

15<sup>th</sup> May, 2014

**Q1 2014**

# **Financial Results Briefing**

This presentation should be read in conjunction with Mewah International Inc.'s Unaudited Financial Statements for the First Quarter Ended 31 March 2014 lodged on the SGXNET on 15<sup>th</sup> May, 2014.

Some figures and percentages within the explanations may not exactly match due to rounding off.

# Income Statement

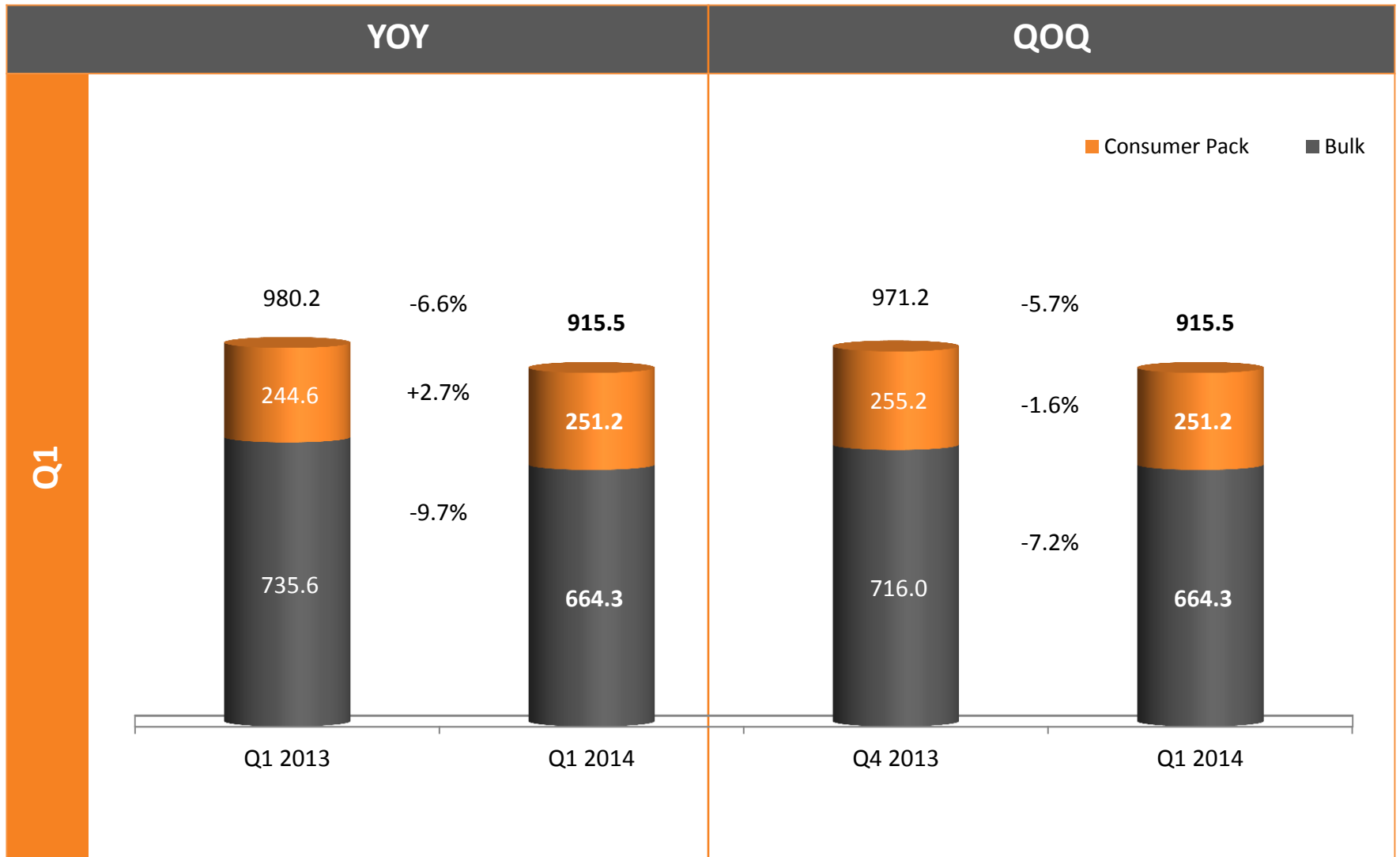
In US\$ million, unless stated otherwise

	Q1 2014	Q1 2013	% change	Q4 2013	% change
Sales volume (MT'000)	915.5	980.2	-6.6%	971.2	-5.7%
Average selling prices (US\$)	889.6	876.6	1.5%	855.5	4.0%
Revenue	814.4	859.2	-5.2%	830.9	-2.0%
Operating margin per MT (US\$)	25.2	30.3	-16.8%	31.0	-18.7%
Operating margin ("OM")	23.1	29.7	-22.2%	30.1	-23.3%
Net profit *	1.0	4.0	-74.9%	9.3	-89.3%

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

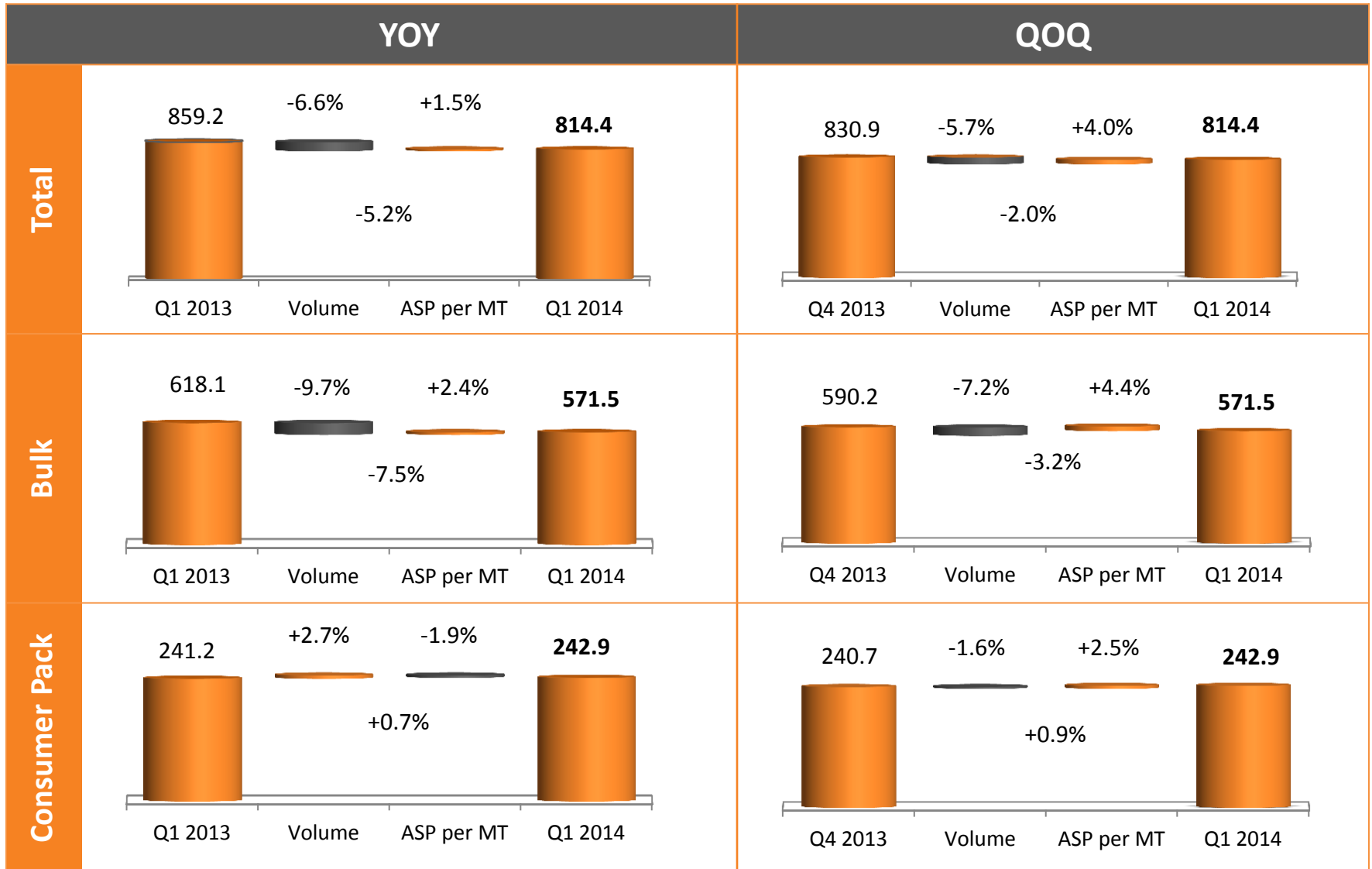
# Sales Volume

In Thousand MT

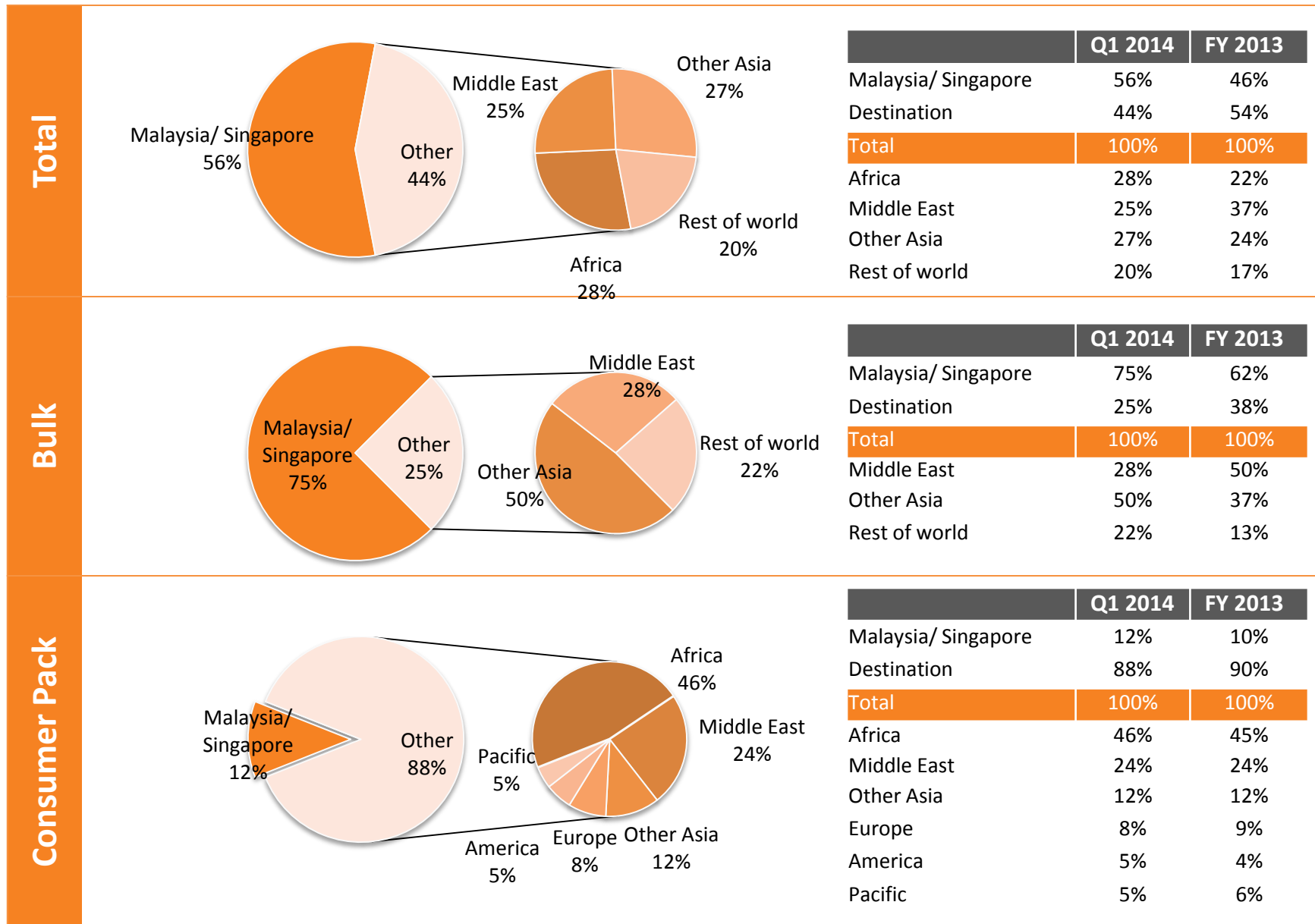


# Revenue

In US\$ million



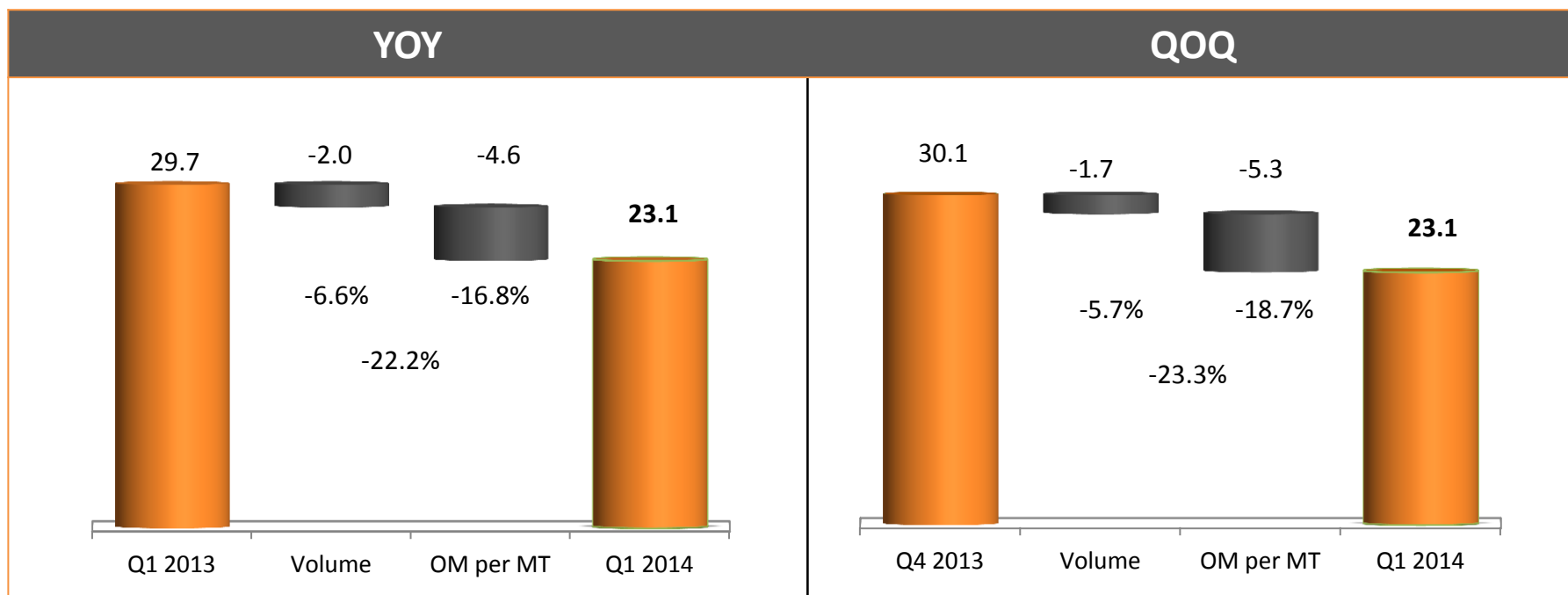
# Revenue | Geographical spread



Based on Billing address of the customer

# Operating margin | Total

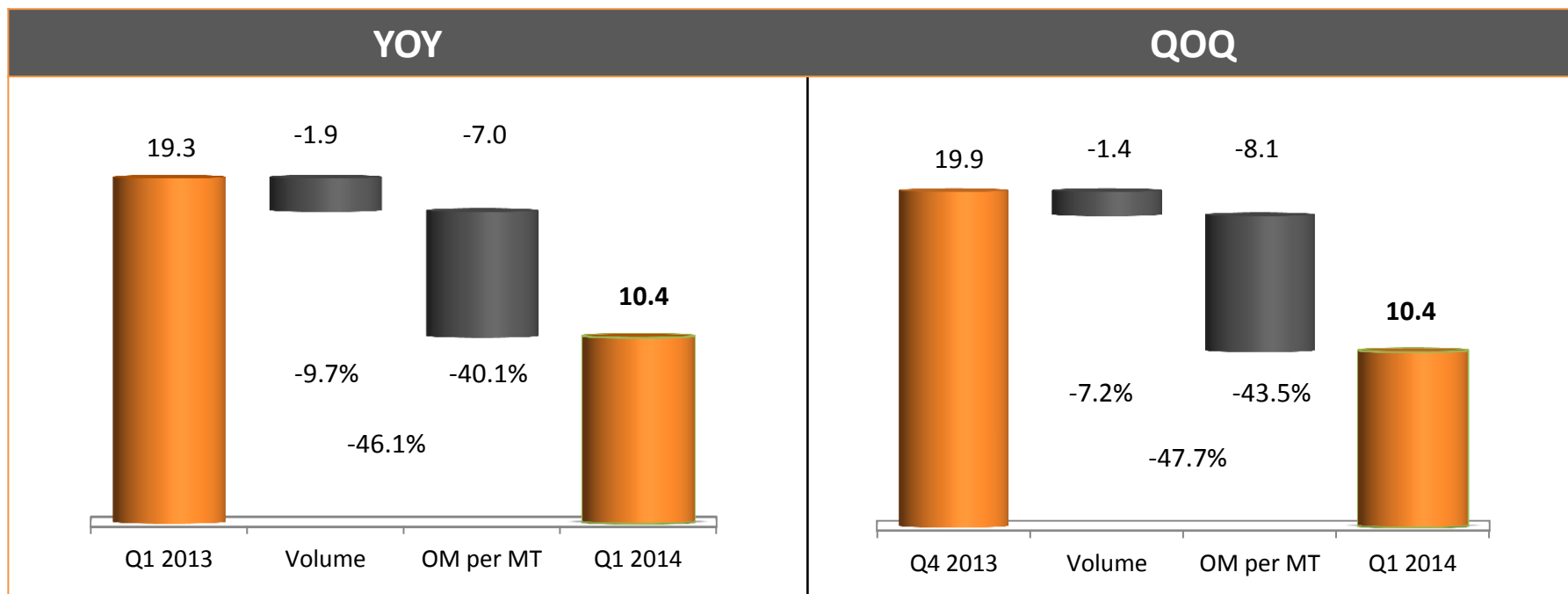
In US\$ million, unless stated otherwise



Total	Q1 2013	Q1 2014	Change %	Q4 2013	Q1 2014	Change %
<b>Sales volume</b> (MT'000)	980.2	915.5	-6.6%	971.2	915.5	-5.7%
OM per MT (US\$)	30.3	25.2	-16.8%	31.0	25.2	-18.7%
<b>Operating margin</b>	29.7	23.1	-22.2%	30.1	23.1	-23.3%

# Operating margin | Bulk

In US\$ million, unless stated otherwise



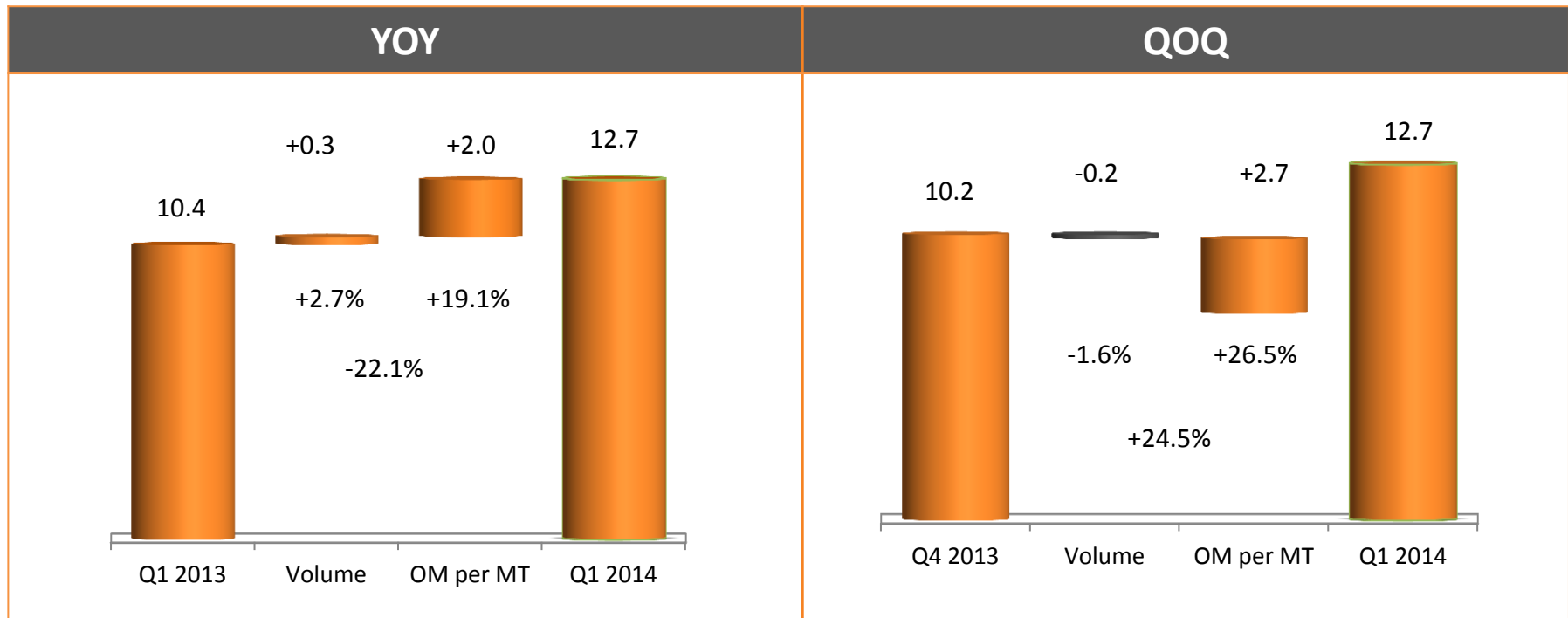
BULK	Q1 2013	Q1 2014	Change %	Q4 2013	Q1 2014	Change %
<b>Sales volume</b> (MT'000)	735.6	664.3	-9.7%	716.0	664.3	-7.2%
<b>OM per MT</b> (US\$)	26.2	15.7	-40.1%	27.8	15.7	-43.5%
<b>Operating margin</b>	19.3	10.4	-46.1%	19.9	10.4	-47.7%



# Operating margin | Consumer Pack



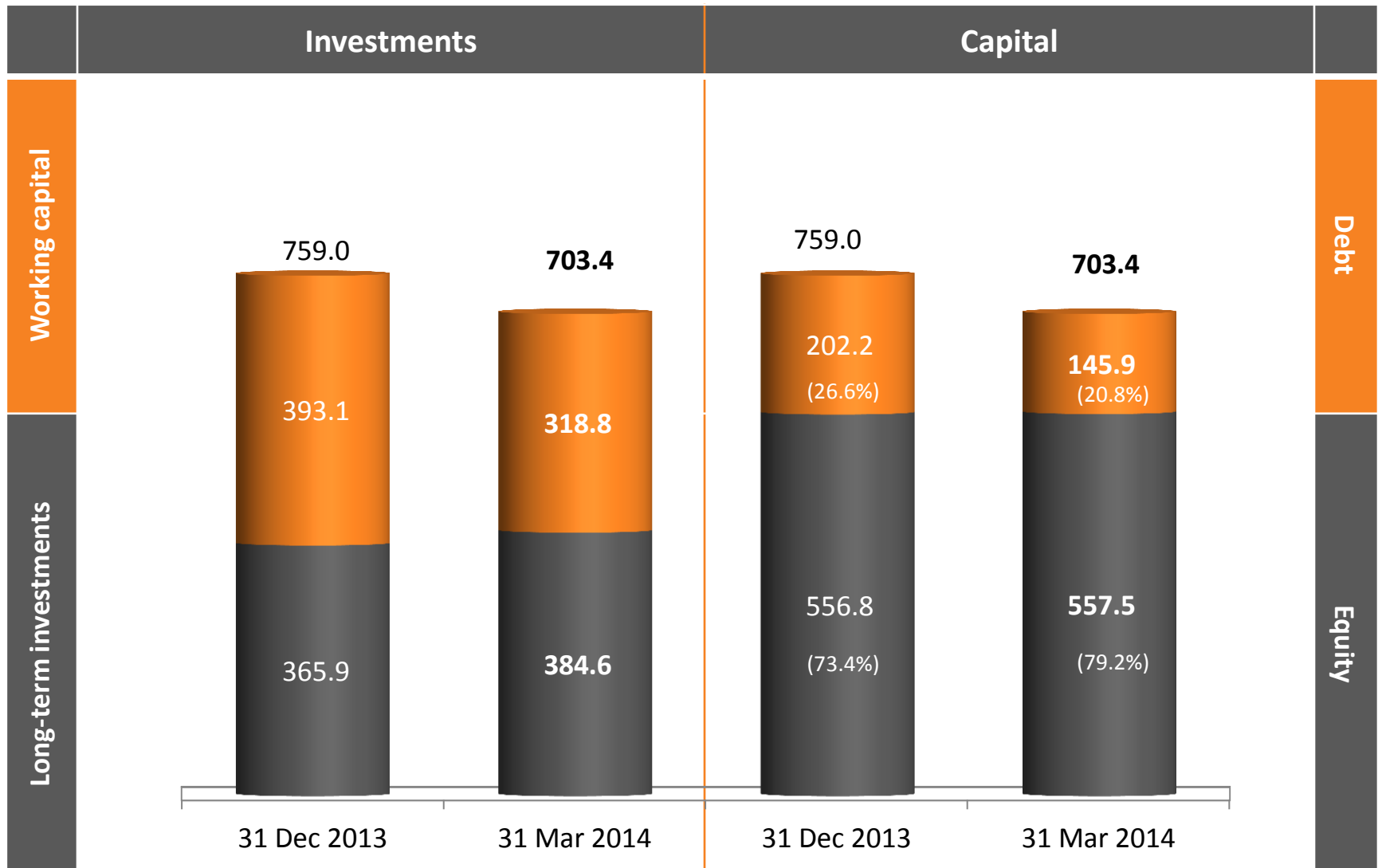
In US\$ million, unless stated otherwise



CONSUMER PACK	Q1 2013	Q1 2014	Change %	Q4 2013	Q1 2014	Change %
<b>Sales volume</b> (MT'000)	244.6	251.2	2.7%	255.2	251.2	-1.6%
<b>OM per MT</b> (US\$)	42.5	50.6	19.1%	40.0	50.6	26.5%
<b>Operating margin</b>	10.4	12.7	22.1%	10.2	12.7	24.5%

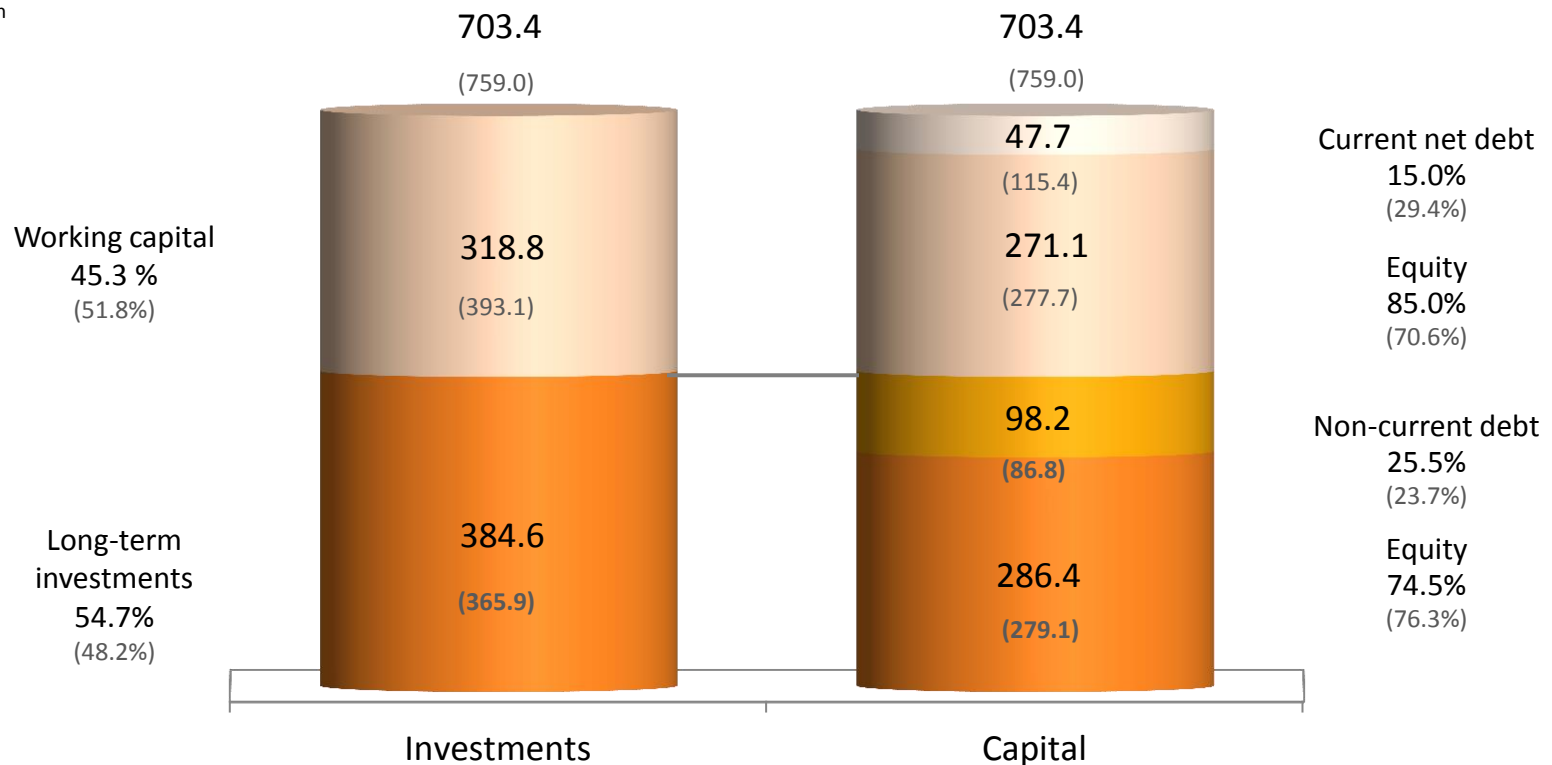
# Balance Sheet | Summary

In US\$ million



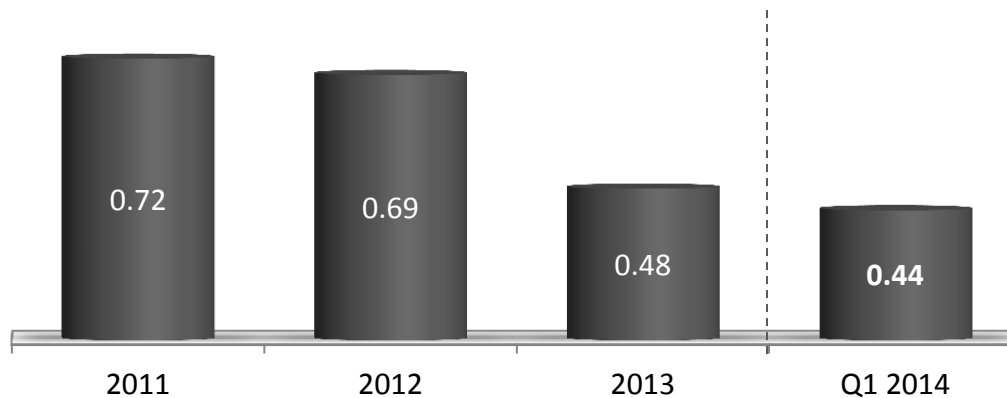
# Balance Sheet | Summary

In US\$ million



	Actual	Actual	Objective
Debt / Equity Ratio	Q1 2014	FY 2013	
Long-term investments (LT Debt/Equity)	0.34x	0.31x	<1.00x
Working capital (ST Debt / Equity)	0.18x	0.42x	<2.00x
Total (Net debt / Equity)	0.26x	0.36x	<1.50x

## Gross debt to equity

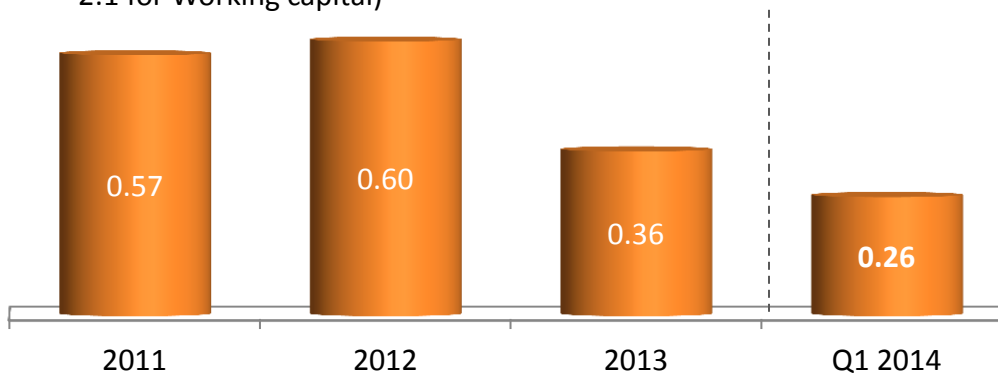


In US\$ million

Gross Debt	246.8
Less: Cash	(100.9)
<b>Net Debt</b>	<b>145.9</b>
<b>Equity</b>	<b>557.5</b>
<b>Gross Debt / Equity</b>	<b>0.44</b>
<b>Net Debt / Equity</b>	<b>0.26</b>

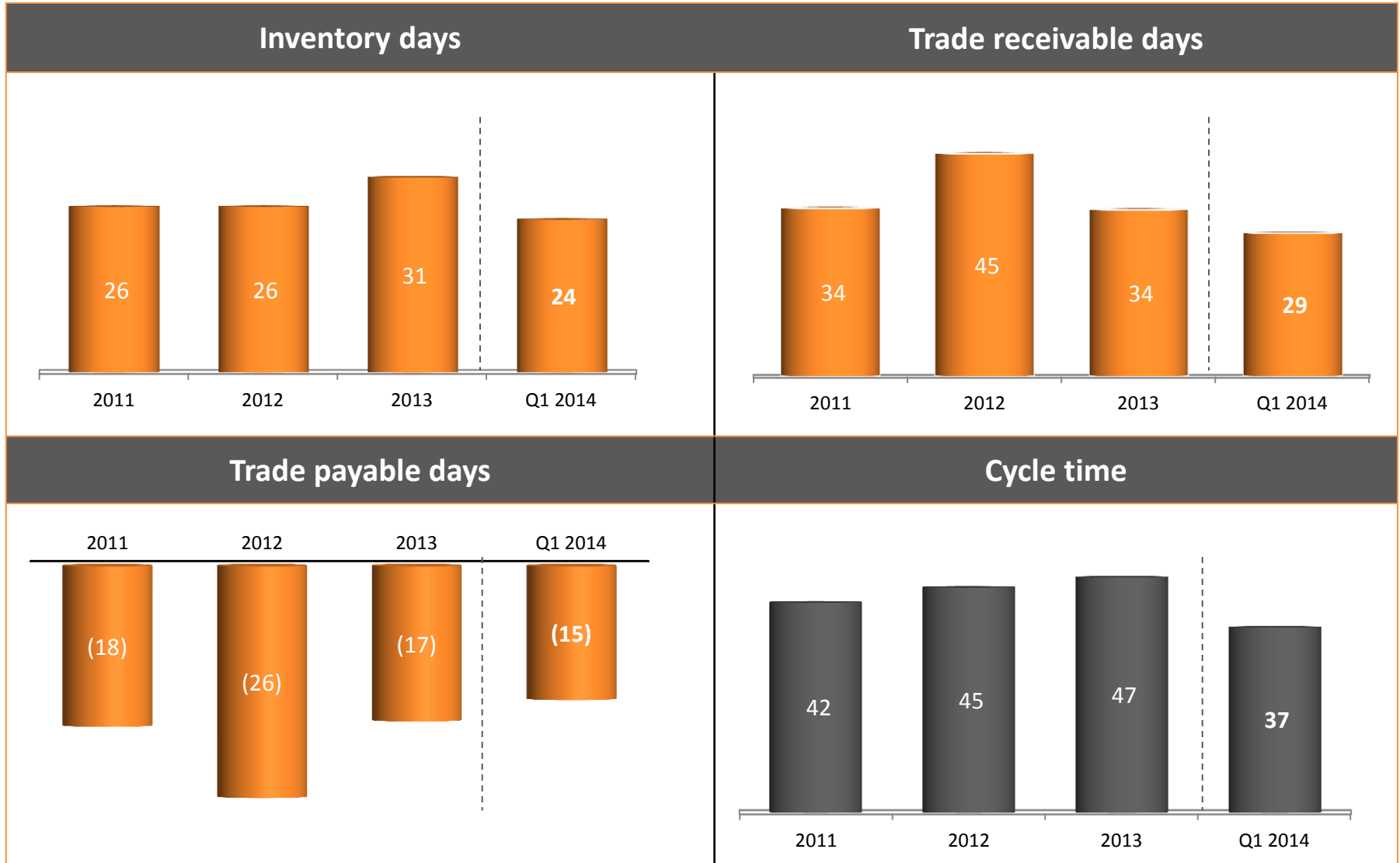
## Net debt to equity

Objective: Keep below 1.5  
(based on weighted average of 1:1 for Long-term investments and 2:1 for Working capital)



Gross debt to equity = Total borrowings / Equity

Net debt to equity = Total borrowings less Cash and cash equivalents excluding IPO proceeds / Equity



Cycle time is calculated as Inventory days + Trade receivable days – Trade payable days

# Cash Flows Statement | Summary

In US\$ million

	Q1 2014	Q1 2013
<b>Operating cash flows before working capital changes</b>	<b>5.6</b>	<b>16.1</b>
Changes in operating assets and liabilities	76.2	(37.0)
Net interest and income tax payment	(1.3)	(2.2)
<b>Net cash flows from/(used in) operating activities</b>	<b>80.5</b>	<b>(23.1)</b>
<b>Net cash flows used in financing activities</b>	<b>(19.0)</b>	<b>64.3</b>
<b>Net cash flows used in investing activities</b>	<b>(23.5)</b>	<b>(12.8)</b>
<b>Net change in cash and cash equivalents</b>	<b>38.0</b>	<b>28.4</b>

In US\$ million

## Current net debt coverage

Current net debt	47.7
Working capital	318.8
Current net debt/Working capital	15.0%

Working capital includes US\$133.0 million Readily Marketable Inventories ("RMI") (67% of total inventories) and US\$256.7 million of trade receivables which are highly liquid in nature.

## Non-current debt repayment schedule

Year 2	40.4
Year 3	35.3
Year 4	16.9
Year 5	5.6
Total	98.2

## Trade finance facilities utilisation

		Utilised %
Facility	794.2	
Utilised	108.1	13.6%
Unutilised Facility Amount	686.1	
Cash and Cash equivalents	100.9	
Total liquidity	787.0	

## Interest coverage

4 quarters ended  
31 Mar 2014

EBITDA	51.2
Net interest	8.0
Net interest coverage	6.4x

# Thank you

Any questions, contact:

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