

NEW TOYO INTERNATIONAL HOLDINGS LTD

Company Registration No.: 199601387D

TIEN WAH PRESS HOLDINGS BERHAD (“TWPH”) - PROPOSED RENOUNCEABLE RIGHTS ISSUE OF 48,247,500 NEW ORDINARY SHARES OF RM1.00 EACH IN TWPH (“TWPH SHARE(S)”) (“RIGHTS SHARE(S)”) AT AN ISSUE PRICE OF RM1.00 PER RIGHTS SHARE ON THE BASIS OF ONE (1) TWPH RIGHTS SHARE FOR EVERY TWO (2) EXISTING TWPH SHARES HELD ON AN ENTITLEMENT DATE TO BE DETERMINED AND ANNOUNCED LATER (“PROPOSED TWPH RIGHTS ISSUE”)

The Board of Directors of New Toyo International Holdings Ltd (the “Company”) wishes to announce that its subsidiary, Tien Wah Press Holdings Berhad (“TWPH”), has today issued an announcement on the above matter, a copy of which is enclosed.

The Company’s subsidiaries, Singapore Pacific Investments Pte Ltd (“SPI”) and Tien Wah Holdings (1990) Sdn Bhd (“TWH1990”), which hold approximately 29.89% and 24.21% equity interests in TWPH respectively, have irrevocably undertaken to TWPH to, inter alia, subscribe in full for their respective entitlements in the Proposed TWPH Rights Issue (“SPI and TWH1990 Subscriptions”) as well as subscribe for any additional Rights Shares not taken up by other entitled shareholders of TWPH by way of excess application (“Excess”), to the extent such that SPI’s and TWH1990’s respective aggregate shareholdings in TWPH (i.e. after subscription for the Rights Shares Entitlement and the Excess) will not exceed 32.4% of the enlarged issued and paid-up share capital in TWPH .

Rationale

The Company, via the aforesaid subsidiaries, is the single largest shareholder in TWPH which is as an important subsidiary of the Company. The subscription of the Proposed TWPH Rights Issue would enable the Company to maintain or increase its shareholdings in TWPH.

Financial Effects

1) Relative Figures Computed on the Bases Set Out in Rule 1006 of the Listing Manual

Chapter 10 of the Listing Manual of the SGX-ST governs the continuing listing obligations of a listed company in respect of acquisitions and realisations. For illustrative purposes only and based on the announced unaudited consolidated financial statements of the Company for FY2015, the relative figures computed on the bases set out in Rule 1006 of the Listing Manual are as follows:

(a)	Rule 1006(a) - The net asset value of the assets to be disposed of compared with the Group’s net asset value. This basis is not applicable to an acquisition of assets.	Not Applicable
(b)	Rule 1006(b) - The net profits (before income tax, minority interest and extraordinary items) attributable	Between Nil to 8.3% ¹

¹ The effect on the unaudited net profit (before income tax, minority interest and extraordinary items) attributable to the TWPH Subscription is computed based on the level of final subscription by the Group for the TWPH Rights Issue.

	to the TWPH Subscription based on TWPH's unaudited profits of approximately S\$13.2 million (MYR37.6 million) for the FY2015, compared with the Group's latest announced consolidated net profit (before income tax, minority interest and extraordinary items) of S\$23.3 million for the same period.	
(c)	Rule 1006(c) - The aggregate value of the consideration given is at least S\$8.7 million to a maximum of S\$13.9 million compared with the Company's market capitalisation of S\$92.3 million as at 22 February 2016 (based on the weighted average market price of S\$0.210 per share being the market day preceding the date of the agreement).	Between 9.5% to 15.1% ²
(d)	Rule 1006(d) - The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not Applicable

As the applicable relative figures computed under Rule 1006(b) and Rule 1006(c) do not exceed 20%, the TWPH Subscription is not classified as a "major transaction" as defined in Chapter 10 of the Listing Manual and therefore does not require the approval of the shareholders of the Company.

2) Illustrative Effects of the TWPH Subscription on the Earnings per Share ("EPS") and Net Tangible Assets ("NTA") of the Company

Assumptions

The pro forma financial effects in this section are based on the consolidated unaudited financial statements of the Group for the financial year ended 31 December 2015 ("FY2015"). The financial effects of the TWPH Subscription have been prepared based on the following assumptions:

(a)	For the purpose of computing the financial effects of the TWPH Subscription on the NTA of the Group, the TWPH Subscription is assumed to have been fully subscribed for and completed on 31 December 2015;
(b)	For the purpose of computing the financial effects of the TWPH Subscription on the EPS of the Company, the TWPH Subscription is assumed to have been completed on 1 January 2015;
(c)	Assuming that the Company, for the TWPH Subscription, utilised approximately a minimum S\$8.7 million based on the SPI and TWH1990 Subscriptions ("Minimum Scenario") and a maximum S\$13.9 million based on the SPI and TWH1990 Subscriptions and Excess ("Maximum Scenario");
(d)	Assuming the Proposed TWPH Rights Issue had been fully subscribed for with proceeds (net of estimated issue expenses) of approximately S\$15.9 million (MYR47.4 million) and after the TWPH Subscription, the Company's interest in TWPH remained at approximately 54.1% (Minimum Scenario) or increased to 64.80% (Maximum Scenario);

² The aggregate value of the consideration given for the TWPH Subscription is computed based on the level of final subscription by the Group for the TWPH Rights Issue.

(f)	In the calculation of the gearing, it is assumed that TWPH utilised S\$5.8 million (MYR17.4 million) from the proceeds to partially repay bank loan of approximately S\$24.0 million (MYR71.6 million);
(g)	In the calculation of EPS, it is assumed that there is a potential interest savings of approximately S\$0.20 million by TWPH (based on the Company's effective equity interest of approximately 54.1% or 64.80% - approximately S\$0.10 million or S\$0.11 million interest savings respectively) from the repayment of bank loan.

The financial effects of the TWPH Subscription on the Group are for illustrative purposes only and are, therefore, not indicative of the actual financial performance or position of the Group after the completion of the TWPH Subscription.

NTA

The pro forma financial effects of the TWPH Subscription on the NTA of the Group are as follows:

	Before the proposed TWPH Subscription	After the proposed TWPH Subscription (Minimum Scenario)	After the proposed TWPH Subscription (Maximum Scenario)
NTA of the Group (S\$'000)	164,994	164,994	164,994
Number of issued Shares	439,424,603	439,424,603	439,424,603
NTA per Share (cents)	37.55	37.51	38.39

EPS

The pro forma financial effects of the TWPH Subscription on the EPS of the Group are as follows:

	Before the proposed TWPH Subscription	After the proposed TWPH Subscription (Minimum Scenario)	After the proposed TWPH Subscription (Maximum Scenario)
Profit after tax attributable to equity holders of the Group (S\$'000)	14,674	14,784	16,080
Number of issued Shares	439,424,603	439,424,603	439,424,603
EPS (cents)	3.34	3.36	3.66

Interests of Directors and Controlling Shareholders

Ms. Angela Heng Chor Kiang is a director of the Company, TWPH, TWH1990, SPI and New Toyo Lamination (M) Pte Ltd, through which the Company owns TWH1990.

Mr David Lim Teck Leong is a director of the Company and TWPH.

Mr. Yen Wen Hwa is the Executive Chairman of TWPH and a controlling shareholder of the Company.

Save as disclosed in the foregoing, none of the directors or controlling shareholders of the Company have any interest, direct or indirect, in the TWPH Subscription, other than through their shareholdings, direct or indirect, in the Company.

By Order of the Board
Lee Wei Hsiung
Company Secretary
23 February 2016