

GENERAL ANNOUNCEMENT::ANNOUNCEMENT BY SUBSIDIARY COMPANY, TIEN WAH PRESS HOLDINGS BERHAD

Issuer & Securities

Issuer/ Manager

NEW TOYO INTERNATIONAL HOLDINGS LTD

Securities

NEW TOYO INT HLDGS LTD - SG1E32850828 - N08

Stapled Security

No

Announcement Details

Announcement Title

General Announcement

Date & Time of Broadcast

15-Jan-2024 19:23:45

Status

New

Announcement Sub Title

ANNOUNCEMENT BY SUBSIDIARY COMPANY, TIEN WAH PRESS HOLDINGS BERHAD

Announcement Reference

SG240115OTHRADIO

Submitted By (Co./ Ind. Name)

Lee Wei Hsiung

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below)

Please refer to the attachments.

Attachments

[20240115 - NTIH - Announcement by Subsidiary Company.pdf](#)

[20240115 - TWPH - Announcement.pdf](#)

Total size =459K MB

NEW TOYO INTERNATIONAL HOLDINGS LTD

Company Registration No.: 199601387D

**TIEN WAH PRESS HOLDINGS BERHAD - PROPOSED JOINT VENTURE
BETWEEN ALLIANCE PRINT TECHNOLOGIES CO., LTD., A WHOLLY-
OWNED SUBSIDIARY OF NEW TOYO INVESTMENTS PTE. LTD., WHICH IS
IN TURN A WHOLLY-OWNED SUBSIDIARY OF TWPH AND CAT LOI JOINT
STOCK COMPANY**

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

Financial Effects

The Proposed Joint Venture (as defined in TWPH’s announcement) is not expected to have a material impact on the net tangible assets per share and earnings per share of the New Toyo Group for the financial year ending 31 December 2024.

Interests of Directors and Controlling Shareholders

None of the directors or controlling shareholders of the Company have any interest, direct or indirect (other than through their shareholdings in the Company), in the Proposed Joint Venture.

By Order of the Board
Lee Wei Hsiung
Company Secretary
15 January 2024

TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) : NON RELATED PARTY TRANSACTIONS
TIEN WAH PRESS HOLDINGS BERHAD ("TWPH" OR "THE COMPANY") - PROPOSED JOINT VENTURE BETWEEN ALLIANCE PRINT TECHNOLOGIES CO., LTD. ("APT"), A WHOLLY-OWNED SUBSIDIARY OF NEW TOYO INVESTMENTS PTE. LTD. ("NTIV"), WHICH IS IN TURN A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY AND CAT LOI JOINT STOCK COMPANY ("CLC")

TIEN WAH PRESS HOLDINGS BERHAD

Type	Announcement
Subject	TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) NON RELATED PARTY TRANSACTIONS
Description	TIEN WAH PRESS HOLDINGS BERHAD ("TWPH" OR "THE COMPANY") - PROPOSED JOINT VENTURE BETWEEN ALLIANCE PRINT TECHNOLOGIES CO., LTD. ("APT"), A WHOLLY-OWNED SUBSIDIARY OF NEW TOYO INVESTMENTS PTE. LTD. ("NTIV"), WHICH IS IN TURN A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY AND CAT LOI JOINT STOCK COMPANY ("CLC")

The Board of Directors of TWPH wishes to announce that APTV, a wholly-owned subsidiary of NTIV, which is in turn a wholly-owned subsidiary of the Company, had on 15 January 2024 entered into a Joint Venture Agreement with CLC for the establishment of a joint venture company in Vietnam under the proposed name of C&A Packaging Company Limited (the "JV Company") to undertake the business of production of paper packaging, printing packaging and other business activities as agreed upon by the Members and in accordance with the provisions of Vietnam Law as detailed in this announcement ("Proposed Joint Venture").

Please refer to the attached file for further details of the Proposed Joint Venture.

This announcement is dated 15 January 2024.

Please refer attachment below.

Attachments

Proposed JV (CLC).pdf
198.4 kB

Announcement Info

Company Name	TIEN WAH PRESS HOLDINGS BERHAD
Stock Name	TIENWAH
Date Announced	15 Jan 2024
Category	General Announcement for PLC
Reference Number	GA1-07112023-00060

**TIEN WAH PRESS HOLDINGS BERHAD (“TWPH” OR “THE COMPANY”)
NON-RELATED PARTY TRANSACTION**

- **Proposed Joint Venture between Alliance Print Technologies Co., Ltd., a wholly-owned subsidiary of New Toyo Investments Pte. Ltd., which is in turn a wholly-owned subsidiary of the Company and Cat Loi Joint Stock Company**
-

1. INTRODUCTION

The Board of Directors of TWPH (the “**Board**”) wishes to announce that Alliance Print Technologies Co., Ltd. (“**APT**”), a wholly-owned subsidiary of New Toyo Investments Pte. Ltd. (“**NTIV**”), which is in turn a wholly-owned subsidiary of the Company, had on 15 January 2024 entered into a Joint Venture Agreement (“**Agreement**”) with Cat Loi Joint Stock Company (“**CLC**”) for the establishment of a joint venture company in Vietnam under the proposed name of C&A Packaging Company Limited (the “**JV Company**”) to undertake the business of production of paper packaging, printing packaging and other business activities as agreed upon by the Members and in accordance with the provisions of Vietnam Law, subject to the terms and conditions as stipulated in the Agreement (the “**Proposed Joint Venture**”).

(CLC and APTV are hereinafter referred to separately as “**Member**” and collectively referred to as “**Members**”).

The Proposed Joint Venture shall operate through the JV Company, which APTV will subscribe for 50% of the charter capital of the JV Company for a total cash consideration of VND6,000,000,000* (equivalent to approximately RM1,138,805), (the “**Proposed Subscription**”). The remaining 50% of the charter capital of the JV Company will be held by CLC.

After the completion of the Proposed Joint Venture, the JV Company will be recognised as a jointly-controlled entity of TWPH.

**Foreign currency translation rate used throughout this announcement as at 14 January 2024 is RM1.00 = VND5,268.68*

2. DETAILS OF THE MEMBERS

2.1 Information on APTV

APT is a limited company under the Laws of Vietnam incorporated under the Certificate of Business Registration issued by Department of Planning and Investment of Binh Duong province (“**Business Registration Certificate**”) on 24 November 2004 (the first registration took place on 29 May 2008). APTV is principally engaged in the provision of printing services for tobacco packaging and packaging services in general.

The charter capital of APTV is VND56,224,208,000. The General Director of APTV is Pham Thanh Tuyen. APTV is a wholly-owned subsidiary of NTIV, which is in turn a wholly-owned subsidiary of the Company.

**TIEN WAH PRESS HOLDINGS BERHAD (“TWPH” OR “THE COMPANY”)
NON-RELATED PARTY TRANSACTION**

- **Proposed Joint Venture between Alliance Print Technologies Company Limited, a wholly-owned subsidiary of New Toyo Investments Pte. Ltd., which is in turn a wholly-owned subsidiary of the Company and Cat Loi Joint Stock Company**
-

2.2 Information on CLC

CLC is a company established under the Laws of Vietnam, originating from a State-Owned Enterprise, the Enterprise of Printing, Packaging and Tobacco Accessories pursuant to Decision No. 184/2003/QD-BCN dated 13 November 2003 by the Minister of Industry (now the Ministry of Industry and Trade) in Vietnam.

On 18 October 2006, CLC shares were officially listed on the Ho Chi Minh City Stock Exchange under License No. 64/UBCKGPNY issued by the State Securities Commission with the stock code ‘CLC’.

CLC was later incorporated under the Certificate of Business Registration issued by the Department of Planning and Investment of Ho Chi Minh City on 10 December 2021 (the first registration took place on 19 February 2004).

CLC is principally engaged in the printing of packages, manufacturing cigarette filters, production, purchase and sale of industrial supplies, commercial brokerage, import and export entrustment service, trading in chemicals, paper, Biaxially Oriented Polypropylene (BO-PP) film, metal and electrical goods, mechanical machinery and equipment, raw materials for the production of cigarette filters. Additionally, CLC offers services such as factory, warehouse and office rentals.

The charter capital of CLC is VND262,075,830,000 comprising of 26,207,583 ordinary shares. The shareholders are as follows:

Shareholders	Shareholding Percentage (%)
Vietnam Tobacco Corporation [#]	51.0%
Saigon Tobacco Company Limited [#]	6.4%
Thang Long Tobacco Co, Ltd [#]	4.1%
Others	38.5%
Total	100.0%

[#]*Vietnam Government owned*

The Directors of CLC are Mr Nguyen Hoang Minh and Mr Vo Dinh Van.

Based on the latest Audited Financial Statements of CLC for the financial year ended (“**FYE**”) 31 December 2022, the Net Assets (“**NA**”) and Profit After Tax (“**PAT**”) were USD35,070,000** (equivalent to approximately RM162,882,615) and USD5,850,000** (equivalent to approximately RM27,170,325) respectively.

**TIEN WAH PRESS HOLDINGS BERHAD (“TWPH” OR “THE COMPANY”)
NON-RELATED PARTY TRANSACTION**

- Proposed Joint Venture between Alliance Print Technologies Company Limited, a wholly-owned subsidiary of New Toyo Investments Pte. Ltd., which is in turn a wholly-owned subsidiary of the Company and Cat Loi Joint Stock Company**
-

***Foreign currency translation rate used throughout this announcement as at 14 January 2024 is USD1.00 = RM4.6445*

3. SALIENT TERMS AND CONDITIONS OF THE AGREEMENT

The salient terms and conditions of the Agreement include, amongst others, the following:

3.1 The JV Company and Legal Status

The JV Company is a limited company with two or more Members, has legal status in accordance with the Law of Vietnam and operates under the charter of the JV Company promulgated in accordance with this Labor Contract, the Law of Vietnam and amendments and supplements from time to time (“**the Charter**”) and Business Registration Certificate.

3.2 Business Activities, Objectives and Powers

- (1) To the extent permitted by Vietnam Law, Members agree that the JV Company shall operate the following business activities:
 - (a) Producing paper packaging;
 - (b) Printing packaging; and
 - (c) Carry out other business activities agreed upon by the Members and in accordance with the provisions of Vietnam Law.
- (2) Scope of business activities includes inside and outside the territory of Vietnam.
- (3) The JV Company shall conduct its business activities with the objective of achieving the best business results for the benefit of the JV Company and making it possible for each Member to receive satisfactory profits.
- (4) The list of customers, production and business products of the JV Company must be approved by the Board of Members (“**BOM**”). The JV Company does not compete with Members.

3.3 Total Investment Capital, Charter Capital and Capital Contribution

- (1) The total investment capital is VND12,000,000,000.

**TIEN WAH PRESS HOLDINGS BERHAD (“TWPH” OR “THE COMPANY”)
NON-RELATED PARTY TRANSACTION**

- Proposed Joint Venture between Alliance Print Technologies Company Limited, a wholly-owned subsidiary of New Toyo Investments Pte. Ltd., which is in turn a wholly-owned subsidiary of the Company and Cat Loi Joint Stock Company

- (2) The charter capital is VND12,000,000,000, contributed as follows:
- (a) CLC contributed VND6,000,000,000, equal to fifty percent (50%) of charter capital, in cash; and
 - (b) APTV contributed VND6,000,000,000, equal to fifty percent (50%) of charter capital, in cash

(“Capital Contribution”).

Each Member is responsible for paying in full and on time his/her Capital Contribution within ninety (90) days from the date of the Agreement, the date it is signed (or from the date the JV Company is granted the Business Registration Contract for the first time).

Subject to the Charter and Agreement, the charter capital may be increased or decreased based on the business situation of the JV Company, at the discretion of the BOM and upon the approval of the competent authority if required by Vietnam Law.

3.4 Term

- (1) Unless otherwise decided by the BOM or otherwise provided for by Vietnam Law, the JV Company shall survive and operate for a period of fifty (50) years from the date the JV Company is first granted the Business Registration Certificate (the “**Term**”).
- (2) Not later than six (6) months before the expiry of the Term, the Members shall discuss in good faith whether the JV Company shall submit an application to the competent authority for an extension of the term of operation, provided that no Member notifies the other Member of its intention to terminate the Agreement.

3.5 Organizational and Management Structure

- (1) The organizational structure of the JV Company’s management includes:
 - (a) BOM;
 - (b) Chairman of the BOM; and
 - (c) General Manager.
- (2) (a) The BOM will consist of four (4) board members. As long as each Member maintains his/her Capital Contribution as stipulated in

**TIEN WAH PRESS HOLDINGS BERHAD (“TWPH” OR “THE COMPANY”)
NON-RELATED PARTY TRANSACTION**

- Proposed Joint Venture between Alliance Print Technologies Company Limited, a wholly-owned subsidiary of New Toyo Investments Pte. Ltd., which is in turn a wholly-owned subsidiary of the Company and Cat Loi Joint Stock Company

Section 3.3 of this announcement, CLC shall appoint two (2) authorised representatives at the BOM (“**Members of the BOM**”) and APTV shall appoint two (2) Members of the BOM in accordance with the criteria and conditions prescribed by the Law of Vietnam from time to time.

- (b) Each Member of the BOM shall be appointed for a term of five (5) years and may serve subsequent terms if reappointed by his/her nominating Member. If a Member of the BOM relinquishes his/her position in the BOM, the Member who appointed such Member of the BOM shall appoint a successor to hold such position for the remainder of the term of office of the replaced Member of the BOM.
- (3) (a) CLC and APTV alternately recommend Member of the BOM for election as Chairman of the BOM (“**Chairman**”) and Vice President of the BOM (“**Vice Chairman**”).
- (b) The term of office of the Chairman and Vice Chairman of the BOM is two (2) years. The Chairman and Vice Chairman may be re-elected for an unlimited number of terms.
- (c) First term: The BOM votes one Member of the BOM recommended by CLC as the Chairman of the BOM and votes one Member of the BOM recommended by APTV as the Vice Chairman of the BOM.
- (d) Second term: The BOM votes one Member of the BOM recommended by APTV as the Chairman of the BOM and votes one Member of the BOM recommended by CLC as the Vice Chairman of the BOM and so on alternately for subsequent terms.
- (4) (a) The General Manager of the JV Company will be recommended by CLC and appointed by the BOM. The General Manager must always be a Member of the BOM and must always be a Vietnamese citizen. In case CLC refuses the right to recommend a Member of the BOM for the appointment of the BOM as the General Manager, APTV shall have the right to recommend the Member of the BOM for appointment as the General Manager (to avoid misunderstanding, although APTV has the right to recommend the Member of the BOM for appointment to be the General Manager in this case, it does not cause APTV to lose the right to introduce the subject).

**TIEN WAH PRESS HOLDINGS BERHAD (“TWPH” OR “THE COMPANY”)
NON-RELATED PARTY TRANSACTION**

- Proposed Joint Venture between Alliance Print Technologies Company Limited, a wholly-owned subsidiary of New Toyo Investments Pte. Ltd., which is in turn a wholly-owned subsidiary of the Company and Cat Loi Joint Stock Company

- (b) The Deputy General Manager and Chief Accountant of the JV Company will be recommended by APTV and appointed by the BOM. The Deputy Director and Chief Accountant of the JV Company must always be Vietnamese citizens;
- (c) After the Deputy General Manager and Chief Accountant are appointed by the BOM, the General Manager shall take all necessary actions and sign all necessary documents for the appointment and registration of the Deputy General Manager and Chief Accountant with the competent authorities (if necessary).
- (d) The Chief Accountant must have all the qualifications that a Chief Accountant needs to have in accordance with Vietnam Law.
- (e) The term of office of the General Manager, Deputy General Manager and Chief Accountant is five (5) years.

3.6 Dispute Settlement

- (1) Any and all disputes, controversies and conflicts between Members arising out of or relating to or relating to the validity or interpretation of the Agreement and the performance or non-performance of the obligations stipulated in the Agreement shall be resolved by negotiation between the Members.
- (2) In the event that negotiation is not possible under Section 3.6(1) of this announcement, disputes arising out of or in connection with the Agreement shall be resolved by arbitration at the Vietnam International Arbitration Centre (“VIAC”) in accordance with its Rules of Arbitration. Accordingly,
 - (a) the number of arbitrators is three (3);
 - (b) the place of arbitration shall be Vietnam;
 - (c) the law applicable to the Agreement is the Law of Vietnam;
 - (d) the language of referees is Vietnamese.
- (3) During the dispute settlement period, the Members shall continue to implement all other provisions of the Agreement that are not affected in the dispute.
- (4) Each Member acknowledges that the sum may generally not be sufficient to recover damages in the event that any party fails to comply with the provisions of the Agreement, and therefore agrees that in the event that a

**TIEN WAH PRESS HOLDINGS BERHAD (“TWPH” OR “THE COMPANY”)
NON-RELATED PARTY TRANSACTION**

- **Proposed Joint Venture between Alliance Print Technologies Company Limited, a wholly-owned subsidiary of New Toyo Investments Pte. Ltd., which is in turn a wholly-owned subsidiary of the Company and Cat Loi Joint Stock Company**
-

Member fails to comply with any provision, the other Member shall, in addition to any other rights such Member may have, obtain a court injunction or request for specific enforcement or other sanctions by the tribunal to ensure the implementation of any provision of the Agreement.

4. RATIONALE AND BENEFITS OF THE PROPOSED JOINT VENTURE

APTV has recognised a decline in business revenue in Vietnam since 2019, a trend anticipated to continue throughout 2023 and 2024. However, growth opportunities have been identified in the trends of green packaging and e-commerce, which have contributed to an increased demand for paper packaging. The compound annual growth rate for paper packaging between 2023 and 2028 is expected to reach approximately 10%, according to forecast data of the Vietnam Paper Association.

In light of these developments, the Proposed Joint Venture presents a strategic opportunity for APTV and the Company to expand its presence among new offset business customers in Vietnam through collaboration with CLC. The Proposed Joint Venture is timely, particularly as the Company’s joint venture with Dong Nai Food Industrial Corporation (“**DOFICO**”), Toyo (Viet)-DOFICO Print Packaging Co Ltd is currently in the process of liquidation following the expiration of its Business Licence on 14 July 2021.

5. SOURCE OF FUNDS

The Proposed Joint Venture will be satisfied entirely in cash through internally generated funds of TWPH and its subsidiaries (“**TWPH Group**” or “**the Group**”).

6. LIABILITIES TO BE ASSUMED

There are no liabilities, including contingent liabilities and guarantees, to be assumed by the Company and APTV arising from the Proposed Joint Venture.

7. PROSPECTS OF TWPH GROUP

Barring any unforeseen circumstances and in light of the rationales and benefits of the Proposed Joint Venture, the Board is optimistic that the prospects of TWPH Group would be favourable and the Proposed Joint Venture will fortify the financial performance of TWPH Group in the future.

**TIEN WAH PRESS HOLDINGS BERHAD (“TWPH” OR “THE COMPANY”)
NON-RELATED PARTY TRANSACTION**

- **Proposed Joint Venture between Alliance Print Technologies Company Limited, a wholly-owned subsidiary of New Toyo Investments Pte. Ltd., which is in turn a wholly-owned subsidiary of the Company and Cat Loi Joint Stock Company**
-

8. RISK FACTORS

The Proposed Joint Venture is expected to have minimal impact on the operational risk profile of APTV and the Company, as the JV Company aligns with the Group’s existing operations, mitigating significant exposure to new operational risks.

However, there is a potential credit risk associated with extending credit to customers. Nevertheless, with CLC, a government-controlled entity as the JV partner, the risk of customer default on payment is considered low.

Financial risk is limited to APTV’s Capital Contribution, thus minimizing financial exposure. Additionally, the Members have proposed renting machines and premises, limiting the amount of capital exposure in the Proposed JV.

9. EFFECTS OF THE PROPOSED JOINT VENTURE

The Proposed Joint Venture will not have any material effect on the earnings per share, net assets per share, gearing, share capital and substantial shareholders’ shareholdings of the Group for the financial year ending 31 December 2024.

10. HIGHEST PERCENTAGE RATIO APPLICABLE

The highest percentage ratio applicable for the Proposed Joint Venture pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) is 0.7% derived from the aggregate value of the consideration compared with the net assets of the Group based on the audited consolidated financial statements of TWPH for the financial year ended 31 December 2022.

11. APPROVAL REQUIRED

The Proposed Joint Venture is not subject to the approval of the shareholders of TWPH or any regulatory authorities.

**TIEN WAH PRESS HOLDINGS BERHAD (“TWPH” OR “THE COMPANY”)
NON-RELATED PARTY TRANSACTION**

- **Proposed Joint Venture between Alliance Print Technologies Company Limited, a wholly-owned subsidiary of New Toyo Investments Pte. Ltd., which is in turn a wholly-owned subsidiary of the Company and Cat Loi Joint Stock Company**
-

12. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED TO THEM

None of the Directors, major shareholders and/or persons connected with a Director and major shareholder of TWPH Group has any interest, direct or indirect, in the Proposed Disposal.

13. STATEMENT BY THE BOARD

The Board of the Company, having reviewed and considered all aspects of the Proposed Joint Venture, are of the opinion that the Proposed Joint Venture is in the best interest of the Group.

14. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposed Joint Venture is expected to be completed by the first half of 2024.

This is a voluntary announcement under Paragraph 10.05(2) of the MMLR of Bursa Securities.

This announcement is dated 15 January 2024.