

NEW TOYO INTERNATIONAL HOLDINGS LTD

Company Registration No.: 199601387D

PROFIT GUIDANCE FOR THE FIRST QUARTER ENDED 31 MARCH 2019

The Board of Directors of New Toyo International Holdings Ltd (the “Company” and together with its subsidiaries, the “Group”) wishes to announce that, based on a preliminary review of the unaudited consolidated financial statements of the Group for the first quarter ended 31 March 2019 (“1Q2019”), the Group is expected to report a net loss for 1Q2019.

The expected loss is mainly attributable to the Tissue Paper division. As per the announcement dated 27 February 2018, the lease of the Assets would allow the Company to broaden revenue streams to include non-tobacco products, including tissue paper. Accordingly, the costs we expect to bear includes an entry cost to the tissue market but the loss is bigger than expected due to higher cost of raw materials, the competitiveness in tissue paper markets and lower manufacturing yield during the initial ramp-up stages. The Group has taken steps to minimize and manage the cost structure of the Tissue Paper division.

The Company is in the process of finalising the financial results of the Group for 1Q2019. Further details of the Group’s financial performance will be disclosed when the Company announces its unaudited consolidated financial results for 1Q2019 on or before 15 May 2019.

By Order of the Board
Lee Wei Hsiung
Company Secretary
3 May 2019