

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

16-Aug-2024 18:39:20

Status

New

Announcement Sub Title

ANNOUNCEMENT BY SUBSIDIARY COMPANY, TIEN WAH PRESS HOLDINGS BERHAD

Announcement Reference

SG240816OTHRZY6

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 attachment.

Attachments

[20240816 TWPH TWP Tenancy Agreement.pdf](#)

Total size =637K MB

TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) : RELATED PARTY TRANSACTIONS TIEN WAH PRESS HOLDINGS BERHAD ("TWPH" OR "THE COMPANY") - TENANCY AGREEMENT BETWEEN TIEN WAH PROPERTIES SDN. BHD. ("TWP"), A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY WITH TOYOMA ALUMINIUM FOIL PACKAGING SDN. BHD. ("TAFP")

TIEN WAH PRESS HOLDINGS BERHAD

Type	Announcement
Subject	TRANSACTIONS (CHAPTER 10 OF LISTING REQUIREMENTS) RELATED PARTY TRANSACTIONS
Description	TIEN WAH PRESS HOLDINGS BERHAD ("TWPH" OR "THE COMPANY") - TENANCY AGREEMENT BETWEEN TIEN WAH PROPERTIES SDN. BHD. ("TWP"), A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY WITH TOYOMA ALUMINIUM FOIL PACKAGING SDN. BHD. ("TAFP")

The Board of Directors of TWPH wishes to announce that TWP, a wholly-owned subsidiary of the Company had on 16 August 2024 entered into a Tenancy Agreement with TAFP, for the rental of a multipurpose banquet hall located at 6th Floor in a food and beverage mall known as "New Ocean World Fine Food City" which is situated at 15, Jalan 19/1, 46300 Petaling Jaya, Selangor Darul Ehsan (the "Transaction").

Please refer to the attachment for further details of the Transaction.

This announcement is dated 16 August 2024.

Please refer attachment below.

Attachments

[Transaction \(TWP\).pdf](#)
172.1 kB

Announcement Info

Company Name	TIEN WAH PRESS HOLDINGS BERHAD
Stock Name	TIENWAH
Date Announced	16 Aug 2024
Category	General Announcement for PLC
Reference Number	GA1-15082024-00007

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

- Tenancy agreement between Tien Wah Properties Sdn. Bhd., a wholly-owned subsidiary of the Company with Toyoma Aluminium Foil Packaging Sdn. Bhd.

1. INTRODUCTION

The Board of Directors of TWPH (the “**Board**”) wishes to announce that Tien Wah Properties Sdn Bhd (“**TWP**” or the “**Tenant**”), a wholly-owned subsidiary of the Company, had on 16 August 2024 entered into a Tenancy Agreement (“**Agreement**”) with Toyoma Aluminium Foil Packaging Sdn. Bhd. (“**TAFP**” or the “**Landlord**”), for the rental of a multipurpose banquet hall located at 6th Floor in a food and beverage mall known as “New Ocean World Fine Food City” (“**F&B Mall**”) which is situated at 15, Jalan 19/1, 46300 Petaling Jaya, Selangor Darul Ehsan (“**Building**” or “**Demised Premises**”) for an initial term of six (6) years with an option to renew for a period of three (3) years at an estimated total consideration of RM9,386,532.00 (the “**Transaction**”).

(The Tenant and the Landlord are collectively referred to as the “**Parties**” and each a “**Party**”.)

2. BACKGROUND

2.1 Information on TWP

TWP is a company incorporated in Malaysia on 23 April 1997. The principal activity of TWP is investment property holding and investment holding.

The issued and paid-up share capital of TWP is RM2 divided into 2 ordinary shares. The Directors of TWP are Mr Yen Wen Hwa (Ngan Tzee Manh) and Mr Lee Chee Whye. TWP is a wholly-owned subsidiary of the Company.

2.2 Information on TAFP

TAFP is a company incorporated in Malaysia on 28 December 1978. TAFP is principally engaged in investment holding company with interest in real property. The land and Building occupied by the F&B Mall are owned by TAFP.

TAFP has an issued share capital of RM27,000,000 divided into 27,000,000 ordinary shares. The Directors of TAFP are Tengku Mahaleel Bin Tengku Ariff, Mr Yen Wen Hwa (Ngan Tzee Manh) and Ms Tan Lee Lian.

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The shareholders of TAFP are as follows:

<u>Name</u>	<u>Nationality</u>	<u>Direct Interest</u>	
		<u>Number of shares</u>	<u>%</u>
Yen Wen Hwa (Ngan Tzee Manh)	Singaporean	19,177,207	71.0
Tengku Mahaleel Bin Tengku Ariff	Malaysian	2,329,093	8.6
Tan Lee Lian	Malaysian	3,746,850	13.9
New Toyo International Holdings Ltd	-	1,746,850	6.5
		<u>27,000,000</u>	<u>100.0</u>

2.3 Relationship Between TWP and TAFP

In view of the interests of the Interested Directors and Interested Major Shareholder as set out in Section 9 of this announcement, the Transaction is deemed as a related party transaction pursuant to Paragraph 10.08 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

2.4 Salient Terms and Conditions of the Agreement

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

- (1) The average monthly gross rent is RM1.83 per square foot (“**psf**”). The first year is rent-free, with RM2.07 psf in the second year, and a three per centum (3%) annual increment from the third to the sixth year, in accordance with the terms of the Agreement (“**Monthly Gross Rent**”).
- (2) The estimated total lettable areas are 3,939 square meter or 42,429 square feet located at 6th floor of the Building which includes banquet hall, kitchen preparation area, beverage counter, VIP rooms, banquet storages and offices.
- (3) The term of the agreement shall be for an initial of six (6) years (72 Months) commencing on the 16 August 2024 (“**Commencement Date**”). Thereafter, the term shall be renewed for a further three (3) years (36 Months). The duration of the entire term of the tenancy shall be nine (9) years (108 Months) (“**Term of the Agreement**”).
- (4) In the event that either Party desires to terminate the Agreement at any time before the expiration of the Term of the Agreement, such Party shall give three (3) months written notice to the other Party.

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- (5) Notwithstanding anything to the contrary contained in the Agreement the Landlord shall be entitled at any time or times and from time to time during the Term of the Agreement without the consent of and without notice to the Tenant and upon such terms and conditions deemed fit by the Landlord, to assign the Landlord’s rights under the Agreement or to transfer the Agreement to any party or parties at the Landlord’s sole and absolute discretion and the assignees or transferees of the Landlord may at any time during the Term of the Agreement and without the consent of and without notice to the Tenant reassign or retransfer the Agreement to any party or parties deemed fit by such assignees or transferees, as the case may be. This shall applies to both Landlord and Tenants.

3. BASIS AND JUSTIFICATION OF ARRIVING AT THE MONTHLY GROSS RENT

The Monthly Gross Rent rates paid / payable by TWP to TAFP ranging from RM2.07 psf to RM2.33 psf, are considered at arms’ length as the rates are within the monthly market rental rate.

4. RATIONALE AND BENEFITS OF THE TRANSACTION

The Group intend to diversify its existing business to include the event space leasing business. This will involve refurbishment of the rented multipurpose banquet hall into a state-of-art hall which is a versatile venue designed to cater to a wide array of events for hosting wedding receptions, engagement dinners, and other social functions.

5. RISK OF THE TRANSACTION

The Board does not expect any material risks arising from the Transaction as the risks are limited to the non-fulfilment of the terms and conditions of the Agreement which are mainly administrative and are unlikely to impact the completion of the Transaction.

6. EFFECTS OF THE TRANSACTION

The Transaction 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.

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7. HIGHEST PERCENTAGE RATIO APPLICABLE

The highest percentage ratio applicable for the Transaction pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) is 2.90% 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 2023.

8. APPROVAL REQUIRED

The Transaction is not subject to the approval of the shareholders of TWPH or any regulatory authorities.

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

Save as disclosed below, none of the other Directors, major shareholders of the Company, TAFP and/or persons connected to them, have any interest, either direct or indirect, in the Transaction:

Directors / Major Shareholders / Connected Persons	Direct		Indirect	
	No. of shares	%	No. of shares	%
<u>Interested directors</u>				
Yen Wen Hwa (Ngan Tzee Manh)	-	-	79,084,200 ^(a)	54.64
Angela Heng Chor Kiang	-	-	-	-
Lee Chee Whye	-	-	-	-
Tengku Djan Ley Bin Tengku Mahaleel	-	-	2,329,093 ^(b)	8.6
<u>Interested major shareholders</u>				
Yen Wen Hwa (Ngan Tzee Manh)	-	-	79,084,200 ^(a)	54.64
New Toyo International Holdings Ltd (“ NTIH ”)	-	-	79,084,200 ^(c)	54.64
Tien Wah Holdings (1990) Sdn. Bhd. (“ TWH1990 ”)	35,395,500	24.45	-	-

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Singapore Pacific Investments Pte. Ltd. (“SPI”)	43,688,700	30.18	-	-
Lu Le Nhi Yen & Son Holdings Pte. Ltd. (“YSH”)	-	-	79,084,200 ^(d)	54.64
Tengku Mahaleel Bin Tengku Ariff	2,329,093	8.6	79,084,200 ^(e)	54.64

Notes:-

- Deemed interested by virtue of his shareholdings in YSH and NTIH pursuant to Section 8(4) of the Act.*
- Deemed interested by virtue of his parent, Tengku Mahaleel Bin Tengku Ariff shareholdings in TAFP pursuant to Section 197(1) of the Act.*
- Deemed interested by virtue of its shareholdings in SPI and TWH1990 via its wholly-owned subsidiary, TWP pursuant to Section 8(4) of the Act.*
- Deemed interested through shares held by her spouse, Yen Wen Hwa (Ngan Tzee Manh) and her shareholdings in YSH and NTIH pursuant to Section 8(4) of the Act.*
- Deemed interested by virtue of its shareholdings in NTIH pursuant to Section 8(4) of the Act.*

Mr Yen Wen Hwa (Ngan Tzee Manh), who is a Non-Independent Non-Executive Chairman of the Company, the Director of TAFP and the Executive Chairman of NTIH. He is also a major shareholder of TAFP and the Company by virtue of his shareholdings in YSH and NTIH pursuant to Section 8(4) of the Companies Act 2016. YSH is a major shareholder of TWPH and is deemed interested by virtue of its shareholdings in NTIH pursuant to Section 8(4) of the Companies Act 2016.

Ms Angela Heng Chor Kiang is an Executive Director of the Company. She is the Executive Director and Group Chief Executive Officer of NTIH.

Mr Lee Chee Whye, who is an employee of NTIH, seconded to the Company. He is also an Executive Director and Chief Executive Officer of the Company.

YM Tengku Djan Ley Bin Tengku Mahaleel is an Independent Non-Executive Director of the Company. He is the son of Tengku Mahaleel Bin Tengku Ariff which is a Director and shareholder of TAFP.

The aforementioned are all persons connected to NTIH and TAFP. Therefore, Mr Yen Wen Hwa (Ngan Tzee Manh), Ms Angela Heng Chor Kiang, Mr Lee Chee Whye and YM Tengku Djan Ley Bin Tengku Mahaleel (“**Interested Directors**”) are deemed interested in the Transaction. The Interested Directors have abstained and will continue to abstain from all board deliberations and voting in respect of the Transaction.

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10. STATEMENT BY THE BOARD AND AUDIT AND RISK COMMITTEE

The Board (save for the Interested Directors who have abstained from all deliberations and voting on the Transaction) and Audit and Risk Committee of the Company, having reviewed and considered all aspects of the Transaction, are of the opinion that the Transaction is in the best interest of the Group, fair, reasonable and on normal commercial terms, and not detrimental to the interests of the minority shareholders of the Company.

The Board and Audit and Risk Committee did not seek an independent advice in forming their views in respect of the Transaction.

11. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances, the agreement will span over nine (9) years commencing on 16 August 2024.

12. TOTAL AMOUNT TRANSACTED WITH THE SAME RELATED PARTY FOR THE PRECEDING TWELVE (12) MONTHS

There were no transactions between the Group and TAFP for the past twelve (12) months preceding the date of this announcement.

13. DOCUMENTS AVAILABLE FOR INSPECTION

The Agreement will be available for inspection at the registered office of TWPH at during office hours from Mondays to Fridays (except public holidays) at 12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia for a period of three (3) months from the date of this announcement.

This announcement is dated 16 August 2024.