NEW TOYO
International Holdings Ltd



FINANCIAL STATEMENTS ANNOUNCEMENT

for the period ended 30 September 2017

NEW TOYO
International Holdings Ltd

Unaudited results for the third quarter and period ended 30 September 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		
	3Q 30-09-17 Unaudited	3Q 30-09-16 Unaudited	Change	9-months 30-09-17 Unaudited	9-months 30-09-16 Unaudited	Change
	SGD'000	SGD'000	%	SGD'000	SGD'000	%
Revenue	67,401	64,931	*3.8*	204,781	181,291	*13.0*
Cost of sales	(59,472)	(56,195)	*5.8*	(178,220)	(153,603)	*16.0*
Gross profit	**7,929**	**8,736**	*(9.2)*	**26,561**	**27,688**	*(4.1)*
Other income	2,271	1,557	*45.9*	8,161	4,465	*82.8*
Distribution expenses	(1,430)	(1,499)	*(4.6)*	(4,349)	(4,308)	*1.0*
Administrative expenses	(4,810)	(4,917)	*(2.2)*	(14,999)	(14,335)	*4.6*
Net foreign exchange (loss)/gain	(817)	281	*n.m.*	(2,077)	(1,249)	*66.3*
Other operating expenses	(4,214)	(2,222)	*89.6*	(15,067)	(2,394)	*529.4*
Operating (loss)/profit	**(1,071)**	**1,936**	*n.m.*	**(1,770)**	**9,867**	*n.m.*
Finance income	375	242	*55.0*	1,150	665	*72.9*
Finance costs	(507)	(154)	*229.2*	(1,328)	(501)	*165.1*
Net finance (costs)/income	(132)	88	*n.m.*	(178)	164	*n.m.*
Share of profit of equity-accounted investees (net of tax)	74	289	*(74.4)*	186	928	*(80.0)*
(Loss)/Profit before tax	**(1,129)**	**2,313**	*n.m.*	**(1,762)**	**10,959**	*n.m.*
Tax expense	1,314	(884)	*n.m.*	(620)	(2,630)	*(76.4)*
Profit/(Loss) for the period	**185**	**1,429**	*(87.1)*	**(2,382)**	**8,329**	*n.m.*
Attributable to :						
Owners of the Company	1,202	960	*25.2*	341	6,006	*(94.3)*
Non-controlling interests	(1,017)	469	*n.m.*	(2,723)	2,323	*n.m.*
Profit/(Loss) for the period	**185**	**1,429**	*(87.1)*	**(2,382)**	**8,329**	*n.m.*

Statement of Comprehensive Income

	Group			Group		
	3Q 30-09-17 Unaudited	3Q 30-09-16 Unaudited	Change	9-months 30-09-17 Unaudited	9-months 30-09-16 Unaudited	Change
	SGD'000	SGD'000	%	SGD'000	SGD'000	%
Profit/(Loss) for the period	185	1,429	*(87.1)*	(2,382)	8,329	*n.m.*
Other comprehensive income						
Items that are or may be reclassified to profit or loss :						
Foreign currency differences for foreign operations	(821)	1,548	*n.m.*	(4,124)	(3,200)	*28.9*
Other comprehensive income for the period, net of tax	**(821)**	**1,548**	*n.m.*	**(4,124)**	**(3,200)**	*28.9*
Total comprehensive income for the period	**(636)**	**2,977**	*n.m.*	**(6,506)**	**5,129**	*n.m.*
Attributable to :						
Owners of the Company	554	2,263	*(75.5)*	(2,963)	3,147	*n.m.*
Non-controlling interests	(1,190)	714	*n.m.*	(3,543)	1,982	*n.m.*
Total comprehensive income for the period	**(636)**	**2,977**	*n.m.*	**(6,506)**	**5,129**	*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 3Q 30-09-17 Unaudited SGD'000	3Q 30-09-16 Unaudited SGD'000	Change %	Group 9-months 30-09-17 Unaudited SGD'000	9-months 30-09-16 Unaudited SGD'000	Change %
Other income, including finance income	(i)	1,859	1,800	*3.3*	7,335	5,122	*43.2*
Interest on borrowings	(ii)	(507)	(154)	*229.2*	(1,328)	(501)	*165.1*
Allowance for inventory obsolescence		(400)	(430)	*(7.0)*	(736)	(68)	*982.4*
Depreciation and amortisation	(iii)	(3,798)	(2,727)	*39.3*	(10,951)	(8,171)	*34.0*
Gain/(Loss) on disposal of property, plant and equipment	(iv)	184	(1)	*n.m.*	1,373	8	*17,062.5*
Gain on discontinuing equity accounting of an associate	(v)	603	-	*n.m.*	603	-	*n.m.*
Reversal of doubtful trade receivables		-	8	*n.m.*	2	9	*(77.8)*
Impairment loss on investment properties		-	(4)	*n.m.*	-	(4)	*n.m.*
Impairment loss on property, plant and equipment	(vi)	(151)	(5)	*2,920.0*	(2,861)	(5)	*57,120.0*
Inventory written-off		-	(119)	*n.m.*	-	(119)	*n.m.*
Property, plant and equipment written-off		(31)	(2)	*1,450.0*	(45)	(2)	*2,150.0*
(Under)/Over provision of tax in respect of prior years		51	(89)	*n.m.*	61	(96)	*n.m.*

n.m. - not meaningful

Other operating expenses comprise the following:

Non-operating Item:	Note	Group 3Q 30-09-17 Unaudited SGD'000	3Q 30-09-16 Unaudited SGD'000	Change %	Group 9-months 30-09-17 Unaudited SGD'000	9-months 30-09-16 Unaudited SGD'000	Change %
Loss on disposal of other investments		-	-	*n.m.*	(51)	-	*n.m.*
Termination benefits	(vi)	(3,672)	(1,659)	*121.3*	(10,197)	(1,659)	*514.6*
		(3,672)	(1,659)		(10,248)	(1,659)	

n.m. - not meaningful

Notes :

(i) Increase in the amount included under other income for the nine months ended 30 September 2017 ("9M2017") 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 3Q2017 and 9M2017 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 newly-acquired subsidiary 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 gain was recognised on disposal of the plant and equipment of Anzpac.

(v) 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 in 3Q2017 .

(vi) 3Q2017 included impairment loss on property, plant and equipment and termination benefits due to the proposed cessation of printing business of Tien Wah Press (Malaysia) Sdn Bhd ("TWPM"), announced on 20 July 2017. 9M2017 included the aforementioned and costs incurred in relation to the cessation of printing business of Anzpac. Termination benefits for the downsizing of the Australian operations in 3Q2016 was S$1.66 million .

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	
		30-09-17 Unaudited SGD'000	31-12-16 Audited SGD'000	30-09-17 Unaudited SGD'000	31-12-16 Audited SGD'000
Non-current assets					
Property, plant and equipment	1	108,224	98,292	246	313
Investment properties		6,389	6,813	-	-
Subsidiaries		-	-	130,733	121,173
Associate and joint ventures		2,199	1,687	-	1,246
Other investments		2,680	2,099	1,737	685
Intangible assets and goodwill		26,856	28,245	-	-
Deferred tax assets		613	653	-	-
Other receivables		2,336	2,794	-	-
		149,297	**140,583**	**132,716**	**123,417**
Current assets					
Inventories		43,635	47,005	-	-
Trade and other receivables		80,081	77,731	8,791	9,751
Cash and cash equivalents	2	47,246	68,479	12,166	22,972
		170,962	**193,215**	**20,957**	**32,723**
Total assets		**320,259**	**333,798**	**153,673**	**156,140**
Equity attributable to owners of the Company					
Share capital		132,102	132,102	132,102	132,102
Reserves		(14,559)	(11,276)	77	77
Retained earnings		53,453	57,967	(14,719)	(12,214)
		170,996	**178,793**	**117,460**	**119,965**
Non-controlling interests		49,552	54,972	-	-
Total Equity		**220,548**	**233,765**	**117,460**	**119,965**
Non-current liabilities					
Other payables		287	452	-	-
Financial liabilities	3	22,324	28,147	-	19
Deferred tax liabilities	4	974	2,912	11	11
		23,585	**31,511**	**11**	**30**
Current liabilities					
Trade and other payables		45,238	46,050	33,715	33,466
Financial liabilities	5	29,535	21,257	2,474	2,649
Current tax liabilities		1,353	1,215	13	30
		76,126	**68,522**	**36,202**	**36,145**
Total liabilities		**99,711**	**100,033**	**36,213**	**36,175**
Total equity and liabilities		**320,259**	**333,798**	**153,673**	**156,140**

Notes :

1) The increase was mainly due to purchase of property, plant and equipment which was partially offset by disposal of plant and equipment and impairment loss on plant and equipment following the cessation of Anzpac and TWPM.
2) Please refer to the Consolidated Statement of Cash Flow and related commentaries.
3) The decrease was mainly due to the partial repayment offset by utilisation of long-term bank borrowings.
4) 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.
5) The increase was mainly due to the utilisation 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 30/09/17		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	783	28,752	47	21,210
Amount repayable after one year	8,857	13,467	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

	Note	3Q 30-09-17 Unaudited SGD'000	3Q 30-09-16 Unaudited SGD'000	9-months 30-09-17 Unaudited SGD'000	9-months 30-09-16 Unaudited SGD'000
Operating activities					
Profit before tax		(1,129)	2,313	(1,762)	10,959
Adjustments for :					
Amortisation of other investments		2	1	5	4
Depreciation and amortisation		3,796	2,726	10,946	8,167
Dividend income from an associate		-	3	-	(170)
Dividend income from quoted securities		(3)	(3)	(14)	(13)
Loss on disposal of other investments		-	-	51	-
Gain on disposal of property, plant and equipment		(184)	1	(1,373)	(8)
Gain on disposal of an associate		(603)	-	(603)	-
Impairment loss on investment properties		-	4	-	4
Impairment loss on property, plant and equipment		151	5	2,861	5
Finance income		(375)	(242)	(1,150)	(665)
Finance costs		507	154	1,328	501
Property, plant and equipment written-off		31	2	45	2
Provision for termination benefits		3,672	179	10,197	179
Share of profit of equity-accounted investees		(74)	(289)	(186)	(928)
Operating profit before working capital changes		**5,791**	**4,854**	**20,345**	**18,037**
Changes in working capital :					
Inventories		4,333	2,570	2,327	2,969
Trade and other receivables		4,231	(9,066)	(198)	(12,235)
Trade and other payables		(4,062)	3,927	(3,247)	3,426
Employee benefits		(7,370)	(105)	(7,981)	78
Cash flows from operations		**2,923**	**2,180**	**11,246**	**12,275**
Income taxes paid		(749)	(1,840)	(2,385)	(3,097)
Cash flows from operating activities	1	**2,174**	**340**	**8,861**	**9,178**
Investing activities :					
Dividends received from an associate		-	(3)	-	170
Dividends received from quoted securities		3	3	14	13
Additional capital contribution to an equity-accounted investee		-	-	(316)	(1,673)
Interest received		375	242	1,150	665
Acquisition of property, plant and equipment		(10,733)	(5,310)	(28,880)	(9,345)
Additions to investment property		(48)	-	(90)	-
Proceeds from disposal of other investment		363	-	363	-
Proceeds from disposal of property, plant and equipment		-	1	1,190	20
Cash flows used in investing activities	2	**(10,040)**	**(5,067)**	**(26,569)**	**(10,150)**
Financing activities :					
Capital contribution from non-controlling shareholders pursuant to a rights issue of a subsidiary		-	7,241	-	7,241
Dividends paid to shareholders		-	-	(4,834)	(4,394)
Dividends paid to non-controlling shareholders		-	-	(1,877)	(2,444)
Interest paid		(507)	(154)	(1,328)	(501)
Payment of finance lease liabilities		(10)	(11)	(34)	(34)
Proceeds from bank borrowings		6,919	44	28,969	5,109
Repayments of bank borrowings		(5,429)	(8,883)	(23,460)	(15,479)
Cash flows from/(used in) financing activities	3	**973**	**(1,763)**	**(2,564)**	**(10,502)**
Net decrease in cash and cash equivalents		**(6,893)**	**(6,490)**	**(20,272)**	**(11,474)**
Cash and cash equivalents at beginning of period		54,333	72,403	68,479	78,965
Effect of exchange rate fluctuations on cash held		(194)	503	(961)	(1,075)
Cash and cash equivalents at end of period		**47,246**	**66,416**	**47,246**	**66,416**
Deposits with financial institutions		12,097	29,617	12,097	29,617
Cash at banks and on hand		35,149	36,799	35,149	36,799
		47,246	**66,416**	**47,246**	**66,416**

Note 1 : Higher cash flows from operating activities in Q3FY2017 was mainly due to lower tax paid.
Note 2 : Higher cash flows used in investing activities in Q3FY2017 was mainly due to purchase of property, plant and equipment.
Note 3 : Higher cash flows from financing activities in Q3FY2017 was mainly due to utilisation of bank borrowings for the purchase of property, plant and equipment.

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	Translation reserve SGD'000	Fair value reserve SGD'000	Retained earnings SGD'000	Total SGD'000	Non-controlling interests SGD'000	Total Equity SGD'000
Group									
At 1 July 2016	132,102	738	77	(16,236)	239	49,221	**166,141**	40,727	**206,868**
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	516	**516**	(516)	**-**
Capital contribution by non-controlling interests pursuant to a rights issue of a subsidiary	-	-	-	-	-	-	**-**	7,241	**7,241**
Changes in capital reserve	-	(2)	-	-	-	2	**-**	-	**-**
Total comprehensive income for the period	-	-	-	1,303	-	960	**2,263**	714	**2,977**
At 30 September 2016	**132,102**	**736**	**77**	**(14,933)**	**239**	**50,699**	**168,920**	**48,166**	**217,086**
At 1 July 2017	132,102	757	77	(14,886)	141	52,251	**170,442**	50,742	**221,184**
Total comprehensive income for the period	-	-	-	(648)	-	1,202	**554**	(1,190)	**(636)**
At 30 September 2017	**132,102**	**757**	**77**	**(15,534)**	**141**	**53,453**	**170,996**	**49,552**	**220,548**
Company									
At 1 July 2016	132,102	-	77	-	-	(13,813)	**118,366**	-	**118,366**
Total comprehensive income for the period	-	-	-	-	-	110	**110**	-	**110**
At 30 September 2016	**132,102**	**-**	**77**	**-**	**-**	**(13,703)**	**118,476**	**-**	**118,476**
At 1 July 2017	132,102	-	77	-	-	(17,308)	**114,871**	-	**114,871**
Total comprehensive income for the period	-	-	-	-	-	2,589	**2,589**	-	**2,589**
At 30 September 2017	**132,102**	**-**	**77**	**-**	**-**	**(14,719)**	**117,460**	**-**	**117,460**

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 30-09-17	As at 31-12-16
Total number of issued shares	439,424,603	439,424,603

The Company did not hold any treasury shares as at 30 September 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 3Q 30-09-17	3Q 30-09-16	Group 9-months 30-09-17	9-months 30-09-16
Earnings per share ("EPS") for the period				
(a) Based on the average number of ordinary shares	0.27 cts	0.22 cts	0.08 cts	1.37 cts
(b) On a fully diluted basis	0.27 cts	0.22 cts	0.08 cts	1.37 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 30-09-17	As at 31-12-16	As at 30-09-17	As at 31-12-16
Net asset value per ordinary share based on existing share capital	38.91 cts	40.69 cts	26.73 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 increased by S$2.47 million or 3.8% to S$67.40 million in 3Q2017. This was on the back of revenue contribution in the Printed Cartons and Labels ("PCL") division from a subsidiary acquired in December 2016 and higher revenue from Specialty Paper division partially offset by lower revenue from Trading division.

Gross profit for 3Q2017 decreased by S$0.81 million or 9.2% to S$7.93 million from S$8.74 million in the previous year corresponding quarter. Gross profit margin decreased from 13.5% in 3Q2016 to 11.8% in 3Q2017 due to lower gross profit margin from the Printed Cartons and Labels division.

Other income increased by S$0.71 million to S$2.27 million mainly due to a gain on discontinuing equity accounting of an associated company as mentioned in paragraph 1(a) note (v).

Net foreign exchange loss in 3Q2017 of S$0.82 million was mainly due to weakening of US Dollar. Higher other operating expenses in 3Q2017 by S$1.99 million was mainly due to higher provision of termination benefits as mentioned in paragraph 1(a) note (vi), and higher amortisation of intangible assets, as compared to the corresponding quarter last year.

The lower share of profit of equity-accounted investees in Q3FY2017 was due to absence of profit from an associate, which was disposed in December 2016.

As a result of the above factors, the Group registered a loss before tax of S$1.13 million in 3Q2017 (S$2.31 million profit in 3Q2016). Overall, the Group's profit after tax attributable to owners of the Company increase by S$0.24 million or 25.2% to S$1.20 million in 3Q2017 (S$0.96 million in 3Q2016).

The decrease in tax expense was attributable to a reversal of deferred tax liabilities as mentioned in paragraph 1(b) note 4.

Excluding the aforesaid non-recurring expenses arising from the proposed cessation of Anzpac and TWPM, and gain on discontinuing equity accounting of TAF, the Group would have registered a profit before tax of S$1.94 million and a profit after tax attributable to owners of the Company of S$3.58 million for 3Q2017.

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

The Group's turnover increased by S$23.49 million or 13.0% to S$204.78 million for the nine months ended 30 September 2017 ("9M2017") mainly due to revenue contribution from a subsidiary acquired in December 2016 in Printed Cartons and Labels division and higher demands in Specialty Papers.

Gross profit margin for 9M2017 decreased to 13.0% (15.3% in the same period last year), as a result of lower gross profit margin from the Printed Cartons and Labels division.

Other income increased by S$3.70 million to S$8.16 million mainly due to a sum received by a subsidiary as mentioned in paragraph 1(a) note (i), a gain on disposal of plant and equipment as mentioned in paragraph 1(a) note (iv) and a gain on discontinuing equity accounting of an associate as mentioned in paragraph 1(a) note (v).

An exchange loss of approximately S$2.08 million for 9M2017 (S$1.25 million in the same period last year) was mainly due to depreciation of US Dollar since the beginning of 2017. Other operating expenses were up by S$12.67 million mainly attributable to impairment loss on plant and equipment and termination benefits as mentioned in paragraph 1(a) note (vi), and higher amortisation of intangible assets, as compared to previous year to date.

The lower share of profit of equity-accounted investees for 9M2017 was due to the same contributing factors as mentioned above for 3Q2017.

Consequent to the aforesaid, the Group registered a loss before tax of S$1.76 million for 9M2017 (S$10.96 million profit in the same period last year). Overall, the Group reported a profit after tax attributable to owners of the Company of S$0.34 million for 9M2017 (S$6.01 million profit in the same period last year).

The decrease in tax expense was attributable to a reversal of deferred tax liabilities as mentioned in paragraph 1(b) note 4.

Excluding the aforesaid mentioned above for 3Q2017 and a one-off sum received by a subsidiary mentioned in paragraph 1(a) note (i), the Group would have registered a profit before tax of S$7.87 million and a profit after tax attributable to owners of the Company of S$7.22 million for 9M2017.

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.

Outlook for 2017 continues to be challenging as the economy remain volatile. The Group's performance in the industry is largely correlated to the trends and development of the tobacco industry and our customers' strategy.

In line with the Group's strategy to realign the footprint of its PCL division, the Group recorded employees' redundancy and related expenses and asset impairment costs, totaling S$13.9 million, in the current financial year-to-date. The Group has completed Anzpac's redundancy exercise and disposal of assets except for the land and building. Provision has been made in 3rd quarter for the proposed cessation of the printing business of TWPM.

The above realignment of production footprint will improve our strategic position to provide efficient and timely service to our customers and reduce our operating cost over the longer term.

The Group will continue to drive productivity improvements, implement cost control measures and align its resources to create a stronger platform for sustainable growth. Concurrently, the Group will intensify its focus on growth opportunities in Indonesia and Dubai, United Arab Emirates, where our new operations are based and to further strengthen its relationships with customers.

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

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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 third quarter and period ended 30 September 2017 to be false or misleading in any material aspect.

15 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.

BY ORDER OF THE BOARD

Lee Wei Hsiung
Company Secretary
9 November 2017