

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::SECOND QUARTER AND/ OR HALF YEARLY RESULTS

Issuer & Securities

Issuer/ Manager

NEW TOYO INTERNATIONAL HOLDINGS LTD

Securities

NEW TOYO INT HLDGS LTD - SG1E32850828 - N08

Stapled Security

No

Announcement Details

Announcement Title

Financial Statements and Related Announcement

Date & Time of Broadcast

14-Aug-2019 18:34:21

Status

New

Announcement Sub Title

Second Quarter and/ or Half Yearly Results

Announcement Reference

SG190814OTHR2MX3

Submitted By (Co./ Ind. Name)

Lee Wei Hsiung

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Please refer to the attachment.

Additional Details

For Financial Period Ended

30/06/2019

Attachments

[NTIH2QFY19Ann.pdf](#)

Total size = 780K MB



NEW TOYO

International Holdings Ltd



Establishing Foothold for Growth

FINANCIAL STATEMENTS ANNOUNCEMENT

for the quarter ended 30 June 2019

Unaudited results for the second quarter and period ended 30 June 2019

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			Change
	2Q 30-06-19	2Q 30-06-18	%	6-months 30-06-19	6-months 30-06-18	%	
	SGD'000	SGD'000		SGD'000	SGD'000		
Revenue	76,317	69,056	10.5	153,819	131,318	17.1	
Cost of sales	(71,441)	(60,878)	17.4	(143,347)	(115,794)	23.8	
Gross profit	4,876	8,178	(40.4)	10,472	15,524	(32.5)	
Other income	2,316	1,444	60.4	3,761	2,791	34.8	
Distribution expenses	(1,462)	(1,179)	24.0	(3,310)	(2,419)	36.8	
Administrative expenses	(5,575)	(5,630)	(1.0)	(10,823)	(10,582)	2.3	
Net foreign exchange gain/(loss)	326	755	(56.8)	19	(430)	n.m.	
Other operating expenses	(355)	(529)	(32.9)	(705)	(931)	(24.3)	
Operating (loss)/profit	126	3,039	(95.9)	(586)	3,953	n.m.	
Finance income	109	350	(68.9)	237	720	(67.1)	
Finance costs	(1,101)	(665)	65.6	(2,207)	(1,208)	82.7	
Net finance costs	(992)	(315)	214.9	(1,970)	(488)	303.7	
Share of (loss)/profit of equity-accounted investees (net of tax)	(105)	13	n.m.	(208)	(65)	220.0	
(Loss)/Profit before tax	(971)	2,737	n.m.	(2,764)	3,400	n.m.	
Tax expense	(741)	(502)	47.6	(1,149)	(961)	19.6	
(Loss)/Profit for the period	(1,712)	2,235	n.m.	(3,913)	2,439	n.m.	
Attributable to :							
Owners of the Company	(1,910)	1,648	n.m.	(3,552)	2,287	n.m.	
Non-controlling interests	198	587	(66.3)	(361)	152	n.m.	
(Loss)/Profit for the period	(1,712)	2,235	n.m.	(3,913)	2,439	n.m.	

Statement of Comprehensive Income

	Group			Group			Change
	2Q 30-06-19	2Q 30-06-18	%	6-months 30-06-19	6-months 30-06-18	%	
	SGD'000	SGD'000		SGD'000	SGD'000		
(Loss)/Profit for the period	(1,712)	2,235	n.m.	(3,913)	2,439	n.m.	
Other comprehensive income							
Items that are or may be reclassified to profit or loss :							
Foreign currency differences for foreign operations	(1,168)	3,104	n.m.	(1,140)	1,928	n.m.	
Effect of striking off a subsidiary	-	-	n.m.	-	(227)	n.m.	
Other comprehensive income for the period, net of tax	(1,168)	3,104	n.m.	(1,140)	1,701	n.m.	
Total comprehensive income for the period	(2,880)	5,339	n.m.	(5,053)	4,140	n.m.	
Attributable to :							
Owners of the Company	(2,657)	4,175	n.m.	(4,351)	3,387	n.m.	
Non-controlling interests	(223)	1,164	n.m.	(702)	753	n.m.	
Total comprehensive income for the period	(2,880)	5,339	n.m.	(5,053)	4,140	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			Group		Change
		2Q	2Q	%	6-months	6-months	
		30-06-19	30-06-18		30-06-19	30-06-18	%
		SGD'000	SGD'000		SGD'000	SGD'000	
Other income, including finance income	(i)	2,404	1,794	34.0	3,977	3,496	13.8
Interest on borrowings	(ii)	(1,101)	(665)	65.6	(2,207)	(1,208)	82.7
(Provision for)/reversal of inventory obsolescence		(573)	188	n.m.	(285)	354	n.m.
Depreciation and amortisation	(iii)	(5,430)	(4,491)	20.9	(10,600)	(8,612)	23.1
Gain on striking off a subsidiary		-	-	n.m.	-	14	n.m.
Gain on disposal of property, plant and equipment		21	-	n.m.	21	1	2,000.0
Reversal for doubtful trade receivables		12	-	n.m.	13	-	n.m.
Inventory written-off		(8)	-	n.m.	(20)	-	n.m.
Property, plant and equipment written-off		(1)	(3)	(66.7)	(1)	(3)	(66.7)
Over provision of tax in respect of prior years		-	-	n.m.	13	5	160.0

n.m. - not meaningful

Notes :

- (i) Increase in other income for 2Q2019 was mainly attributed to the recovery of costs from a major customer offset by lower interest income.
- (ii) The Group incurred higher interest expenses for 2Q2019 mainly due to the higher loans and borrowings compared to the previous corresponding period.
- (iii) Increase in depreciation and amortisation for 2Q2019 was partially due to the recognition of depreciation charge for right-of-use (ROU) assets as a result of the adoption of SFRS(I) 16 effective 1 January 2019 and additional capital expenditure incurred by the Vietnam and Dubai subsidiaries in the previous year.

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	
		30-06-19 SGD'000	31-12-18 SGD'000	30-06-19 SGD'000	31-12-18 SGD'000
Non-current assets					
Property, plant and equipment		101,833	104,364	334	201
Right-of-use assets	1	14,101	-	310	-
Investment properties		5,766	6,036	-	-
Subsidiaries		-	-	132,452	132,028
Associate and joint ventures		10,943	11,225	-	-
Other investments		2,533	2,542	1,651	1,651
Intangible assets and goodwill		24,454	25,161	-	-
Deferred tax assets		544	561	-	-
Other receivables		1,667	2,462	-	-
		161,841	152,351	134,747	133,880
Current assets					
Inventories		67,626	70,164	-	-
Contract assets		3,926	4,666	-	-
Trade and other receivables		61,858	60,754	22,006	16,927
Cash and cash equivalents	2	32,270	42,575	6,406	11,269
		165,680	178,159	28,412	28,196
Total assets		327,521	330,510	163,159	162,076
Equity attributable to owners of the Company					
Share capital		132,102	132,102	132,102	132,102
Reserves		(7,280)	(6,481)	77	77
Retained earnings		31,302	38,809	(15,569)	(11,271)
		156,124	164,430	116,610	120,908
Non-controlling interests		47,216	47,918	-	-
Total Equity		203,340	212,348	116,610	120,908
Non-current liabilities					
Other payables		774	558	-	-
Financial liabilities	3	32,411	20,630	193	-
Deferred tax liabilities		1,442	1,409	11	11
		34,627	22,597	204	11
Current liabilities					
Contract liabilities		83	300	-	-
Trade and other payables	4	41,458	48,577	32,397	32,423
Financial liabilities		47,612	46,563	13,925	8,709
Current tax liabilities		401	125	23	25
		89,554	95,565	46,345	41,157
Total liabilities		124,181	118,162	46,549	41,168
Total equity and liabilities		327,521	330,510	163,159	162,076

Notes :

- 1) Recognition of ROU assets in accordance with SFRS(I) 16.
- 2) Please refer to the Consolidated Statement of Cash Flow and related commentaries.
- 3) The increase in non-current finance liabilities is mainly due to the recognition of lease liabilities upon the adoption of SFRS(I) 16.
- 4) The decrease is mainly due to lower purchases and the timing of payment to suppliers.

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

	As at 30/06/19		As at 31/12/18	
	Secured SGD'000	Unsecured SGD'000	Secured SGD'000	Unsecured SGD'000
Amount repayable in one year or less, or on demand	5,215	42,397	9,233	37,330
Amount repayable after one year	13,019	19,392	13,632	6,998

Details of any collateral

Secured borrowings are bank loans secured on inventories and by a charge over the assets and shares in a subsidiary, and finance lease liabilities secured by rights to the leased assets.

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	2Q 30-06-19	2Q 30-06-18	6-months 30-06-19	6-months 30-06-18
		SGD'000	SGD'000	SGD'000	SGD'000
Operating activities					
(Loss)/Profit before tax		(971)	2,737	(2,764)	3,400
Adjustments for :					
Amortisation of other investments		2	2	3	3
Depreciation and amortisation		5,428	4,489	10,597	8,609
Dividend income from quoted securities		-	(3)	(6)	(3)
Gain on striking off a subsidiary		-	-	-	(14)
Gain on disposal of property, plant and equipment		(21)	-	(21)	(1)
Finance income		(109)	(350)	(237)	(720)
Finance costs		1,101	665	2,207	1,208
Property, plant and equipment written-off		1	3	1	3
Share of loss/(profit) of equity-accounted investees (net of tax)		105	(13)	208	65
Operating profit before working capital changes		5,536	7,530	9,988	12,550
Changes in working capital :					
Inventories		(2,242)	(7,986)	2,301	(8,593)
Contract assets		211	(2,647)	735	(1,104)
Trade and other receivables		6,480	(5,246)	(367)	(18,790)
Trade and other payables		(5,603)	7,521	(7,696)	10,853
Employee benefits		154	(1,328)	186	(1,593)
Cash flows from/(used in) operations		4,536	(2,156)	5,147	(6,677)
Income taxes paid		(365)	(601)	(808)	(1,501)
Cash flows from/(used in) operating activities	1	4,171	(2,757)	4,339	(8,178)
Investing activities					
Dividends received from quoted securities		-	3	6	3
Interest received		109	350	237	720
Acquisition of property, plant and equipment		(3,462)	(6,072)	(6,890)	(10,857)
Additions to investment property		-	-	-	-
Proceeds from disposal of other investment		-	-	-	575
Proceeds from disposal of property, plant and equipment		26	(1)	31	1,100
Proceeds from disposal of an investment property		-	-	-	-
Net cash outflow from striking off a subsidiary		-	-	-	(213)
Cash flows used in investing activities	2	(3,327)	(5,720)	(6,616)	(8,672)
Financing activities					
Dividends paid to shareholders		(3,955)	(4,394)	(3,955)	(4,394)
Dividends paid to non-controlling shareholders		-	(888)	-	(888)
Interest paid		(1,101)	(665)	(2,207)	(1,208)
Payment of lease liabilities		(419)	(17)	(755)	(40)
Proceeds from bank borrowings		13,004	15,443	15,909	20,344
Repayments of bank borrowings		(9,513)	(3,639)	(16,836)	(9,705)
Cash flows (used in)/from financing activities	3	(1,984)	5,840	(7,844)	4,109
Net decrease in cash and cash equivalents		(1,140)	(2,637)	(10,121)	(12,741)
Cash and cash equivalents at beginning of period		33,633	38,421	42,575	48,575
Effect of exchange rate fluctuations on cash held		(223)	318	(184)	268
Cash and cash equivalents at end of period		32,270	36,102	32,270	36,102
Deposits with financial institutions		9,709	10,969	9,709	10,969
Cash at banks and on hand		22,561	25,133	22,561	25,133
		32,270	36,102	32,270	36,102

Note 1 : Positive cash flows from operating activities in 2Q2019 was mainly due to purchases of inventories and timing of payment from customers and timing of payment to suppliers.

Note 2 : Lower cash flows used in investing activities in 2Q2019 was mainly due to lower acquisition of property, plant and equipment from Printed Cartons and Labels division in the current period.

Note 3 : Cash flows used in financing activities in 2Q2019 was mainly due to higher repayments of bank borrowings and higher interest costs offset by lower drawdown as compared to previous correspondence period.

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 →					Retained earnings	Total	Non-controlling interests	Total Equity
	Share capital	Capital reserve	Other reserve	Translation reserve	Fair value reserve				
Group									
As at 1 April 2018	132,102	797	77	(7,458)	-	42,284	167,802	48,795	216,597
Dividends paid	-	-	-	-	-	(4,394)	(4,394)	-	(4,394)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(888)	(888)
Total comprehensive income for the period	-	-	-	2,527	-	1,648	4,175	1,164	5,339
At 30 June 2018	132,102	797	77	(4,931)	-	39,538	167,583	49,071	216,654
At 1 April 2019	132,102	822	77	(7,432)	-	37,167	162,736	47,439	210,175
Dividends paid	-	-	-	-	-	(3,955)	(3,955)	-	(3,955)
Total comprehensive income for the period	-	-	-	(747)	-	(1,910)	(2,657)	(223)	(2,880)
At 30 June 2019	132,102	822	77	(8,179)	-	31,302	156,124	47,216	203,340
Company									
As at 1 April 2018	132,102	-	77	-	-	(11,939)	120,240	-	120,240
Dividends paid	-	-	-	-	-	(4,394)	(4,394)	-	(4,394)
Total comprehensive income for the period	-	-	-	-	-	1,813	1,813	-	1,813
At 30 June 2018	132,102	-	77	-	-	(14,520)	117,659	-	117,659
At 1 April 2019	132,102	-	77	-	-	(11,764)	120,415	-	120,415
Dividends paid	-	-	-	-	-	(3,955)	(3,955)	-	(3,955)
Total comprehensive income for the period	-	-	-	-	-	150	150	-	150
At 30 June 2019	132,102	-	77	-	-	(15,569)	116,610	-	116,610

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 30-06-19	As at 31-12-18
Total number of issued shares	439,424,603	439,424,603

The Company did not hold any treasury shares as at 30 June 2019 and 31 December 2018.

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.

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2018.

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.

During the current financial year, the Group and the Company have adopted the following new SFRS(I)s, amendments and interpretations of SFRS(I)s which took effect from financial year beginning 1 January 2019:

- SFRS(I) 16 *Leases*
- SFRS(I) INT 23 *Uncertainty over Income Tax Treatments*
- Amendments to SFRS(I) 3 and SFRS(I) 11 *Previously Held Interest in a Joint Operation*
- Amendments to SFRS(I) 9 *Prepayment Features with Negative Compensation*
- Amendments to SFRS(I) 1-19 *Plan Amendment, Curtailment or Settlement*
- Amendments to SFRS(I) 1-23 *Borrowing Costs Eligible for Capitalisation*
- Amendments to SFRS(I) 1-28 *Long-Term Interests in Associates and Joint Ventures*

The adoption of these SFRS(I)s, amendments and interpretations of SFRS(I)s did not have any significant impact on the financial statements of the Group except for the following:

Adoption of SFRS(I) 16

SFRS(I) 16 is effective for financial years beginning on or after 1 January 2019. The Group has applied the modified retrospective approach with no restatement of comparative information.

SFRS(I) 16 introduces a single, on-balance sheet lessee accounting model. The rationale of the change is to better reflect the economic substance of lease transactions. It requires a lessee to recognise a right-of-use (ROU) asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

In compliance with SFRS(I) 16, the Group and the Company has applied the practical expedient to recognise the amount of ROU assets equal to the lease liabilities as at 1 January 2019 and recognition exemptions for short-term leases and leases of low value items. The accounting for lessors has not changed significantly.

The nature of expenses related to such leases has changed as the principles under SFRS(I) 16 replaces the straight-line operating lease expense with depreciation charge for ROU assets and interest expense on lease liabilities.

The ROU assets were mainly related to leases of the offices, warehouses and factories occupied by the Group in the various locations.

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		Group	
	2Q 30-06-19	2Q 30-06-18	6-months 30-06-19	6-months 30-06-18
Earnings per share ("EPS") for the period				
(a) Based on the average number of ordinary shares	-0.43 cts	0.38 cts	-0.81 cts	0.52 cts
(b) On a fully diluted basis	-0.43 cts	0.38 cts	-0.81 cts	0.52 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 30-06-19	As at 31-12-18	As at 30-06-19	As at 31-12-18
Net asset value per ordinary share based on existing share capital	35.53 cts	37.42 cts	26.54 cts	27.52 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\$7.26 million or 10.5% to S\$76.32 million in 2Q2019, mainly due to revenue contribution from Tissue Paper division and higher revenue in Specialty Papers ("SP") divisions, offset by lower revenue from Trading division.

Gross profit for 2Q2019 decreased by S\$3.30 million or 40.4% to S\$4.88 million compared to S\$8.18 million in 2Q2018. The gross profit margin of 6.4% for the Group in 2Q2019 was impacted by lower margin from SP and PCL divisions, and a loss incurred by Tissue Paper division. The higher cost of raw materials, the competitiveness in tissue paper markets and the high base cost structure contributed to the loss of the Tissue Paper division. Excluding Tissue Paper division, the gross profit margin would be 10.1%.

Other income higher in 2Q2019 was mainly due to recovery of costs from a major customer as mentioned in paragraph 1(a) note (i).

Distribution expenses increased by S\$0.28 million in 2Q2019 was mainly due to higher freight costs for Vietnam operations and distribution costs incurred by Tissue Paper division.

Net foreign exchange gain in 2Q2019 of S\$0.33 million was mainly due to appreciation of the US Dollar. Other operating expenses was lower in 2Q2019 due to the absence of relocation costs incurred for the Indonesia operation in 2Q2018.

The increase in finance costs by S\$0.44 million to S\$1.10 million in 2Q2019 was attributed to the increase in bank borrowings to fund the working capital requirements of Tissue Paper division and Dubai operation and expansion of Vietnam operation, and the recognition of interest expenses on lease liabilities in relation to the adoption of SFRS(I) 16.

The higher tax expense in 2Q2019 was due to higher profit contributions from entities in a tax-paying status and the absence of deferred tax asset recognised for probable realisation of certain tax losses carried forward in the previous corresponding period.

The Group posted a loss before tax of S\$0.97 million in 2Q2019 (S\$2.74 million profit in 2Q2018). Overall, the Group reported a loss after tax attributable to owners of the Company of S\$1.91 million for 2Q2019 (S\$1.65 million profit in 2Q2018). Excluding the loss of Tissue Paper division, the Group would have registered a profit attributable to owners of the Company of S\$0.67 million for 2Q2019.

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

The Group's turnover increased by S\$22.50 million or 17.1% to S\$153.82 million for the six months ended 30 June 2019 due to the factors mentioned above for 2Q2019.

Gross profit margin for the six months ended 30 June 2019 decreased to 6.8% as compared to 11.8% last year due to the factors mentioned above for 2Q2019. We anticipated an entry cost for the Tissue Paper division 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. Excluding Tissue Paper division, the gross profit margin would be 10.0%.

The higher other income and distribution expenses, and lower other operating expenses registered in the six months ended 30 June 2019 was due to the same contributing factors as mentioned above for 2Q2019.

Interest income from a jointly controlled entity in Malaysia contributed the higher finance income for the six months ended 30 June 2018. The increase in finance costs by S\$1.00 million to S\$2.21 million for the six months ended 30 June 2019 was attributed to the factors mentioned above for 2Q2019.

For the six months ended 30 June 2019, equity-accounted investees recorded higher loss of S\$0.21 million due to higher share of loss from joint ventures in Vietnam and Malaysia.

Higher tax expense for the six months ended 30 June 2019 was attributable to the same factors as mentioned above for 2Q2019.

The Group registered a loss before tax of S\$2.76 million for the six months ended 30 June 2019 (S\$3.40 million profit for the six months ended 30 June 2018). Overall, the Group reported a loss after tax attributable to owners of the Company of S\$3.55 million for the six months ended 30 June 2019 (S\$2.29 million profit for the six months ended 30 June 2018). Excluding the loss of Tissue Paper division, the Group would have registered a profit attributable to owners of the Company of S\$0.82 million for the six months ended 30 June 2019.

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.

Given the worldwide uncertainties caused by trade issues, the Group has embarked on a strategic review focusing on under-performing operations with the intention to execute a reorganisation before year end. This may include discontinuation of non-profitable units.

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

2018 Ordinary	
Name of Dividend :	Interim
Dividend Type :	Cash
Dividend per share :	0.60 cts per ordinary share
Tax Rate :	Tax exempt (one-tier)

12 If no dividend has been declared/recommended, a statement to that effect.

No interim dividend has been declared or recommended for the current reporting period ended 30 June 2019 as the Group had registered a loss.

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 second quarter and period ended 30 June 2019 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
14 August 2019