

## **APPENDIX TO NOTICE OF ANNUAL GENERAL MEETING DATED 13 April 2022**

This Appendix is circulated to Shareholders of Mewah International Inc. (the **"Company"**) together with the Company's Annual Report. Its purpose is to provide Shareholders with the relevant information relating to, and to seek Shareholders' approval for the renewal of the Shareholders' Mandate to be tabled at the Annual General Meeting (**"AGM"**) of the Company to be held on 28 April 2022, Thursday at 10.30 a.m. by way of electronic means.

The Notice of AGM and Proxy Form are enclosed with this Appendix.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

The Singapore Exchange Securities Trading Limited takes no responsibility for the correctness of any of the statements made, reports contained/referred to, or opinions expressed in this Appendix.



**Global Brands, Local Favourites**

**Mewah International Inc.**

(Incorporated in Cayman Islands)  
(Company Registration No: CR-166055)

## **APPENDIX TO NOTICE OF ANNUAL GENERAL MEETING**

in relation to

## **THE PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS**

## DEFINITIONS

In this Appendix, the following definitions apply throughout unless otherwise stated:

<b>“AGM”</b>	The annual general meeting of the Company
<b>“Board”</b>	The Board of Directors of the Company
<b>“Company” or “MII”</b>	Mewah International Inc.
<b>“Directors”</b>	The Directors of the Company for the time being
<b>“Group” or “Mewah Group”</b>	The Company and its subsidiaries
<b>“Listing Manual”</b>	The listing manual of the SGX-ST, including any amendments made thereto up to the date of this Appendix
<b>“NTA”</b>	Net tangible assets
<b>“SGX-ST”</b>	Singapore Exchange Securities Trading Limited
<b>“Shares”</b>	Ordinary shares in the share capital of the Company
<b>“Shareholders”</b>	Registered holders for the time being of Shares, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the Depositors whose Securities Account are credited with Shares
<b>“Shareholders’ Mandate”</b>	A general mandate to authorise the Company to enter into transactions with its Interested Persons as defined in the Appendix hereto for the purposes of Chapter 9 of the Listing Manual
<b>“Substantial Shareholders”</b>	A person (including a corporation) who has an interest in not less than five per cent of the issued voting shares of the Company
<b>“%” or “per cent”</b>	Per centum or percentage

## APPENDIX RELATING TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

### 1. CHAPTER 9 OF THE LISTING MANUAL

- 1.1. Chapter 9 of the listing manual (the "Listing Manual") of the Singapore Exchange Securities Trading Limited ("SGX-ST") governs transactions by a listed company, as well as transactions by its subsidiaries and associated companies that are considered to be at risk, with the listed company's interested persons. Whenever this Chapter applies to a transaction and the value of that transaction alone or on aggregation with other transactions conducted with the interested person during the financial year reaches, or exceeds certain materiality thresholds, the listed company is required to make an immediate announcement, or to make an immediate announcement and seek its shareholders' approval for that transaction.
- 1.2. Except for certain transactions which, by reason of the nature of such transactions, are not considered to put the listed company at risk to its interested persons and therefore are excluded from the ambit of Chapter 9 of the Listing Manual, immediate announcement and shareholders' approval would be required in respect of transactions with interested persons if certain financial thresholds (which are based on the value of the transaction as compared with the Group's latest audited consolidated NTA), are reached or exceeded. In particular, shareholders' approval is required for an interested person transaction of a value equal to, or which exceeds:
  - (i) 5% of the Group's latest audited consolidated NTA; or
  - (ii) 5% of the Group's latest audited consolidated NTA, when aggregated with other transactions entered into with the same interested person (as such term is construed under Chapter 9 of the Listing Manual) during the same financial year.
- 1.3. Based on the latest audited consolidated accounts of the Group for the financial year ended 31 December 2021, the consolidated NTA of the Group was US\$683.6 million. In relation to MII, and for the purposes of complying with Chapter 9, in the current financial year, 5% of the latest audited consolidated NTA of the Group would be US\$34.2 million.
- 1.4. Chapter 9 of the Listing Manual permits a listed company, however, to seek a general mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as purchase and sale of supplies and materials (but not in respect of purchase or sale of assets, undertakings or businesses) that may be conducted with the listed company's interested persons.
- 1.5. Under the Listing Manual:
  - (i) an "approved exchange" means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9;
  - (ii) "associate" means:
    - (a) in relation to any director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual)
      - his immediate family member (that is, the person's spouse, child, adopted child, step-child, sibling and parent);
      - the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
      - any company in which he and his immediate family together (directly or indirectly) have an interest of 30 per cent or more; and
    - (b) in relation to a Substantial Shareholder or Controlling Shareholder (being a company), means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30 per cent or more;
  - (iii) "control" means the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company;
  - (iv) "Controlling Shareholder" means a person who:
    - (a) holds directly or indirectly 15 per cent or more of the total voting rights in the company (the SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder); or

- (b) in fact exercises control over a company,  
or such other definition as the SGX-ST may from time to time determine;
- (v) “entity at risk” means:
  - (a) the listed company;
  - (b) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or
  - (c) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed company and/or its subsidiaries (the “listed group”), or the listed group and its interested person(s), has control over the associated company;
- (vi) (in the case of a company) an “interested person” means
  - (a) a director, chief executive officer or Controlling Shareholder of the listed company; or
  - (b) an associate of any such director, chief executive officer or Controlling Shareholder;
- (vii) an “interested person transaction” means a transaction between an entity at risk and an interested person;
- (viii) “transaction” includes the provision or receipt of financial assistance, the acquisition, disposal or leasing of assets, the provision or receipt of goods or services, the issuance or subscription of securities, the granting, of or being granted options, and the establishment of joint ventures or joint investments, whether or not in the ordinary course of business, and whether or not entered into directly or indirectly.

## 2. ENTITIES AT RISK

For the purposes of the Shareholders’ Mandate, an “Entity at Risk” means:

- (i) the Company;
  - (ii) a subsidiary of the Company that is not listed on the SGX-ST or an approved exchange; or
  - (iii) an associated company of the Company that is not listed on the SGX-ST or an approved exchange, provided that the Group and its interested persons have control over the associated company.
- (together, the “EAR Group”).

## 3. CLASSES OF MANDATED INTERESTED PERSONS

The Shareholders’ Mandate will apply to Mewah Group’s interested person transactions with Nature International Pte Ltd, Ecolex Sdn. Bhd., Choon Heng Transport & Warehousing Pte Ltd, Containers Printers Pte Ltd, Prelude Gateway Sdn. Bhd. and Anthola Insurance Agencies Sdn. Bhd., (each a “Mandated Interested Person”).

Transactions with the Mandated Interested Persons that do not fall within the ambit of the Shareholders’ Mandate shall be subject to the relevant provisions of Chapter 9 of the Listing Manual.

## 4. MANDATED TRANSACTIONS

The transactions with the Mandated Interested Persons that will be covered by the Shareholders’ Mandate (“Mandated Transactions”) relating to the provision to, or obtaining from the Mandated Interested Persons of products and services in the ordinary course of business of the Group or which are necessary for day-to-day operations (but not in respect of the purchase or sale of assets, undertakings or businesses that are not part of day-to-day operations) are as follows:

- (i) purchases of products such as palm stearin and packaging materials products from interested persons;
- (ii) obtaining services, including transportation and forwarding services, from interested persons;

- (iii) obtaining insurance and insurance related services from interested persons;
- (iv) sales of products such as palm stearin products and cooking oil to interested persons;
- (v) leasing of properties from interested persons for residential and industrial purposes, office and warehouses spaces; and
- (vi) provision or the obtaining of such other products and/or services which are incidental to or in connection with the provision or obtaining of products and/or services in sub-paragraphs (i) to (v) above.

## 5. RATIONALE FOR AND BENEFITS OF THE SHAREHOLDERS' MANDATE

- (i) The transactions with the Mandated Interested Persons are entered into or to be entered into by the Group in its ordinary course of business. They are recurring transactions that are likely to occur with some degree of frequency and may arise at any time and from time to time. The Directors believe that it will be beneficial to the Group to transact or continue to transact with the Mandated Interested Persons.
- (ii) The Shareholders' Mandate and the renewal of the Shareholders' Mandate on an annual basis will eliminate the need to convene separate general meetings from time to time to seek Shareholders' approval as and when potential interested person transactions with the Mandated Interested Persons arise, thereby reducing substantially the administrative time and expenses incurred to convene general meetings, without compromising its corporate objectives or adversely affecting the business opportunities available to the Group.
- (iii) The Shareholders' Mandate is intended to facilitate transactions in the ordinary course of business that are transacted from time to time with the Mandated Interested Persons, provided that they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.
- (iv) Disclosure will be made in the format required by the Listing Manual, and to the extent required by the SGX-ST, of the aggregate value of interested person transactions conducted pursuant to the Shareholders' Mandate during the current financial year, and in the annual reports for the subsequent financial years during which a Shareholders' Mandate is in force.

## 6. REVIEW PROCEDURES AND THRESHOLD LIMITS FOR INTERESTED PERSON TRANSACTIONS

Audit Committee has oversight of all interested person transactions undertaken by the Group including the review of, and where required, approval of, such transactions. The Group has also established the procedures described below to ensure that the interested person transactions are undertaken on an arm's length basis and on normal commercial terms.

### 6.1. Review procedures

In general, the Group have established procedures to ensure that interested person transactions, including the Mandated Transactions with the Mandated Interested Persons, are undertaken on an arm's length basis consistent with the Group's usual business practices and policies and which are conducted on normal commercial terms not prejudicial to the interests of the Company, and on terms which are generally no more favourable to the interested person than those extended to or obtained from unrelated third parties.

In particular, the Group has implemented the following review procedures:

- (i) *Purchase of products and obtaining of services from Mandated Interested Persons*

All procurement and purchases made by the Group of a recurring nature which are in the ordinary course of business of the Group or which are necessary for the day-to-day operations of the Group, including the Mandated Transactions with the Mandated Interested Persons, will be governed by internal control procedures, which detail matters such as the constitution of internal approving authorities, their approval limits, the number of vendors who provide the Group with quotes, and the review procedures.

The guiding principle is to objectively obtain the best goods and/or services on the best terms through competitive quotations, if appropriate. In determining whether the price and terms offered by interested persons are fair and reasonable, factors such as, but not limited to, delivery schedules, specification compliance, track record, experience and expertise, preferential rates, discounts and/or rebates offered for bulk purchases will be taken into consideration. In addition, each Interested Person Transaction entered into by the Group will be monitored as an individual transaction and based on the value of the transaction, will require the prior approval of a director or executive officer of the Group (not being an interested person or an associate) and who does not have any interest, whether direct or indirect, in relation to the transaction (the "Relevant Approving Authority") as follows:

Approval Limits	Approving Authority
Interested person transaction not exceeding US\$5 million in value	Chief Executive Officer or in the event that the Chief Executive Officer is the relevant interested person or an associate of a relevant interested person, any other Director who is not the relevant interested person or an associate of a relevant interested person
Interested person transaction above US\$5 million	Audit Committee

In the event that the Group cannot obtain competitive quotations (for instance, if there are no unrelated third party vendors of similar products and services (taking into account quantum, specifications and delivery schedules among others), or if the product is proprietary in nature), based on the value of the proposed interested person transaction, the corresponding Relevant Approving Authority as set out above (not being an interested person or his associate) and who does not have any interests, direct or indirect, in relation to the transaction, will determine whether the price and terms offered by the interested person are fair and reasonable.

(ii) *Sale of products to the Mandated Interested Persons*

All contracts entered into or transactions with the Mandated Interested Persons for the sale of products are to be carried out at the prevailing market rates, on terms which are no more favourable to the Mandated Interested Person than the usual commercial terms extended to unrelated third parties (including, where applicable, preferential rates, discounts and/or rebates offered for bulk purchases) or otherwise in accordance with applicable market norms. In addition, each interested person transaction entered into by the Group will be monitored as an individual transaction and based on the value of the transaction, will require the prior approval of the Relevant Approving Authority as follows:

Approval Limits	Approving Authority
Interested person transaction not exceeding US\$5 million in value	Chief Executive Officer or in the event that the Chief Executive Officer is the relevant interested person or an associate of a relevant interested person, any other Director who is not the relevant interested person or an associate of a relevant interested person
Interested person transaction above US\$5 million	Audit Committee

Where the prevailing market rates or prices are not available due to the product being sold, the pricing for such products to be sold to the Mandated Interested Persons will be determined in accordance with usual business practices and pricing policies, consistent with the usual margin to be obtained by the Group for the same or substantially similar type of contract or transaction with unrelated third parties taking into consideration factors such as, but not limited to, quantity, volume and consumption.

(iii) *Leasing property from the Mandated Interested Persons*

The Group intends to enter into certain transactions that are necessary for the day-to-day operations of the Group which include the leasing of property from Mandated Interested Persons. The Group will only lease or renew the existing leases with Mandated Interested Persons if the Group is satisfied that the rent payable to and from these Mandated Interested Persons is in line with prevailing market rental rates for comparable spaces. In addition, each interested person transaction entered into by the Group will be monitored as an individual transaction and based on the value of the transaction, will require the prior approval of a Relevant Approving Authority as follows:

Approval Limits	Approving Authority
Interested person transaction not exceeding US\$2 million in value	Chief Executive Officer or in the event that the Chief Executive Officer is the relevant interested person or an associate of a relevant interested person, any other Director who is not the relevant interested person or an associate of a relevant interested person
Interested person transaction above US\$2 million	Audit Committee

In the event that prevailing market rental rates are not available, whether due to the unavailability or impracticality of obtaining rental comparisons or otherwise, rent will be determined according to the Group's usual business practices and policies. In addition, based on the value of the proposed interested person transaction, the corresponding Relevant Approving Authority as set out above (not being an interested person or his associate and who does not have any interests, direct or indirect, in relation to the transaction), will determine whether the price and terms offered by the interested person are fair and reasonable.

(iv) *Non-recurring interested person transactions*

The Group may from time to time also enter into interested person transactions not covered in the above paragraphs and which do not form part of the Shareholders' Mandate. These transactions are not of a recurring nature or occur outside the ordinary course of business of the Group or may not be necessary for or part of the day-to-day operations of the Group. The Group intends to conduct these transactions in accordance with the Listing Manual, including the threshold, approval and other requirements under Rules 905 and 906 of the Listing Manual. In the event these transactions require the approval of its Shareholders, additional information may be required to be presented to Shareholders and an independent financial advisor may be appointed for an opinion.

**6.2. Other review procedures**

The Audit Committee will also review all interested person transactions including Mandated Transactions to ensure that the prevailing rules and regulations of the SGX-ST (in particular, Chapter 9 of the Listing Manual) are complied with. The Group has also implemented the following procedures to identify interested person transactions (including Mandated Transactions) and interested persons (including Mandated Interested Persons) and to record all the interested person transactions:

- (i) the Group will maintain a register of all transactions carried out with the interested persons including the Mandated Interested Persons (and the basis, including the quotations obtained to support such basis, on which these transactions are entered into, whether mandated or non-mandated); and
- (ii) Chief Financial Officer will on a half yearly basis or at appropriate times as required by applicable rules and regulations, submit a report to the Audit Committee of all recorded interested person transactions, and the basis of such transactions, entered into by the Group. The Company's annual internal audit plan shall incorporate a review of all interested person transactions, including the established review procedures for the monitoring of such transactions including transactions with Mandated Interested Persons, whether they are new interested person transactions or existing interested person transactions that have been renewed or revised during the relevant financial year pursuant to the Shareholders' Mandate

In addition, the Audit Committee shall also review from time to time such internal controls and review procedures for interested person transactions to determine if they are adequate and/or commercially practicable in ensuring that the transactions between the Group and interested persons are conducted on normal commercial terms and not prejudicial to the interests of the Company and the minority Shareholders. In conjunction with such review, the Audit Committee will also ascertain whether the established review procedures have been complied with. Further, if during these reviews the Audit Committee is of the view that the internal controls and review procedures for interested person transactions are inappropriate or not sufficient to ensure that the interested person transactions will be on normal commercial terms and not prejudicial to the interests of the Company and the minority Shareholders, the Audit Committee will (pursuant to Rule 920(1)(b)(iv) and (vii) of the Listing Manual) revert to the Shareholders for a fresh Shareholders' Mandate based on new internal controls and review procedures for transactions with the Mandated Interested Persons.

For the purposes of the above review of the internal controls and review procedures, any of the Directors or a member of the Audit Committee who is not considered independent will abstain from participating in the Audit Committee's review of the internal controls and review procedures. The Board of Directors and the Audit Committee will have overall responsibility for determining the review procedures with the authority to delegate to individuals or committees within the Group as they deem appropriate.

**7. AUDIT COMMITTEE'S CONFIRMATION**

The Audit Committee, having considered the terms of the Shareholders' Mandate and the review procedures for interested person transactions, confirms that the methods and procedures for determining the transaction prices as set out in this Circular have not changed since the shareholders' approval obtained on 28 April 2021 and that the methods and procedures are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

If, during the periodic reviews by the Audit Committee, the Audit Committee is of the view that the established review procedures are inadequate or inappropriate to ensure that the interested person transactions will be on normal commercial terms, and will not be prejudicial to the interests of the Company and its minority Shareholders, or in the event of any amendment to Chapter 9 of the Listing Manual, it will in consultation with the Board, take such action as it deems proper in respect of such procedures and/or modify or implement such procedures as may be necessary and direct the Company to revert to Shareholders for a fresh mandate based on new guidelines and procedures for transactions with interested persons.

## **8. VALIDITY PERIOD OF THE SHAREHOLDERS' MANDATE**

If approved by Shareholders at the AGM, the Shareholders' Mandate will take effect from the date that such approval is obtained, and will (unless revoked or varied by the Company in general meeting) continue in force until the next AGM of the Company. Approval from Shareholders will be sought for the renewal of the Shareholders' Mandate at the next AGM or EGM and at each subsequent AGM or EGM of the Company, subject to satisfactory review by the Audit Committee of its continued application to transactions with interested persons.

## **9. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST**

Directors' and Substantial Shareholders' interests in the shares of the Company are presented in the "Directors' Report" section and "Statistics of Shareholdings" section of the Company's annual report respectively.

## **10. DISCLOSURE IN FINANCIAL STATEMENTS AND ANNUAL REPORT**

Unless it is required by the applicable rules and regulations, disclosure will be made in the Company's half-yearly financial statement, its full year financial statement and its annual report of the aggregate value of all Interested Person Transactions conducted with interested persons under the Shareholders' Mandate during the current financial year in accordance with the requirements of Chapter 9 of the Listing Manual.

## **11. VOTING**

In accordance with the requirements of Chapter 9 of the Listing Manual, the interested person and any associate of the interested person must not vote on the resolution, nor accept appointed as proxies unless specific instructions as to voting are given.

## **12. DIRECTORS' RECOMMENDATIONS**

The Directors who are considered independent for the purposes of the proposed renewal of the Shareholders' Mandate are Mr. Robert Loke Tan Cheng, Dr. Foo Say Mui (Bill), Datuk Dr. Fawzia Binti Abdullah and Tan Sri Dato' A Ghani Bin Othman (the "Independent Directors"). The Independent Directors are of the opinion that the proposed Shareholders' Mandate is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of the Ordinary Resolution relating to the proposed renewal of the Shareholders' Mandate as set out in the Notice of AGM.

## **13. APPROVAL AND RESOLUTION**

Your approval for the proposed renewal of Shareholders' Mandate is sought at the AGM..

## **14. ACTION TO BE TAKEN BY SHAREHOLDERS**

Shareholders who are in any doubt as to the action they should take, should consult their stockbrokers or other professional advisers immediately.

## **15. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed renewal of Shareholders' Mandate for Interested Person Transactions, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

## **16. SGX-ST**

SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Appendix.