



Keeping the  
**MOMENTUM**

**FINANCIAL STATEMENTS ANNOUNCEMENT**

**for the period ended 31 March 2015**

## Unaudited results for the first quarter and period ended 31 March 2015

- 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

	Note	Group		Change %
		3-months 31/03/15 Unaudited	3-months 31/03/14 Unaudited	
		SGD'000	SGD'000	
Revenue		60,515	69,569	(13.0)
Cost of sales		(51,475)	(60,024)	(14.2)
<b>Gross profit</b>		<b>9,040</b>	<b>9,545</b>	(5.3)
Other income	1	2,009	1,422	41.3
Distribution expenses	2	(1,610)	(1,773)	(9.2)
Administrative expenses		(4,616)	(4,715)	(2.1)
Net foreign exchange gain/(loss)	3	618	(9)	n.m
Other expenses	4	(3,299)	(681)	n.m
<b>Operating profit</b>		<b>2,142</b>	<b>3,789</b>	(43.5)
Finance income		225	175	28.6
Finance expenses		(237)	(282)	(16.0)
Net finance expenses		(12)	(107)	(88.8)
Share of profit of associates, net of tax	5	938	437	114.6
<b>Profit before taxation</b>		<b>3,068</b>	<b>4,119</b>	(25.5)
Taxation	6	(421)	(797)	(47.2)
<b>Profit for the period</b>		<b>2,647</b>	<b>3,322</b>	(20.3)
<b>Attributable to :</b>				
Equity holders of the Company		2,228	2,405	(7.4)
Non-controlling interests		419	917	(54.3)
<b>Profit for the period</b>		<b>2,647</b>	<b>3,322</b>	(20.3)

### Statement of Comprehensive Income

	Note	Group		Change %
		3-months 31/03/15 Unaudited	3-months 31/03/14 Unaudited	
		SGD'000	SGD'000	
<b>Profit for the period</b>		2,647	3,322	(20.3)
<b>Other comprehensive income</b>				
<b>Items that are or may be reclassified to profit or loss :</b>				
Foreign currency differences for foreign operations	7	950	860	10.5
<b>Other comprehensive income for the period, net of tax</b>		<b>950</b>	<b>860</b>	10.5
<b>Total comprehensive income for the period</b>		<b>3,597</b>	<b>4,182</b>	(14.0)
<b>Attributable to :</b>				
Equity holders of the Company		3,277	2,997	9.3
Non-controlling interests		320	1,185	(73.0)
<b>Total comprehensive income for the period</b>		<b>3,597</b>	<b>4,182</b>	(14.0)

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)**

**Notes :**

- 1) The increase in other income in Q1FY2015 was mainly due to higher scrap sales and foreign exchange adjustments.
- 2) The decrease in distribution expenses in Q1FY2015 was mainly due to lower freight costs.
- 3) The increase in net foreign exchange gain was mainly because of strengthening of US dollar against Singapore dollar.
- 4) Other operating expenses was higher in Q1FY2015 mainly due to recognition of termination benefits in accordance to FRS 19 as disclosed in the below table.
- 5) The share of profit of associates was higher in Q1FY2015 due to share of higher profit from an associate and reversal of previously recognised share of an associate's prior year's losses beyond the carrying amount of investment in accordance with FRS 28.
- 6) The decrease in income tax expenses in Q1FY2015 was mainly due to lower contributions from the operations in countries with higher tax rates and reversal of tax over-provided in year 2014.
- 7) The movement was a result of foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Company; and the exchange differences on certain monetary items which formed part of the Group's net investments in the foreign operations. The gain in Q1FY2015 was mainly due to the appreciation of US dollar, Vietnamese Dong, Chinese Renminbi and Malaysia ringgit partially offset by the depreciation of Australia dollar.

**Disclosure to Income Statement**

	Group		Change %
	3-months 31/03/15	3-months 31/03/14	
	Unaudited SGD'000	Unaudited SGD'000	
Other income including interest income	2,222	1,578	40.8
Interest on borrowings	(237)	(282)	(16.0)
Reversal of inventory obsolescence	23	162	(85.8)
Depreciation and amortisation	(3,575)	(3,095)	15.5
Gain on disposal of property, plant and equipment	12	19	(36.8)
Reversal of doubtful trade receivables and bad debts written off	9	30	(70.0)
Inventory written-off	(1)	(49)	(98.0)
Over/(Under) provision of tax in respect of prior years	145	(3)	n.m

n.m. - not meaningful

**Other expenses comprise the following:**

	Note	Group		Change %
		3-months 31/03/15	3-months 31/03/14	
		Unaudited SGD'000	Unaudited SGD'000	
<u>Non-operating Item:</u>				
Termination benefits	4	(2,575)	-	n.m

n.m. - not meaningful

**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	
		31/03/15 Unaudited SGD'000	31/12/14 Audited SGD'000	31/03/15 Unaudited SGD'000	31/12/14 Audited SGD'000
<b>Non-current assets</b>					
Property, plant and equipment		91,190	92,132	21	24
Investment properties		8,466	8,360	-	-
Subsidiaries		-	-	102,923	103,107
Associates		8,010	7,244	1,246	1,246
Other investments		2,286	2,220	626	626
Intangible assets		7,148	7,696	-	-
Deferred tax assets		704	697	-	-
		<b>117,804</b>	<b>118,349</b>	<b>104,816</b>	<b>105,003</b>
<b>Current assets</b>					
Inventories	1	52,186	49,221	-	-
Trade and other receivables	2	41,199	34,066	9,176	9,223
Cash and cash equivalents	3	67,100	71,571	32,195	29,975
		<b>160,485</b>	<b>154,858</b>	<b>41,371</b>	<b>39,198</b>
<b>Total assets</b>		<b>278,289</b>	<b>273,207</b>	<b>146,187</b>	<b>144,201</b>
<b>Equity attributable to equity holders of the Company</b>					
Share capital		132,102	132,102	132,102	132,102
Other reserves		(9,683)	(10,732)	77	77
Accumulated profits/(losses)		41,570	39,342	(15,705)	(17,256)
		<b>163,989</b>	<b>160,712</b>	<b>116,474</b>	<b>114,923</b>
<b>Non-controlling interests</b>		39,979	39,659	-	-
<b>Total Equity</b>		<b>203,968</b>	<b>200,371</b>	<b>116,474</b>	<b>114,923</b>
<b>Non-current liabilities</b>					
Trade and other payables		583	582	-	-
Financial liabilities		5,095	5,453	-	-
Deferred tax liabilities		3,661	3,603	11	11
		<b>9,339</b>	<b>9,638</b>	<b>11</b>	<b>11</b>
<b>Current liabilities</b>					
Trade and other payables	4	36,461	33,926	29,563	29,138
Financial liabilities		26,824	27,143	-	-
Current tax payable		1,697	2,129	139	129
		<b>64,982</b>	<b>63,198</b>	<b>29,702</b>	<b>29,267</b>
<b>Total liabilities</b>		<b>74,321</b>	<b>72,836</b>	<b>29,713</b>	<b>29,278</b>
<b>Total equity and liabilities</b>		<b>278,289</b>	<b>273,207</b>	<b>146,187</b>	<b>144,201</b>

**Notes :**

- 1) The increase was mainly to meet projected sales orders from Specialty Papers and Printed Cartons and Labels divisions.
- 2) The increase was due to timing of repayment by customers.
- 3) The decrease was due to higher inventory holding and payment of termination benefits in accordance to FRS 19.
- 4) The increase was due to higher purchases and timing of repayment to suppliers.

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

	As at 31/03/15		As at 31/12/14	
	Secured SGD'000	Unsecured SGD'000	Secured SGD'000	Unsecured SGD'000
<b>Amount repayable in one year or less, or on demand</b>	1,090	25,734	1,816	25,327
<b>Amount repayable after one year</b>	6	5,089	7	5,446

**Details of any collateral**

The bank loans are secured on inventories.

**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**

		<b>3-months 31/03/15 Unaudited SGD'000</b>	<b>3-months 31/03/14 Unaudited SGD'000</b>
	<b>Note</b>		
<b>Operating activities</b>			
Profit before income tax		3,068	4,119
<b>Adjustments for :</b>			
Amortisation of other investment		1	1
Depreciation and amortisation		3,574	3,094
Gain on disposal of property, plant and equipment		(12)	(19)
Interest income		(225)	(175)
Interest expense		237	282
Provision for termination benefits		968	-
Share of profit of associates		(938)	(437)
<b>Operating profit before working capital changes</b>		<b>6,673</b>	<b>6,865</b>
<b>Changes in working capital :</b>			
Inventories		(2,978)	1,247
Trade and other receivables		(7,351)	(9,060)
Trade and other payables		1,858	2,464
Employee benefits		(367)	(1,055)
<b>Cash (used in)/from operations</b>		<b>(2,165)</b>	<b>461</b>
Income taxes paid		(753)	(849)
<b>Cash flows used in operating activities</b>	<b>1</b>	<b>(2,918)</b>	<b>(388)</b>
<b>Investing activities :</b>			
Interest received		225	175
Purchase of property, plant and equipment		(786)	(1,143)
Purchase of investment property		(77)	-
Proceeds from disposal of property, plant and equipment		19	29
Proceeds from disposal of a investment property		-	130
Proceeds from disposal of subsidiary		-	790
<b>Cash flows used in investing activities</b>	<b>2</b>	<b>(619)</b>	<b>(19)</b>
<b>Financing activities :</b>			
Dividends paid to non-controlling shareholders		-	(63)
Interest paid		(237)	(282)
Principal payments under hire purchase obligations		(1)	(1)
Proceeds from bank borrowings		2,610	753
Repayment of bank borrowings		(3,664)	(5,279)
<b>Cash flows used in financing activities</b>	<b>3</b>	<b>(1,292)</b>	<b>(4,872)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(4,829)</b>	<b>(5,279)</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>71,571</b>	<b>59,860</b>
<b>Effect of exchange rate changes on balances held in foreign currency</b>		<b>358</b>	<b>185</b>
<b>Cash and cash equivalents at end of period</b>		<b>67,100</b>	<b>54,766</b>
Deposits with financial institutions		23,947	8,908
Cash at banks and in hand		43,153	45,858
		<b>67,100</b>	<b>54,766</b>

Note 1 : More cash flows used in Q1FY2015 was mainly due to higher stocks purchased to meet projected sales.

Note 2 : Lower cash flows used in year 2014 was mainly due to partial cash consideration received from the disposal of a subsidiary in year 2013.

Note 3 : Mainly due to lower utilisation of bank borrowings in Q1FY2015.

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**

	Share capital SGD'000	Capital reserve SGD'000	Other reserve SGD'000	Other reserves 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
<b>Group</b>									
At 1 January 2014	132,102	564	77	(11,978)	441	35,394	156,600	39,045	195,645
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	(63)	(63)
Total comprehensive income for the period	-	-	-	592	-	2,405	2,997	1,185	4,182
At 31 March 2014	132,102	564	77	(11,386)	441	37,799	159,597	40,167	199,764
At 1 January 2015	132,102	564	77	(11,786)	413	39,342	160,712	39,659	200,371
Total comprehensive income for the period	-	-	-	1,049	-	2,228	3,277	320	3,597
At 31 March 2015	132,102	564	77	(10,737)	413	41,570	163,989	39,979	203,968
<b>Company</b>									
At 1 January 2014	132,102	-	77	-	-	(18,560)	113,619	-	113,619
Total comprehensive income for the period	-	-	-	-	-	228	228	-	228
At 31 March 2014	132,102	-	77	-	-	(18,332)	113,847	-	113,847
At 1 January 2015	132,102	-	77	-	-	(17,256)	114,923	-	114,923
Total comprehensive income for the period	-	-	-	-	-	1,551	1,551	-	1,551
At 31 March 2015	132,102	-	77	-	-	(15,705)	116,474	-	116,474

- 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.**

	<b>As at 31/03/15</b>	<b>As at 31/12/14</b>
Total number of issued shares	439,424,603	439,424,603

The Company did not hold any treasury shares as at 31 March 2015 and 31 December 2014.

- 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 2014 except for the adoption of accounting standards and interpretations applicable for the financial period beginning 1 January 2015.

The adoption of the new/revised accounting standards and interpretations applicable for the financial period beginning 1 January 2015 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:-**

	<b>Group</b>	
	<b>3-months</b>	<b>3-months</b>
	<b>31/03/15</b>	<b>31/03/14</b>
Earnings per share ("EPS") for the period		
(a) Based on the average number of ordinary shares	0.51 cts	0.55 cts
(b) On a fully diluted basis	0.51 cts	0.55 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.**

	<b>Group</b>		<b>Company</b>	
	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>31/03/15</b>	<b>31/12/14</b>	<b>31/03/15</b>	<b>31/12/14</b>
Net asset value per ordinary share based on existing share capital	37.32 cts	36.57 cts	26.51 cts	26.15 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.

The Group's turnover decreased by SGD9.05 million or 13.0% to SGD60.52 million in Q1FY2015 (SGD69.57 million in Q1FY2014) mainly due to lower revenue in Trading division partially offset by higher revenue in Printed Cartons and Labels ("PCL") division.

Gross profit decreased by SGD0.51 million or 5.3% to SGD9.04 million in Q1FY2015 compared to SGD9.55 million in Q1FY2014. Gross profit margin in Q1FY2015 improved to 14.9% from 13.7% in Q1FY2014. The change in sales mix contributed to the higher gross profit margin.

The Group's profit before tax decreased by SGD1.05 million or 25.5% to SGD3.07 million in Q1FY2015 (SGD4.12 million in Q1FY2014). This was mainly attributable to termination benefits of a subsidiary of SGD2.58 million partially offset by increase in other income, net foreign exchange gain and share of profit of associates.

Overall, the Group's profit after tax attributable to equity holders of the Company decreased by SGD0.18 million or 7.4% to SGD2.23 million in Q1FY2015 (SGD2.41 million in Q1FY2014). Excluding the aforesaid termination benefits, the profit after tax attributable to equity holders for Q1FY2015 increased by SGD 1.79 million or 74.3% to SGD 4.2 million.



- 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.**

Overall, the operating environment remains challenging. The Group will continue its efforts to manage costs and improve operating efficiencies. With its strong balance sheet, the Group is well positioned to meet the challenges, and will continue to pursue various opportunities and strategic initiatives. The Group will continue to manage its business risks prudently with a view to building long term shareholder value.

- 11 Dividend**

**(a) Current Financial Period Reported On**

**Any dividend declared for the current financial period reported on?**

None

**(b) Corresponding Period of the Immediately Preceding Financial Year**

**Any dividend declared for the corresponding period of the immediately preceding financial year?**

None

- 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 Negative confirmation pursuant to Rule 705(5).**

The Directors of New Toyo International Holdings Ltd (the "Company"), do hereby confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results of the first quarter and period ended 31 March 2015 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

**Lee Wei Hsiung**

Company Secretary  
14 May 2015