

Issuer & Securities

<b>Issuer/ Manager</b>	NEW TOYO INTERNATIONAL HOLDINGS LTD
<b>Securities</b>	NEW TOYO INT HLDGS LTD - SG1E32850828 - N08
<b>Stapled Security</b>	No

Announcement Details

<b>Announcement Title</b>	General Announcement
<b>Date &amp; Time of Broadcast</b>	21-Mar-2018 17:15:19
<b>Status</b>	New
<b>Announcement Sub Title</b>	Announcement by Subsidiary Company, Tien Wah Press Holdings Berhad
<b>Announcement Reference</b>	SG180321OTHR6Y86
<b>Submitted By (Co./ Ind. Name)</b>	Lee Wei Hsiung
<b>Designation</b>	Company Secretary
<b>Description (Please provide a detailed description of the event in the box below)</b>	Please refer to the attachments.
<b>Attachments</b>	<p><a href="#">\NTIH_Termination of Joint Venture with DOFICO.pdf</a></p> <p><a href="#">\TWPH_Termination of Joint Venture Agreement with DOFICO.pdf</a></p> <p>Total size =666K</p>

**NEW TOYO INTERNATIONAL HOLDINGS LTD**

Company Registration No.: 199601387D

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**TIEN WAH PRESS HOLDINGS BERHAD (“TWPH”) – TERMINATION OF  
JOINT VENTURE WITH DONG NAI FOOD INDUSTRIAL CORPORATION,  
VIETNAM (the “Proposed Termination”)**

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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, has issued an announcement on 20 March 2018 on the above matter, a copy of which is enclosed.

Financial Effects

The financial effects on the New Toyo Group arising from the Proposed Termination based on the unaudited financial results for the year ended 31 December 2017 are as follows:

	Before Proposed Termination	After Proposed Termination
Net asset value per share (cents)	38.40	38.39
Earnings per share (cents)	0.44	0.45

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 Termination.

By Order of the Board  
Lee Wei Hsiung  
Company Secretary  
21 March 2018

## TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) : NON RELATED PARTY TRANSACTIONS TERMINATION OF JOINT VENTURE AGREEMENT WITH DONG NAI FOOD INDUSTRIAL CORPORATION, VIETNAM ("DOFICO") AND ACQUISITION OF THE REMAINING 50% SHARES HELD BY DOFICO IN TOYO (VIET)-DOFICO PRINT PACKAGING COMPANY LIMITED

### TIEN WAH PRESS HOLDINGS BERHAD

<b>Type</b>	Announcement
<b>Subject</b>	TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) NON RELATED PARTY TRANSACTIONS
<b>Description</b>	TERMINATION OF JOINT VENTURE AGREEMENT WITH DONG NAI FOOD INDUSTRIAL CORPORATION, VIETNAM ("DOFICO") AND ACQUISITION OF THE REMAINING 50% SHARES HELD BY DOFICO IN TOYO (VIET)-DOFICO PRINT PACKAGING COMPANY LIMITED

*(Unless otherwise stated, all definitions and terms used in this announcement shall have the same meaning as defined in the announcements dated 25 May 2015, 28 May 2015 and 5 May 2016 in relation to the Joint Venture with DOFICO.)*

Reference is made to the Company's announcements dated 25 May 2015, 28 May 2015 and 5 May 2016 in respect of the strategic joint venture agreement ("**JVA**") entered between TWPH, Toyo (Viet) – DOFICO Print Packaging Company Limited ("**TVDP**") and DOFICO vide the sale of 50% of TVDP to DOFICO for a total cash consideration of USD1,629,762 (equivalent to RM7,012,137) (the "**Initial Purchase Price**") to secure DOFICO print packaging volume.

(TWPH, DOFICO and TVDP are collectively referred to as "**the Parties**" and "**Party**" means either one of them)

The Board of Directors of the Company wishes to announce that, after due consideration, the Parties, had on 20 March 2018 entered into a termination agreement ("**Termination Agreement**") to mutually agreed to terminate the JVA dated 24 May 2015 with effect from the date of the execution of the Termination Agreement and Transfer Contract (as defined herein) whereby DOFICO shall transfer the 50% of the total charter capital of TVDP ("**Capital Contribution**") and all rights and interests thereof to TWPH and TWPH agreed to acquire the 50% of the total charter capital of TVDP from DOFICO at the cash consideration of USD1,629,762 (equivalent to RM6,372,369 based on exchange rate of USD1.00 to RM3.91 as at 20 March 2018) ("**Termination and Acquisition of Capital Contribution**"). Upon the execution of the Termination Agreement and Transfer Contract, the JVA shall be officially terminated and TVDP shall becomes a wholly-owned subsidiary of the Company.

Please refer to the attached file for details of the announcement.

This announcement is dated 20 March 2018.

Please refer attachment below.

#### Attachments

[TWPH - Termination of JV Agreement with DOFICO and Acquisition of Shares.pdf](#)  
65.2 kB

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#### Announcement Info

<b>Company Name</b>	TIEN WAH PRESS HOLDINGS BERHAD
<b>Stock Name</b>	TIENWAH
<b>Date Announced</b>	20 Mar 2018
<b>Category</b>	General Announcement for PLC
<b>Reference Number</b>	GA1-19032018-00087

## **TIEN WAH PRESS HOLDINGS BERHAD (“TWPH” OR “THE COMPANY”)**

### **TERMINATION OF JOINT VENTURE AGREEMENT WITH DONG NAI FOOD INDUSTRIAL CORPORATION, VIETNAM (“DOFICO”) AND ACQUISITION OF THE REMAINING 50% SHARES HELD BY DOFICO IN TOYO (VIET)-DOFICO PRINT PACKAGING COMPANY LIMITED**

*(Unless otherwise stated, all definitions and terms used in this announcement shall have the same meaning as defined in the announcements dated 25 May 2015, 28 May 2015 and 5 May 2016 in relation to the Joint Venture with DOFICO.)*

#### **1. INTRODUCTION**

Reference is made to the Company’s announcements dated 25 May 2015, 28 May 2015 and 5 May 2016 in respect of the strategic joint venture agreement (“**JVA**”) entered between TWPH, Toyo (Viet) – DOFICO Print Packaging Company Limited (“**TVDP**”) and DOFICO vide the sale of 50% of TVDP to DOFICO for a total cash consideration of USD1,629,762 (equivalent to RM7,012,137) (the “**Initial Purchase Price**”) to secure DOFICO print packaging volume.

(TWPH, DOFICO and TVDP are collectively referred to as “**the Parties**” and “**Party**” means either one of them)

The Board of Directors of the Company wishes to announce that, after due consideration, the Parties, had on 20 March 2018 entered into a termination agreement (“**Termination Agreement**”) to mutually agreed to terminate the JVA dated 24 May 2015 with effect from the date of the execution of the Termination Agreement and Transfer Contract (as defined herein) whereby DOFICO shall transfer the 50% of the total charter capital of TVDP (“**Capital Contribution**”) and all rights and interests thereof to TWPH and TWPH agreed to acquire the 50% of the total charter capital of TVDP from DOFICO at the cash consideration of USD1,629,762 (equivalent to RM6,372,369 based on exchange rate of USD1.00 to RM3.91 as at 20 March 2018) (“**Termination and Acquisition of Capital Contribution**”). Upon the execution of the Termination Agreement and Transfer Contract, the JVA shall be officially terminated and TVDP shall becomes a wholly-owned subsidiary of the Company.

#### **2. THE TERMINATION OF THE JVA AND ACQUISITION OF CAPITAL CONTRIBUTION**

The Parties had mutually agreed on the Termination and Acquisition of Capital Contribution as DOFICO had failed to comply with the agreed minimum printed carton volumes of tobacco packaging as set out in the JVA, hence, the aforesaid challenge had affected the operations of TVDP, which had led to continuous losses for TVDP for the financial year ended 31 December 2016. In order to protect the shareholders’ interest and to ensure risk management, the Parties had mutually agreed to terminate the JVA. As at 31 December 2016, TVDP has recorded an accumulated net loss of USD253,014 (equivalent to RM1,050,730).

Pursuant to the JVA, DOFICO at its own discretion, has the right to sell to TWPH its entire Capital Contribution at the re-selling price being the remaining amount after the Initial Purchase Price minuses outstanding payments for the Initial Purchase Price that have not been paid by DOFICO to TWPH at the time of actual payment of re-selling price (the “**Re-selling Price**”). In this case, TWPH is obligated to re-purchase the Capital Contribution of DOFICO in whole.

***Tien Wah Press Holdings Berhad (Company: 340434-K)***

- *Termination of Joint Venture Agreement with DOFICO and Acquisition of the Remaining 50% shares held by DOFICO in TVDP*

**3. DETAILS ON THE PARTIES**

**3.1 Information on DOFICO**

DOFICO (Investment Certificate No: 3600253505) was established on 10 January 1985 in Dong Nai, Vietnam as Dong Nai Tobacco Company and subsequently re-structured as Dong Nai Food Industrial Corporation as a conglomerate with a total legal capital of USD40.0 million. It has a variety of businesses, including the manufacturing of industrial products, supplying agricultural materials and processing agricultural products, foodstuffs, exploiting natural resources, manufacturing building materials, supplying tourism services, commercial, import and export services. Its products includes all kinds of cigarettes, agricultural materials, canned foods, cottons, meats, poultry's eggs, pager packages, beers and beverage, livestock nutrition, building materials (soil, sand and stone), fertilizers, plant seeds, etc.

The name of Directors (Board Members) and Substantial Shareholders of DOFICO together with their respective shareholdings are as follows:

Directors of DOFICO

- (a) Mr. Nguyen Kim Long - Chairperson
- (b) Mr. Nguyen Huu Hieu - General Director
- (c) Mr. Nguyen Minh Trung
- (d) Mr. Nguyen Duc Khoa

None of the above Directors have any shareholdings in DOFICO.

The entire shareholding in DOFICO is solely held by the "Peoples Committee of Dong Nai Province", a Vietnamese Government Agency.

**3.2 Information on TVDP**

TVDP (Registered Company code 0300736665) is a jointly-controlled company of TWPH and was incorporated on 14 July 1993 as a private limited company in Vietnam under the Law on Foreign Investment in Vietnam 1996 and the Law on Amendment of and Addition to a number of articles of Law on Foreign Investment, 2000. The charter capital of TVDP is USD4,421,141 (the "Charter Capital").

TVDP is principally involved in manufacturing aluminium paper, paper core, tipping paper and to perform box printing under the Investment License granted by the Ministry of Planning and Investment in Vietnam and the Ho Chi Minh City Industrial and Export Processing Zones Authority. The Investment License is valid for 28 years from the initial investment license dated 14 July 1993 and will expire on 14 July 2021.

Based on the latest Audited Financial Statements of TVDP for the financial year ended 31 December 2016, the Net Assets ("NA") and Loss After Tax ("LAT") of TVDP were USD2,783,706 (equivalent to RM12,487,762) and USD253,014 (equivalent to RM1,050,730) respectively.

**Tien Wah Press Holdings Berhad (Company: 340434-K)**

- *Termination of Joint Venture Agreement with DOFICO and Acquisition of the Remaining 50% shares held by DOFICO in TVDP*

The name of Directors (Board Members) and Shareholders of TVDP together with their respective shareholdings are as follows:

Directors of TVDP

- (a) Mr Lee Chee Whye - Chairperson
- (b) Mr Yen Wen Hwa (Ngan Tzee Manh)
- (c) Mr Pham Thanh Tuyen
- (d) Mr Nguyen Tu Muc

Shareholders of TVDP

Shareholders	Charter Capital ("USD")	Proportion of shareholdings in TVDP
TWPH	2,210,571	50%
DOFICO	2,210,570	50%
<b>Total:</b>	<b>4,421,141</b>	<b>100%</b>

**4. DETAILS OF THE TERMINATION AND ACQUISITION OF CAPITAL CONTRIBUTION**

The Parties had on 20 March 2018 entered into a Termination Agreement to mutually terminate the JVA dated 24 May 2015.

The salient terms of the Termination and Acquisition of Capital Contribution are as follows:

The Parties agreed that on the signing date of the Transfer Contract as stipulated in Section 4.2(b) below by the Parties, the JVA shall be officially terminated (the "**Termination Date**").

**4.1 Termination Fee and Capital Contribution**

The JVA shall be terminated at no cost.

**4.2 Capital**

For the purpose of termination of the JVA, the Capital Contribution shall be handled as follows:

- (a) The Capital Contribution shall be transferred back to TWPH by DOFICO at the initial transfer price of USD1,629,762 (equivalent to RM6,372,369) (the "**Transfer Price**"). Since the Initial Purchase Price under the JVA has not been settled by DOFICO to-date, the Parties agree that the Transfer Price above shall be set-off against the Initial Purchase Price owing by DOFICO. Thereafter, TWPH shall hold 100% of the Charter Capital of TVDP and be the sole owner of TVDP.
- (b) Within five (5) working days upon the signing of the Termination Agreement ("**Effective Date**"), DOFICO and TWPH shall enter into a transfer agreement whereby DOFICO shall transfer the Capital Contribution and all rights and interests thereof to TWPH (the "**Transfer Contract**"). The Transfer Contract shall specify the mechanism for Transfer Price set out above.

***Tien Wah Press Holdings Berhad (Company: 340434-K)***

***- Termination of Joint Venture Agreement with DOFICO and Acquisition of the Remaining 50% shares held by DOFICO in TVDP***

- (c) For clarity, as of the Effective Date, DOFICO hereby waives all of its rights in relation to the assignment / transfer of the Capital Contribution to a third party in any manner as stipulated under the JVA, and waives all of its rights to claim for any compensation for losses as stipulated under the JVA.

**4.3 Implications of the Termination and Acquisition of Capital Contribution**

Upon the Termination Date, the following documents shall become null and void without binding the Parties:

- (a) All capital contribution certificates and register of members of TVDP issued by TVDP to DOFICO showing that DOFICO is a member holding 50% of the charter capital of TVDP;
- (b) All documents issued by TWPH or Toyo (Viet) Paper Product Co., Ltd, as the case may be, recording the fulfillment of capital contribution transfer and/or the full payment of the Capital Contribution of DOFICO; and
- (c) All corporate and constituent documents of TVDP recording that DOFICO is a member holding 50% of the charter capital of TVDP.

**4.4 Operation of TVDP after the Termination and Acquisition of Capital Contribution**

Upon the Termination Date, TVDP shall continue its normal operation activities without any delay provided that the name and business type of TVDP shall be reinstated as follows:

Enterprise name: Toyo (Viet) Paper Product Co., Ltd.

Business type: limited liability company with one member being an organization

Sole owner: TWPH

**4.5 Management of TVDP**

- (a) As of the Termination Date, DOFICO shall be removed from TVDP and shall be no longer a member of TVDP.
- (b) By signing the Termination Agreement, DOFICO agrees that as of the Termination Date, all of its authorised representatives (“**Authorised Representatives**”) acting as the Deputy Chairman of the Members’ Council and the Ordinary Member of the Members’ Council shall be removed from the Members’ Council of TVDP.
- (c) In case there are any documents that need to be signed by the Authorised Representatives of DOFICO to give effect to the new management structure of the Members’ Council and/or TVDP, DOFICO shall cause such documents to be promptly signed by such Authorized Representatives at no charge and conditions.

**4.6 Basis and Justification of Arriving at the consideration for the Termination and Acquisition of Capital Contribution**

Pursuant to Section 4.2(a) above, TWPH offers to purchase the Capital Contribution held by DOFICO at the price which is equal to the original transfer price between TWPH and DOFICO which is at a cash consideration of USD1,629,762 (equivalent to RM6,372,369 based on exchange rate of USD1.00 to RM3.91 as at 20 March 2018).



***Tien Wah Press Holdings Berhad (Company: 340434-K)***

- *Termination of Joint Venture Agreement with DOFICO and Acquisition of the Remaining 50% shares held by DOFICO in TVDP*

**4.7 Source of Funding**

The provisions of the initial JVA dated 24 May 2015 allowed DOFICO to pay the Initial Purchase Price of its 50% share capital in TVDP to TWPH on a deferred payment basis by its dividend to be received from the operations of TVDP and free of interest. TVDP has been recording losses and hence not declared any dividends to its shareholders. As such, the Initial Purchase Price from DOFICO is still outstanding and unpaid to-date, and the re-purchased amount of the 50% share of TVDP held by DOFICO will be set-off with the outstanding sum owed by DOFICO to TWPH.

**4.8 Liabilities to be Assumed by the Company**

The Company and DOFICO shall bear their own legal and other expenses in connection with the Termination Agreement. Aside from the above, there are no liabilities, including contingent liabilities and guarantees to be assumed by the the Company and its subsidiaries (the “**Group**”) arising from the Termination and Acquisition of Capital Contribution.

**5. RISK FACTORS**

Barring any unforeseen circumstances, there are no risk factors identified in relation to the Termination and Acquisition of Capital Contribution.

**6. RATIONALE AND BENEFITS OF THE TERMINATION AND ACQUISITION OF CAPITAL CONTRIBUTION**

DOFICO had failed to comply with the agreed minimum printed carton volumes of tobacco packaging as set out in the JVA, hence, the aforesaid challenge had affected the operations of TVDP, which had led to continuous losses for TVDP for the financial year ended 31 December 2016. In order to protect the shareholders’ interest and to ensure risk management, the Parties had mutually agreed to terminate the JVA. Pursuant to the JVA, DOFICO has the right to sell to the Company the Capital Contribution and TWPH is obligated to re-purchase the same in this instance.

The Termination and Acquisition of Capital Contribution will allow the Group to re-focus on TVDP’s future business without having to rely on DOFICO’s commitment which has resulted in continuous losses for TVDP.

**7. PROSPECTS**

The Termination and Acquisition of Capital Contribution will result in TVDP being a 100% wholly-owned subsidiary of TWPH, and TWPH is free to determine the business direction, growth and prospects of TVDP moving forward.

**8. FINANCIAL EFFECTS OF THE TERMINATION AND ACQUISITION OF CAPITAL CONTRIBUTION**

The Termination and Acquisition of Capital Contribution will not have any material effect on the earnings per share, net assets per share, gearing, share capital and substantial shareholders’ shareholding of the Group for the financial year ending 31 December 2018.

***Tien Wah Press Holdings Berhad (Company: 340434-K)***

- *Termination of Joint Venture Agreement with DOFICO and Acquisition of the Remaining 50% shares held by DOFICO in TVDP*

**9. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSON CONNECTED TO THEM**

None of the directors, major shareholders and/or persons connected with a director or major shareholder of TWPH has any interest, either direct or indirect in the Termination and Acquisition of Capital Contribution, except for Mr Yen Wen Hwa (Ngan Tzee Manh) and Mr Lee Chee Whye, who are also the directors of TVDP, representing the interests of the Company in TVDP.

**10. STATEMENT BY BOARD OF DIRECTORS**

The Board of Directors having considered all aspects of the Termination and Acquisition of Capital Contribution, is of the opinion that the Termination and Acquisition of Capital Contribution is in the best interest of the Group.

**11. APPROVAL REQUIRED**

The Termination and Acquisition of Capital Contribution does not require the approvals of the shareholders nor any relevant government authorities, except for the approval by the Ho Chi Minh City Planning and Investment Department Authority in Vietnam.

**12. HIGHEST PERCENTAGE RATIO**

The highest percentage ratio applicable to the Termination and Acquisition of Capital Contribution pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is 1.49% based on the Audited Financial Statements for the financial year ended 31 December 2016 of the Company.

**13. ESTIMATED TIME FRAME FOR COMPLETION**

Barring any unforeseen circumstances, the Termination and Acquisition of Capital Contribution is expected to be completed by end of second (2<sup>nd</sup>) quarter ending 30 June 2018.

**14. DOCUMENT(S) AVAILABLE FOR INSPECTION**

The Termination Agreement will be available for inspection at the registered office of TWPH during office hours from Mondays to Fridays (except public holidays) at Lot 6.05, Level 6, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia for a period of three (3) months from the date of this announcement.

This announcement is dated 20 March 2018.