

NEW TOYO

International Holdings Ltd



FINANCIAL STATEMENTS ANNOUNCEMENT

for the period ended 31 December 2017

Unaudited results for the fourth quarter and full year ended 31 December 2017

1(a) An income statement and statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Income Statement

	Group			Group		
	4Q	4Q	Change	12-months	12-months	Change
	31/12/2017 Unaudited	31/12/2016 Unaudited		31/12/2017 Unaudited	31/12/2016 Audited	
	SGD'000	SGD'000	%	SGD'000	SGD'000	%
Revenue	61,054	67,867	(10.0)	265,835	249,158	6.7
Cost of sales	(53,534)	(58,449)	(8.4)	(231,754)	(212,052)	9.3
Gross profit	7,520	9,418	(20.2)	34,081	37,106	(8.2)
Other income	233	14,451	(98.4)	8,394	18,916	(55.6)
Distribution expenses	(1,275)	(1,572)	(18.9)	(5,624)	(5,880)	(4.4)
Administrative expenses	(5,165)	(4,764)	8.4	(20,164)	(19,099)	5.6
Net foreign exchange (loss)/gain	(341)	1,923	n.m.	(2,418)	674	n.m.
Other operating expenses	1,013	(3,263)	n.m.	(14,054)	(5,657)	148.4
Operating profit	1,985	16,193	(87.7)	215	26,060	(99.2)
Finance income	445	394	12.9	1,595	1,059	50.6
Finance costs	(558)	(140)	298.6	(1,886)	(641)	194.2
Net finance (costs)/income	(113)	254	n.m.	(291)	418	n.m.
Share of profit of equity-accounted investees (net of tax)	27	503	(94.6)	213	1,431	(85.1)
Profit before tax	1,899	16,950	(88.8)	137	27,909	(99.5)
Tax expense	(495)	333	n.m.	(1,115)	(2,297)	(51.5)
Profit/(Loss) for the period / year	1,404	17,283	(91.9)	(978)	25,612	n.m.
Attributable to :						
Owners of the Company	1,585	9,893	(84.0)	1,926	15,899	(87.9)
Non-controlling interests	(181)	7,390	n.m.	(2,904)	9,713	n.m.
Profit/(Loss) for the period / year	1,404	17,283	(91.9)	(978)	25,612	n.m.

Statement of Comprehensive Income

	Group			Group		
	4Q	4Q	Change	12-months	12-months	Change
	31/12/2017 Unaudited	31/12/2016 Unaudited		31/12/2017 Unaudited	31/12/2016 Audited	
	SGD'000	SGD'000	%	SGD'000	SGD'000	%
Profit/(Loss) for the period / year	1,404	17,283	(91.9)	(978)	25,612	n.m.
Other comprehensive income						
Items that are or may be reclassified to profit or loss :						
Foreign currency differences for foreign operations	(1,168)	2,954	n.m.	(5,292)	(246)	2,051.2
Change in fair value of available-for-sale equity securities	(3)	(98)	(96.9)	(3)	(98)	(96.9)
Other comprehensive income for the period, net of tax	(1,171)	2,856	n.m.	(5,295)	(344)	1,439.2
Total comprehensive income for the period / year	233	20,139	(98.8)	(6,273)	25,268	n.m.
Attributable to :						
Owners of the Company	364	12,498	(97.1)	(2,599)	15,645	n.m.
Non-controlling interests	(131)	7,641	n.m.	(3,674)	9,623	n.m.
Total comprehensive income for the period / year	233	20,139	(98.8)	(6,273)	25,268	n.m.

n.m. - not meaningful

1(a) An income statement and statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year (Cont'd)

Disclosure to Income Statement

	Note	Group			Group		
		4Q	4Q	Change	12-months	12-months	Change
		31/12/2017	31/12/2016		31/12/2017	31/12/2016	
		Unaudited	Unaudited		Unaudited	Audited	
		SGD'000	SGD'000	%	SGD'000	SGD'000	%
Other income, including finance income	(i)	2,051	1,643	24.8	9,386	6,765	38.7
Interest on borrowings	(ii)	(558)	(140)	298.6	(1,886)	(641)	194.2
Allowance for inventory obsolescence		(414)	(20)	1,970.0	(1,150)	(88)	1,206.8
Depreciation and amortisation	(iii)	(4,197)	(3,137)	33.8	(15,148)	(11,308)	34.0
Diminution in value of club memberships		-	(1)	n.m.	-	(1)	n.m.
(Loss)/Gain on disposal of property, plant and equipment	(iv)	(2,727)	12,890	n.m.	(1,354)	12,898	n.m.
Gain on disposal of associates	(v)	-	312	n.m.	603	312	93.3
Reversal of doubtful trade receivables		-	1	n.m.	2	10	(80.0)
Impairment loss on property, plant and equipment	(iv)	2,684	5	53,580.0	(177)	-	n.m.
Inventory written-off		(10)	(96)	(89.6)	(10)	(215)	(95.3)
Property, plant and equipment written-off		-	(149)	n.m.	(45)	(151)	(70.2)
(Under)/Over provision of tax in respect of prior years		(10)	144	n.m.	51	48	6.3

n.m. - not meaningful

Other operating expenses comprise the following:

		Group			Group		
		4Q	4Q	Change	12-months	12-months	Change
		31/12/2017	31/12/2016		31/12/2017	31/12/2016	
		Unaudited	Unaudited		Unaudited	Audited	
		SGD'000	SGD'000	%	SGD'000	SGD'000	%
Non-operating Item:							
Capital gain tax on disposal of leasehold land and building		-	(596)	n.m.	-	(596)	n.m.
Loss on disposal of other investments		-	-	n.m.	(51)	-	n.m.
Termination benefits	(vi)	228	(2,486)	n.m.	(9,969)	(4,145)	140.5
		<u>228</u>	<u>(3,082)</u>		<u>(10,020)</u>	<u>(4,741)</u>	

n.m. - not meaningful

Notes :

- (i) Increase in the amount included under other income for 12M2017 was mainly due to a sum received by a subsidiary from a contractor for the damage caused to the subsidiary's premises pursuant to a settlement (on a without admission of liability basis) between the subsidiary and the contractor.
- (ii) The Group incurred higher interest expenses for 4Q2017 and 12M2017 mainly due to the higher loans and borrowings taken up during the year.
- (iii) Increase in depreciation and amortisation was mainly due to depreciation incurred by a subsidiary acquired in December 2016 and on property, plant and equipment acquired during the year, and higher amortisation from additional contract value in relation to supply agreements with a major customer.
- (iv) Following the cessation of printing business of Anzpac Services (Australia) Pty Limited ("Anzpac") announced on 15 June 2017 arising from reorganisation of production footprint within the Group, a net loss was recognised on disposal of the plant and equipment of Anzpac. The gain on disposal and impairment loss of the aforesaid plant and equipment of Anzpac, which were separately disclosed in earlier quarters, was reclassified and presented as a net loss in 4Q2017. For the year ended 31 December 2016, the gain relates to a disposal of a leasehold land and building by a subsidiary.
- (v) In 2017, as a result of a reduction in the shareholding of Toyoma Aluminium Foil Packaging Sdn Bhd ("TAF") from 30% to 14.61%, TAF has ceased to be an associated company of the Group and a gain on discontinuing equity accounting was recorded. The gain in 4Q2016 was attributable to a disposal of an associated company, Benkert (Malaysia) Sdn Bhd.
- (vi) Termination benefits were recognised due to the cessation of printing business of Tien Wah Press (Malaysia) Sdn Bhd ("TWPM"), announced on 20 July 2017 and the aforementioned cessation of printing business of Anzpac. Termination benefits were incurred in 2016 due to the downsizing of the Australian operations.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statement of Financial Position

	Note	Group		Company	
		31/12/2017 Unaudited SGD'000	31/12/2016 Audited SGD'000	31/12/2017 Unaudited SGD'000	31/12/2016 Audited SGD'000
Non-current assets					
Property, plant and equipment	1	96,171	98,292	228	313
Investment properties	2	20,344	6,813	-	-
Subsidiaries		-	-	131,367	121,173
Associate and joint ventures		2,281	1,687	-	1,246
Other investments		2,680	2,099	1,744	685
Intangible assets and goodwill		26,451	28,245	-	-
Deferred tax assets		673	653	-	-
Other receivables	3	1,333	2,794	-	-
		149,933	140,583	133,339	123,417
Current assets					
Inventories		45,094	47,005	-	-
Trade and other receivables	4	72,203	77,731	8,968	9,751
Cash and cash equivalents	5	48,575	68,479	11,973	22,972
		165,872	193,215	20,941	32,723
Total assets		315,805	333,798	154,280	156,140
Equity attributable to owners of the Company					
Share capital		132,102	132,102	132,102	132,102
Reserves		(15,740)	(11,276)	77	77
Retained earnings		52,362	57,967	(11,213)	(12,214)
		168,724	178,793	120,966	119,965
Non-controlling interests		48,998	54,972	-	-
Total Equity		217,722	233,765	120,966	119,965
Non-current liabilities					
Other payables		396	452	-	-
Financial liabilities	6	22,374	28,147	-	19
Deferred tax liabilities	7	1,029	2,912	11	11
		23,799	31,511	11	30
Current liabilities					
Trade and other payables		46,005	46,050	30,854	33,466
Financial liabilities	8	27,221	21,257	2,425	2,649
Current tax liabilities		1,058	1,215	24	30
		74,284	68,522	33,303	36,145
Total liabilities		98,083	100,033	33,314	36,175
Total equity and liabilities		315,805	333,798	154,280	156,140

Notes :

- 1) The decrease was mainly due to reclassification of freehold land and building from PPE to investment properties due to end of owner-occupation and disposal of plant and equipment following the cessation of Anzpac, which was partially offset by the purchase of property, plant and equipment.
- 2) The increase was mainly due to reclassification of Anzpac's freehold land and building as mentioned above.
- 3) The decrease was mainly due to reclassification of consideration receivable due from a joint venture partner to current receivables.
- 4) The increase was mainly due to timing of repayment by customers and the aforesaid reclassification of receivables. Please refer to the Consolidated Statement of Cash Flow and related commentaries.
- 6) The decrease was mainly due to the partial repayment offset by drawdown of long-term bank borrowings.
- 7) The decrease was mainly attributed to a reversal of deferred tax liabilities made for taxable temporary differences of plant and equipment as the realisation in future is not probable due to the proposed cessation of printing business of TWPM and the transfer of plant and equipment to Dubai, which is in a tax-free zone.
- 8) The increase was mainly due to the drawdown of short-term bank borrowings and the current-portion of long-term bank borrowings taken up during the year.

1(b)(ii) Aggregate amount of group's borrowings and debt securities

	As at 31/12/17		As at 31/12/16	
	Secured SGD'000	Unsecured SGD'000	Secured SGD'000	Unsecured SGD'000
Amount repayable in one year or less, or on demand	1,027	26,194	47	21,210
Amount repayable after one year	8,591	13,783	26,063	2,084

Details of any collateral

The bank loans were secured on inventories and assets under finance lease, and by a charge over the assets and shares in a subsidiary.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flow

		4Q 31/12/2017 Unaudited SGD'000	4Q 31/12/2016 Unaudited SGD'000	12-months 31/12/2017 Unaudited SGD'000	12-months 31/12/2016 Audited SGD'000
	Note				
Operating activities					
Profit before tax		1,899	16,950	137	27,909
Adjustments for :					
Amortisation of other investments		-	2	5	6
Depreciation and amortisation		4,197	3,135	15,143	11,302
Diminution in value of club membership		-	1	-	1
Dividend income from an associate		-	170	-	-
Dividend income from quoted securities		(3)	(4)	(17)	(17)
Loss on disposal of other investments		-	-	51	-
Loss/(Gain) on disposal of property, plant and equipment		2,727	(12,890)	1,354	(12,898)
Gain on disposal of an associate		-	(312)	(603)	(312)
Impairment loss on investment properties		-	(4)	-	-
Impairment loss on property, plant and equipment		(2,684)	(5)	177	-
Finance income		(445)	(394)	(1,595)	(1,059)
Finance costs		558	140	1,886	641
Property, plant and equipment written-off		-	149	45	151
Provision for termination benefits		-	-	10,197	179
Share of profit of equity-accounted investees		(27)	(503)	(213)	(1,431)
Operating profit before working capital changes		6,222	6,435	26,567	24,472
Changes in working capital :					
Inventories		(756)	(2,625)	1,571	344
Trade and other receivables		8,274	2,866	8,076	(9,369)
Trade and other payables		1,674	5,264	(1,573)	8,690
Employee benefits		(1,291)	(1,013)	(9,272)	(935)
Cash flows from operations		14,123	10,927	25,369	23,202
Income taxes paid		(734)	(287)	(3,119)	(3,384)
Cash flows from operating activities	1	13,389	10,640	22,250	19,818
Investing activities :					
Acquisition of a subsidiary, net of cash paid		-	(33,814)	-	(33,814)
Dividends received from an associate		-	1,705	-	1,875
Dividends received from quoted securities		3	4	17	17
Additional capital contribution to an equity-accounted investee		-	-	(316)	(1,673)
Interest received		445	394	1,595	1,059
Acquisition of property, plant and equipment		(7,206)	(8,172)	(36,086)	(17,517)
Additions to investment property		(7)	-	(97)	-
Proceeds from disposal of other investment		-	-	363	-
Proceeds from disposal of property, plant and equipment		269	1,071	1,459	1,091
Proceeds from disposal of associate		-	3,397	-	3,397
Cash flows used in investing activities	2	(6,496)	(35,415)	(33,065)	(45,565)
Financing activities :					
Capital contribution from non-controlling shareholders pursuant to a rights issue of a subsidiary		-	(2)	-	7,239
Dividends paid to shareholders		(2,636)	(2,637)	(7,470)	(7,031)
Dividends paid to non-controlling shareholders		(423)	(1,671)	(2,300)	(4,115)
Interest paid		(558)	(140)	(1,886)	(641)
Payment of finance lease liabilities		(29)	(12)	(63)	(46)
Proceeds from bank borrowings		3,204	31,664	32,173	36,773
Repayments of bank borrowings		(5,020)	(864)	(28,480)	(16,343)
Cash flows (used in)/from financing activities	3	(5,462)	26,338	(8,026)	15,836
Net increase/(decrease) in cash and cash equivalents		1,431	1,563	(18,841)	(9,911)
Cash and cash equivalents at beginning of period / year		47,246	66,416	68,479	78,965
Effect of exchange rate fluctuations on cash held		(102)	500	(1,063)	(575)
Cash and cash equivalents at end of period / year		48,575	68,479	48,575	68,479
Deposits with financial institutions		13,915	18,942	13,915	18,942
Cash at banks and on hand		34,660	49,537	34,660	49,537
		48,575	68,479	48,575	68,479

Note 1 : Higher cash flows from operating activities in 4Q2017 was mainly due to timing of repayment from customers and payment to suppliers.

Note 2 : Higher cash flows used in investing activities in 4Q2016 was mainly due to acquisition of BPJ, acquisition of property, plant and equipment offset by dividends receipt and proceeds from disposal of an associate.

Note 3 : Higher cash flows from financing activities in 4Q2016 was mainly due to drawdown of bank borrowings to finance the acquisition of BPJ.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Changes in Equity

		Other reserves							
	Share capital SGD'000	Capital reserve SGD'000	Other reserve SGD'000	Currency translation reserve SGD'000	Fair value reserve SGD'000	Accumulated (losses)/ profits SGD'000	Total SGD'000	Non-controlling interests SGD'000	Total Equity SGD'000
Group									
At 1 January 2016	132,102	564	77	(12,074)	239	48,743	169,651	41,903	211,554
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	528	528	(528)	-
Appropriation of retained earnings to statutory reserve	-	172	-	-	-	(172)	-	-	-
Capital contribution by non-controlling interests of a subsidiary	-	-	-	-	-	-	-	850	850
Capital contribution by non-controlling interests pursuant to a rights issue of a subsidiary	-	-	-	-	-	-	-	7,239	7,239
Dividends paid	-	-	-	-	-	(7,031)	(7,031)	-	(7,031)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	(4,115)	(4,115)
Total comprehensive income for the year	-	-	-	(156)	(98)	15,899	15,645	9,623	25,268
At 31 December 2016	132,102	736	77	(12,230)	141	57,967	178,793	54,972	233,765
At 1 January 2017	132,102	736	77	(12,230)	141	57,967	178,793	54,972	233,765
Changes in capital reserve	-	61	-	-	-	(61)	-	-	-
Dividends paid	-	-	-	-	-	(7,470)	(7,470)	-	(7,470)
Dividend paid to non-controlling shareholders	-	-	-	-	-	-	-	(2,300)	(2,300)
Total comprehensive income for the year	-	-	-	(4,522)	(3)	1,926	(2,599)	(3,674)	(6,273)
At 31 December 2017	132,102	797	77	(16,752)	138	52,362	168,724	48,998	217,722
Company									
At 1 January 2016	132,102	-	77	-	-	(12,871)	119,308	-	119,308
Net profit for the year	-	-	-	-	-	7,688	7,688	-	7,688
Dividends paid	-	-	-	-	-	(7,031)	(7,031)	-	(7,031)
At 31 December 2016	132,102	-	77	-	-	(12,214)	119,965	-	119,965
At 1 January 2017	132,102	-	77	-	-	(12,214)	119,965	-	119,965
Net profit for the year	-	-	-	-	-	8,471	8,471	-	8,471
Dividends paid	-	-	-	-	-	(7,470)	(7,470)	-	(7,470)
At 31 December 2017	132,102	-	77	-	-	(11,213)	120,966	-	120,966

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Not applicable.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	As at 31/12/2017	As at 31/12/2016
Total number of issued shares	439,424,603	439,424,603

The Company did not hold any treasury shares as at 31 December 2017 and 31 December 2016.

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

- 2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation as those in the audited financial statements for the year ended 31 December 2016 except for the adoption of accounting standards and interpretations applicable for the financial period beginning 1 January 2017.

The adoption of the new/revised accounting standards and interpretations applicable for the financial period beginning 1 January 2017 did not result in a significant change to the Group's accounting policies and did not have a material impact on the Group results.

- 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable

- 6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-**

	Group		Group	
	4Q 31/12/2017	4Q 31/12/2016	12-months 31/12/2017	12-months 31/12/2016
Earnings per share ("EPS") for the period				
(a) Based on the average number of ordinary shares	0.36 cts	2.25 cts	0.44 cts	3.62 cts
(b) On a fully diluted basis	0.36 cts	2.25 cts	0.44 cts	3.62 cts

Basic EPS and fully diluted EPS have been calculated based on 439,424,603 shares.

- 7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the: (a) current financial period reported on and (b) immediately preceding financial year.**

	Group		Company	
	As at 31/12/2017	As at 31/12/2016	As at 31/12/2017	As at 31/12/2016
Net asset value per ordinary share based on existing share capital	38.40 cts	40.69 cts	27.53 cts	27.30 cts

The net asset value per ordinary share has been calculated based on 439,424,603 shares.

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

(i) Current Quarter against Previous Year Corresponding Quarter

The Group's turnover decreased by S\$6.81 million or 10.0% to S\$61.05 million in 4Q2017, mainly due to lower revenue in Trading division as a result of lower sales prices. The decline was partially offset by revenue contribution from a subsidiary acquired in December 2016 in Printed Cartons and Labels division.

Gross profit for 4Q2017 decreased by S\$1.90 million or 20.2% to S\$7.52 million compared to S\$9.42 million in the previous year corresponding quarter. Gross profit margin decreased from 13.9% in 4Q2016 to 12.3% in 4Q2017 due to lower gross profit margin from Printed Cartons and Labels division and Specialty Paper division.

Higher other income in 4Q2016 was mainly due to a gain on disposal of leasehold land and building by a subsidiary in the Printed Cartons and Labels division.

Distribution expenses reduced by 18.9% to S\$1.28 million in line with the reduction in revenue and absence of expenses due to the cessation of Australian operation. Administrative expenses increased by S\$0.40 million to S\$5.17 million mainly due to a donation to a registered institute of public character. Net foreign exchange loss in 4Q2017 of S\$0.34 million was mainly due to weakening of US Dollar. Higher other operating expenses in 4Q2016 was mainly due to recognition of termination benefits in Australia and capital gain tax on disposal of a leasehold land and building.

The lower share of profit of equity-accounted investees in 4Q2017 was due to absence of profit from an associate, which was disposed in December 2016.

The Group's profit before tax decreased by S\$15.05 million or 88.8% to S\$1.90 million in 4Q2017 (S\$16.95 million profit in 4Q2016). Overall, the Group's profit after tax attributable to owners of the Company decreased by S\$8.30 million or 84.0% to S\$1.59 million in 4Q2017 (S\$9.89 million in 4Q2016).

(ii) Current Year-to-date against Previous Year-to-date

The Group's turnover increased by S\$16.68 million or 6.7% to S\$265.84 million for the year ended 31 December 2017. This growth was mainly attributable to the revenue consolidation of a newly acquired foreign subsidiary in Printed Cartons and Labels division and higher demands in Specialty Papers division. Trading division registered lower revenue due to lower sales prices.

Gross profit margin for the year ended 31 December 2017 decreased to 12.8% as compared to 14.9% last year, as a result of lower gross profit margin from the Printed Cartons and Labels division.

For the year ended 31 December 2017, other income registered S\$8.39 million (S\$18.92 million for the year ended 31 December 2016). This was attributable to a sum received by a subsidiary from a contractor for the damage caused to the subsidiary's premises and a gain on discontinuing equity accounting of an associate. A gain from disposal of leasehold land and building and a gain from disposal of an associate by a subsidiary were recorded in the corresponding year-to-date.

Consequent to the Group's strategy to realign the footprint of its PCL division, higher administrative expenses were incurred for the new operations in Indonesia and Dubai for the year ended 31 December 2017. The increase was mitigated by absence of expenses due to cessation of Australian operation. An exchange loss of approximately S\$2.42 million as compared to an exchange gain of S\$0.67 million last year was mainly due to depreciation of US Dollar since the beginning of 2017. Other operating expenses were up by S\$8.40 million, mainly attributable to a net loss on disposal of plant and equipment and termination benefits due to the proposed closure of the Australian and Malaysian operations and higher amortisation of intangible assets.

The lower share of profit of equity-accounted investees for the year ended 31 December 2017 was due to the same contributing factor as mentioned above for 4Q2017.

The Group's profit before tax decreased by S\$27.77 million or 99.5% to S\$0.14 million for the year ended 31 December 2017 (S\$27.91 million for the year ended 31 December 2016). Overall, the Group reported a profit after tax attributable to owners of the Company of S\$1.93 million for the year ended 31 December 2017 (S\$15.90 million for the year ended 31 December 2016).

The decrease in tax expense was attributable to a reversal of deferred tax liabilities originally made for taxable temporary differences of plant and equipment, the realization of which will not result in taxable gains or losses due to the proposed closure of the Malaysian operations and the transfer of plant and equipment to Dubai, which is in a tax-free zone.

Excluding the aforesaid non-recurring expenses arising from the cessation of Australian and Malaysia operations, a gain on discontinuing equity accounting of an associate, and a one-off sum received by a subsidiary, the Group would have registered a profit before tax of S\$9.50 million and a profit after tax attributable to owners of the Company of S\$6.68 million for the year ended 31 December 2017.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable. The Group did not make any forecast previously.

10 A commentary at the date of the announcement of the significant trend and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

In line with the Group's strategy to follow its planned business realignment of its PCL division, the Group recorded employees' redundancy and related expenses and asset impairment costs, totalling S\$12.4 million, in the current financial year. The Group has completed Anzpac's redundancy exercise and disposal of assets except for the land and building. The related costs for the proposed cessation of the printing business of TWPM has been provided in the current financial year.

With the above realignment, it will improve our strategic position to provide efficient and timely service to our customers and reduce our operating cost over the longer term.

Concurrently, the Group will intensify its focus on growth opportunities in enlarging its market base in both Indonesia and Dubai, United Arab Emirates. Our newly acquired operations will further strengthen our relationships with customers. Notwithstanding the expanded market presence, the operating environment of the Group's business remains challenging. The Group will continue to drive productivity improvements and align its resources to create a stronger platform for sustainable growth.

11 Dividend

(a) Current Financial Period Reported On

2017 Ordinary		
Name of Dividend :	Interim	Final
Dividend Type :	Cash	Cash
Dividend per share :	0.60 cts per ordinary share	1.00 cts per ordinary share
Tax Rate :	Tax exempt (one-tier)	Tax exempt (one-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

2016 Ordinary		
Name of Dividend :	Interim	Final
Dividend Type :	Cash	Cash
Dividend per share :	0.60 cts per ordinary share	1.10 cts per ordinary share
Tax Rate :	Tax exempt (one-tier)	Tax exempt (one-tier)

(c) Date payable

To be advised

(d) Books closure date

To be advised

12 If no dividend has been declared/recommended, a statement to that effect.

Not applicable

13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions are required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from shareholders for interested person transactions.

14 Confirmation pursuant to Rule 720(1).

The Company has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

- 15 **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

Business Segments

	Specialty Papers SGD'000	Printed Cartons and Labels SGD'000	Trading SGD'000	Investment holding SGD'000	Total SGD'000
Revenue and Expenses					
FY2017					
Total revenue from external customers	93,646	131,127	35,678	-	260,451
Inter-segment revenue	1,982	55,131	1,350	-	58,463
Total revenue	95,628	186,258	37,028	-	318,914
Segment results	12,346	(11,810)	463	691	1,690
Share of profit of equity-accounted investees	-	-	-	213	213
Other material non-cash items :					
- Amortisation	5	1,359	-	-	1,364
- Depreciation	1,431	11,693	-	562	13,686
- Impairment loss on Property, plant and equipment	-	177	-	-	177
Capital expenditure	3,737	32,585	-	-	36,322
Investment in equity-accounted investees	-	-	-	2,281	2,281
Reportable segment assets	62,928	209,337	6,673	10,302	289,240
Reportable segment liabilities	15,635	72,082	3,742	185	91,644
	Specialty Papers SGD'000	Printed Cartons and Labels SGD'000	Trading SGD'000	Investment holding SGD'000	Total SGD'000
Revenue and Expenses					
FY2016					
Total revenue from external customers	91,879	107,210	44,849	-	243,938
Inter-segment revenue	1,790	60,740	-	-	62,530
Total revenue	93,669	167,950	44,849	-	306,468
Segment results (Note A)	7,386	10,505	652	433	18,976
Share of profit of equity-accounted investees	-	-	-	1,431	1,431
Other material non-cash items :					
- Amortisation	6	434	-	-	440
- Depreciation	1,489	8,635	2	644	10,770
Capital expenditure	5,773	11,666	-	71	17,510
Investment in equity-accounted investees	-	-	-	1,687	1,687
Reportable segment assets	63,365	215,321	13,783	10,083	302,552
Reportable segment liabilities	14,949	66,562	10,185	178	91,874

Note A: Segment results for Printed Cartons and Labels included the gain on disposal of leasehold land and building to a jointly controlled entity

15 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year (Cont'd)

Reconciliations of reportable segment revenues, profit or loss

	2017 SGD'000	2016 SGD'000
Revenue		
Total revenue of reportable segments	318,914	306,468
Other revenue	5,384	5,220
Elimination of inter-segment revenue	(58,463)	(62,530)
Consolidated revenue	265,835	249,158
Profit or loss		
Total profit for reportable segments	1,690	30,339
Other profit or loss	(281)	(144)
	1,409	30,195
Elimination of inter-segment profits	1,876	(337)
Share of profit of equity-accounted investees	213	1,431
Unallocated amounts :		
- Other corporate expenses	(3,361)	(3,380)
Consolidated profit before income tax	137	27,909
Depreciation		
Total depreciation of reportable segments	13,686	10,770
Others	98	98
Consolidated depreciation	13,784	10,868
Capital expenditure		
Total capital expenditure of reportable segments	36,322	17,510
Others	13	7
Consolidated capital expenditure	36,335	17,517
Assets		
Total assets for reportable segments	289,240	302,552
Other assets	8,621	4,035
Investment in equity-accounted investees	2,281	1,687
Unallocated amounts		
- Other corporate assets	14,504	24,450
- Income tax assets	1,159	1,074
Consolidated total assets	315,805	333,798
Liabilities		
Total liabilities for reportable segments	91,644	91,874
Other liabilities	1,162	613
Unallocated amounts		
- Other corporate liabilities	3,190	3,419
- Income tax liabilities	2,087	4,127
Consolidated total liabilities	98,083	100,033

- 15 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year (Cont'd)**

Geographical Segments	FY2017		FY2016	
	External revenue	Non-current assets*	External revenue	Non-current assets*
	SGD'000	SGD'000	SGD'000	SGD'000
Hong Kong	83,789	21,981	100,221	25,167
Vietnam	55,395	45,080	46,885	32,661
Malaysia	42,139	17,275	40,372	25,654
Singapore	39,072	9,865	41,445	9,205
Indonesia	32,615	18,320	-	10,447
Australia	12,717	15,624	20,192	21,060
Dubai	106	17,715	-	12,238
China	2	3,400	43	3,498
	265,835	149,260	249,158	139,930

* Excludes deferred tax assets

- 16 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable

- 17 A breakdown of sales**

	The Group		
	31/12/17	31/12/16	Change
	SGD'000	SGD'000	%
Sales (continuing operations) reported for 1 st half year	137,380	116,360	18.1
Operating profit after tax before deducting non-controlling interests reported for 1 st half year	(2,567)	6,900	(137.2)
Sales (continuing operations) reported for 2 nd half year	128,455	132,798	(3.3)
Operating profit after tax before deducting non-controlling interests reported for 2 nd half year	1,589	18,712	(91.5)

- 18 A breakdown of total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows :**

	Latest Year (SGD)	Previous Year (SGD)
Ordinary	7,030,794	7,470,218
Preference	-	-
Total	7,030,794	7,470,218

- 19 **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year.
Lu Le Nhi	68	Wife of Mr Yen Wen Hwa	Executive Director of New Toyo Aluminium Paper Product Co (Pte) Ltd since 1975. Responsible for the company's operations.	N/A
Nhan Huc Quan	52	Niece of Mr Yen Wen Hwa	General Manager of New Toyo (Vietnam) Aluminium Paper Packaging Co Ltd since 2006. Responsible for the company's operations.	N/A
Lui Chung Shun	60	Nephew-in-law of Mr Yen Wen Hwa	Production Manager of New Toyo (Vietnam) Aluminium Paper Packaging Co., Ltd since 2001. In-charge of production department, the co-ordination of the production schedule, quality control and timely production.	N/A
Chua Siok Huay	54	Niece-in-law of Mr Yen Wen Hwa	Treasury Manager of New Toyo International Holdings Ltd since 1997. Reviews monthly treasury reports submitted by operating units and prepares reports to Chief Financial Officer. Oversees the Group's funding and bank relationships.	N/A
Wang Yi Feng	56	Nephew-in-law of Mr Yen Wen Hwa	General Manager of New Toyo Paper Products (Shanghai) Co., Ltd since 2003. Responsible for the company's operations.	N/A

BY ORDER OF THE BOARD

Lee Wei Hsiung
Company Secretary
27 February 2018