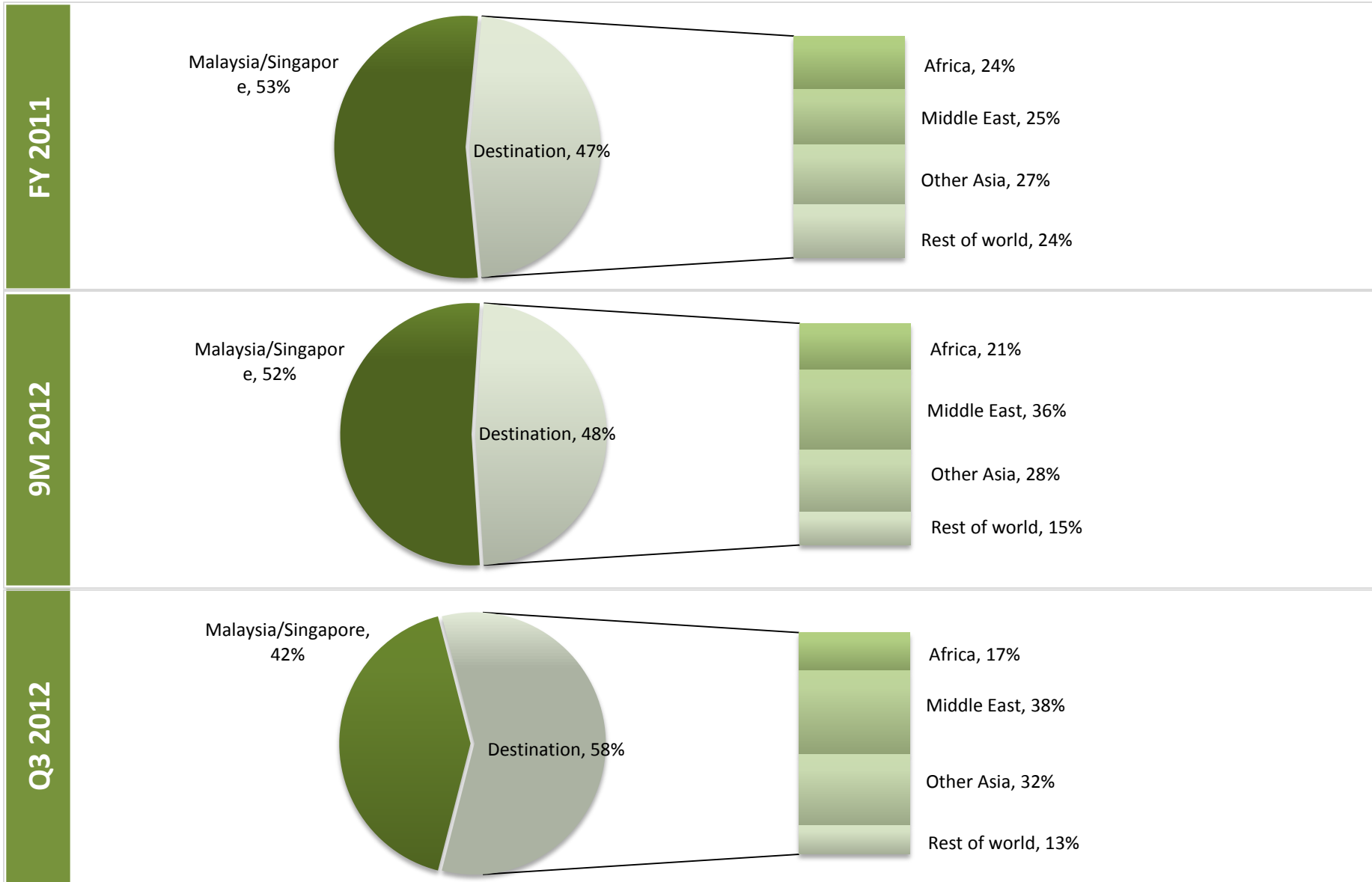
## Q3

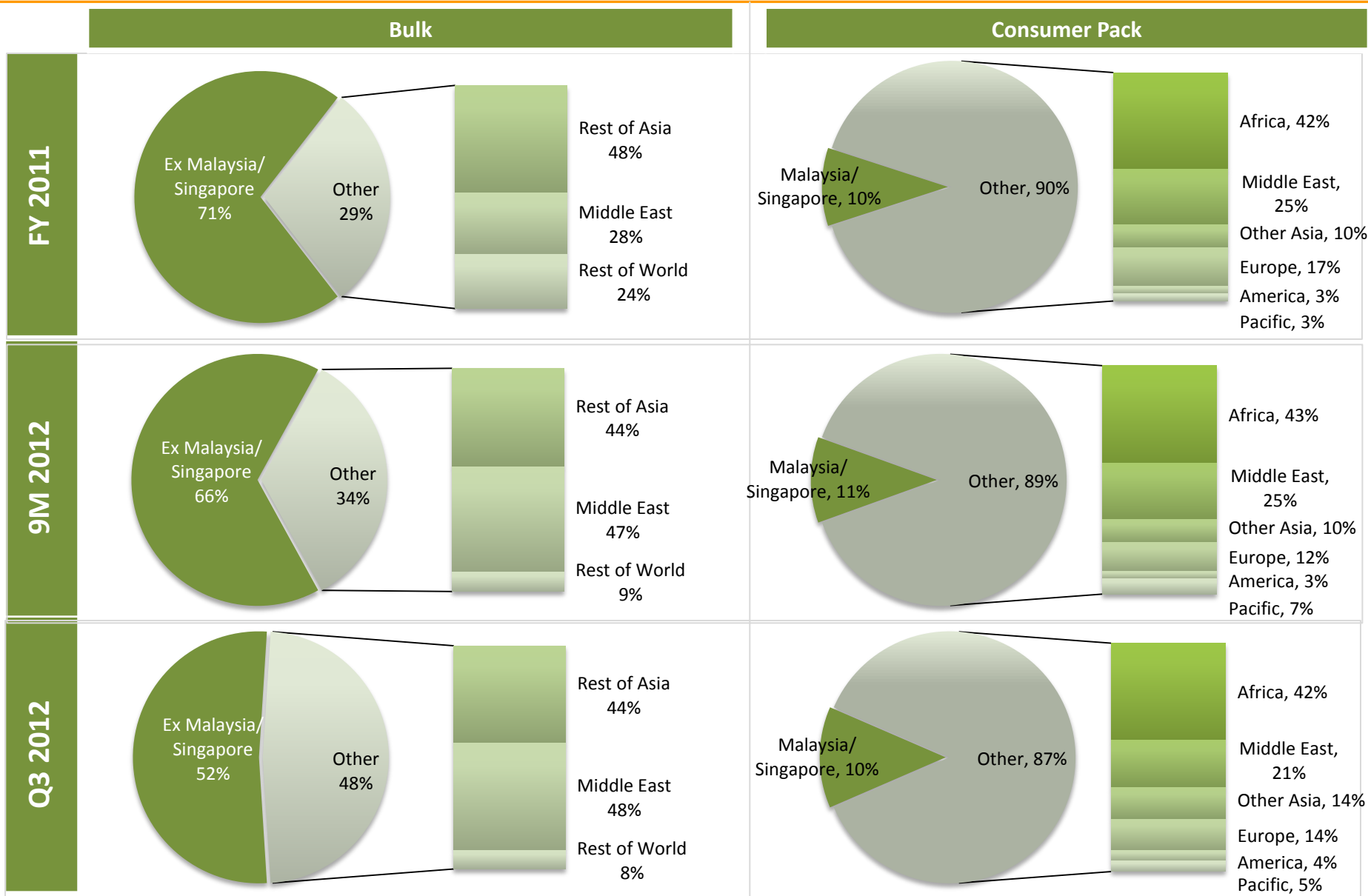


## 9M



CONSUMER PACK	Q3 2011	Q3 2012	Change %	9M 2011	9M 2012	Change %
Sales volume (MT'000)	229.7	168.8	-26.5%	654.3	594.5	-9.1%
OM per MT (US\$)	33.5	42.7	27.5%	48.9	51.5	5.3%
Operating margin	7.7	7.2	-6.5%	32.0	30.6	-4.4%

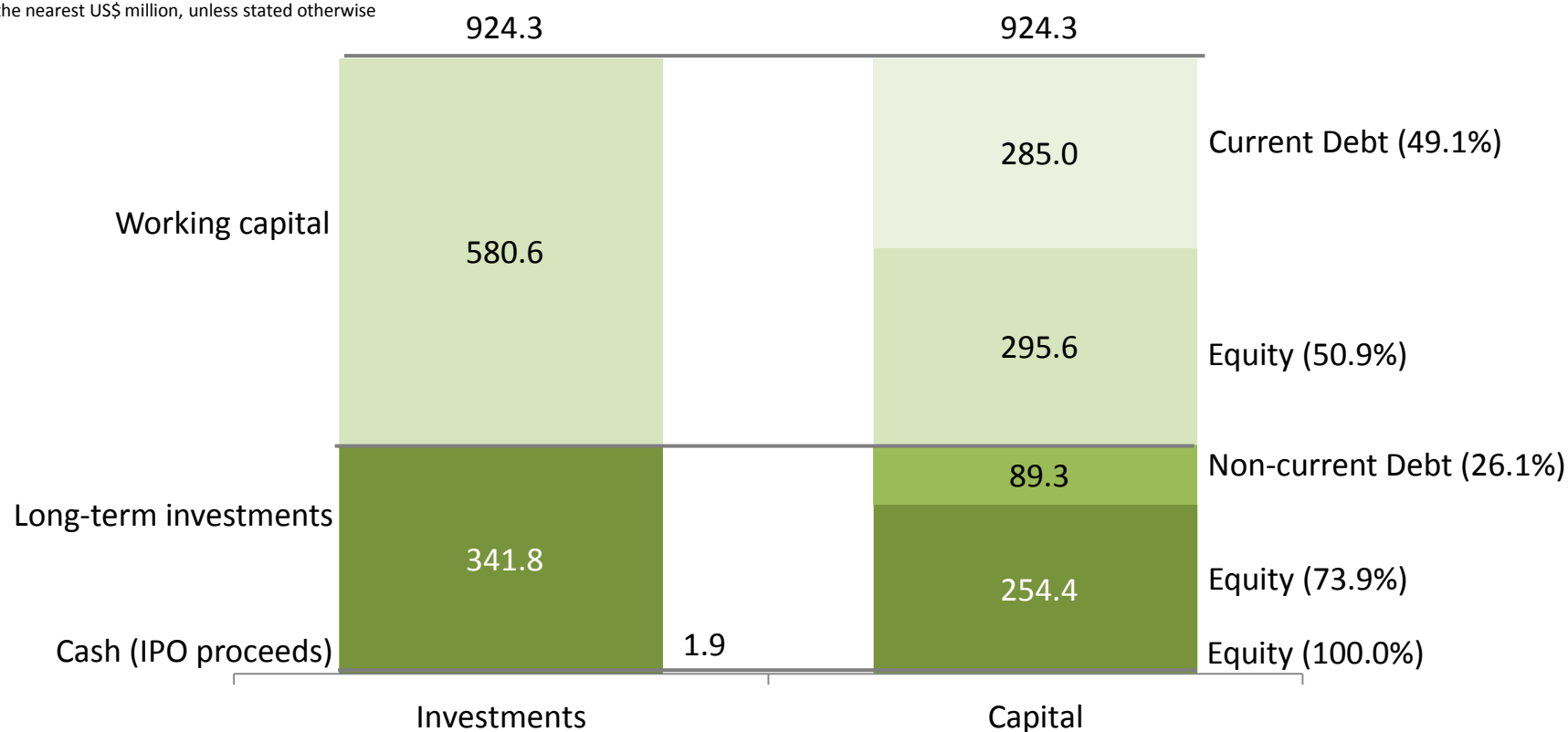




In the nearest US\$ million, unless stated otherwise

	30-Sep-12	30-Jun-12	Change	31-Dec-11	Change
Property, plant and equipment	320.6	301.8	18.8	287.8	32.8
Other long term investments	21.2	15.9	5.3	16.9	4.3
<b>Long term investments</b>	<b>341.8</b>	<b>317.7</b>	<b>24.1</b>	<b>304.7</b>	<b>37.1</b>
Inventories	257.6	250.8	6.8	307.5	(49.9)
Trade receivables	467.6	561.5	(93.9)	411.0	56.6
Trade payables	(240.5)	(206.6)	(33.9)	(210.5)	(30.0)
Others	95.9	10.5	85.4	(25.6)	121.5
<b>Current investments</b>	<b>580.6</b>	<b>616.2</b>	<b>(35.6)</b>	<b>482.4</b>	<b>98.2</b>
<b>Cash - IPO proceeds</b>	<b>1.9</b>	<b>24.0</b>	<b>(22.1)</b>	<b>57.7</b>	<b>(55.8)</b>
<b>Total investment</b>	<b>924.3</b>	<b>957.9</b>	<b>(33.6)</b>	<b>844.8</b>	<b>79.5</b>
Equity	550.0	547.4	2.6	537.8	12.2
Net debt	374.3	410.5	(36.2)	307.0	67.3
<b>Total capital</b>	<b>924.3</b>	<b>957.9</b>	<b>(33.6)</b>	<b>844.8</b>	<b>79.5</b>

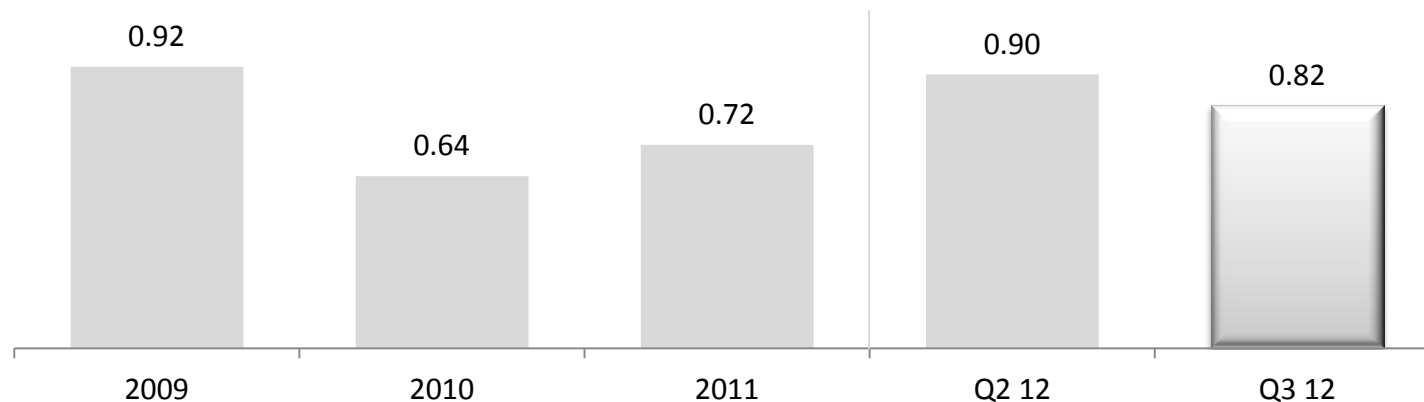
In the nearest US\$ million, unless stated otherwise



Debt / Equity Ratio	Actual	Objective
Fixed Investments (LT Debt/Equity)	0.35x	<1.00x
Working Capital (ST Debt / Equity)	0.96x	<2.00x
<b>Total (Net Debt / Equity)</b>	<b>0.68x</b>	<b>&lt;1.50x</b>

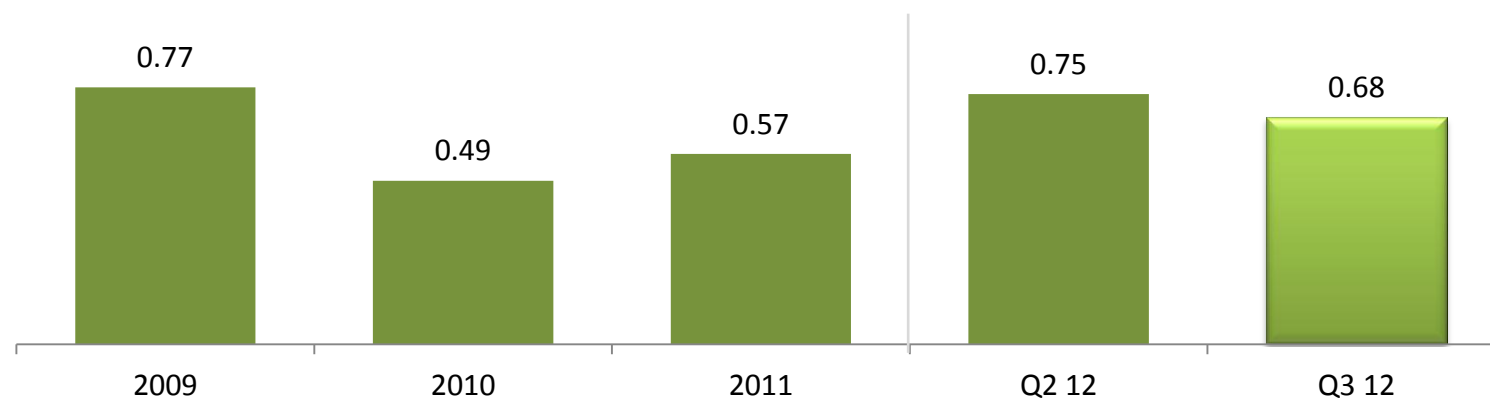


## Gross debt to equity

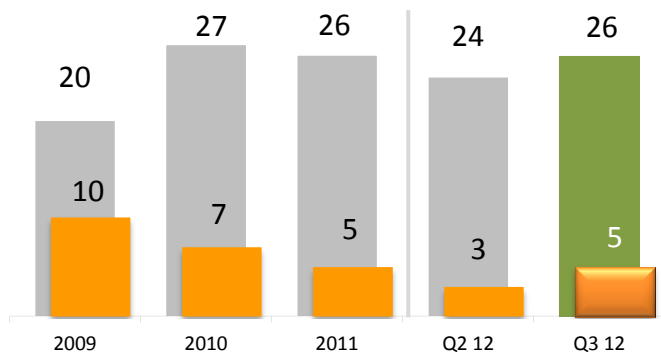


## Net debt to equity

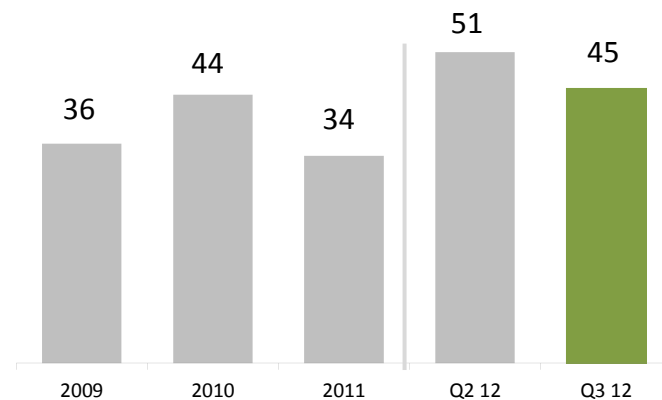
**Objective:** Keep below 1.5 (based on weighted average of 1:1 for Fixed Investment 2:1 for Current Investments)



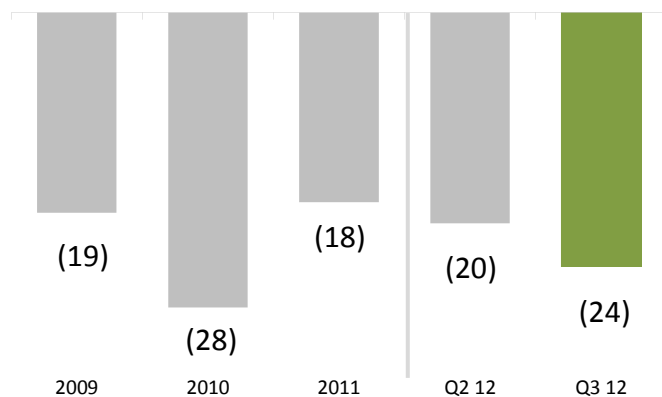
## Inventory days



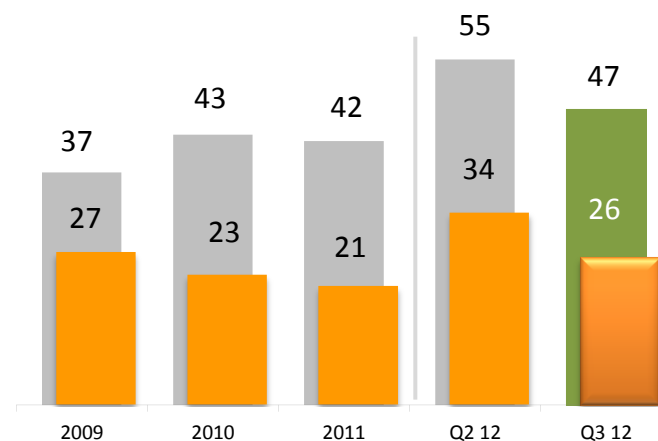
## Trade Receivable days



## Trade Payable days



## Cycle time



In the nearest US\$ million, unless stated otherwise

	Q3 2012	Q3 2011	9M 2012	9M 2011
<b>Operating cash flows before working capital changes</b>	<b>2.4</b>	17.8	<b>36.3</b>	55.6
Changes in operating assets and liabilities	37.1	44.7	(93.2)	(86.7)
Net interest and income tax payment	(2.8)	(7.5)	(6.4)	(33.3)
<b>Net cash flows from operating activities</b>	<b>36.7</b>	55.0	<b>(63.3)</b>	(64.4)
Net cash flows used in investing activities	(20.3)	(13.4)	(51.7)	(65.5)
Net cash flows used in financing activities	(40.8)	(32.3)	57.7	108.6
Effect of changes in exchange rate	1.2	(2.8)	1.2	(1.9)
<b>Net change in cash and cash equivalents</b>	<b>(23.2)</b>	6.5	<b>(56.1)</b>	(23.2)
<b>Cash and cash equivalents-Opening</b>	<b>103.6</b>	185.5	<b>136.5</b>	215.2
<b>Cash and cash equivalents</b>	<b>80.4</b>	192.0	<b>80.4</b>	192.0

In the nearest US\$ million, unless stated otherwise

## Current debt coverage

	30 Sep 2012
Working capital	580.6
Current debt	285.0
<b>Current debt coverage</b>	<b>2.0x</b>

Working capital includes US\$210.9 million Readily Marketable Inventories ("RMI") (82% of total inventories) and US\$467.6 million of trade receivables which are very liquid and secure in nature .

## Interest coverage

	4 quarters ended 30 Sep 2012
EBITDA	57.9
Finance costs	16.5
<b>Interest coverage</b>	<b>3.5x</b>

## Trade finance facilities utilisation

30 Sep 2012	Facility	Utilised	%	Balance
Trade finance	1,012.5	349.1	35	663.4
Cash excluding IPO proceeds				78.7
<b>Total liquidity</b>				<b>742.1</b>

**Thank you**

**Any questions, contact:**

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