

# **25<sup>th</sup> ANNUAL GENERAL MEETING**

- **28 MAY 2021 - 10.00 A.M.**



**NEW TOYO**  
International Holdings Ltd

**STRENGTHENING  
CORE CAPABILITIES**

# **FINANCIAL YEAR 2020 HIGHLIGHTS**

**PRESENTED BY:**  
**JOSHUA LAM, CFO**

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## **DISCLAIMER**

**THIS PRESENTATION MAY CONTAIN FORWARD-LOOKING STATEMENTS THAT INVOLVE RISKS AND UNCERTAINTIES. ACTUAL FUTURE PERFORMANCE, OUTCOMES AND RESULTS MAY DIFFER MATERIALLY FROM THOSE EXPRESSED IN FORWARD-LOOKING STATEMENTS AS A RESULT OF A NUMBER OF RISKS, UNCERTAINTIES AND ASSUMPTIONS. REPRESENTATIVE EXAMPLES OF THESE FACTORS INCLUDE (WITHOUT LIMITATION) GENERAL INDUSTRY AND ECONOMIC CONDITIONS, INTEREST RATE TRENDS, COST OF CAPITAL AND CAPITAL AVAILABILITY, COMPETITION FROM OTHER COMPANIES, SHIFTS IN CUSTOMER DEMANDS, CUSTOMERS AND PARTNERS, CHANGES IN OPERATING EXPENSES, INCLUDING EMPLOYEE WAGES, BENEFITS AND TRAINING, GOVERNMENTAL AND PUBLIC POLICY CHANGES AND THE CONTINUED AVAILABILITY OF FINANCING IN THE AMOUNTS AND THE TERMS NECESSARY TO SUPPORT FUTURE BUSINESS. YOU ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THESE FORWARD LOOKING STATEMENTS, WHICH ARE BASED ON CURRENT VIEW OF MANAGEMENT ON FUTURE EVENTS.**

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# KEY FINANCIAL INFORMATION

(SGD millions)	FY2020	FY2019	Incr/(Dcr)	
Revenue	242.4	301.1	-58.7	-19.5%
Gross Profit	28.7	17.0	+11.7	+68.8%
Gross Profit %	11.8%	5.7%	+6.1ppt	
Profit before tax	8.1	(15.8)	+23.9	n.m.
Profit after tax	7.5	(18.1)	+25.6	n.m.

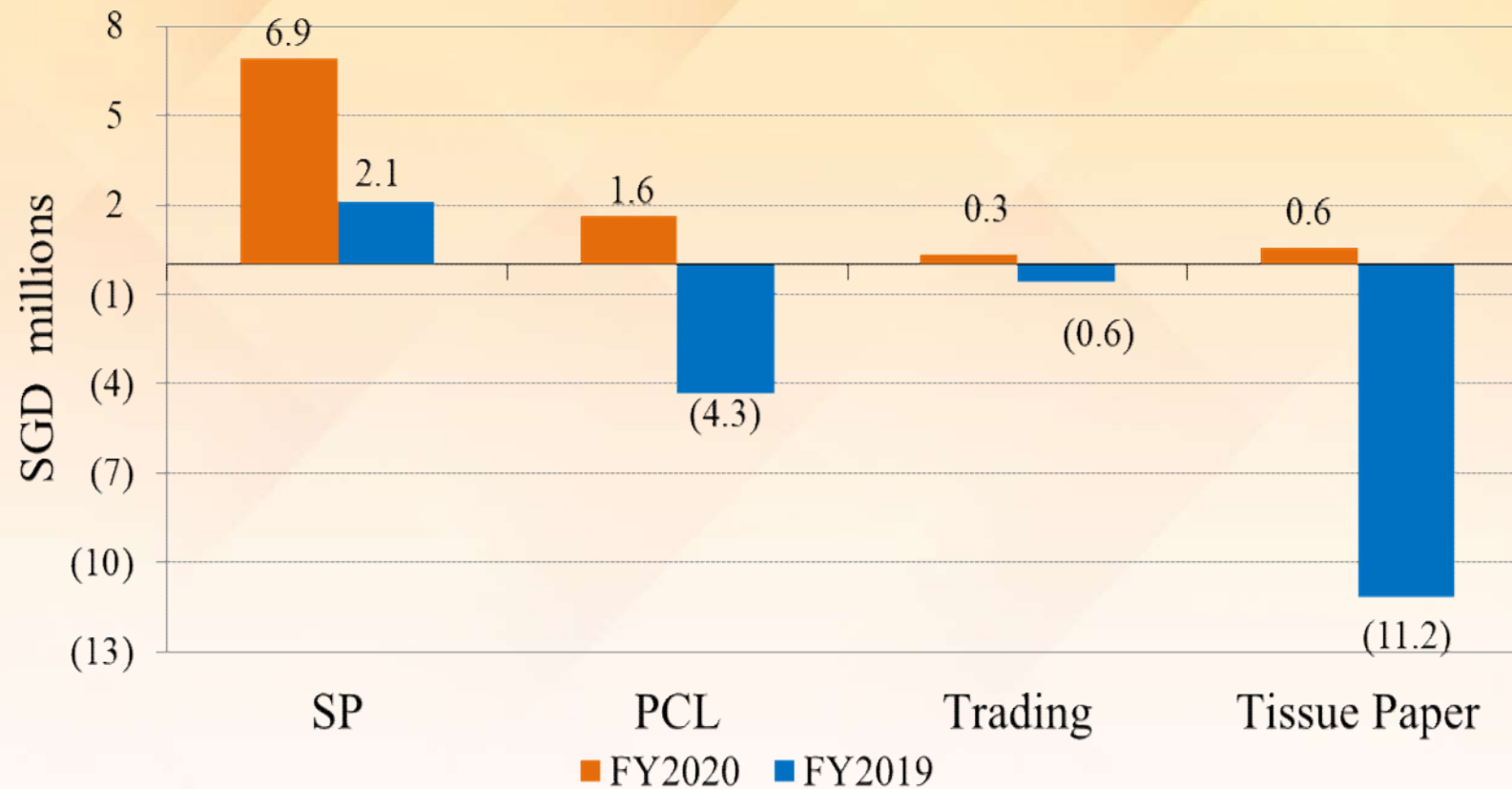
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## GROUP PROFIT EXCLUDING TISSUE PAPER & DUBAI OPERATIONS

(SGD millions)	FY2020	FY2019
Profit/(Loss) for Tissue Paper segment	0.6	(11.2)
Loss for Dubai operations	(1.4)	(6.0)
Impairment on Dubai PPE	-	(5.7)
Realignment of Vietnam operations	(0.6)	-
COVID-19 related grants and concessions	0.9	-
Net foreign currency (loss)/gain	(1.0)	(0.6)
Subtotal	(1.5)	(23.5)
Profit excluding the above items	9.6	7.7
Profit/(Loss) before tax	8.1	(15.8)

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# SEGMENT RESULTS – PROFIT BEFORE TAX



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# FINANCIAL HIGHLIGHTS

## Earnings Per Share

<b>FY2020</b>	<b>1.73</b> cents
<b>FY2019</b>	<b>(3.47)</b> cents

## Net Assets Value Per Share

<b>32.65</b> cents
<b>32.82</b> cents

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# FINANCIAL HIGHLIGHTS

## Dividend Per Share\*

<b>FY2020</b>	<b>1.5</b> cents
<b>FY2019</b>	<b>0.9</b> cents

\* Interim & Final Proposed

## Dividend Yield

<b>8.6%</b>
<b>5.8%</b>

Based on closing share price of 17.4 cents and 15.6 cents as at 31 Dec 2020 and 2019 respectively.

**PAYMENT DATE: 16 JUNE 2021 (SUBJECT TO APPROVAL IN AGM)**

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# MOVING FORWARD

## IMPACT OF COVID-19 GLOBAL PANDEMIC ON OPERATING PERFORMANCE

- ❑ THE PROTRACTED COVID-19 PANDEMIC WITH WAVES OF OUTBREAKS AND NEW STRAINS OF THE VIRUS, DAMPENS THE RECOVERY OF THE GLOBAL ECONOMY. THE GROUP'S BUSINESS PERFORMANCE FOR 2021 MAY CONTINUE TO BE IMPACTED BY THESE UNPRECEDENTED CHALLENGES.
- ❑ THE GROUP PROACTIVELY TOOK STEPS TO RELOOK AT THE MARKET, BUSINESS OPERATIONS AND CUSTOMERS' MODELS TO ENSURE THE SUSTAINABILITY AND VIABILITY OF OUR BUSINESSES.
- ❑ THE GROUP WILL CONTINUE TO MONITOR AND ADJUST ITS STRATEGY, INCLUDING PRESERVING CASH, OPTIMIZING CASH FLOWS AND IMPLEMENTING COSTS SAVINGS MEASURES TO MITIGATE THE IMPACT.

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# MOVING FORWARD

## FUTURE DIRECTIONS

- ❑ THE GROUP STRONGLY BELIEVES THAT THE STRATEGIC PLANS FORMULATED WILL PREPARE THE GROUP TO RESPOND AND FACE THE CHALLENGES AHEAD, THROUGH FOCUSED GROWTH IN OUR CORE BUSINESSES AND CAPABILITIES, COST REDUCTION AND GAINS IN EFFICIENCY.
- ❑ WITH ITS STRONG REGIONAL BUSINESS NETWORK, THE GROUP WILL CONTINUE TO BUILD AND DEVELOP ITS TRADING OF TISSUE PAPER PRODUCTS AND PROVIDE AN ADDITIONAL AVENUE FOR BROADENING REVENUE STREAMS.
- ❑ THE GROUP REMAINS CONFIDENT THAT THE GROUP'S FINANCIAL POSITION WILL ENABLE IT TO DELIVER LONG-TERM GROWTH AND VALUE TO SHAREHOLDERS.

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# **Q&A**

**PRESENTED BY:**

**ANGELA HENG, GROUP CEO**

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# **Q&A**

**PRIOR TO THIS AGM MEETING; WE HAVE INVITED SHAREHOLDERS TO SEND IN VIA POST / EMAIL US THEIR QUESTIONS.**

**THIS YEAR WE RECEIVED TWO QUESTIONS FROM THE SHAREHOLDERS WHICH I WILL ADDRESS HERE BELOW.**

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# Q&A

**Q1(i): Chairman provided the extent production in Singapore and Malaysia was affected during restrictions to slow the spread of COVID-19. How was production in Vietnam?**

**ANSWER:**

**BASICALLY MANUFACTURING ACTIVITIES IN VIETNAM IS ALLOWED TO CONTINUE SO LONG AS COMPANY KEEPS TO THE SAFETY MEASURES SET BY THE VIETNAM AUTHORITIES. WE ARE THANKFUL THAT NONE OF OUR VIETNAM UNITS HAD TO SUSPEND OUR OPERATION THROUGHOUT THIS PERIOD.**

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# Q&A

**Q1(ii): Will production improve after New Toyo owns 100% of Toyo Viet?**

**ANSWER:**

**THE COMPLETION OF THE TERMINATION OF JVA WITH DOFICO AND ACQUISITION OF THE REMAINING 50% SHARES HELD BY DOFICO IN TOYO VIET IS PENDING THE ISSUANCE OF AN INVESTMENT CERTIFICATE BY THE STATE AUTHORITY OF VIETNAM. AN UPDATE WILL BE PROVIDED WHEN THERE ARE FURTHER DEVELOPMENTS.**

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# Q&A

**Q2(i). How much does the Dubai operations contribute to the bottom line in FY2020?**

**ANSWER:**

**AS PRESENTED IN THE EARLIER SLIDES BY OUR CFO, DUBAI OPERATIONS IN FY2020 UNFORTUNATELY MAKE A LOSS OF SGD 1.4M.**

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# Q&A

Q2(ii). Will the company be able to do better than the third party which will not continue with running the Dubai operations?

Q2(iii). Previously the company was running the Dubai operations before this was outsourced. The company did not perform well then. What will management do to ensure a better outcome this time?

## ANSWER:

SINCE PART (ii) AND (iii) OF Q2 ABOVE IS RELATED DIRECTLY TO DUBAI OPERATIONS, I WILL ADDRESS THEM TOGETHER IN THE NEXT TWO SLIDES.

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# Q&A

## ANSWER

**THE 3<sup>RD</sup> PARTY HAD INFORMED US THAT THEY COULD NOT CONTINUE DUE TO THIS UNEXPECTED COVID-19 SITUATION.**

**TO ANSWER ON OVERALL DUBAI MARKET SITUATIONS, WE WOULD LIKE TO GO BACK TO OUR MAIN STRATEGIC REASONS WHY WE WENT TO DUBAI IN THE FIRST PLACE.**

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# Q&A

## ANSWER

- a. **FIRSTLY, THE GROUP DECIDED TO EXPAND ITS FOOT PRINT INTO MIDDLE EAST IS FOR THE SOLE PURPOSE OF MARKET EXPANSION AND BROADENING OUR CUSTOMER BASE.**
- b. **MIDDLE EAST MARKET MODEL IS SOMEWHAT DIFFERENT FROM THAT OF THE CURRENT TRADITIONAL MARKETS IN SOUTH-EAST ASIA WHERE THEY ARE DOMINATED BY JUST FEW BUT VERY LARGE INTERNATIONAL CUSTOMERS.**
- c. **MIDDLE EAST TOBACCO MARKET IS A RELATIVELY HUGE MARKET FOR PACKAGING SUPPLY. THERE ARE NUMEROUS TOBACCO PLAYERS; THEREFORE IT IS AN OPEN MARKET OPPORTUNITIES FOR US TO PROVIDE CUSTOMER SERVICE AND TO CULTIVATE CUSTOMER RELATIONSHIP; WHICH WE BELIEVE IS NEW TOYO'S STRENGTH.**

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# Q&A

- d. **HOWEVER, THE BUILDING OF ANY BUSINESS RELATIONSHIP IS NEVER OVERNIGHT; NOT FORGETTING IT TOOK MORE THAN 40 YEARS FOR NEW TOYO TO BE WHERE WE ARE TODAY.**
- e. **IN THIS COVID-19 PANDEMIC, WE ACTUALLY SEE THIS AS AN OPPORTUNITY FOR US TO REPLACE OUR OVERSEAS COMPETITORS. MOVING FORWARD WE ARE CONFIDENT THAT OUR DUBAI OPERATION WILL CONTINUE TO GROW.**

**THANK YOU!**

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# **RESOLUTION & POLL RESULTS**

**PRESENTED BY:**

**YEN WEN HWA, CHAIRMAN**

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# RESOLUTION 1: ORDINARY RESOLUTION

## ADOPTION OF DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS AND REPORTS OF THE AUDITORS

### POLL RESULTS

"For" Votes		"Against" Votes		Total Votes	
No. of shares	Percentage %	No. of shares	Percentage %	No. of shares	Percentage %
255,012,981	100%	-	-	255,012,981	100%

**ORDINARY RESOLUTION 1 IS CARRIED.**

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## RESOLUTION 2: ORDINARY RESOLUTION

### PAYMENT OF A FINAL DIVIDEND OF 0.9 SINGAPORE CENTS

#### POLL RESULTS

“For” Votes		“Against” Votes		Total Votes	
No. of shares	Percentage %	No. of shares	Percentage %	No. of shares	Percentage %
255,012,981	100%	-	-	255,012,981	100%

**ORDINARY RESOLUTION 2 IS CARRIED.**

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# RESOLUTION 3: ORDINARY RESOLUTION

## APPROVAL OF DIRECTORS' FEES FOR FY2021

### POLL RESULTS

“For” Votes		“Against” Votes		Total Votes	
No. of shares	Percentage %	No. of shares	Percentage %	No. of shares	Percentage %
255,012,981	100%	-	-	255,012,981	100%

**ORDINARY RESOLUTION 3 IS CARRIED.**

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# RESOLUTION 4: ORDINARY RESOLUTION

## RE-ELECTION OF MS ANGELA HENG CHOR KIANG

### POLL RESULTS

“For” Votes		“Against” Votes		Total Votes	
No. of shares	Percentage %	No. of shares	Percentage %	No. of shares	Percentage %
254,512,981	100%	-	-	254,512,981	100%

**ORDINARY RESOLUTION 4 IS CARRIED.**

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# **RETIREMENT OF Ms VICTORIA TAY SEOK KIAN**



**WE WOULD LIKE TO EXTEND OUR  
GRATITUDE AND APPRECIATION TO**

**Ms VICTORIA TAY**

**FOR HER CONTRIBUTIONS DURING  
HER TERM AND WISH HER WELL IN  
HER FUTURE ENDEAVOURS.**

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# RESOLUTION 5: ORDINARY RESOLUTION

## RE-APPOINTMENT OF ERNST & YOUNG LLP AS AUDITORS AND AUTHORISATION FOR DIRECTORS TO FIX THEIR REMUNERATION

### POLL RESULTS

“For” Votes		“Against” Votes		Total Votes	
No. of shares	Percentage %	No. of shares	Percentage %	No. of shares	Percentage %
255,012,981	100%	-	-	255,012,981	100%

**ORDINARY RESOLUTION 5 IS CARRIED.**

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# RESOLUTION 6: ORDINARY RESOLUTION

## AUTHORITY TO ISSUE SHARES AND CONVERTIBLE SECURITIES

### POLL RESULTS

“For” Votes		“Against” Votes		Total Votes	
No. of shares	Percentage %	No. of shares	Percentage %	No. of shares	Percentage %
255,012,981	100%	-	-	255,012,981	100%

**ORDINARY RESOLUTION 6 IS CARRIED.**

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# RESOLUTION 7: ORDINARY RESOLUTION

## PROPOSED ADOPTION OF SHARE BUY-BACK MANDATE

### POLL RESULTS

“For” Votes		“Against” Votes		Total Votes	
No. of shares	Percentage %	No. of shares	Percentage %	No. of shares	Percentage %
255,012,981	100%	-	-	255,012,981	100%

**ORDINARY RESOLUTION 7 IS CARRIED.**

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**THANK YOU !**

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