

## COMMODITIES EQUITY RESEARCH

## MEWAH INTERNATIONAL INC.

SGX: MV4

Bloomberg: MII:SP

ISIN code: KYG6074A1085

Country: Malaysia/Singapore

Industry: Consumer Defensive, Packaged Food

28 March 2026

**RECOMMENDATION: BUY**

Current price (27 Mar): S\$0.320

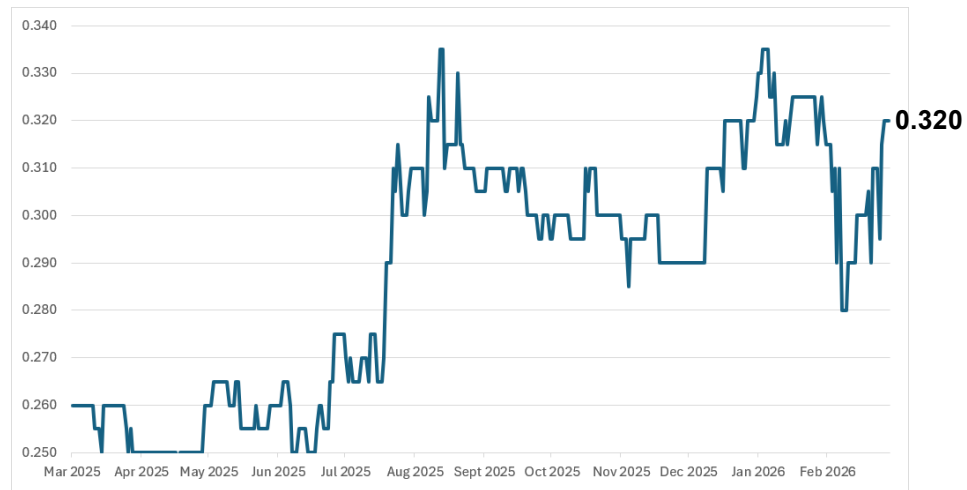
Target price: S\$0.425

Issued units: 1,501 million (31 December 2025)

Market capitalisation: S\$480.2 million

52-week range: S\$0.245 - S\$0.335

## PRICE PERFORMANCE



## COMPANY DESCRIPTION

Mewah International Inc. ("Mewah") is an agribusiness focused on edible oils & fats. It operates edible oil refineries and food manufacturing plants, as well as other facilities, in Malaysia, Indonesia, and Singapore. Mewah also markets and distributes cooking oil and margarine, as well as a range of Fast-Moving Consumer Goods products such as rice, cashew, dairy-related products, cocoa, food premixes, and soap.

## SUMMARY

For the six months ended 31 December 2025 (2H FY2025), revenue rose by 4.1% to US\$3.0 billion in 2H FY2025 from US\$2.9 billion in 2H FY2024, amid Bulk revenue rising by 4.5% year-on-year ("y-o-y"). Bulk Average Selling Price ("ASP") rose by 7.5% y-o-y, while Bulk sales volume fell by 2.8% y-o-y. Meanwhile, Consumer Pack revenue rose by 2.7% y-o-y amid ASP rising by 2.4% y-o-y and sales volume rising by 0.3% y-o-y. Gross profit rose by 34.0% to US\$211.7 million in 2H FY2025 from US\$157.9 million in 2H FY2024, amid gross margin rising to 7.1% in 2H FY2025 from 5.5% in 2H FY2024. However, profit before tax fell by 9.9% to US\$21.0 million in 2H FY2025 from US\$23.3 million in 2H FY2024, amid Selling & Distribution ("S&D") expenses rising by US\$21.4 million y-o-y and a write-off of property, plant, and equipment, and inventories of US\$13.1 million in 2H FY2025 in relation to the fire incident at one of the facilities operated by subsidiary PT. Agro Raya Mas ("PTARM"). Profit after tax (and attributable to equity holders of the Company) fell by 60.3% (20.9%) to US\$7.8 million (US\$16.0 million) in 2H FY2025 from US\$19.8 million (US\$20.2 million) in 2H FY2024, amid income tax expense rising by US\$9.6 million from a change in mix of subsidiaries' results in various jurisdictions and differences in taxable and accounting profits, as noted by Mewah. Accordingly, Earnings Per Share ("EPS" in U.S. cents) fell by 20.9% to 1.07 in 2H FY2025 from 1.35 in 2H FY2024. Mewah declared Dividend Per Share ("DPS" in SG cents) of 0.62 for 2H FY2025, 1.6% higher than 0.61 for 2H FY2024.

## RECOMMENDATION

Based on peer comparison analysis, we estimate an upside potential of 74.0%. However, the upside potential of 74.0% may not be realised, as Mewah's P/E and P/B multiples may not rise to those of the respective peer averages, as may be implied by the peer comparison analysis. The upside potential of 74.0% may also contradict our projections of Mewah's EPS and DPS in FY2026 & FY2027 falling from those in FY2025. Given Mewah's P/B multiple of 0.41x though, which represents a discount of approximately 59% to NAV, we consider that there may still be upside potential for Mewah. Accordingly, we assess Mewah's valuation through a potential privatisation.

We note that: (1) we estimate the Cheo family & related parties to have a total of 87.3% direct interest in Mewah as at 3 September 2025; (2) Mewah's current P/B of 0.41x represents a discount of approximately 59% to NAV; (3) Mewah's cash & cash equivalents were US\$155.3 million as at 31 December 2025 (or S\$199.6 million based on USD-to-SGD exchange rate of 1.286 as at 27 March 2026 from Yahoo! Finance); and (4) Mewah's market capitalisation is S\$480.2 million as at 27 March 2026. Accordingly, we consider the possibility of a privatisation offer from the Cheo family. We estimate that the Cheo family may need to acquire just the remaining 12.7% total interest to privatise Mewah. Based on the average price premium of privatisation offers for SGX-listed companies, we estimate that any privatisation offer may need to have a price premium of 32.8% from the current share price of S\$0.320 to be successful. Thus, the Cheo family may need to offer a minimum price of S\$0.425, which would translate to a full privatisation cost of S\$81.0 million (or about 40.6% of Mewah's cash & cash equivalents as at 31 December 2025).

We adopt as our target price the minimum privatisation offer of S\$0.425, which represents an upside potential of 32.8%. Accordingly, a buy recommendation may be warranted. However, there are risks to our target price such as higher export duties from rising Crude Palm Oil ("CPO") prices and, in general, a potential global economic slowdown.

KEY FINANCIALS	Revenue	Earnings <sup>(1)</sup>	EPS <sup>(2)</sup>	P/E	DPS	Dividend Yield	NAV per share	P/B
Year ended 31 Dec	(US\$ billion)	(US\$ million)	(SG cents)	(x)	(SG cents)	(%)	(S\$)	(x)
2024 Actual	4.8	38.8	3.46	9.3	0.75	2.3%	0.75	0.43
2025 Actual	6.0	53.6	4.67	6.9	0.80	2.5%	0.77	0.41
<b>2026 Forecast</b>	6.2	45.8	3.93	8.1	0.67	2.1%	-	-
<b>2027 Forecast</b>	6.1	41.9	3.59	8.9	0.62	1.9%	-	-

Note: P/E, P/B, and dividend yield based on the current share price of S\$0.320. EPS converted to SG cents using the average USD-to-SGD exchange rates of 1.336 for FY2024, 1.307 for FY2025, and USD-to-SGD exchange rate of 1.286 as at 27 March 2026 for FY2026 & FY2027.

<sup>(1)</sup> Profit/loss attributable to equity holders of the Company.

<sup>(2)</sup> Diluted Earnings Per Share.

Source: Mewah, Yahoo! Finance (exchange rate), FPA

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## ECONOMIC & INDUSTRY OUTLOOK

### (I) CRUDE PALM OIL (“CPO”) INDUSTRY

On 19 March 2026, the Malaysian Palm Oil Council (“MPOC”) noted, [“palm oil prices are expected to remain above RM4,450 in the near term, supported by elevated energy prices and a favourable palm oil-gasoil \(POGO\) spread.”](#)

On 26 March 2026, Malaysian publication The Star (article as syndicated by MPOC) reported that [“Crude palm oil \(CPO\) prices appear to be tethered to oil price movements for the time being.”](#) Citing a portfolio manager, The Star noted, “CPO prices have been supported by the recent spike in oil and gas prices following the Middle East conflict.”

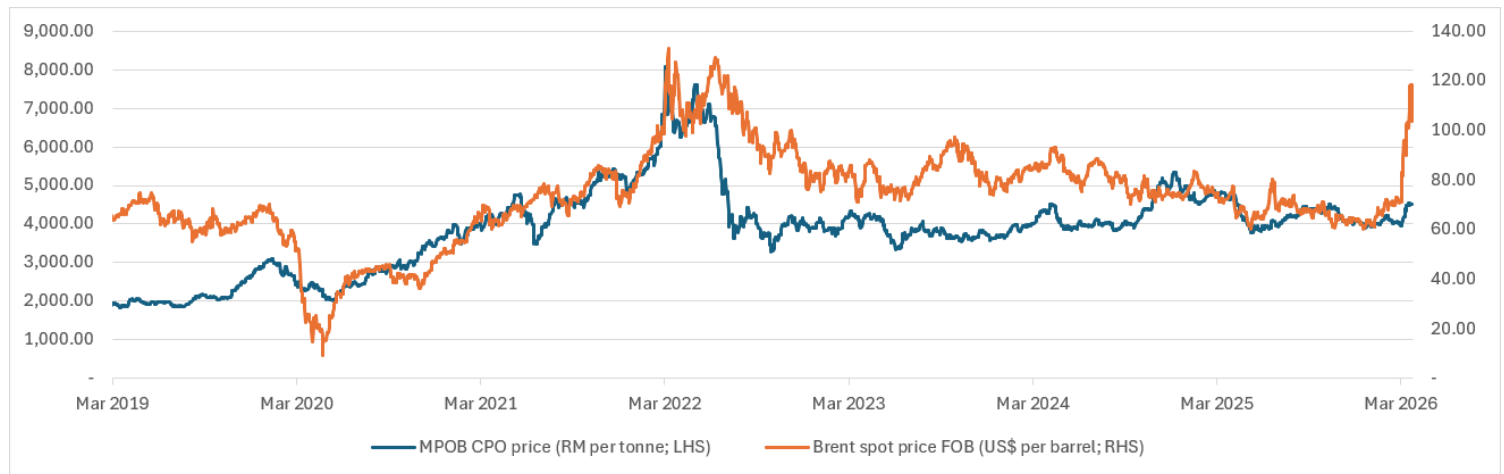
The Star also noted, “whether the recent strong rise in CPO prices is sustainable or not would boil down to how oil prices behave, at least in the short term – since it is also viewed as an alternative to oil.”

Since the outbreak of the U.S.-Israeli war against Iran on 28 February 2026, the [Malaysian Palm Oil Board \(“MPOB”\) CPO price \(local delivered; in Malaysian Ringgit or “MYR” per tonne\)](#) has risen by 14.1% to RM 4,516.00 on 26 March 2026 from RM 3,956.50 on 27 February 2026, amid [Brent spot price FOB \(in United States Dollar or “USD” per barrel\)](#) rising by 45.5% to US\$103.79 on 23 March 2026 from US\$71.32 on 27 February 2026.

MPOB CPO price (local delivered) and Brent spot price FOB from 1 March 2019 to 23 March 2026 are shown in **Exhibit 1**.

Given that CPO prices may be affected by changes in crude oil prices in the near term, we briefly review the outlook for crude oil prices to derive an outlook for CPO prices.

#### **Exhibit 1: MPOB Crude Palm Oil Price vs Brent Spot Price (1 March 2019 to 23 March 2026)**



Source: U.S. Energy Information Administration (“EIA” for Brent price), MPOB (CPO price), FPA

The International Energy Agency (“IEA”) noted in March 2026 that the [“war in the Middle East is creating the largest supply disruption in the history of the global oil market.”](#) IEA added, “With crude and oil product flows through the Strait of Hormuz plunging from around 20 mb/d before the war to a trickle currently, limited capacity available to bypass the crucial waterway, and storage filling up, Gulf countries have cut total oil production by at least 10 mb/d.”

Meanwhile, the U.S. Energy Information Administration (“EIA”) noted in March 2026 that [the average Brent spot price is expected to fall to US\\$63.00 per barrel in 4Q 2027 after peaking at US\\$90.56 per barrel in 2Q 2026](#), as may be seen in **Exhibit 2**. EIA noted that they assumed “shut-in production will gradually ease as transit through the Strait resumes.” EIA cautioned, though, that their price forecast “is highly dependent” on their “modeled assumptions of both the duration of conflict in the Middle East and resulting outages in oil production.”

### **Exhibit 2: Forecasted Brent Spot Price (1Q 2026 to 4Q 2027)**



**Data source:** U.S. Energy Information Administration, *Short-Term Energy Outlook*, March 2026

*Source:* EIA

Financial Times (“FT”) reported on 28 March 2026 that [U.S. Secretary of State Marco Rubio warned, “war in Iran could stretch for weeks”](#). FT cited Rubio as noting that “US military operations would end “in a matter of weeks, not months” — possibly longer than the “four to six weeks” that Trump has said his administration expected the offensive to last.”

FT added that Rubio’s remarks “came as worries over worsening supply disruptions caused by Iran’s closure of the Strait of Hormuz drove oil prices towards the highest level since the war began.” FT also noted from energy analysts that “the longer the war continues, the more long-lasting damage it will inflict on the Gulf oil and gas industry and its ability to bounce back.”

Given that the U.S.-Israeli war against Iran may drag on, the near-term Brent spot price (thus CPO prices) may remain elevated.

A potential implementation of Indonesia’s B50 biofuel mandate may also contribute to rising CPO prices.

Under the mandate, diesel is required to be blended with a percentage of biofuel. [The percentage rose from 30% \(under the B30 mandate\) in 2020 to 40% \(B40\) as at report date, and Indonesia may raise the percentage to 50% \(B50\) in 2026 or 2027.](#)

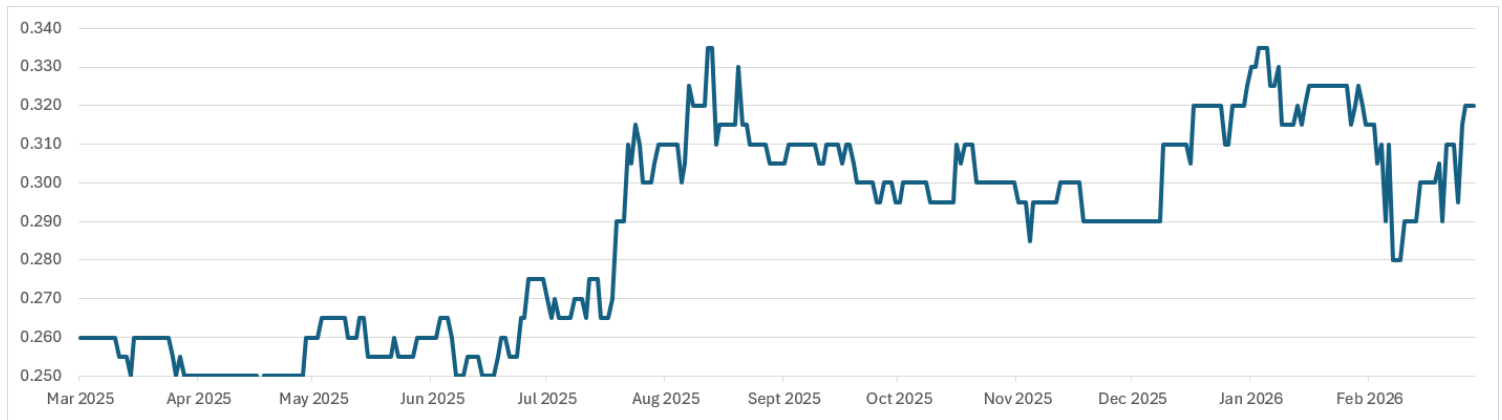
In January 2026, S&P Global noted that [a B50 implementation could raise the percentage of Indonesian annual CPO output used for biodiesel to 41% \(or around 21 million Metric Tonne or “MT” of CPO\), from 23% under the current B40 mandate.](#)

Accordingly, we assume that MPOB CPO price (in RM per tonne) for the rest of 1H 2026 will remain at RM 4,516.00, the same as at 26 March 2026, such that the average CPO price will rise to RM 4,353.93 in 1H 2026 from RM 4,215.06 in 2H 2025. Thereafter, we assume that the average CPO price will remain at RM 4,353.93 in 2H 2026 amid a gradual decline in crude oil prices from either an end to the U.S.-Israeli war against Iran or the world adapting to an extended war, fall to RM 4,200.00 in 1H 2027, and rise to RM 4,300.00 in 2H 2027 amid a potential B50 implementation supporting CPO prices.

## RECENT SHARE PRICE DEVELOPMENTS

Over the last twelve months, the share price of Mewah International Inc. (“Mewah”) rose by 23.1% to S\$0.320 on 27 March 2026 from S\$0.260 on 28 March 2025, as shown in **Exhibit 3**.

### Exhibit 3: Share Price Performance (Last Twelve Months)



Source: Yahoo! Finance (share price), FPA

On 2 April 2025, [U.S. President Trump announced “Liberation Day” tariffs](#). Share price fell by 1.9% to S\$0.255 on 9 April 2025 from S\$0.260 on 2 April 2025.

On 21 July 2025, the Monetary Authority of Singapore (“MAS”) announced that it [appointed the “first batch of asset managers under the S\\$5 billion Equity Market Development Programme \(EQDP\)”](#). In the lead-up to MAS’s announcement, the STI rose by 2.4% to 4,207.130 on 21 July 2025 from 4,109.210 on 14 July 2025. Share price rose by 6.0% to S\$0.265 on 21 July 2025 from S\$0.250 on 14 July 2025.

On 24 July 2025, Mewah announced that [“a fire incident occurred on 23 July 2025 at one of the Group’s facilities in Medan, Indonesia operated by PT. Agro Raya Mas \(the “subsidiary”\), a subsidiary with 70% of equity interest.”](#) Share price fell by 3.6% to S\$0.265 on 31 July 2025 from S\$0.275 on 24 July 2025.

On 14 August 2025, Mewah released its [results for 1H FY2025](#). Revenue rose by 56.5% year-on-year (“y-o-y”) to US\$3.0 million in 1H FY2025, while profit attributable to equity holders of the Company rose by 102.6% y-o-y to US\$37.6 million in 1H FY2025. Share price rose by 14.8% to S\$0.310 on 21 August 2025 from S\$0.270 on 14 August 2025.

On 27 February 2026, Mewah released its [results for 2H FY2025](#). Mewah also announced that: (1) [PT. Agro Raya Mas “continues to operate its refining and fractionation plants while the shortening and packing facilities were fully damaged”](#); (2) the “construction of the specialty manufacturing and packing plant for oils and fats products” (that was “under its indirect wholly owned subsidiary, Mewah Oils (Tianjin) Co.”) “has been completed within the budgeted cost of approximately USD 62 million”; and (3) the plant “has commenced operation in Q4 FY 2025.”

Thereafter, on 28 February 2026, the U.S. & Israel struck Iran and killed Iranian Supreme Leader Ayatollah Ali Khamenei. As at report date, the U.S.-Israeli war against Iran is still ongoing, with [the Brent spot price FOB \(in USD per barrel\) having risen by 45.5% to US\\$103.79 on 23 March 2026 from US\\$71.32 on 27 February 2026](#). [The MPOB CPO price \(in RM per tonne\) has risen by 14.1% to RM 4,516.00 on 26 March 2026 from RM 3,956.50 on 27 February 2026](#). Share price fell by 11.1% to S\$0.280 on 6 March 2026 from S\$0.315 on 27 February 2026, before rising to S\$0.320 on 27 March 2026.

## FINANCIAL ANALYSIS

### (I) FINANCIAL REVIEW

#### Revenue:

Revenue rose by 4.1% to US\$3.0 billion in 2H FY2025 from US\$2.9 billion in 2H FY2024, amid Bulk revenue rising by 4.5% y-o-y, as shown in **Exhibit 4**. Bulk Average Selling Price (“ASP”) rose by 7.5% y-o-y, while Bulk sales volume fell by 2.8% y-o-y. Meanwhile, Consumer Pack revenue rose by 2.7% y-o-y amid ASP rising by 2.4% y-o-y and sales volume rising by 0.3% y-o-y.

#### Exhibit 4: Revenue (2H FY2025 vs 2H FY2024)

(in US\$ '000 unless otherwise indicated)	Actual*		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Revenue - Bulk	2,302,017	2,203,674	98,343	4.5%
Revenue - Consumer Pack	686,610	668,500	18,110	2.7%
<b>Revenue - Total</b>	<b>2,988,627</b>	<b>2,872,174</b>	<b>116,453</b>	<b>4.1%</b>
Vegetable oils products and bioenergy products in bulk	2,283,518	2,181,365	102,153	4.7%
Cons. prod. including edible oils & fats, dairy, soap, rice and cocoa in packs	663,270	643,700	19,570	3.0%
Shipping services	38,686	46,184	(7,498)	(16.2%)
Charter income and others	3,153	925	2,228	240.9%
<b>Revenue - Total</b>	<b>2,988,627</b>	<b>2,872,174</b>	<b>116,453</b>	<b>4.1%</b>
<b>Breakdown of bulk revenue:</b>				
Sales volume (MT'000) - Bulk	2,089.2	2,149.4	(60.2)	(2.8%)
Multiply by: Average selling prices (US\$) - Bulk (estimate for 2H)	1,101.9	1,025.3	76.6	7.5%
<b>Revenue (US\$'million) - Bulk</b>	<b>2,302.0</b>	<b>2,203.7</b>	<b>98.3</b>	<b>4.5%</b>
<b>Breakdown of consumer pack revenue:</b>				
Sales volume (MT'000) - Consumer Pack	569.3	567.4	1.9	0.3%
Multiply by: Average selling prices (US\$) - Consumer Pack (estimate for 2H)	1,206.1	1,178.2	27.9	2.4%
<b>Revenue (US\$'million) - Consumer Pack</b>	<b>686.7</b>	<b>668.5</b>	<b>18.2</b>	<b>2.7%</b>
<b>Comparison of palm oil prices:</b>				
MPOB CPO price (average; RM per tonne)	4,215	4,410	(195)	(4.4%)
Multiply by: USD-to-MYR exchange rate (average)	4.189	4.427	(0.238)	(5.4%)
<b>MPOB CPO price (average; US\$ per tonne; estimate)</b>	<b>1,006</b>	<b>996</b>	<b>10</b>	<b>1.0%</b>
(B) Average selling prices (US\$) - Bulk (estimate for 2H)	1,101.9	1,025.3	76.6	7.5%
Deduct: (A) MPOB CPO price (average; US\$ per tonne; estimate)	(1,006.2)	(996.1)	(10.0)	1.0%
<b>Spread between A and B (estimate)</b>	<b>95.7</b>	<b>29.1</b>	<b>66.6</b>	<b>228.7%</b>
(C) Average selling prices (US\$) - Consumer Pack (estimate for 2H)	1,206.1	1,178.2	27.9	2.4%
Deduct: (A) MPOB CPO price (average; US\$ per tonne; estimate)	(1,006.2)	(996.1)	(10.0)	1.0%
<b>Spread between A and C (estimate)</b>	<b>199.9</b>	<b>182.0</b>	<b>17.8</b>	<b>9.8%</b>

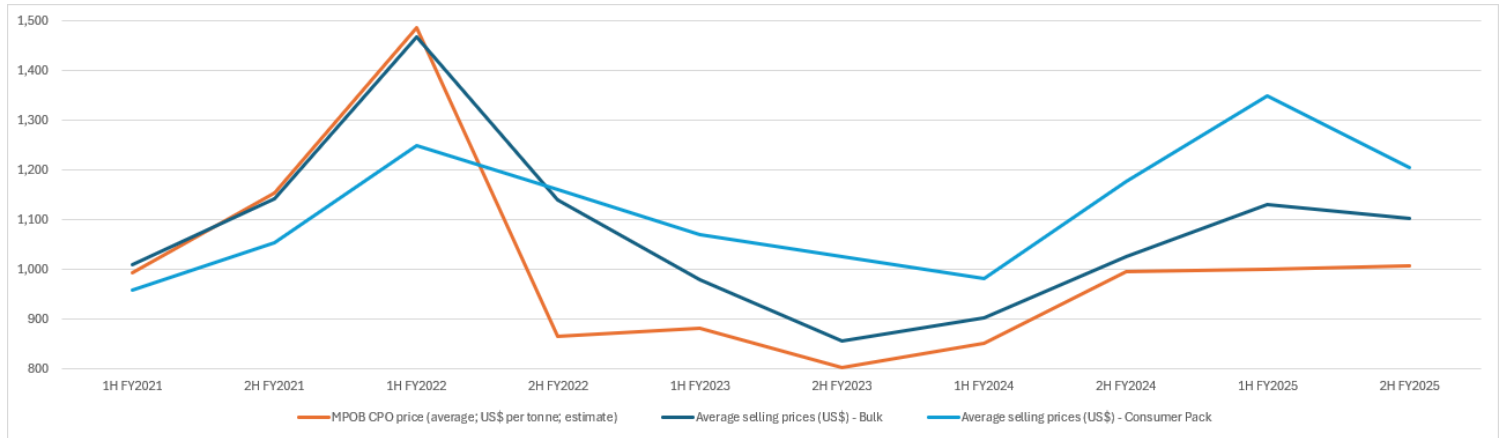
\* unless indicated as estimate.

Source: Mewah, MPOB (CPO price), Yahoo! Finance (exchange rate), FPA

Bulk ASP generally trended with the average MPOB CPO price from 1H FY2021 to 2H FY2025, as shown in **Exhibit 5**.

While Consumer Pack ASP showed a weak trend (if any) with the average MPOB CPO price from 2H FY2022 to 2H FY2025, the trend with the average CPO price may be clearer from 1H FY2015 to 1H FY2022 (as illustrated in our initiation report dated November 2025).

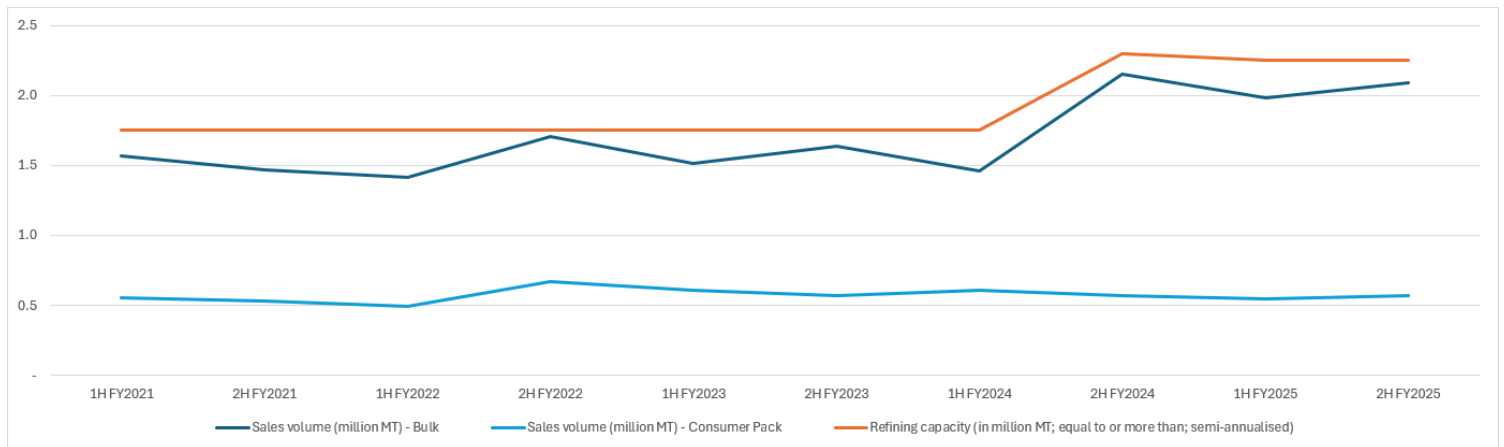
**Exhibit 5: Bulk and Consumer Pack ASPs vs Average MPOB CPO Price (1H FY2021 to 2H FY2025)**



Source: Mewah, MPOB (CPO price), Yahoo! Finance (exchange rate), FPA

Bulk sales volume rose in 2H FY2024 amid an increase in refining capacity, as shown in **Exhibit 6**. However, Consumer Pack sales volume did not rise with the increase in refining capacity.

**Exhibit 6: Bulk and Consumer Pack Sales Volumes vs Refining Capacity (1H FY2021 to 2H FY2025)**



Note: Semi-annualised by dividing by two.

Source: Mewah, FPA

The breakdown of revenue from 1H FY2021 to 2H FY2025 is shown in **Exhibit 7**.

### Exhibit 7: Revenue (1H FY2021 to 2H FY2025)

(in US\$ '000 unless otherwise indicated)	Actual*									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Revenue - Bulk	1,586,862	1,673,700	2,082,815	1,945,618	1,484,365	1,402,467	1,314,807	2,203,674	2,244,972	2,302,017
Revenue - Consumer Pack	530,453	557,803	619,762	780,333	651,447	585,517	594,995	668,500	743,747	686,610
<b>Revenue - Total</b>	<b>2,117,315</b>	<b>2,231,503</b>	<b>2,702,577</b>	<b>2,725,951</b>	<b>2,135,812</b>	<b>1,987,984</b>	<b>1,909,802</b>	<b>2,872,174</b>	<b>2,988,719</b>	<b>2,988,627</b>
Vegetable oils products and bioenergy products in bulk	1,565,138	1,648,889	2,070,320	1,925,322	1,460,388	1,387,085	1,293,869	2,181,365	2,223,996	2,283,518
Cons. prod. including edible oils & fats, dairy, soap, rice and cocoa in packs	500,035	511,284	568,907	725,277	625,650	568,209	569,764	643,700	723,840	663,270
Shipping services	48,548	68,240	60,139	71,971	45,026	29,854	45,598	46,184	39,897	38,686
Charter income and others	3,594	3,090	3,211	3,381	4,748	2,836	571	925	986	3,153
<b>Revenue - Total</b>	<b>2,117,315</b>	<b>2,231,503</b>	<b>2,702,577</b>	<b>2,725,951</b>	<b>2,135,812</b>	<b>1,987,984</b>	<b>1,909,802</b>	<b>2,872,174</b>	<b>2,988,719</b>	<b>2,988,627</b>
<b>Breakdown of bulk revenue:</b>										
Sales volume (MT'000) - Bulk	1,571.6	1,465.8	1,417.9	1,706.3	1,515.8	1,639.9	1,458.3	2,149.4	1,986.3	2,089.2
Multiply by: Average selling prices (US\$) - Bulk (estimate for 2H)	1,009.7	1,141.8	1,468.9	1,140.3	979.3	855.2	901.6	1,025.3	1,130.2	1,101.9
<b>Revenue (US\$'million) - Bulk</b>	<b>1,586.8</b>	<b>1,673.7</b>	<b>2,082.8</b>	<b>1,945.6</b>	<b>1,484.4</b>	<b>1,402.4</b>	<b>1,314.8</b>	<b>2,203.7</b>	<b>2,245.0</b>	<b>2,302.0</b>
<b>Breakdown of consumer pack revenue:</b>										
Sales volume (MT'000) - Consumer Pack	552.9	529.2	496.1	672.7	608.1	570.8	606.7	567.4	551.0	569.3
Multiply by: Average selling prices (US\$) - Consumer Pack (estimate for 2H)	959.5	1,054.0	1,249.3	1,160.0	1,071.2	1,025.8	980.7	1,178.2	1,349.7	1,206.1
<b>Revenue (US\$'million) - Consumer Pack</b>	<b>530.5</b>	<b>557.8</b>	<b>619.8</b>	<b>780.3</b>	<b>651.4</b>	<b>585.6</b>	<b>595.0</b>	<b>668.5</b>	<b>743.7</b>	<b>686.7</b>
<b>Comparison of palm oil prices:</b>										
MPOB CPO price (average; RM per tonne)	4,069	4,833	6,345	3,914	3,926	3,738	4,016	4,410	4,380	4,215
Multiply by: USD-to-MYR exchange rate (average)	4.094	4.188	4.269	4.524	4.454	4.661	4.722	4.427	4.376	4.189
<b>MPOB CPO price (average; US\$ per tonne; estimate)</b>	<b>994</b>	<b>1,154</b>	<b>1,486</b>	<b>865</b>	<b>881</b>	<b>802</b>	<b>850</b>	<b>996</b>	<b>1,001</b>	<b>1,006</b>
(B) Average selling prices (US\$) - Bulk (estimate for 2H)	1,009.7	1,141.8	1,468.9	1,140.3	979.3	855.2	901.6	1,025.3	1,130.2	1,101.9
Deduct: (A) MPOB CPO price (average; US\$ per tonne; estimate)	(993.8)	(1,154.1)	(1,486.4)	(865.1)	(881.5)	(801.9)	(850.4)	(996.1)	(1,001.0)	(1,006.2)
<b>Spread between A and B (estimate)</b>	<b>15.9</b>	<b>(12.2)</b>	<b>(17.5)</b>	<b>275.1</b>	<b>97.8</b>	<b>53.3</b>	<b>51.2</b>	<b>29.1</b>	<b>129.2</b>	<b>95.7</b>
(C) Average selling prices (US\$) - Consumer Pack (estimate for 2H)	959.5	1,054.0	1,249.3	1,160.0	1,071.2	1,025.8	980.7	1,178.2	1,349.7	1,206.1
Deduct: (A) MPOB CPO price (average; US\$ per tonne; estimate)	(993.8)	(1,154.1)	(1,486.4)	(865.1)	(881.5)	(801.9)	(850.4)	(996.1)	(1,001.0)	(1,006.2)
<b>Spread between A and C (estimate)</b>	<b>(34.3)</b>	<b>(100.0)</b>	<b>(237.1)</b>	<b>294.9</b>	<b>189.7</b>	<b>223.9</b>	<b>130.3</b>	<b>182.0</b>	<b>348.7</b>	<b>199.9</b>

\* unless indicated as estimate.

Source: Mewah, MPOB (CPO price), Yahoo! Finance (exchange rate), FPA

**Gross profit:**

Gross profit rose by 34.0% to US\$211.7 million in 2H FY2025 from US\$157.9 million in 2H FY2024, amid gross margin rising to 7.1% in 2H FY2025 from 5.5% in 2H FY2024, as shown in **Exhibit 8**.

**Exhibit 8: Gross Profit (2H FY2025 vs 2H FY2024)**

(in US\$ '000)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Gross profit	211,655	157,910	53,745	34.0%
Revenue	2,988,627	2,872,174	116,453	4.1%
<b>Gross margin</b>	<b>7.1%</b>	<b>5.5%</b>		

Source, Mewah, FPA

Gross profit from 1H FY2021 to 2H FY2025 is shown in **Exhibit 9**.

**Exhibit 9: Gross Profit (1H FY2021 to 2H FY2025)**

(in US\$ '000)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Gross profit	143,562	179,486	124,260	248,615	128,724	130,348	138,808	157,910	174,352	211,655
Revenue	2,117,315	2,231,503	2,702,577	2,725,951	2,135,812	1,987,984	1,909,802	2,872,174	2,988,719	2,988,627
<b>Gross margin</b>	<b>6.8%</b>	<b>8.0%</b>	<b>4.6%</b>	<b>9.1%</b>	<b>6.0%</b>	<b>6.6%</b>	<b>7.3%</b>	<b>5.5%</b>	<b>5.8%</b>	<b>7.1%</b>

Source: Mewah, FPA

**Other income, other expenses, and other losses/gains (net):**

Other income fell by 32.6% to US\$8.1 million in 2H FY2025 from US\$12.0 million in 2H FY2024, as shown in **Exhibit 10**, amid lower late interest charged on trade receivables.

Meanwhile, other expenses rose by 87.3% to US\$22.4 million in 2H FY2025 from US\$11.9 million in 2H FY2024, while other losses/gains fell by US\$7.6 million to a loss of US\$0.9 million in 2H FY2025 from a gain of US\$6.7 million in 2H FY2024, as also shown in **Exhibit 10**.

Mewah noted in February 2026 that it “[recognised write-off](#)” of “[property, plant and equipment and inventories amounting to USD 13.1 million under Consumer Pack Segment in its unaudited Financial Statement for financial year ended 31 December 2025, representing the Group’s equity portion](#)”, in relation to the “fire incident at one of the Group’s facilities in Medan, Indonesia, operated by PT. Agro Raya Mas (“PTARM”), a subsidiary with 70% of equity interest.”

**Exhibit 10: Other Income, Other Expenses, and Other Losses/Gains (Net) (2H FY2025 vs 2H FY2024)**

(in US\$ '000)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Interest income on bank deposits and others	1,430	757	673	88.9%
Late interest charged on trade receivables	2,432	7,230	(4,798)	(66.4%)
Rental income	273	68	205	301.5%
Commission income	-	5	(5)	(100.0%)
Insurance claims	1,409	165	1,244	753.9%
Other miscellaneous income	2,537	3,763	(1,226)	(32.6%)
<b>Other income</b>	<b>8,081</b>	<b>11,988</b>	<b>(3,907)</b>	<b>(32.6%)</b>
Reversal of impairm. losses/(Impairm. losses) on property, plant & equipment (net)	391	(11,658)	12,049	(103.4%)
Property, plant and equipment written off	(15,162)	(31)	(15,131)	48,809.7%
Impairment losses on goodwill	(3,503)	(245)	(3,258)	1,329.8%
Inventories written off	(3,623)	-	(3,623)	n.m.
Others	(457)	-	(457)	n.m.
<b>Other expenses</b>	<b>(22,354)</b>	<b>(11,934)</b>	<b>(10,420)</b>	<b>87.3%</b>
Foreign exchange (losses)/gains – net	(933)	6,603	(7,536)	(114.1%)
Gains on disposal of property, plant and equipment	8	-	8	n.m.
Others	-	68	(68)	(100.0%)
<b>Others (losses)/gains - net</b>	<b>(925)</b>	<b>6,671</b>	<b>(7,596)</b>	<b>(113.9%)</b>

n.m. = not meaningful.

Source: Mewah, FPA

The breakdowns of other income, other expenses, and other losses/gains (net) from 1H FY2021 to 2H FY2025 are shown in **Exhibit 11**. We estimate the annualised effective interest on interest income by  $[\text{interest income} \div \text{cash \& cash equivalents} \times 2]$ . The annualised effective interest on interest income generally rose from 0.6% in 1H FY2021 to 1.8% in 2H FY2025.

### Exhibit 11: Other Income, Other Expenses, and Other Losses/Gains (Net) (1H FY2021 to 2H FY2025)

(in US\$ '000)	Actual*									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Interest income on bank deposits and others	342	498	687	304	724	759	606	757	1,328	1,430
Late interest charged on trade receivables	413	1,418	1,027	419	398	1,761	4,503	7,230	2,011	2,432
Rental income	220	105	162	147	150	169	239	68	161	273
Commission income	1	-	-	1	-	1	-	5	-	-
Insurance claims	114	2,573	968	525	948	2,422	703	165	736	1,409
Other miscellaneous income	1,065	1,164	734	1,171	1,713	1,134	1,778	3,763	2,839	2,537
<b>Other income</b>	<b>2,155</b>	<b>5,758</b>	<b>3,578</b>	<b>2,567</b>	<b>3,933</b>	<b>6,246</b>	<b>7,829</b>	<b>11,988</b>	<b>7,075</b>	<b>8,081</b>
Reversal of impairm. losses/(Impairm. losses) on property, plant & equipment (net)	(2,378)	(5,066)	-	(20,708)	-	(3,784)	(4,204)	(11,658)	(2,714)	391
Property, plant and equipment written off	-	-	-	-	-	-	-	(31)	-	(15,162)
Impairment losses on goodwill	-	-	-	-	-	-	-	(245)	-	(3,503)
Inventories written off	-	-	-	-	-	-	-	-	-	(3,623)
Others	-	-	-	-	-	-	-	-	-	(457)
<b>Other expenses</b>	<b>(2,378)</b>	<b>(5,066)</b>	<b>-</b>	<b>(20,708)</b>	<b>-</b>	<b>(3,784)</b>	<b>(4,204)</b>	<b>(11,934)</b>	<b>(2,714)</b>	<b>(22,354)</b>
Property, plant and equipment written off	-	(14)	(19)	(53)	(1)	(617)	(846)	-	(9)	-
Impairment losses on goodwill	-	-	-	-	-	(765)	-	-	-	-
Reversal of provision for legal claim	-	-	-	-	116	89	-	-	-	-
(Provision)/Reversal of allowance on other receivables (net)	-	64	-	(3,637)	155	-	-	-	-	-
Foreign exchange (losses)/gains - net	(13,134)	(3,778)	(31,617)	(2,172)	(25,243)	1,106	(21,956)	6,603	35,204	(933)
Gains on disposal of property, plant and equipment	122	253	(58)	(193)	(71)	1,245	83	-	2,809	8
Others	-	-	13	(14)	-	(92)	-	68	-	-
<b>Others (losses)/gains - net</b>	<b>(13,012)</b>	<b>(3,475)</b>	<b>(31,681)</b>	<b>(6,069)</b>	<b>(25,044)</b>	<b>966</b>	<b>(22,719)</b>	<b>6,671</b>	<b>38,004</b>	<b>(925)</b>
<b>Effective interest on interest income:</b>										
Interest income on bank deposits and others	342	498	687	304	724	759	606	757	1,328	1,430
Cash and bank balances	120,538	171,781	174,381	102,849	124,958	131,922	145,514	142,916	202,195	156,146
<b>Effective interest on interest income (annualised; estimate)</b>	<b>0.6%</b>	<b>0.6%</b>	<b>0.8%</b>	<b>0.6%</b>	<b>1.2%</b>	<b>1.2%</b>	<b>0.8%</b>	<b>1.1%</b>	<b>1.3%</b>	<b>1.8%</b>

\* unless indicated as estimate.

Source: Mewah, FPA

### Provision/Reversal of expected credit losses and of other receivables:

Provision/Reversal of expected credit losses fell by US\$4.0 million to a provision of US\$3.1 million in 2H FY2025 from a reversal of US\$0.8 million in 2H FY2024, while provision/reversal of other receivables rose by US\$5.8 million to a provision of US\$2.9 million in 2H FY2025 from a reversal of US\$2.8 million in 2H FY2024, as shown in **Exhibit 12**.

### Exhibit 12: Provision/Reversal of Expected Credit Losses (1H FY2021 to 2H FY2025)

(in US\$ '000)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
(Provision)/Reversal of expected credit losses	(3,052)	(2,077)	2,146	(549)	835	(3,585)	(4,371)	825	(4,627)	(3,128)
(Provision)/Reversal of other receivables	-	-	-	-	-	96	(1,714)	(2,828)	(1,143)	2,936

Source: Mewah, FPA

**Selling & Distribution (“S&D”) expenses:**

S&D expenses rose by 31.5% to US\$89.3 million in 2H FY2025 from US\$67.9/68.0 million in 2H FY2024, amid export duties rising by S\$21.5 million y-o-y, as shown in **Exhibit 13**.

**Exhibit 13: Selling & Distribution Expenses (2H FY2025 vs 2H FY2024)**

(in US\$ '000)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Freight	413	1,111	(698)	(62.8%)
Storage, handling and forwarding	26,153	24,007	2,146	8.9%
Export duties	62,660	41,169	21,491	52.2%
Other selling and distribution expenses	99	1,663	(1,564)	(94.0%)
<b>Selling &amp; Distribution ("S&amp;D") expenses</b>	<b>89,325</b>	<b>67,950</b>	<b>21,375</b>	<b>31.5%</b>

Source: Mewah, FPA

The breakdown of S&D expenses from 1H FY2021 to 2H FY2025 is shown in **Exhibit 14**.

**Exhibit 14: Selling & Distribution Expenses (1H FY2021 to 2H FY2025)**

(in US\$ '000 unless otherwise indicated)	Actual*									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Freight	2,231	35	968	1,688	1,180	1,411	491	1,111	835	413
Storage, handling and forwarding	17,038	16,572	15,840	20,229	18,452	17,858	20,024	24,007	25,213	26,153
Export duties	28,580	28,388	10,302	9,297	5,062	3,590	1,860	41,169	40,643	62,660
Other selling and distribution expenses	1,173	1,403	1,537	599	1,456	1,247	1,205	1,663	3,191	99
<b>Selling &amp; Distribution ("S&amp;D") expenses</b>	<b>49,022</b>	<b>46,398</b>	<b>28,647</b>	<b>31,813</b>	<b>26,150</b>	<b>24,106</b>	<b>23,580</b>	<b>67,950</b>	<b>69,882</b>	<b>89,325</b>

**vs Total sales volume:**

Sales volume (MT'000) - Bulk	1,572	1,466	1,418	1,706	1,516	1,640	1,458	2,149	1,986	2,089
Sales volume (MT'000) - Consumer Pack	553	529	496	673	608	571	607	567	551	569
<b>Sales volume (MT'000) - Total</b>	<b>2,125</b>	<b>1,995</b>	<b>1,914</b>	<b>2,379</b>	<b>2,124</b>	<b>2,211</b>	<b>2,065</b>	<b>2,717</b>	<b>2,537</b>	<b>2,659</b>

**Respective expenses divided by total sales volume (estimates):**

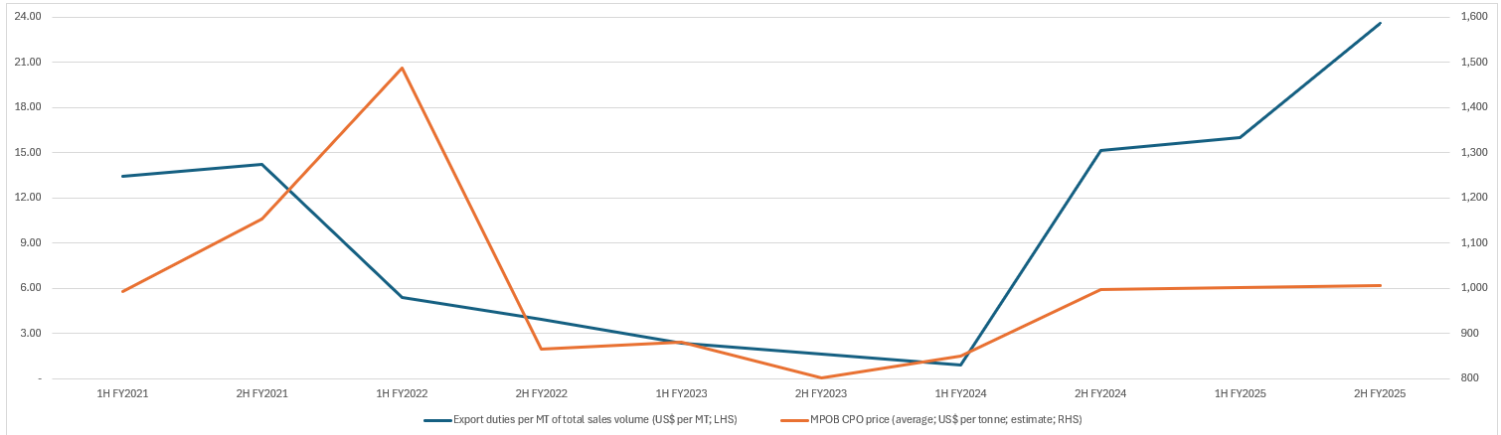
Freight per MT of total sales volume (US\$ per MT; LHS)	1.05	0.02	0.51	0.71	0.56	0.64	0.24	0.41	0.33	0.16
Storage, handling and forwarding per MT of total sales volume (US\$ per MT; LHS)	8.02	8.31	8.28	8.50	8.69	8.08	9.70	8.84	9.94	9.84
Export duties per MT of total sales volume (US\$ per MT; LHS)	13.45	14.23	5.38	3.91	2.38	1.62	0.90	15.15	16.02	23.57

\* unless indicated as estimate.

Source: Mewah, FPA

Export duties rose in 2H FY2025 amid: (1) an increase in the average MPOB CPO price; and (2) [Indonesia raising on 14 May 2025 “export levies for most palm oil products, from 7.5 percent to 10 percent for crude products and up to 9.5 percent for refined products”](#), as noted by the U.S. Foreign Agricultural Service (“FAS”). Mewah also noted for FY2025 that S&D expenses “increased US\$67.7 million mainly due to higher sales volume on products subjected to export duty primarily originating from the export sales made by the full-year operation of the new manufacturing plant in Indonesia.”

#### Exhibit 15: Export Duties vs Average MPOB CPO Price (1H FY2021 to 2H FY2025)



Note: Unlike most of our graphs, the LHS and RHS axes for this Exhibit are not proportional to each other.

Source: Mewah, MPOB (CPO price), FPA

#### Administrative expenses:

Administrative expenses rose by 12.6% to US\$62.8 million in 2H FY2025 from US\$55.8 million in 2H FY2024, amid revenue rising by 4.1% y-o-y, as shown in **Exhibit 16**.

#### Exhibit 16: Administrative Expenses (2H FY2025 vs 2H FY2024)

(in US\$ '000)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Administrative expenses	62,848	55,821	7,027	12.6%
Revenue	2,988,627	2,872,174	116,453	4.1%
<b>Administrative expenses as a % of revenue</b>	<b>2.1%</b>	<b>1.9%</b>		

Source: Mewah, FPA

Administrative expenses as a percentage of revenue generally ranged between 1.8% and 2.2% from 1H FY2021 to 2H FY2025 (except 1H FY2023 to 1H FY2024, amid a fall in revenue), as shown in **Exhibit 17**.

#### Exhibit 17: Administrative Expenses (1H FY2021 to 2H FY2025)

(in US\$ '000)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Administrative expenses	41,657	45,312	48,663	51,816	55,984	50,059	54,517	55,821	65,711	62,848
Revenue	2,117,315	2,231,503	2,702,577	2,725,951	2,135,812	1,987,984	1,909,802	2,872,174	2,988,719	2,988,627
<b>Administrative expenses as a % of revenue</b>	<b>2.0%</b>	<b>2.0%</b>	<b>1.8%</b>	<b>1.9%</b>	<b>2.6%</b>	<b>2.5%</b>	<b>2.9%</b>	<b>1.9%</b>	<b>2.2%</b>	<b>2.1%</b>

Source: Mewah, FPA

**Finance expenses:**

Finance expenses rose by 48.4% to US\$23.1 million in 2H FY2025 from US\$15.6 million in 2H FY2024, amid total borrowings rising by 89.8% y-o-y in 1H FY2025, as shown in **Exhibit 18**. We estimate the annualised effective interest on finance expenses by  $[\text{finance expenses} \div \text{total borrowings (previous semi-annual period)} \times 2]$ .

**Exhibit 18: Finance Expenses (2H FY2025 vs 2H FY2024)**

(in US\$ '000)	Actual*		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Finance expenses	23,126	15,584	7,542	48.4%
Total borrowings (prev. period)	830,022	437,428	392,594	89.8%
<b>Effective interest on finance expenses (annualised; estimate)</b>	<b>5.6%</b>	<b>7.1%</b>		

**Effective Federal Funds Rate ("EFFR"; average)** 4.1% 5.0%

\* unless indicated as estimate.

Source: Mewah, Federal Reserve Bank of New York, FPA

Finance expenses from 1H FY2021 to 2H FY2025 are shown in **Exhibit 19**.

**Exhibit 19: Finance Expenses (1H FY2021 to 2H FY2025)**

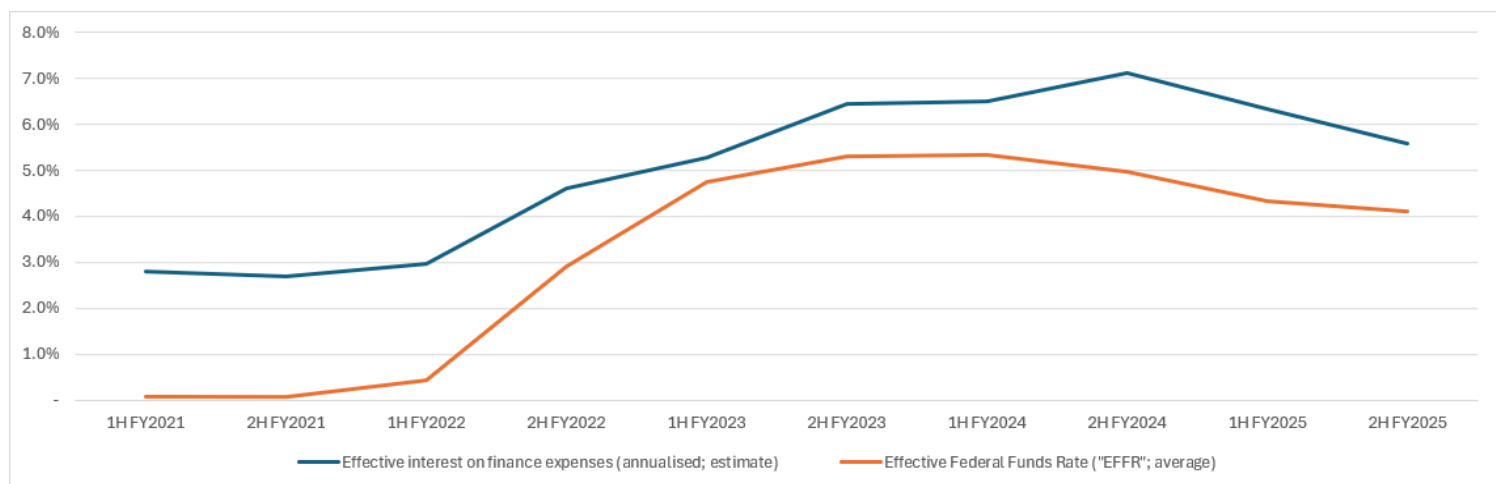
(in US\$ '000)	Actual*									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Finance expenses	3,968	5,772	6,355	12,759	14,288	13,034	12,706	15,584	20,955	23,126
Total borrowings (prev. period)	284,179	388,238	430,168	554,782	540,779	404,457	391,574	437,428	661,576	830,022
<b>Effective interest on finance expenses (annualised; estimate)</b>	<b>2.8%</b>	<b>2.7%</b>	<b>3.0%</b>	<b>4.6%</b>	<b>5.3%</b>	<b>6.4%</b>	<b>6.5%</b>	<b>7.1%</b>	<b>6.3%</b>	<b>5.6%</b>
<b>Effective Federal Funds Rate ("EFFR"; average)</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.4%</b>	<b>2.9%</b>	<b>4.8%</b>	<b>5.3%</b>	<b>5.3%</b>	<b>5.0%</b>	<b>4.3%</b>	<b>4.1%</b>

\* unless indicated as estimate.

Source: Mewah, Federal Reserve Bank of New York, FPA

The annualised effective interest on finance expenses generally trended with the average Effective Federal Funds Rate ("EFFR") from 1H FY2021 to 2H FY2025, as shown in **Exhibit 20**.

**Exhibit 20: Ann. Effective Interest on Finance Expenses vs Avg Effective Federal Funds Rate (1H FY2021 to 2H FY2025)**



Source: Mewah, Federal Reserve Bank of New York, FPA

**Share of results of associated company:**

Share of profit of associated company rose to US\$11,000 (nearest '000) in 2H FY2025 from US\$2,000 (nearest '000) in 2H FY2024, as shown in **Exhibit 21**.

**Exhibit 21: Share of Results of Associated Company (1H FY2021 to 2H FY2025)**

(in US\$ '000)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Share of profit of associated company	14	(41)	(37)	(17)	16	12	10	2	7	11

Source: Mewah, FPA

**Profit before tax:**

Accordingly, profit before tax fell by 9.9% to US\$21.0 million in 2H FY2025 from US\$23.3 million in 2H FY2024, as shown in **Exhibit 22**, amid S&D expenses rising by US\$21.4 million y-o-y and a write-off of property, plant, and equipment, and inventories of US\$13.1 million in 2H FY2025 in relation to the fire incident at one of the facilities operated by PTARM.

**Exhibit 22: Profit Before Tax (2H FY2025 vs 2H FY2024)**

(in US\$ '000)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
<b>Gross profit</b>	<b>211,655</b>	<b>157,910</b>	<b>53,745</b>	<b>34.0%</b>
Other income	8,081	11,988	(3,907)	(32.6%)
Other expenses	(22,354)	(11,934)	(10,420)	87.3%
Other (losses)/gains (net)	(925)	6,671	(7,596)	(113.9%)
(Provision)/Reversal of expected credit losses	(3,128)	825	(3,953)	(479.2%)
(Provision)/Reversal of other receivables	2,936	(2,828)	5,764	(203.8%)
Selling & Distribution ("S&D") expenses	(89,325)	(67,950)	(21,375)	31.5%
Administrative expenses	(62,848)	(55,821)	(7,027)	12.6%
Finance expenses	(23,126)	(15,584)	(7,542)	48.4%
Share of profit of associated company	11	2	9	450.0%
<b>Profit before tax</b>	<b>20,977</b>	<b>23,279</b>	<b>(2,302)</b>	<b>(9.9%)</b>

Source: Mewah, FPA

The breakdown of profit before tax from 1H FY2021 to 2H FY2025 is shown in **Exhibit 23**.

**Exhibit 23: Profit Before Tax (1H FY2021 to 2H FY2025)**

(in US\$ '000)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Gross profit	143,562	179,486	124,260	248,615	128,724	130,348	138,808	157,910	174,352	211,655
Other income	2,155	5,758	3,578	2,567	3,933	6,246	7,829	11,988	7,075	8,081
Other expenses	(2,378)	(5,066)	-	(20,708)	-	(3,784)	(4,204)	(11,934)	(2,714)	(22,354)
Other (losses)/gains (net)	(13,012)	(3,475)	(31,681)	(6,069)	(25,044)	966	(22,719)	6,671	38,004	(925)
(Provision)/Reversal of expected credit losses	(3,052)	(2,077)	2,146	(549)	835	(3,585)	(4,371)	825	(4,627)	(3,128)
(Provision)/Reversal of other receivables	-	-	-	-	-	96	(1,714)	(2,828)	(1,143)	2,936
Selling & Distribution ("S&D") expenses	(49,022)	(46,398)	(28,647)	(31,813)	(26,150)	(24,106)	(23,580)	(67,950)	(69,882)	(89,325)
Administrative expenses	(41,657)	(45,312)	(48,663)	(51,816)	(55,984)	(50,059)	(54,517)	(55,821)	(65,711)	(62,848)
Finance expenses	(3,968)	(5,772)	(6,355)	(12,759)	(14,288)	(13,034)	(12,706)	(15,584)	(20,955)	(23,126)
Share of profit of associated company	14	(41)	(37)	(17)	16	12	10	2	7	11
<b>Profit before tax</b>	<b>32,642</b>	<b>77,103</b>	<b>14,601</b>	<b>127,451</b>	<b>12,042</b>	<b>43,100</b>	<b>22,836</b>	<b>23,279</b>	<b>54,406</b>	<b>20,977</b>

Source: Mewah, FPA

**Income tax expense:**

Income tax expense rose by 273.2% to US\$13.1 million in 2H FY2025 from US\$3.5 million in 2H FY2024, despite profit before tax falling by 9.9% y-o-y, as shown in **Exhibit 24**.

**Exhibit 24: Income Tax Expense (2H FY2025 vs 2H FY2024)**

(in US\$ '000)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute	Change
Income tax expense	13,137	3,520	9,617	273.2%
Profit before tax	20,977	23,279	(2,302)	(9.9%)
<b>Effective tax rate</b>	<b>62.6%</b>	<b>15.1%</b>		

Source: Mewah, FPA

Effective tax rate rose to 62.6% in 2H FY2025 after remaining between 22.9% and 32.0% from 1H FY2021 to 1H FY2025 (except 2H FY2022 and 2H FY2024), as shown in **Exhibit 25**. Mewah noted, "For FY 2025, income tax expense increased to US\$30.0 million compared to US\$10.5 million for FY 2024. Excluding the impairment losses and write-off of assets, the Group recorded an effective tax rate of 29.9% (FY 2024: 16.7%) primarily due to change in the mix of results of our subsidiaries in the various jurisdictions and the differences in taxable profits and accounting profits."

**Exhibit 25: Income Tax Expense (1H FY2021 to 2H FY2025)**

(in US\$ '000)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Income tax expense	8,422	20,176	3,811	25,178	2,759	13,811	7,003	3,520	16,862	13,137
Profit before tax	32,642	77,103	14,601	127,451	12,042	43,100	22,836	23,279	54,406	20,977
<b>Effective tax rate</b>	<b>25.8%</b>	<b>26.2%</b>	<b>26.1%</b>	<b>19.8%</b>	<b>22.9%</b>	<b>32.0%</b>	<b>30.7%</b>	<b>15.1%</b>	<b>31.0%</b>	<b>62.6%</b>

Source: Mewah, FPA

**Profit after tax:**

Profit after tax fell by 60.3% to US\$7.8 million in 2H FY2025 from US\$19.8 million in 2H FY2024, as shown in **Exhibit 26**.

**Exhibit 26: Profit After Tax (2H FY2025 vs 2H FY2024)**

(in US\$ '000)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
<b>Profit before tax</b>	<b>20,977</b>	<b>23,279</b>	<b>(2,302)</b>	<b>(9.9%)</b>
Income tax expense	(13,137)	(3,520)	(9,617)	273.2%
<b>Profit after tax</b>	<b>7,840</b>	<b>19,759</b>	<b>(11,919)</b>	<b>(60.3%)</b>

Source: Mewah, FPA

Profit after tax from 1H FY2021 to 2H FY2025 is shown in **Exhibit 27**.

**Exhibit 27: Profit After Tax (1H FY2021 to 2H FY2025)**

(in US\$ '000)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Profit before tax	32,642	77,103	14,601	127,451	12,042	43,100	22,836	23,279	54,406	20,977
Income tax expense	(8,422)	(20,176)	(3,811)	(25,178)	(2,759)	(13,811)	(7,003)	(3,520)	(16,862)	(13,137)
<b>Profit after tax</b>	<b>24,220</b>	<b>56,927</b>	<b>10,790</b>	<b>102,273</b>	<b>9,283</b>	<b>29,289</b>	<b>15,833</b>	<b>19,759</b>	<b>37,544</b>	<b>7,840</b>

Source: Mewah, FPA

**Profit attributable to equity holders of the Company and Earnings Per Share (“EPS”):**

After deducting profit attributable to Non-Controlling Interests (“NCI”), profit attributable to equity holders of the Company fell by 20.9% to US\$16.0 million in 2H FY2025 from US\$20.2 million in 2H FY2024, as shown in **Exhibit 28**. The total issued shares (Mewah held no treasury shares) in 2H FY2025 remained the same as in 2H FY2024. Accordingly, EPS (in U.S. cents) fell by 20.9% to 1.07 in 2H FY2025 from 1.35 in 2H FY2024.

**Exhibit 28: Profit Attributable to Equity Holders of the Company and Earnings Per Share (1H FY2021 to 2H FY2025)**

(in US\$ '000 unless otherwise indicated)	Actual*		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Equity holders of the Company	16,009	20,247	(4,238)	(20.9%)
Non-controlling interests	(8,169)	(488)	(7,681)	1,574.0%
<b>Profit after tax</b>	<b>7,840</b>	<b>19,759</b>	<b>(11,919)</b>	<b>(60.3%)</b>
Total issued shares ('000)	1,500,667	1,500,667	-	-
<b>Earnings per share (in U.S. cents)</b>	<b>1.07</b>	<b>1.35</b>	<b>(0.28)</b>	<b>(20.9%)</b>
Multiply by: USD-to-SGD exchange rate (average)	1.290	1.326	(0.036)	(2.7%)
<b>Earnings per share (in SG cents; estimate)</b>	<b>0.83</b>	<b>1.02</b>	<b>(0.19)</b>	<b>(18.7%)</b>

\* unless indicated as estimate.

Source: Mewah, Yahoo! Finance (exchange rate), FPA

Profit attributable to equity holders of the Company and EPS from 1H FY2021 to 2H FY2025 are shown in **Exhibit 29**.

**Exhibit 29: Profit Attributable to Equity Holders of the Company and Earnings Per Share (1H FY2021 to 2H FY2025)**

(in US\$ '000 unless otherwise indicated)	Actual*									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Equity holders of the Company	24,488	55,683	14,188	99,456	10,159	30,422	18,560	20,247	37,602	16,009
Non-controlling interests	(268)	1,244	(3,398)	2,817	(876)	(1,133)	(2,727)	(488)	(58)	(8,169)
<b>Profit after tax</b>	<b>24,220</b>	<b>56,927</b>	<b>10,790</b>	<b>102,273</b>	<b>9,283</b>	<b>29,289</b>	<b>15,833</b>	<b>19,759</b>	<b>37,544</b>	<b>7,840</b>
Total issued shares ('000)	1,500,667	1,500,667	1,500,667	1,500,667	1,500,667	1,500,667	1,500,667	1,500,667	1,500,667	1,500,667
<b>Earnings per share (in U.S. cents)</b>	<b>1.63</b>	<b>3.71</b>	<b>0.95</b>	<b>6.63</b>	<b>0.68</b>	<b>2.03</b>	<b>1.24</b>	<b>1.35</b>	<b>2.51</b>	<b>1.07</b>
Multiply by: USD-to-SGD exchange rate (average)	1.332	1.355	1.365	1.392	1.336	1.350	1.346	1.326	1.325	1.290
<b>Earnings per share (in SG cents; estimate)</b>	<b>2.17</b>	<b>5.03</b>	<b>1.29</b>	<b>9.23</b>	<b>0.90</b>	<b>2.74</b>	<b>1.67</b>	<b>1.79</b>	<b>3.32</b>	<b>1.38</b>

\* unless indicated as estimate.

Source: Mewah, Yahoo! Finance (exchange rate), FPA

**Dividend Per Share (“DPS”):**

Mewah declared DPS (in SG cents) of 0.62 for 2H FY2025, 1.6% higher than 0.61 for 2H FY2024. Payout fell to 17.1% in FY2025 from 21.7% in FY2024, as shown in **Exhibit 30**.

**Exhibit 30: Dividend Per Share (FY2021 to FY2025)**

(in SG cents unless indicated otherwise)	Actual*				
	FY2021	FY2022	FY2023	FY2024	FY2025
1H	0.27	0.15	0.14	0.14	0.18
2H	0.81	1.40	0.61	0.61	0.62
<b>Dividend per share (in SG cents)</b>	<b>1.08</b>	<b>1.55</b>	<b>0.75</b>	<b>0.75</b>	<b>0.80</b>
Divide by: Earnings per share (in SG cents; estimate)	7.18	10.44	3.63	3.46	4.67
<b>Payout ratio</b>	<b>15.0%</b>	<b>14.8%</b>	<b>20.7%</b>	<b>21.7%</b>	<b>17.1%</b>

**Earnings per share:**

Earnings per share (in U.S. cents)	5.34	7.57	2.70	2.59	3.57
Multiply by: USD-to-SGD exchange rate (average)	1.343	1.379	1.343	1.336	1.307
<b>Earnings per share (in SG cents; estimate)</b>	<b>7.18</b>	<b>10.44</b>	<b>3.63</b>	<b>3.46</b>	<b>4.67</b>

\* unless indicated as estimate.

Source: Mewah, Yahoo! Finance (exchange rate), FPA

Mewah's financial performance for 2H FY2025 & 2H FY2024 is summarised in **Exhibit 31**.

**Exhibit 31: Financial Performance (2H FY2025 vs 2H FY2024)**

(in US\$ '000 unless otherwise indicated)	Actual*		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Revenue - Bulk	2,302,017	2,203,674	98,343	4.5%
Revenue - Consumer Pack	686,610	668,500	18,110	2.7%
<b>Revenue</b>	<b>2,988,627</b>	<b>2,872,174</b>	<b>116,453</b>	<b>4.1%</b>
Cost of sales	(2,776,972)	(2,714,264)	(62,708)	2.3%
<b>Gross profit</b>	<b>211,655</b>	<b>157,910</b>	<b>53,745</b>	<b>34.0%</b>
Other income	8,081	11,988	(3,907)	(32.6%)
Other expenses	(22,354)	(11,934)	(10,420)	87.3%
Other (losses)/gains (net)	(925)	6,671	(7,596)	(113.9%)
(Provision)/Reversal of expected credit losses	(3,128)	825	(3,953)	(479.2%)
(Provision)/Reversal of other receivables	2,936	(2,828)	5,764	(203.8%)
Selling & Distribution ("S&D") expenses	(89,325)	(67,950)	(21,375)	31.5%
Administrative expenses	(62,848)	(55,821)	(7,027)	12.6%
Finance expenses	(23,126)	(15,584)	(7,542)	48.4%
Share of profit of associated company	11	2	9	450.0%
<b>Profit before tax</b>	<b>20,977</b>	<b>23,279</b>	<b>(2,302)</b>	<b>(9.9%)</b>
Income tax expense	(13,137)	(3,520)	(9,617)	273.2%
<b>Profit after tax</b>	<b>7,840</b>	<b>19,759</b>	<b>(11,919)</b>	<b>(60.3%)</b>
Equity holders of the Company	16,009	20,247	(4,238)	(20.9%)
Non-controlling interests	(8,169)	(488)	(7,681)	1,574.0%
<b>Profit after tax</b>	<b>7,840</b>	<b>19,759</b>	<b>(11,919)</b>	<b>(60.3%)</b>
Total issued shares ('000)	1,500,667	1,500,667	-	-
<b>Earnings per share (in U.S. cents)</b>	<b>1.07</b>	<b>1.35</b>	<b>(0.28)</b>	<b>(20.9%)</b>
Multiply by: USD-to-SGD exchange rate (average)	1.290	1.326	(0.036)	(2.7%)
<b>Earnings per share (in SG cents; estimate)</b>	<b>0.83</b>	<b>1.02</b>	<b>(0.19)</b>	<b>(18.7%)</b>
<b>Dividend per share (in SG cents)</b>	<b>0.62</b>	<b>0.61</b>	<b>0.01</b>	<b>1.6%</b>

\* unless indicated as estimate.

Source: Mewah, Yahoo! Finance (exchange rate), FPA

**(II) CASH FLOWS REVIEW**

Cash & cash equivalents ranged between US\$102.2 million (2H FY2022) and US\$201.3 million (1H FY2025) from 1H FY2021 to 2H FY2025, as shown in **Exhibit 32**, with borrowing drawdowns supporting Mewah's cash levels.

**Exhibit 32: Cash Flows Statement (1H FY2021 to 2H FY2025)**

(in US\$ '000)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
<b>Summarised cash flows statement:</b>										
Net cash flows from/(used in) operating activities	(43,788)	33,840	(94,982)	(11,392)	204,843	56,788	1,864	(185,105)	(74,062)	32,746
Net cash flows used in investing activities	(16,560)	(21,053)	(25,990)	(40,080)	(37,902)	(34,917)	(28,762)	(28,582)	(20,360)	(32,334)
Net cash flows (used in)/from financing activities	103,331	38,742	131,428	(20,897)	(141,291)	(15,486)	43,419	211,065	142,426	(45,359)
<b>Net change in cash and cash equivalents</b>	<b>42,983</b>	<b>51,529</b>	<b>10,456</b>	<b>(72,369)</b>	<b>25,650</b>	<b>6,385</b>	<b>16,521</b>	<b>(2,622)</b>	<b>48,004</b>	<b>(44,947)</b>
Cash and cash equivalents at beginning of financial period/year	78,169	120,538	171,781	174,053	102,198	124,297	131,585	144,203	142,663	201,342
Effect of changes in exchange rate on cash and cash equivalents	(614)	(286)	(8,184)	514	(3,551)	903	(3,903)	1,082	10,675	(1,134)
<b>Cash and cash equivalents at end of financial period/year</b>	<b>120,538</b>	<b>171,781</b>	<b>174,053</b>	<b>102,198</b>	<b>124,297</b>	<b>131,585</b>	<b>144,203</b>	<b>142,663</b>	<b>201,342</b>	<b>155,261</b>
<b>Cash and bank balances</b>	<b>120,538</b>	<b>171,781</b>	<b>174,381</b>	<b>102,849</b>	<b>124,958</b>	<b>131,922</b>	<b>145,514</b>	<b>142,916</b>	<b>202,195</b>	<b>156,146</b>
Less: Restricted short term bank deposits	-	-	-	(651)	(661)	(337)	(1,311)	(253)	(853)	(885)
Less: Bank overdrafts	-	-	(328)	-	-	-	-	-	-	-
<b>Cash and cash equivalents per consolidated statement of cash flows</b>	<b>120,538</b>	<b>171,781</b>	<b>174,053</b>	<b>102,198</b>	<b>124,297</b>	<b>131,585</b>	<b>144,203</b>	<b>142,663</b>	<b>201,342</b>	<b>155,261</b>
<b>Cash flows statement:</b>										
<b>Profit after tax</b>	<b>24,220</b>	<b>56,927</b>	<b>10,790</b>	<b>102,273</b>	<b>9,283</b>	<b>29,289</b>	<b>15,833</b>	<b>19,759</b>	<b>37,544</b>	<b>7,840</b>
Income tax expense	8,422	20,176	3,811	25,178	2,759	13,811	7,003	3,520	16,862	13,137
Depreciation of property, plant and equipment	13,284	13,227	13,755	13,427	14,206	11,583	13,023	14,463	15,999	17,248
Gains on disposal of property, plant and equipment	(122)	(253)	58	193	71	(1,245)	(83)	-	(2,809)	(8)
Property, plant and equipment written off	-	14	19	53	1	617	846	31	9	15,162
Inventories written off	-	-	-	-	-	-	-	-	-	3,623
(Reversal of impairment losses)/Impairment losses on property, plant and equipment	2,378	5,066	-	20,708	-	3,784	4,204	11,658	2,714	(391)
Impairment losses on goodwill	-	-	-	-	-	765	-	245	-	3,503
Provision/(Reversal) of expected credit losses – trade receivables	-	-	-	-	-	3,585	4,371	(825)	4,627	3,128
(Reversal)/Provision of expected credit losses – other receivables	-	-	-	-	-	(96)	1,714	2,828	1,143	(2,936)
Interest income	(755)	(1,916)	(1,714)	(723)	(1,122)	(2,520)	(5,109)	(7,987)	(3,339)	(3,862)
Interest expense	3,968	5,772	6,355	12,759	14,288	13,034	12,706	15,584	20,955	23,126
Share of profit of associated company	(14)	41	37	17	(16)	(12)	(10)	(2)	(7)	(11)
<b>Operating cash flows before operating assets and liabilities changes</b>	<b>51,381</b>	<b>99,054</b>	<b>33,111</b>	<b>173,885</b>	<b>39,470</b>	<b>72,595</b>	<b>54,498</b>	<b>59,274</b>	<b>93,698</b>	<b>79,559</b>
Inventories	(49,356)	(156,032)	(11,465)	16,259	98,932	(88,226)	(26,011)	(77,757)	35,395	(142,344)
Trade and other receivables	(14,826)	46,970	(196,672)	(70,916)	182,835	47,024	(49,268)	(175,717)	(66,706)	173,676
Contract liabilities	5,524	(869)	47,760	(46,717)	345	1,961	(2,583)	(1,744)	5,758	4,190
Trade and other payables	(40,186)	72,776	33,312	(37,769)	(79,817)	29,511	53,894	26,883	(118,045)	(10,726)
Derivative financial instruments	15,478	(11,781)	15,448	(24,631)	(12,656)	22,832	(11,661)	8,634	3,177	(41,784)
<b>Cash flows from/(used in) operations</b>	<b>(31,985)</b>	<b>50,118</b>	<b>(78,506)</b>	<b>10,111</b>	<b>229,109</b>	<b>85,697</b>	<b>18,869</b>	<b>(160,427)</b>	<b>(46,723)</b>	<b>62,571</b>
Interest received	755	1,916	1,714	723	1,122	2,520	5,109	7,987	3,339	3,862
Interest paid	(3,968)	(5,772)	(6,355)	(12,759)	(14,288)	(13,034)	(12,706)	(15,584)	(20,955)	(23,126)
Income tax paid	(8,590)	(12,422)	(11,835)	(9,467)	(11,100)	(18,395)	(9,408)	(17,081)	(9,723)	(10,561)
<b>Net cash flows from/(used in) operating activities</b>	<b>(43,788)</b>	<b>33,840</b>	<b>(94,982)</b>	<b>(11,392)</b>	<b>204,843</b>	<b>56,788</b>	<b>1,864</b>	<b>(185,105)</b>	<b>(74,062)</b>	<b>32,746</b>
Acquisition of a subsidiary, net of cash and cash equivalents acquired	(12,315)	(967)	-	(5,731)	(1,647)	-	-	-	-	(4,133)
(Increase)/Decrease in other receivables	3,934	-	3,846	-	4,273	-	-	-	-	-
Decrease/(Increase) in advance payment of property, plant and equipment	-	(3,685)	-	(8,310)	-	-	-	-	-	-
Additions to property, plant and equipment	(8,452)	(16,659)	(29,876)	(26,160)	(40,539)	(40,834)	(28,894)	(28,689)	(24,020)	(28,449)
Proceeds from disposal of property, plant and equipment	273	258	40	121	11	5,906	132	96	3,660	237
Dividend received from associated company	-	-	-	-	-	11	-	11	-	11
<b>Net cash flows used in investing activities</b>	<b>(16,560)</b>	<b>(21,053)</b>	<b>(25,990)</b>	<b>(40,080)</b>	<b>(37,902)</b>	<b>(34,917)</b>	<b>(28,762)</b>	<b>(28,582)</b>	<b>(20,360)</b>	<b>(32,334)</b>
Acquisition of non-controlling interests	-	-	-	(120)	-	-	-	-	-	-
Decrease/(Increase) in restricted short term bank deposits	-	-	-	(651)	-	314	(974)	1,069	(550)	-
Proceeds from long term borrowings	8,268	42,717	31,821	26,788	31,667	8,289	37,000	9,396	6,171	22,671
Repayment of long term borrowings	(11,231)	(2,983)	(6,385)	(9,758)	(11,264)	(17,332)	(14,385)	(14,267)	(14,427)	(14,716)
(Repayment of)/Net proceeds from short-term borrowings	113,445	2,250	115,284	(35,258)	(145,547)	(4,717)	29,138	216,958	158,958	(50,662)
Repayment of lease liabilities	(230)	(247)	(243)	(265)	(243)	(460)	(392)	(496)	(512)	(543)
Dividends paid to equity holders of the Company	(6,784)	(2,995)	(8,806)	(1,633)	(15,717)	(1,580)	(6,735)	(1,595)	(7,007)	(2,109)
Dividends paid to non-controlling interests	(137)	-	(243)	-	(207)	-	(233)	-	(207)	-
<b>Net cash flows (used in)/from financing activities</b>	<b>103,331</b>	<b>38,742</b>	<b>131,428</b>	<b>(20,897)</b>	<b>(141,291)</b>	<b>(15,486)</b>	<b>43,419</b>	<b>211,065</b>	<b>142,426</b>	<b>(45,359)</b>

Source: Mewah, FPA

## FINANCIAL PROJECTIONS

### (I) REVENUE & GROSS PROFIT PROJECTIONS

#### Revenue:

We assume that:

- Average MPOB CPO price (in RM per tonne) will rise to RM 4,353.93 in 1H & 2H FY2026, then fall to RM 4,200.00 in 1H FY2027, before rising to RM 4,300.00 in 2H FY2027 (as discussed on page 4)
- Average USD-to-MYR exchange rate will remain at 3.991, the exchange rate as at 27 March 2026
- The spread between average MPOB CPO price and Bulk ASP from 1H FY2026 to 2H FY2027 would be the average of 1H FY2023 to 2H FY2025 (excluding 1H FY2025, in which we estimate that the spread rose to US\$129.2)
- The spread between average MPOB CPO price and Consumer Pack ASP from 1H FY2026 to 2H FY2027 would be the average of 1H FY2023 to 2H FY2025 (excluding 1H FY2025, in which we estimate that the spread rose to US\$348.7)
- After Mewah raised its refining capacity, Bulk sales volume in 1H FY2026 & 1H FY2027 will be the same as in 1H FY2025, while sales volume in 2H FY2026 & 2H FY2027 will be the same as the average of 2H FY2024 & 2H FY2025
- Given that Consumer Pack sales volume was not affected by the increase in Mewah's refining capacity, Consumer Pack sales volume in each of 1H FY2026 to 2H FY2027 will be the average of 1H FY2023 to 2H FY2025.

Thereafter, we project Bulk and Consumer Pack revenue in each of 1H FY2026 to 2H FY2027 by multiplying their respective ASPs with their respective sales volumes for each period [e.g., Bulk revenue = Bulk ASP × Bulk sales volume].

Accordingly, we project revenue to be US\$3.0 billion in 1H FY2026, US\$3.2 billion in 2H FY2026 (totalling US\$6.2 billion in FY2026), US\$2.9 billion in 1H FY2027, and US\$3.2 billion in 2H FY2027 (US\$6.1 billion in FY2027), as shown in **Exhibit 33**.

#### Exhibit 33: Projected Revenue (1H FY2026 to 2H FY2027)

(in US\$ '000 unless otherwise indicated)	Actual*						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Revenue - Bulk	1,484,365	1,402,467	1,314,807	2,203,674	2,244,972	2,302,017	2,296,613	2,450,392	2,220,014	2,421,759
Revenue - Consumer Pack	651,447	585,517	594,995	668,500	743,747	686,610	738,635	738,635	716,311	730,814
<b>Revenue - Total</b>	<b>2,135,812</b>	<b>1,987,984</b>	<b>1,909,802</b>	<b>2,872,174</b>	<b>2,988,719</b>	<b>2,988,627</b>	<b>3,035,249</b>	<b>3,189,027</b>	<b>2,936,326</b>	<b>3,152,573</b>
<b>Breakdown of bulk revenue:</b>										
Sales volume (MT'000) - Bulk	1,515.8	1,639.9	1,458.3	2,149.4	1,966.3	2,089.2	1,966.3	2,119.3	1,966.3	2,119.3
Multiply by: Average selling prices (US\$) - Bulk (estimate for 2H)	979.3	855.2	901.6	1,025.3	1,130.2	1,101.9	1,156.2	1,156.2	1,117.7	1,142.7
<b>Revenue (US\$*million) - Bulk</b>	<b>1,484.4</b>	<b>1,402.4</b>	<b>1,314.8</b>	<b>2,203.7</b>	<b>2,245.0</b>	<b>2,302.0</b>	<b>2,296.6</b>	<b>2,450.4</b>	<b>2,220.0</b>	<b>2,421.8</b>
<b>Breakdown of consumer pack revenue:</b>										
Sales volume (MT'000) - Consumer Pack	608.1	570.8	606.7	567.4	551.0	569.3	578.9	578.9	578.9	578.9
Multiply by: Average selling prices (US\$) - Consumer Pack (estimate for 2H)	1,071.2	1,025.8	980.7	1,178.2	1,349.7	1,206.1	1,276.0	1,276.0	1,237.4	1,262.5
<b>Revenue (US\$*million) - Consumer Pack</b>	<b>651.4</b>	<b>585.6</b>	<b>595.0</b>	<b>668.5</b>	<b>743.7</b>	<b>686.7</b>	<b>738.6</b>	<b>738.6</b>	<b>716.3</b>	<b>730.8</b>
<b>Comparison of palm oil prices:</b>										
MPOB CPO price (average; RM per tonne)	3,926	3,738	4,016	4,410	4,380	4,215	4,354	4,354	4,200	4,300
Multiply by: USD-to-MYR exchange rate (average)	4.454	4.661	4.722	4.427	4.376	4.189	3.991	3.991	3.991	3.991
<b>MPOB CPO price (average; US\$ per tonne; estimate)</b>	<b>881</b>	<b>802</b>	<b>850</b>	<b>996</b>	<b>1,001</b>	<b>1,006</b>	<b>1,091</b>	<b>1,091</b>	<b>1,052</b>	<b>1,077</b>
(B) Average selling prices (US\$) - Bulk (estimate for 2H)	979.3	855.2	901.6	1,025.3	1,130.2	1,101.9	1,156.2	1,156.2	1,117.7	1,142.7
Deduct: (A) MPOB CPO price (average; US\$ per tonne; estimate)	(881.5)	(801.9)	(850.4)	(996.1)	(1,001.0)	(1,006.2)	(1,090.8)	(1,090.8)	(1,052.2)	(1,077.3)
<b>Spread between A and B (estimate)</b>	<b>97.8</b>	<b>53.3</b>	<b>51.2</b>	<b>29.1</b>	<b>129.2</b>	<b>95.7</b>	<b>65.4</b>	<b>65.4</b>	<b>65.4</b>	<b>65.4</b>
(C) Average selling prices (US\$) - Consumer Pack (estimate for 2H)	1,071.2	1,025.8	980.7	1,178.2	1,349.7	1,206.1	1,276.0	1,276.0	1,237.4	1,262.5
Deduct: (A) MPOB CPO price (average; US\$ per tonne; estimate)	(881.5)	(801.9)	(850.4)	(996.1)	(1,001.0)	(1,006.2)	(1,090.8)	(1,090.8)	(1,052.2)	(1,077.3)
<b>Spread between A and C (estimate)</b>	<b>189.7</b>	<b>223.9</b>	<b>130.3</b>	<b>182.0</b>	<b>348.7</b>	<b>199.9</b>	<b>185.2</b>	<b>185.2</b>	<b>185.2</b>	<b>185.2</b>

\* unless indicated as estimate.

Source: Mewah, MPOB (CPO price), FPA

**Gross profit:**

We assume that gross margin from 1H FY2026 to 2H FY2027 will be 6.4%, the average of 1H FY2023 to 2H FY2025.

Thus, we project gross profit to be US\$193.6 million in 1H FY2026, US\$203.4 million in 2H FY2026 (totalling US\$397.0 million in FY2026), US\$187.3 million in 1H FY2027, and US\$201.1 million in 2H FY2027 (US\$388.3 million in FY2027), as shown in

**Exhibit 34.****Exhibit 34: Projected Gross Profit (1H FY2026 to 2H FY2027)**

(in US\$ '000)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Gross profit	128,724	130,348	138,808	157,910	174,352	211,655	193,576	203,383	187,267	201,058
Revenue	2,135,812	1,987,984	1,909,802	2,872,174	2,988,719	2,988,627	3,035,249	3,189,027	2,936,326	3,152,573
Gross margin	6.0%	6.6%	7.3%	5.5%	5.8%	7.1%	6.4%	6.4%	6.4%	6.4%

Source: Mewah, FPA

**(II) EARNINGS PROJECTION****Other income, other expenses, and other losses/gains (net):**

We assume that, as may be seen in **Exhibit 35**:

- The annualised effective interest on interest income from 1H FY2026 to 2H FY2027 will be the same as in 1H FY2025, as it generally rose from 1H FY2021 to 2H FY2025
- Cash & cash equivalents from 1H FY2026 to 2H FY2027 will remain the same as in 2H FY2025
- Late interest charged on trade receivables, rental income, insurance claims, and other miscellaneous income from 1H FY2026 to 2H FY2027 will be the average of 1H FY2023 to 2H FY2025
- The remaining other income, other expenses, and other losses/gains from 1H FY2026 to 2H FY2027 will be nil.

**Exhibit 35: Projected Other Income, Other Expenses, and Other Losses/Gains (1H FY2026 to 2H FY2027)**

(in US\$ '000)	Actual*					Projection				
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Interest income on bank deposits and others	724	759	606	757	1,328	1,430	1,430	1,430	1,430	1,430
Late interest charged on trade receivables	398	1,761	4,503	7,230	2,011	2,432	3,056	3,056	3,056	3,056
Rental income	150	169	239	68	161	273	177	177	177	177
Commission income	-	1	-	5	-	-	-	-	-	-
Insurance claims	948	2,422	703	165	736	1,409	1,064	1,064	1,064	1,064
Other miscellaneous income	1,713	1,134	1,778	3,763	2,839	2,537	2,294	2,294	2,294	2,294
<b>Other income</b>	<b>3,933</b>	<b>6,246</b>	<b>7,829</b>	<b>11,988</b>	<b>7,075</b>	<b>8,081</b>	<b>8,020</b>	<b>8,020</b>	<b>8,020</b>	<b>8,020</b>
Reversal of impairm. losses/(Impairm. losses) on property, plant & equipment (net)	-	(3,784)	(4,204)	(11,658)	(2,714)	391	-	-	-	-
Property, plant and equipment written off	-	-	-	(31)	-	(15,162)	-	-	-	-
Impairment losses on goodwill	-	-	-	(245)	-	(3,503)	-	-	-	-
Inventories written off	-	-	-	-	-	(3,623)	-	-	-	-
Others	-	-	-	-	-	(457)	-	-	-	-
<b>Other expenses</b>	<b>-</b>	<b>(3,784)</b>	<b>(4,204)</b>	<b>(11,934)</b>	<b>(2,714)</b>	<b>(22,354)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Property, plant and equipment written off	(1)	(617)	(846)	-	(9)	-	-	-	-	-
Impairment losses on goodwill	-	(765)	-	-	-	-	-	-	-	-
Reversal of provision for legal claim	116	89	-	-	-	-	-	-	-	-
(Provision)/Reversal of allowance on other receivables (net)	155	-	-	-	-	-	-	-	-	-
Foreign exchange (losses)/gains – net	(25,243)	1,106	(21,956)	6,603	35,204	(933)	-	-	-	-
Gains on disposal of property, plant and equipment	(71)	1,245	83	-	2,809	8	-	-	-	-
Others	-	(92)	-	68	-	-	-	-	-	-
<b>Others (losses)/gains - net</b>	<b>(25,044)</b>	<b>966</b>	<b>(22,719)</b>	<b>6,671</b>	<b>38,004</b>	<b>(925)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Effective interest on interest income:</b>										
Interest income on bank deposits and others	724	759	606	757	1,328	1,430	1,430	1,430	1,430	1,430
Cash and bank balances	124,958	131,922	145,514	142,916	202,195	156,146	156,146	156,146	156,146	156,146
<b>Effective interest on interest income (annualised; estimate)</b>	<b>1.2%</b>	<b>1.2%</b>	<b>0.8%</b>	<b>1.1%</b>	<b>1.3%</b>	<b>1.8%</b>	<b>1.8%</b>	<b>1.8%</b>	<b>1.8%</b>	<b>1.8%</b>

\* unless indicated as estimate.

Source: Mewah, FPA

**Provision/Reversal of expected credit losses and of other receivables:**

We assume that provision/reversal of expected credit losses and of other receivables from 1H FY2026 to 2H FY2027 will be the average of 1H FY2023 to 2H FY2025, as may be seen in **Exhibit 36**.

**Exhibit 36: Projected Provision/Reversal of Expected Credit Losses and of Other Receivables (1H FY2026 to 2H FY2027)**

(in US\$ '000)	Actual					Projection				
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
(Provision)/Reversal of expected credit losses	835	(3,585)	(4,371)	825	(4,627)	(3,128)	(2,342)	(2,342)	(2,342)	(2,342)
(Provision)/Reversal of other receivables	-	96	(1,714)	(2,828)	(1,143)	2,936	(442)	(442)	(442)	(442)

Source: Mewah, FPA

**Selling & Distribution (“S&D”) expenses:**

We assume that, as may be seen in **Exhibit 37**:

- Freight per MT of total sales volume from 1H FY2026 to 2H FY2027 will be the average of 1H FY2023 to 2H FY2025
- Storage, handling and forwarding per MT of sales volume from 1H FY2026 to 2H FY2027 to be the same as in 2H FY2025, as storage, handling and forwarding per MT of sales volume generally rose to US\$9.84 in 2H FY2025 from US\$8.02 in 1H FY2021
- Export duties per MT of sales volume from 1H FY2026 to 2H FY2027 will remain the same as in 2H FY2025, given that Indonesia is unlikely to lower the current export duties
- Other S&D expenses in each of 1H FY2026 to 2H FY2027 will be the average of 1H FY2023 to 2H FY2025.

**Exhibit 37: Projected Selling & Distribution Expenses (1H FY2026 to 2H FY2027)**

(in US\$ '000 unless otherwise indicated)	Actual*						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Freight	1,180	1,411	491	1,111	835	413	994	1,046	994	1,046
Storage, handling and forwarding	18,452	17,858	20,024	24,007	25,213	26,153	25,235	26,543	25,235	26,543
Export duties	5,062	3,590	1,860	41,169	40,643	62,660	60,461	63,595	60,461	63,595
Other selling and distribution expenses	1,456	1,247	1,205	1,663	3,191	99	1,477	1,477	1,477	1,477
<b>Selling &amp; Distribution (“S&amp;D”) expenses</b>	<b>26,150</b>	<b>24,106</b>	<b>23,580</b>	<b>67,950</b>	<b>69,882</b>	<b>89,325</b>	<b>88,166</b>	<b>92,661</b>	<b>88,166</b>	<b>92,661</b>

**vs Total sales volume:**

Sales volume (MT'000) - Bulk	1,516	1,640	1,458	2,149	1,986	2,089	1,986	2,119	1,986	2,119
Sales volume (MT'000) - Consumer Pack	608	571	607	567	551	569	579	579	579	579
<b>Sales volume (MT'000) - Total</b>	<b>2,124</b>	<b>2,211</b>	<b>2,065</b>	<b>2,717</b>	<b>2,537</b>	<b>2,659</b>	<b>2,565</b>	<b>2,698</b>	<b>2,565</b>	<b>2,698</b>

**Respective expenses divided by total sales volume (estimates):**

Freight per MT of total sales volume (US\$ per MT; LHS)	0.56	0.64	0.24	0.41	0.33	0.16	0.39	0.39	0.39	0.39
Storage, handling and forwarding per MT of total sales volume (US\$ per MT; LHS)	8.69	8.08	9.70	8.84	9.94	9.84	9.84	9.84	9.84	9.84
Export duties per MT of total sales volume (US\$ per MT; LHS)	2.38	1.62	0.90	15.15	16.02	23.57	23.57	23.57	23.57	23.57

\* unless indicated as estimate.

Source: Mewah, FPA

**Administrative expenses:**

We assume that administrative expenses as a percentage of revenue will be 2.1%, the average of 2H FY2024 to 2H FY2025 (i.e., excluding what might be elevated percentages in 1H FY2023 to 1H FY2024), as may be seen in **Exhibit 38**.

**Exhibit 38: Projected Administrative Expenses (1H FY2026 to 2H FY2027)**

(in US\$ '000)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Administrative expenses	55,984	50,059	54,517	55,821	65,711	62,848	63,184	66,385	61,125	65,627
Revenue	2,135,812	1,987,984	1,909,802	2,872,174	2,988,719	2,988,627	3,035,249	3,189,027	2,936,326	3,152,573
<b>Administrative expenses as a % of revenue</b>	<b>2.6%</b>	<b>2.5%</b>	<b>2.9%</b>	<b>1.9%</b>	<b>2.2%</b>	<b>2.1%</b>	<b>2.1%</b>	<b>2.1%</b>	<b>2.1%</b>	<b>2.1%</b>

Source: Mewah, FPA

**Finance expenses:**

In the Summary of Economic Projections released by the U.S. Federal Open Market Committee (“FOMC”) on 18 March 2026, [the median federal funds rate projection was noted to be 3.4% at end-2026 and 3.1% at end-2027](#). The U.S. FOMC also [maintained the target federal funds range at 3.50–3.75% in March 2026](#).

However, J.P. Morgan noted in February 2026, [“the Fed is projected to hike rates by 25 bp in the third quarter of 2027, bringing the upper band for the policy rate back up to 4%.”](#) In a CNBC interview on 20 March 2026, J.P. Morgan also indicated that it [expected no rate cut in 2026 and a rate hike in 2027](#).

We adopt J.P. Morgan’s interest rate view and assume that the average EFFR, and in turn, the annualised effective interest on finance expenses, will remain the same from 1H FY2026 to 1H FY2027, before falling in 2H FY2027 amid an assumed 25 basis points rate cut in mid-2H FY2027.

We assume too that borrowings from 1H FY2026 to 1H FY2027 will remain the same as in 2H FY2025, as shown in **Exhibit 39**.

**Exhibit 39: Projected Finance Expenses (1H FY2026 to 2H FY2027)**

(in US\$ '000)	Actual*						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Finance expenses	14,288	13,034	12,706	15,584	20,955	23,126	20,452	20,452	20,452	19,952
Total borrowings (prev. period)	540,779	404,457	391,574	437,428	661,576	830,022	800,100	800,100	800,100	800,100
Effective interest on finance expenses (annualised; estimate)	5.3%	6.4%	6.5%	7.1%	6.3%	5.6%	5.1%	5.1%	5.1%	5.0%
Effective Federal Funds Rate (“EFFR”; average)	4.8%	5.3%	5.3%	5.0%	4.3%	4.1%	3.6%	3.6%	3.6%	3.5%

Source: *Mewah, Federal Reserve Bank of New York, FPA*

**Share of results of associated company:**

We assume that the share of profit of associated company in each of 1H FY2026 to 2H FY2027 will be the average of 1H FY2023 to 2H FY2025, as may be seen in **Exhibit 40**.

**Exhibit 40: Projected Share of Results of Associated Company (1H FY2026 to 2H FY2027)**

(in US\$ '000)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Share of profit of associated company	16	12	10	2	7	11	10	10	10	10

Source: *Mewah, FPA*

**Profit before tax:**

Accordingly, we project profit before tax to be US\$27.0 million in 1H FY2026, US\$29.1 million in 2H FY2026 (totalling US\$56.1 million in FY2026), US\$22.8 million in 1H FY2027, and US\$28.1 million in 2H FY2027 (US\$50.8 million in FY2027), as shown in **Exhibit 41**.

**Exhibit 41: Projected Profit Before Tax (1H FY2026 to 2H FY2027)**

(in US\$ '000)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Gross profit	128,724	130,348	138,808	157,910	174,352	211,655	193,576	203,383	187,267	201,058
Other income	3,933	6,246	7,829	11,988	7,075	8,081	8,020	8,020	8,020	8,020
Other expenses	-	(3,784)	(4,204)	(11,934)	(2,714)	(22,354)	-	-	-	-
Other (losses)/gains (net)	(25,044)	966	(22,719)	6,671	38,004	(925)	-	-	-	-
(Provision)/Reversal of expected credit losses	835	(3,585)	(4,371)	825	(4,627)	(3,128)	(2,342)	(2,342)	(2,342)	(2,342)
(Provision)/Reversal of other receivables	-	96	(1,714)	(2,828)	(1,143)	2,936	(442)	(442)	(442)	(442)
Selling & Distribution ("S&D") expenses	(26,150)	(24,106)	(23,580)	(67,950)	(69,882)	(89,325)	(88,166)	(92,661)	(88,166)	(92,661)
Administrative expenses	(55,984)	(50,059)	(54,517)	(55,821)	(65,711)	(62,848)	(63,184)	(66,385)	(61,125)	(65,627)
Finance expenses	(14,288)	(13,034)	(12,706)	(15,584)	(20,955)	(23,126)	(20,452)	(20,452)	(20,452)	(19,952)
Share of profit of associated company	16	12	10	2	7	11	10	10	10	10
<b>Profit before tax</b>	<b>12,042</b>	<b>43,100</b>	<b>22,836</b>	<b>23,279</b>	<b>54,406</b>	<b>20,977</b>	<b>27,019</b>	<b>29,131</b>	<b>22,770</b>	<b>28,065</b>

Source: Mewah, FPA

**Income tax expense:**

We assume that the effective tax rate from 1H FY2026 to 2H FY2027 will be the average of 1H FY2023 to 1H FY2025 (i.e., excluding 62.6% in 2H FY2025), as may be seen in **Exhibit 42**.

**Exhibit 42: Projected Income Tax Expense (1H FY2026 to 2H FY2027)**

(in US\$ '000)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Income tax expense	2,759	13,811	7,003	3,520	16,862	13,137	7,119	7,675	5,999	7,394
Profit before tax	12,042	43,100	22,836	23,279	54,406	20,977	27,019	29,131	22,770	28,065
<b>Effective tax rate</b>	<b>22.9%</b>	<b>32.0%</b>	<b>30.7%</b>	<b>15.1%</b>	<b>31.0%</b>	<b>62.6%</b>	<b>26.3%</b>	<b>26.3%</b>	<b>26.3%</b>	<b>26.3%</b>

Source: Mewah, FPA

**Profit after tax:**

Accordingly, we project profit after tax to be US\$19.9 million in 1H FY2026, US\$21.5 million in 2H FY2026 (totalling US\$41.4 million in FY2026), US\$16.8 million in 1H FY2027, and US\$20.7 million in 2H FY2027 (US\$37.4 million in FY2027), as shown in **Exhibit 43**.

**Exhibit 43: Projected Profit After Tax (1H FY2026 to 2H FY2027)**

(in US\$ '000)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Profit before tax	12,042	43,100	22,836	23,279	54,406	20,977	27,019	29,131	22,770	28,065
Income tax expense	(2,759)	(13,811)	(7,003)	(3,520)	(16,862)	(13,137)	(7,119)	(7,675)	(5,999)	(7,394)
<b>Profit after tax</b>	<b>9,283</b>	<b>29,289</b>	<b>15,833</b>	<b>19,759</b>	<b>37,544</b>	<b>7,840</b>	<b>19,900</b>	<b>21,456</b>	<b>16,770</b>	<b>20,670</b>

Source: Mewah, FPA

**Profit attributable to equity holders of the Company and Earnings Per Share (“EPS”):**

We assume that profit attributable to NCI in each of 1H FY2026 to 2H FY2027 will be the average of 1H FY2023 to 2H FY2025. Thus, we project profit attributable to equity holders of the Company to be US\$22.1 million in 1H FY2026, US\$23.7 million in 2H FY2026 (totalling US\$45.8 million in FY2026), US\$19.0 million in 1H FY2027, and US\$22.9 million in 2H FY2027 (US\$41.9 million in FY2027), as shown in **Exhibit 44**.

We also assume that total issued shares from 1H FY2026 to 2H FY2027 will remain the same as in 2H FY2025. Thus, we project EPS (in U.S. cents) to be 1.48 in 1H FY2026, 1.58 in 2H FY2026 (totalling 3.05 in FY2026), 1.27 in 1H FY2027, and 1.53 in 2H FY2027 (2.79 in FY2027), as also shown in **Exhibit 44**.

To illustrate our projected EPS in SG cents, we assume that the average USD-to-SGD exchange rate from 1H FY2026 to 2H FY2027 will remain at 1.286, the exchange rate as at 27 March 2026.

**Exhibit 44: Proj. Profit Attributable to Equity Holders of the Company and Earnings Per Share (1H FY2026 to 2H FY2027)**

(in US\$ '000 unless otherwise indicated)	Actual*						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Equity holders of the Company	10,159	30,422	18,560	20,247	37,602	16,009	22,142	23,697	19,012	22,912
Non-controlling interests	(876)	(1,133)	(2,727)	(488)	(58)	(8,169)	(2,242)	(2,242)	(2,242)	(2,242)
<b>Profit after tax</b>	<b>9,283</b>	<b>29,289</b>	<b>15,833</b>	<b>19,759</b>	<b>37,544</b>	<b>7,840</b>	<b>19,900</b>	<b>21,456</b>	<b>16,770</b>	<b>20,670</b>
Total issued shares ('000)	1,500,667	1,500,667	1,500,667	1,500,667	1,500,667	1,500,667	1,500,667	1,500,667	1,500,667	1,500,667
<b>Earnings per share (in U.S. cents)</b>	<b>0.68</b>	<b>2.03</b>	<b>1.24</b>	<b>1.35</b>	<b>2.51</b>	<b>1.07</b>	<b>1.48</b>	<b>1.58</b>	<b>1.27</b>	<b>1.53</b>
Multiply by: USD-to-SGD exchange rate (average)	1.336	1.350	1.346	1.326	1.325	1.290	1.286	1.286	1.286	1.286
<b>Earnings per share (in SG cents; estimate)</b>	<b>0.90</b>	<b>2.74</b>	<b>1.67</b>	<b>1.79</b>	<b>3.32</b>	<b>1.38</b>	<b>1.90</b>	<b>2.03</b>	<b>1.63</b>	<b>1.96</b>

\* unless indicated as estimate.

Source: Mewah, Yahoo! Finance (exchange rate), FPA

**Dividend Per Share (“DPS”):**

We assume that the payout ratio in FY2026 & FY2027 will be the same as in FY2025 (i.e., excluding payout ratios of over 20% in FY2023 & FY2024). Thus, we project DPS (in SG cents) to be 0.67 in FY2026 and 0.62 in FY2027, as shown in **Exhibit 45**.

**Exhibit 45: Projected Dividend Per Share (FY2026 & FY2027)**

(in SG cents unless indicated otherwise)	Actual*			Projection	
	FY2023	FY2024	FY2025	FY2026	FY2027
1H	0.14	0.14	0.18	n.a.	n.a.
2H	0.61	0.61	0.62	n.a.	n.a.
<b>Dividend per share (in SG cents)</b>	<b>0.75</b>	<b>0.75</b>	<b>0.80</b>	<b>0.67</b>	<b>0.62</b>
Divide by: Earnings per share (in SG cents; estimate)	3.63	3.46	4.67	3.93	3.59
<b>Payout ratio</b>	<b>20.7%</b>	<b>21.7%</b>	<b>17.1%</b>	<b>17.1%</b>	<b>17.1%</b>

**Earnings per share:**

Earnings per share (in U.S. cents)	2.70	2.59	3.57	3.05	2.79
Multiply by: USD-to-SGD exchange rate (average)	1.343	1.336	1.307	1.286	1.286
<b>Earnings per share (in SG cents; estimate)</b>	<b>3.63</b>	<b>3.46</b>	<b>4.67</b>	<b>3.93</b>	<b>3.59</b>

\* unless indicated as estimate. n.a. = not available.

Source: Mewah, Yahoo! Finance (exchange rate), FPA

Our projections of Mewah's financial performance for FY2026 & FY2027 are shown in **Exhibit 46**.

**Exhibit 46: Projected Financial Performance (FY2026 & FY2027)**

(in US\$ '000 unless otherwise indicated)	Actual*			Projection	
	FY2023	FY2024	FY2025	FY2026	FY2027
Revenue - Bulk	2,886,832	3,518,481	4,546,989	4,747,005	4,641,773
Revenue - Consumer Pack	1,236,964	1,263,495	1,430,357	1,477,270	1,447,126
<b>Revenue</b>	<b>4,123,796</b>	<b>4,781,976</b>	<b>5,977,346</b>	<b>6,224,275</b>	<b>6,088,899</b>
Cost of sales	(3,864,724)	(4,485,258)	(5,591,339)	(5,827,317)	(5,700,574)
<b>Gross profit</b>	<b>259,072</b>	<b>296,718</b>	<b>386,007</b>	<b>396,959</b>	<b>388,325</b>
Other income	10,179	19,817	15,156	16,041	16,041
Other expenses	(3,784)	(16,984)	(25,077)	-	-
Other (losses)/gains (net)	(24,233)	(15,202)	37,088	-	-
(Provision)/Reversal of expected credit losses	(2,750)	(3,546)	(7,755)	(4,684)	(4,684)
(Provision)/Reversal of other receivables	251	(4,542)	1,793	(884)	(884)
Selling & Distribution ("S&D") expenses	(50,256)	(91,530)	(159,207)	(180,827)	(180,827)
Administrative expenses	(106,043)	(110,338)	(128,559)	(129,570)	(126,752)
Finance expenses	(27,322)	(28,290)	(44,081)	(40,904)	(40,403)
Share of profit of associated company	28	12	18	19	19
<b>Profit before tax</b>	<b>55,142</b>	<b>46,115</b>	<b>75,383</b>	<b>56,150</b>	<b>50,834</b>
Income tax expense	(16,570)	(10,523)	(29,999)	(14,794)	(13,393)
<b>Profit after tax</b>	<b>38,572</b>	<b>35,592</b>	<b>45,384</b>	<b>41,356</b>	<b>37,441</b>
Equity holders of the Company	40,581	38,807	53,611	45,840	41,925
Non-controlling interests	(2,009)	(3,215)	(8,227)	(4,484)	(4,484)
<b>Profit after tax</b>	<b>38,572</b>	<b>35,592</b>	<b>45,384</b>	<b>41,356</b>	<b>37,441</b>
Total issued shares ('000)	1,500,667	1,500,667	1,500,667	1,500,667	1,500,667
Earnings per share (in U.S. cents)	2.70	2.59	3.57	3.05	2.79
USD-to-SGD exchange rate (average)	1.343	1.336	1.307	1.286	1.286
<b>Earnings per share (in SG cents; estimate)</b>	<b>3.63</b>	<b>3.46</b>	<b>4.67</b>	<b>3.93</b>	<b>3.59</b>
<b>Dividend per share (in SG cents)</b>	<b>0.75</b>	<b>0.75</b>	<b>0.80</b>	<b>0.67</b>	<b>0.62</b>

\* unless indicated as estimate.

Source: Mewah, Yahoo! Finance (exchange rate), FPA

## VALUATION ANALYSIS

### (I) PEER COMPARISON ANALYSIS

We performed a peer comparison analysis to review how Mewah is faring against industry peers in terms of current valuation metrics. Below, we list the selected peers to compare with Mewah (along with a brief description of each peer) as follows:

#### i. Wilmar International (“Wilmar”; SGX:F34)

Wilmar’s market capitalisation is S\$23.7 billion as at 27 March 2026. According to Wilmar, it runs [“an integrated agribusiness model that encompasses the entire value chain of the agricultural commodity business, from origination, to processing, branding, merchandising and distribution of a wide range of edible food and industrial products.”](#) Wilmar added that its “business activities include oil palm cultivation, oilseed crushing, edible oils refining, flour and rice milling, sugar milling and refining, manufacturing of consumer products, ready-to-eat meals, central kitchen products, specialty fats, oleochemicals, biodiesel and fertilisers as well as food park operations.”

#### ii. First Resources (SGX:EB5)

First Resources’ market capitalisation is S\$4.4 billion as at 27 March 2026. According to First Resources, its [“core business activities include cultivating oil palms, harvesting the fresh fruit bunches \(“FFB”\) and milling them into crude palm oil \(“CPO”\) and palm kernel \(“PK”\).”](#) First Resources added that, “In addition to plantations and palm oil mills, the Group through its refinery, fractionation, biodiesel and kernel crushing plants, processes its CPO and PK into higher value palm-based products such as biodiesel, refined, bleached and deodorised (“RBD”) olein, RBD stearin, palm kernel oil and palm kernel expeller.”

#### iii. Golden Agri-Resources (“GAR”; SGX:E5H)

GAR’s market capitalisation is S\$3.8 billion as at 27 March 2026. According to GAR, in Indonesia, it [“manages an oil palm plantation area of approximately 531,000 hectares \(including plasma smallholders\) as of 31 December 2025.”](#) GAR added that, in Indonesia, its “primary activities include cultivating and harvesting oil palm trees; the processing of fresh fruit bunch into crude palm oil (CPO) and palm kernel; refining CPO into value-added products such as cooking oil, margarine, shortening, biodiesel and oleo-chemicals; as well as merchandising palm products globally.”

#### iv. Bumitama Agri (“Bumitama”; SGX:P8Z)

Bumitama’s market capitalisation is S\$3.0 billion as at 27 March 2026. Bumitama noted that the [“principal activities of the subsidiaries are that of investment holding, operating oil palm plantations and palm oil mills located across the Indonesian provinces of Central Kalimantan, West Kalimantan and Riau, as well as the production and trading of crude palm oil and related products, operating a fertiliser blending plant.”](#)

#### v. Indofood Agri Resources Ltd (“IndoAgri”; SGX:5JS)

IndoAgri’s market capitalisation is S\$565.3 million as at 27 March 2026. According to IndoAgri, it is [“a vertically integrated agribusiness group with activities spanning the entire supply chain from research and development \(R&D\), seed breeding, oil palm cultivation and milling, as well as the production and marketing of cooking oil, shortening and margarine.”](#)

The results of our peer comparison analysis are shown in **Exhibit 47**.

#### **Exhibit 47: Peer Comparison Analysis**

Company	Stock Symbol	Price as at 27 Mar '26	Market Cap (\$ million)	Diluted EPS (cents)	P/E	DPS (cents)	Dividend Yield (%)	NAV per share (\$)	P/B
Mewah International Inc. ("Mewah")	MV4	0.320	480.2	4.67	6.9 x	0.80	2.50%	0.77	0.41 x
<b>Peer companies:</b>									
Wilmar International ("Wilmar")	F34	3.790	23,660.0	29.54	12.8 x	14.00	3.69%	4.50	0.84 x
First Resources	EB5	2.810	4,353.4	29.85	9.4 x	14.70	5.23%	1.27	2.20 x
Golden Agri-Resources ("GAR")	E5H	0.300	3,804.5	4.12	7.3 x	0.95	3.17%	0.58	0.52 x
Bumitama Agri ("Bumitama")	P8Z	1.700	2,961.2	12.84	13.2 x	9.35	5.50%	0.66	2.57 x
Indofood Agri Resources Ltd ("IndoAgri")	5JS	0.405	565.3	7.23	5.6 x	1.00	2.47%	0.86	0.47 x
<b>Peer average</b>					<b>9.7 x</b>	<b>4.01%</b>		<b>1.32 x</b>	

Note: Market capitalisation based on [share price × total issued shares excluding treasury shares (most recent source)]. Diluted EPS and DPS based on Trailing Twelve-Month of most recent financials, and converted to SGD using average SGD-to-IDR exchange rate of 12,585.256 in 2025 based on Yahoo! Finance data, or an average USD-to-SGD exchange rate of 1.307 in 2025. NAV per share based on last disclosed figures, and converted to SGD using [SGD-to-IDR exchange rate as at 31 December 2025 of 13,069 based on IndoAgri's financial statement for 2H FY2025](#), or [USD-to-SGD exchange rate of 1.284 as at 31 December 2025 based on Yahoo! Finance](#).

Source: SGX Stock Screener, Yahoo! Finance (exchange rate), respective companies, FPA

#### **(a) P/E multiple**

Based on **Exhibit 47**, Mewah's P/E multiple of 6.9x is lower than the peer average P/E of 9.7x. This suggests that Mewah is undervalued at its current share price. Adopting a relative valuation approach, we estimate a target price of S\$0.452 if Mewah is to trade at the peer average P/E of 9.7x, as follows:

$$\begin{aligned}
 \text{Estimated target price (P/E multiple)} &= \text{Peer average P/E} \times \text{TTM diluted EPS} \\
 &= 9.7 \times \text{S\$}0.0467 \\
 &= \text{S\$}0.452
 \end{aligned}$$

The estimated target price of S\$0.452 implies an upside potential of 41.1% from the current share price of S\$0.320.

#### **(b) P/B multiple**

Based on **Exhibit 47**, Mewah's P/B multiple of 0.41x is lower than the peer average P/B of 1.32x. This suggests that Mewah is undervalued at its current share price. Adopting a relative valuation approach, we estimate a target price of S\$1.019 if Mewah is to trade at the peer average P/B of 1.32x, as follows:

$$\begin{aligned}
 \text{Estimated target price (P/B multiple)} &= \text{Peer average P/B} \times \text{NAV per share} \\
 &= 1.32 \times \text{S\$}0.77 \\
 &= \text{S\$}1.019
 \end{aligned}$$

The estimated target price of S\$1.019 implies an upside potential of 218.5% from the current share price of S\$0.320.

**(c) Dividend yield**

Based on **Exhibit 47**, Mewah's dividend yield of 2.50% is less attractive than the peer average yield of 4.01%. This suggests that Mewah is overvalued at its current share price. Adopting a relative valuation approach, we estimate a target price of S\$0.199 if Mewah is to trade at the peer average yield of 4.01%, as follows:

$$\begin{aligned} \text{Estimated target price (Dividend yield)} &= \frac{\text{TTM DPS}}{\text{Peer average yield}} \\ &= \frac{\text{S\$0.0080}}{4.01\%} \\ &= \text{S\$0.199} \end{aligned}$$

The estimated target price of S\$0.199 implies a downside potential of 37.7% from the current share price of S\$0.320.

**(d) Overall**

From our analysis, Mewah seems to be undervalued in terms of its P/E multiple and P/B multiple, but overvalued in terms of its dividend yield. By averaging our estimated target prices based on P/E multiple, P/B multiple, and dividend yield, we derive an overall target price of S\$0.557, as follows:

$$\begin{aligned} \text{Target Price} &= \frac{1}{3} \times [\text{Estimated Target Price (P/E multiple)} + \text{Estimated Target Price (P/B multiple)} \\ &\quad + \text{Estimated Target Price (Dividend yield)}] \\ &= \frac{1}{3} \times [\text{S\$0.452} + \text{S\$1.019} + \text{S\$0.199}] \\ &= \text{S\$0.557} \end{aligned}$$

The overall target price of S\$0.557 implies an upside potential of 74.0% from the current share price of S\$0.320.

However, the upside potential of 74.0% may not be realised, as Mewah's P/E and P/B multiples may not rise to those of the respective peer averages, as may be implied by the peer comparison analysis. Barring exceptional circumstances, Mewah may continue to trade at P/E and P/B multiples close to or within historical ranges, which may be below those of the respective peer averages as at 27 March 2026.

The upside potential of 74.0% may also contradict our projections of Mewah's EPS and DPS in FY2026 & FY2027 falling from those in FY2025.

Given Mewah's P/B multiple of 0.41x though, which represents a discount of approximately 59% to NAV, we consider that there may still be upside potential for Mewah. Accordingly, we assess Mewah's valuation through a potential privatisation.

**(II) POTENTIAL PRIVATISATION**

Based on the [disclosed shareholdings of parties that abstained from voting for the “Shareholders’ Mandate for Interested Person Transactions” during the Annual General Meeting held in 29 April 2025](#), as well as changes in interest announcements (those released on [6 June 2025](#) and [4 September 2025](#); examples linked), we estimate that the Cheo family & related parties have a total of 87.3% direct interest in Mewah as at 3 September 2025, as shown in **Exhibit 48**.

**Exhibit 48: Shareholdings of Cheo Family & Related Parties**

Cheo family & related parties	Direct interest		Deemed interest		Total interest		As at
	No. of shares	%	No. of shares	%	No. of shares	%	
Eighteen Tenth Nineteen Forty Four Inc.	361,048,720	24.1%	-	-	361,048,720	24.1%	29 Apr '25
Unity Investment Inc. ("Unity")	41,632,500	2.8%	20,912,000	1.4%	62,544,500	4.2%	29 Apr '25
Eighteen Tenth Nineteen Forty Four Inc.	361,048,720	24.1%	-	-	361,048,720	24.1%	29 Apr '25
Unity Investment Inc. ("Unity")	41,632,500	2.8%	20,912,000	1.4%	62,544,500	4.2%	29 Apr '25
Dr. TC Pierre (Cayman Islands) Inc.	-	-	423,593,220	28.2%	423,593,220	28.2%	29 Apr '25
T.C. Stone Limited	301,397,398	20.1%	-	-	301,397,398	20.1%	03 Sept '25
J.J. Mibisa Holdings (BVI) Inc.	-	-	301,397,398	20.1%	301,397,398	20.1%	03 Sept '25
Dr Cheo Tong Choon @ Lee Tong Choon	-	-	746,772,118	49.8%	746,772,118	49.8%	03 Sept '25
Hwang Frances	21,781,500	1.5%	-	-	21,781,500	1.5%	29 Apr '25
Michelle Cheo Hui Ning	2,163,600	0.1%	724,990,618	48.3%	727,154,218	48.5%	03 Sept '25
Bianca Cheo Hui Hsin	2,460,100	0.2%	726,416,618	48.4%	728,876,718	48.6%	03 Sept '25
Sara Cheo Hui Yi	-	-	724,990,618	48.3%	724,990,618	48.3%	03 Sept '25
Cheo Jian Jia	-	-	724,990,618	48.3%	724,990,618	48.3%	03 Sept '25
Cheo Seng Jin	119,196,666	7.9%	-	-	119,196,666	7.9%	29 Apr '25
Cheo Tiong Heng @ Lee Tiong Heng	6,063,930	0.4%	-	-	6,063,930	0.4%	29 Apr '25
Chung Amy	1,452,000	0.1%	-	-	1,452,000	0.1%	29 Apr '25
Cheo Ming You (Shi Ming You)	27,805,500	1.9%	2,600	0.0%	27,808,100	1.9%	29 Apr '25
Choon Heng Logistics Pte Ltd	2,600	0.0%	-	-	2,600	0.0%	29 Apr '25
Cheo Ming Shen	14,173,000	0.9%	-	-	14,173,000	0.9%	29 Apr '25
Pearl Cheo	14,914,500	1.0%	-	-	14,914,500	1.0%	29 Apr '25
Tan Choon Hiong (Chen Junxiong)	1,426,000	0.1%	-	-	1,426,000	0.1%	29 Apr '25
Cheo Su Ching	66,341,350	4.4%	-	-	66,341,350	4.4%	29 Apr '25
Cheo Soh Hua @ Lee Soh Hua	64,898,654	4.3%	-	-	64,898,654	4.3%	29 Apr '25
Cheo Chong Cher	52,762,530	3.5%	-	-	52,762,530	3.5%	29 Apr '25
Estate of Ong Tuan Hong, Deceased	13,176,195	0.9%	-	-	13,176,195	0.9%	29 Apr '25
Ankar Pacific Assets Pte. Ltd.	125,078,962	8.3%	-	-	125,078,962	8.3%	29 Apr '25
Awen Holdings Ltd	84,217,935	5.6%	-	-	84,217,935	5.6%	29 Apr '25
Cheo Sor Cheng Angeline	-	-	84,217,935	5.6%	84,217,935	5.6%	29 Apr '25
BOS Trustee Limited	-	-	85,368,335	5.7%	85,368,335	5.7%	29 Apr '25
Bank of Singapore Limited	-	-	85,368,335	5.7%	85,368,335	5.7%	29 Apr '25
Oversea-Chinese Banking Corporation Limited	-	-	85,368,335	5.7%	85,368,335	5.7%	29 Apr '25
<b>Total direct interest</b>	<b>1,309,993,640</b>	<b>87.3%</b>					

Source: Mewah, FPA

We also note that:

- Mewah's current P/B of 0.41x represents a discount of approximately 59% to NAV
- Mewah's cash & cash equivalents were US\$155.3 million as at 31 December 2025 (or S\$199.6 million based on USD-to-SGD exchange rate of 1.286 as at 27 March 2026 from Yahoo! Finance)
- Mewah's market capitalisation is S\$480.2 million as at 27 March 2026.

Accordingly, we consider the possibility of a privatisation offer from the Cheo family.

We estimate that the Cheo family & related parties hold 87.3% total direct interest in Mewah. Thus, the Cheo family may need to acquire just the remaining 12.7% total interest to privatise Mewah. At the current market capitalisation of S\$480.2 million as at 27 March 2026, this equates to S\$61.0 million (S\$480.2 million × 12.7%).

To estimate the potential privatisation premium for Mewah, we review the privatisation offers for SGX-listed companies over the last twelve months, as shown in **Exhibit 49**. We note that the average price premium of the offers was 32.8%.

#### **Exhibit 49: Privatisation Offers for SGX-listed Companies (Last Twelve Months)**

Target	Code	Acquirer	Currency	Last undisturbed price		Offer price per share	Price premium
				Date	Price		
Low Keng Huat	F1E	Consistent Record Pte. Ltd.	SGD	28 Nov '25	0.615	0.78	26.8%
Mandarin Oriental International Ltd	M04	Jardine Strategic Limited	USD	29 Sept '25	2.20	3.35	52.3%
Olive Tree Estates	1H2	Advansory Investment Pte Ltd	SGD	29 Sept '25	0.112	0.12	7.1%
Spindex Industries Ltd	564	Skyline II Pte Ltd	SGD	31 Jul '25	1.12	1.43	27.7%
Alpina Holdings Ltd	ZXY	K&T Investment Pte Ltd	SGD	03 Jun '25	0.25	0.37	48.0%
Grand Venture Technology	JLB	Aalberts Advanced Mechatronics B.V.	SGD	30 May '25	0.840	0.940	11.9%
Ossia International	O08	Goh Ching Wah, Goh Ching Huat, and Goh Ching Lai	SGD	13 May '25	0.113	0.160	41.6%
Fraser Hospitality Trust	ACV	Frasers Property Hospitality Trust Holdings Pte. Ltd.	SGD	13 May '25	0.665	0.710	6.8%
Ban Leong Technologies Ltd	B26	Epicsoft Asia Pte Ltd	SGD	29 Apr '25	0.375	0.6029	60.8%
Procurri Corporation Ltd	BVQ	Exeo Global Asset Holdings Pte Ltd	SGD	25 Apr '25	0.18	0.32	77.8%
Amara Holdings	A34	DRC Investments Pte. Ltd.	SGD	23 Apr '25	0.705	0.895	27.0%
ICP Ltd	514	ICP Ltd & Mr Aw Cheok Huat	SGD	01 Apr '25	0.007	0.009	28.6%
Sinarmas Land	A26	Lyon Investments Limited	SGD	24 Mar '25	0.275	0.375	36.4%
<b>Average</b>							<b>32.8%</b>

Source: respective companies, FPA

Based on the average price premium of privatisation offers for SGX-listed companies, we estimate that any privatisation offer may need to have a price premium of 32.8% from the current share price of S\$0.320 to be successful. Thus, the Cheo family may need to offer a minimum offer price of S\$0.425, which would translate to a full privatisation cost of S\$81.0 million (or about 40.6% of Mewah's cash & cash equivalents as at 31 December 2025).

## POTENTIAL CATALYSTS

### (I) COMPLETION OF NEW SPECIALTY MANUFACTURING & PACKING PLANT

In February 2026, Mewah announced, ["The construction of the specialty manufacturing and packing plant for oils and fats products has been completed within the budgeted cost of approximately USD 62 million."](#) Mewah added that "The plant has commenced operation in Q4 FY 2025."

Bulk sales volume rose by 31.1% y-o-y in 2H FY2024, amid Mewah completing the construction of its new Indonesian refinery and commencing the first shipment from it in July 2024. Accordingly, Mewah's sales volumes, thus revenue, may rise higher than our projections from 1H FY2026.

### (II) INSURANCE CLAIMS FOR FIRE INCIDENT

In February 2026, Mewah noted that [the insurance claim process, regarding the "the fire incident at one of the Group's facilities in Medan, Indonesia, operated by PT. Agro Raya Mas \("PTARM"\)", remains ongoing.](#) While Mewah noted, "the Group has recognised write-off" of "property, plant and equipment and inventories amounting to USD 13.1 million under Consumer Pack Segment in its unaudited Financial Statement for financial year ended 31 December 2025," Mewah also noted that "Any confirmed insurance proceeds will be recognised in future periods upon approval."

Accordingly, Mewah's earnings may see a one-time increase from insurance claims relating to the fire incident.

Mewah also noted that "PTARM has commenced the rebuilding of the shortening and packing facilities, as well as the office building, which were damaged in the incident." Thus, Mewah's earnings may improve after completing the "rebuilding" of the relevant facilities.

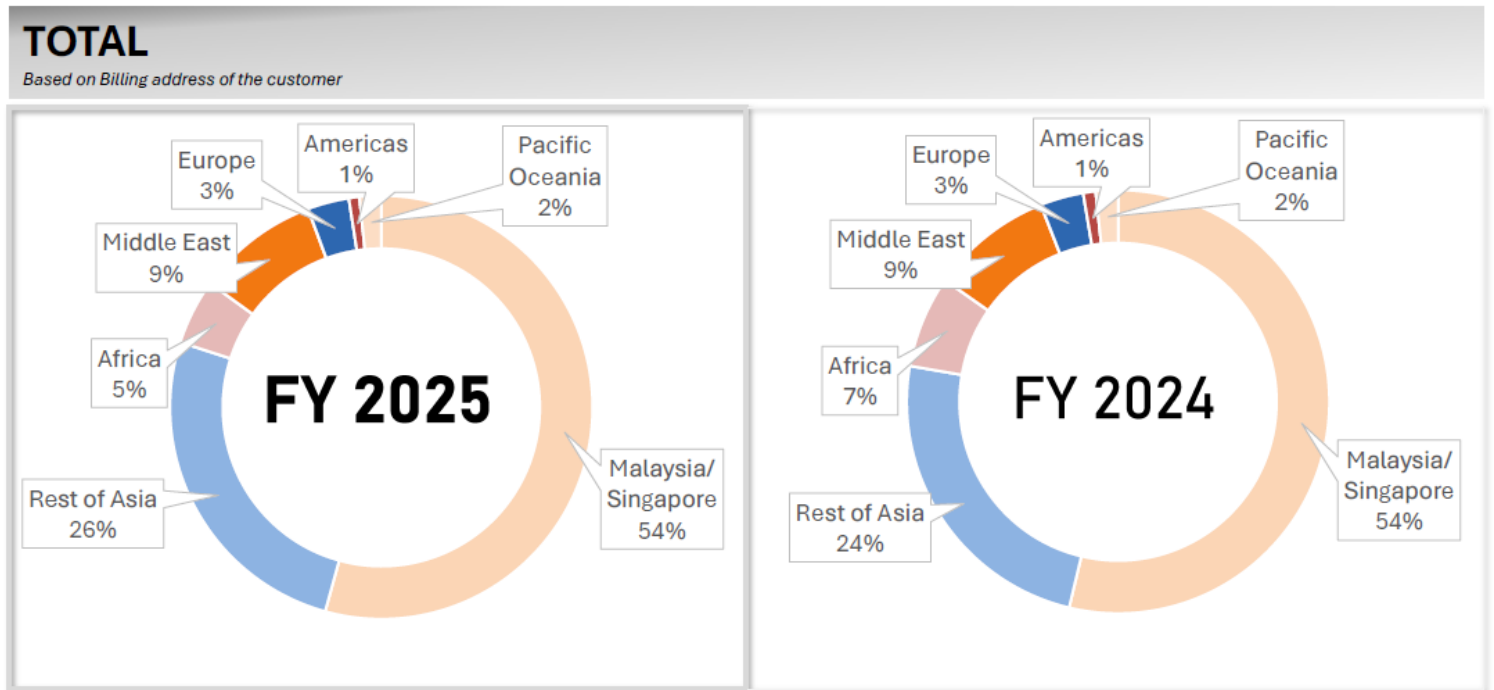
**(III) POPULATION GROWTH IN ASIA & AFRICA**

Mewah indicated in February 2026 that Malaysia, Singapore, and “Rest of Asia” accounted for around 78–80% of its total revenue in FY2025 & FY2024, as shown in **Exhibit 50**. Meanwhile, Africa accounted for around 5–7% of revenue in FY2025 & FY2024.

According to projections by the United Nations’ Population Division, Asia’s population was projected to rise by 3.4% from 1 January 2024 to 1 January 2030, while Africa’s population was projected to rise by 14.1% over the same period. Meanwhile, according to Statista, African regions and South Asia have lower-than-world-average shares of urban population in 2024.

Should Asian and African populations rise as projected through 2030, and urbanisation rates in both regions rise, urban food demand in both regions may grow. Accordingly, Mewah’s potential customer pool may grow, which may lead to a rise in Mewah’s sales volumes, thus an increase in revenue.

**Exhibit 50: Geographical Breakdown of Revenue (FY2025 & FY2024)**



Source: Mewah

## INVESTMENT RECOMMENDATION

Based on peer comparison analysis, we estimate an upside potential of 74.0%. However, the upside potential of 74.0% may not be realised, as Mewah's P/E and P/B multiples may not rise to those of the respective peer averages, as may be implied by the peer comparison analysis. The upside potential of 74.0% may also contradict our projections of Mewah's EPS and DPS in FY2026 & FY2027 falling from those in FY2025.

Given Mewah's P/B multiple of 0.41x though, which represents a discount of approximately 59% to NAV, we consider that there may still be upside potential for Mewah. Accordingly, we assess Mewah's valuation through a potential privatisation.

We note that: (1) we estimate the Cheo family & related parties to have a total of 87.3% direct interest in Mewah as at 3 September 2025; (2) Mewah's current P/B of 0.41x represents a discount of approximately 59% to NAV; (3) Mewah's cash & cash equivalents were US\$155.3 million as at 31 December 2025 (or S\$199.6 million based on USD-to-SGD exchange rate of 1.286 as at 27 March 2026 from Yahoo! Finance); and (4) Mewah's market capitalisation is S\$480.2 million as at 27 March 2026. Accordingly, we consider the possibility of a privatisation offer from the Cheo family.

We estimate that the Cheo family may need to acquire just the remaining 12.7% total interest to privatise Mewah. Based on the average price premium of privatisation offers for SGX-listed companies, we estimate that any privatisation offer may need to have a price premium of 32.8% from the current share price of S\$0.320 to be successful. Thus, the Cheo family may need to offer a minimum price of S\$0.425, which would translate to a full privatisation cost of S\$81.0 million (or about 40.6% of Mewah's cash & cash equivalents as at 31 December 2025).

We adopt as our target price the minimum privatisation offer of S\$0.425, which represents an upside potential of 32.8%. Accordingly, a buy recommendation may be warranted.

However, there are risks to our target price which we discuss in the next section.

## RISKS TO TARGET PRICE

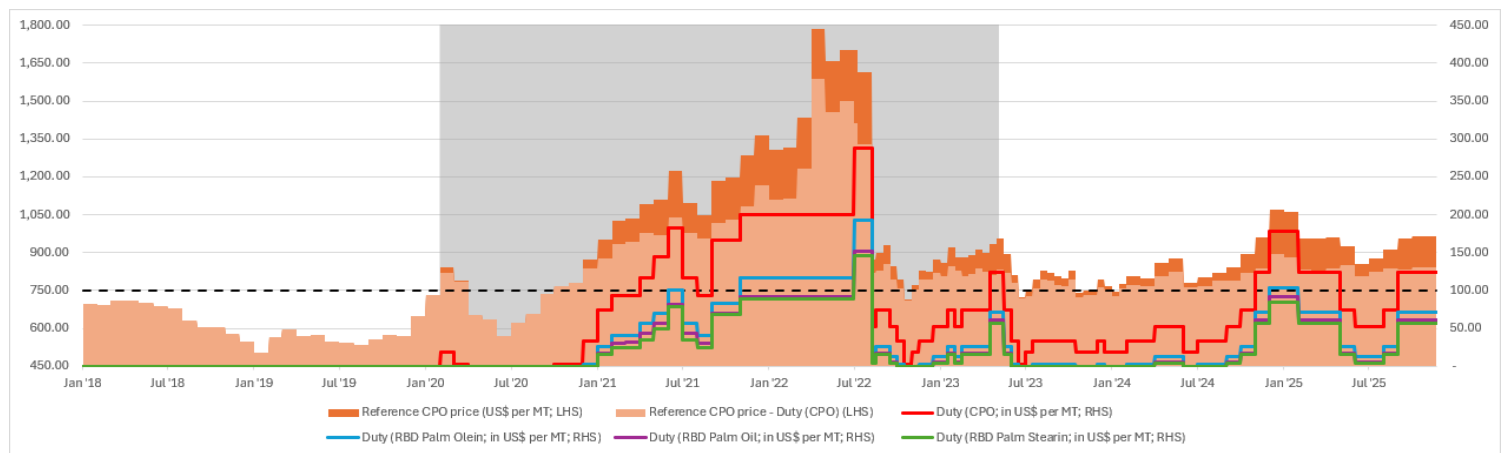
### (I) HIGHER EXPORT DUTIES FROM RISING CPO PRICES

According to Oils & Fats International (“OFI”), an industry publication, [“Indonesia’s higher palm oil export levies came into effect on 1 March.”](#) OFI added in March 2026 that the “crude palm oil (CPO) export levy is now 12.5% compared with 10%, while levies for refined products have increased by 2.5% from its previous 4.74-9.5% rate, according to previous Reuters information.”

Export duties may rise further when CPO price rises, as may be seen in **Exhibit 51** (based on data previously provided by Katadataku). Since the outbreak of the U.S.-Israeli war against Iran on 28 February 2026, [MPOB CPO price \(RM per tonne\) has risen by 14.1% to RM 4,516.00 on 26 March 2026 from RM 3,956.50 on 27 February 2026.](#)

Accordingly, export duties may rise further due to regulatory changes or amid current elevated CPO prices.

#### **Exhibit 51: Export Duties vs CPO Price (January 2018 to November 2025)**



Note: Estimated COVID-19 period shaded in grey.

Source: Katadataku, FPA

### (II) POTENTIAL GLOBAL ECONOMIC SLOWDOWN

In March 2026, the Organisation for Economic Co-operation and Development (“OECD”) highlighted in its [latest outlook](#):

- Global GDP growth is projected to ease to 2.9% in 2026 before edging up to 3.0% in 2027
- The energy price surge and the unpredictable nature of the evolving conflict in the Middle East will raise costs and lower demand, offsetting the tailwinds from strong technology-related investment and production, lower effective tariff rates and the momentum carried over from 2025
- G20 inflation is projected to be 1.2 percentage point higher than previously expected in 2026 at 4.0%, before easing to 2.7% in 2027 with an assumed fading of energy price pressures
- A significant downside risk to the outlook is that persistent disruptions to exports from the Middle East that raise energy prices even further than assumed and aggravate shortages of key commodities, add to inflation and reduce growth.

Rising energy prices and dampened aggregate demand from a potential prolonged U.S.-Israeli war against Iran may weaken global growth, thereby softening demand for consumer goods. Accordingly, even though Mewah’s products may be considered daily necessities thus might be relatively income inelastic, Mewah’s sales volume and revenue may still fall below our projections.

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