



## **MEWAH INTERNATIONAL INC.**

(Company Registration No.: CR-166055)

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### **ASSET ACQUISITIONS AND DISPOSALS:**

#### **DISPOSAL OF LAND IN MALAYSIA**

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#### **1. INTRODUCTION**

Mewah International Inc. (the “Company”, and together with its subsidiaries, the “Group”) wishes to announce that G&U Districenters (M) Sdn Bhd, an indirect wholly owned subsidiary of the Company has entered in a Sale and Purchase Agreement (“the SPA”) to sell a piece of leasehold land located in Selangor, Malaysia measuring approximately 16,147 sqm (“the Land”) to a non-related party (“the Proposed Disposal”).

The purchaser is a foreign owned company incorporated in Malaysia. Therefore, the proposed transaction is contingent upon Purchaser obtaining the required Foreigners Purchase Approval and Seller obtaining Consent to Transfer from the State Authority.

#### **2. CONSIDERATION**

The consideration for the disposal is Ringgit Malaysia (“RM”) RM14,773,510 (equivalent to approximately US\$ 3.37 million) and will be fully satisfied in cash in stages subject to milestone being achieved. The consideration was derived with reference to the latest transacted price surrounding the Land and the transaction was concluded on a willing buyer, willing seller basis between the seller and the purchaser.

#### **3. RATIONALE FOR THE DISPOSAL AND USE OF PROCEEDS**

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

#### **4. ILLUSTRATIVE FINANCIAL EFFECTS OF THE DISPOSAL**

The book value of the Land at the time of the SPA is RM2,889,000 (equivalent to approximately US\$ 0.66 million). The excess of proceeds over the book value of the Land as at the time of the SPA is approximately RM10,454,000 (equivalent to approximately US\$ 2.39 million) after deducting expected selling costs.

#### 4.1 NTA per share

The table illustrates the effect of the transaction on the net tangible assets per share of the Company for the most recently completed financial year ended 31 December 2023, assuming that the transaction had been effected at the end of the year.

	<b>Before the Proposed Disposal</b>	<b>After the Proposed Disposal</b>
<b>NTA (US\$'000)</b>	781,255	783,642
<b>Number of Shares outstanding as at 31 December 2023 ('000)</b>	1,500,667	1,500,667
<b>NTA per share (US cents)</b>	52.06	52.22

#### 4.2 EPS

The table illustrates the effect of the transaction on the earnings per share of the Company for the most recently completed financial year ended 31 December 2023, assuming that the transaction had been effected at the beginning of the year.

	<b>Before the Proposed Disposal</b>	<b>After the Proposed Disposal</b>
<b>Profit after tax attributable to equity holders of the Company (US\$'000)</b>	40,581	42,968
<b>Weighted average number of Shares outstanding during the year ended 31 December 2023 ('000)</b>	1,500,667	1,500,667
<b>EPS (US cents)</b>	2.70	2.86

It should be noted that the financial effects set out above are for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Company and the Group after the completion of the Proposed Disposal.

The transaction is expected to be completed in the financial year ending 31 December 2025 and have positive impact on the Group's earnings per share for that year but is not expected to have any material impact on the Group's consolidated net tangible assets.

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

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

<b>Rule 1006</b>	<b>Basis</b>	<b>The Disposal</b>
Rule 1006(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value.	0.1%
Rule 1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.	5.9%
Rule 1006(C)	The aggregate value of the consideration given or received, compared with the market capitalisation of the Company based on the total number of issued shares excluding treasury shares.	1.1%

(Note: Numbers are calculated based on the most recently completed financial year ended 31 December 2023)

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

## 6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

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

## 7. SERVICE CONTRACT

No person will be appointed to the Board, and no service contract will be entered into by the Company, in connection with the Proposed Disposal.

## 8. DOCUMENT FOR INSPECTION

A copy of the Sale and Purchase Agreement is available for inspection during normal business hours at the corporate address at 5 International Business Park 609914 Singapore for a period of three (3) months from the date of this announcement.

Issued by

**MEWAH INTERNATIONAL INC.**

15 November 2024