

OTHERS TIEN WAH PRESS HOLDINGS BERHAD (“TWPH” or the “Company”) - Retrenchment of Anzpac Services (Australia) Pty Limited Personnel arising from Re-organisation of Production Capacity within the Company and its subsidiaries.

TIEN WAH PRESS HOLDINGS BERHAD

Type	Announcement
Subject	OTHERS
Description	TIEN WAH PRESS HOLDINGS BERHAD (“TWPH” or the “Company”) - Retrenchment of Anzpac Services (Australia) Pty Limited Personnel arising from Re-organisation of Production Capacity within the Company and its subsidiaries.

The Board of Directors of TWPH wishes to announce that Anzpac Services (Australia) Pty Limited (ABN 25000032164) will be executing the retrenchment of the remaining excess personnel by Q2 2015 (the "Proposed Retrenchment") as a result of the Company and its subsidiaries' (the "Group") re-organisation of production footprint within the Group. Such re-organisation of production footprint is part of normal routine operational function to improve the Group's strategic positioning to service the customers and reduce operating cost over the longer term.

This announcement is dated 17 February 2015.

Full details of the Proposed Retrenchment are set out in the attached announcement.

Attachments

[TWPH - Retrenchment of Anzpac \(Final\).pdf](#)

148 KB

Announcement Info

Company Name	TIEN WAH PRESS HOLDINGS BERHAD
Stock Name	TIENWAH
Date Announced	17 Feb 2015
Category	General Announcement
Reference No	CC-150211-64793

**TIEN WAH PRESS HOLDINGS BERHAD (“TWPH” or the “Company”)
Retrenchment of Anzpac Services (Australia) Pty Limited Personnel arising from Re-organisation
of Production Capacity within the Company and its subsidiaries**

1. INTRODUCTION

The Board of Directors of TWPH (“Board”) wishes to announce that Anzpac Services (Australia) Pty Limited (ABN 25000032164) (“Anzpac”) will be executing the retrenchment of the remaining excess personnel by Q2 2015 (the “Proposed Retrenchment”) as a result of the Company and its subsidiaries’ (the “Group”) re-organisation of production footprint within the Group. Such re-organisation of production footprint is part of normal routine operational function to improve the Group’s strategic positioning to service the customers and reduce operating cost over the longer term.

2. DETAILS OF THE RETRENCHMENT AND RATIONALE

The Group has completed the sale and transfer of a Gravure Printing Machine in September 2014 from Anzpac to its existing operation in Vietnam, i.e. Alliance Print Technologies Co., Ltd (463043000165) (“APT”). In addition, the transfer of production volume from Anzpac to APT has commenced and will largely be completed by end of Q1 2015.

The Group has also completed the retrenchment from Anzpac at a total retrenchment cost of approximately AUD0.94 million and AUD0.68 million (equivalent to approximately RM4.73 million in total), respectively in December 2013 and December 2014.

The Board now considers that the timing is right for the retrenchment of the remaining excess staff after the completion of the transfer of the Gravure Printing Machine to APT and the progress of the transfer of the production volumes to APT. The aforesaid rationale is for the Group’s long term strategic reasons and to reduce operating cost. The Anzpac management will continue to undertake cost-cutting programmes, revenue and expansion in non-tobacco customers to return to profitability within a reasonable period of time.

3. BACKGROUND INFORMATION ON ANZPAC

Anzpac is a company incorporated in Australia under the laws of Australia, Companies (New South Wales) Code, a wholly-owned subsidiary of Max Ease International Limited (“MEIL”), a company incorporated under the laws of Hong Kong Special Administrative Region, is a 51%-owned subsidiary of TWPH. The remaining 49% shareholding in MEIL is held by New Toyo International Holdings Ltd (“NTIH”), the ultimate holding company of TWPH.

Country of incorporation/ Date of Incorporation	Principal Activity	Authorised share capital	Issued and paid-up share capital
Australia/ 31 March 1936	Supply of printing packaging and paper board converting	AUD4,642,456	AUD4,584,279

4. BACKGROUND INFORMATION ON APT

APT is incorporated under the Law on Foreign Investment in Vietnam in 1996 and is effectively a wholly-owned subsidiary of the Company. APT is currently in the business of printing tobacco packaging and provides packaging services in general.

5. FINANCIAL/OPERATIONAL IMPACT

As a result of Anzpac's retrenchment exercise from the transfer of Gravure Printing Machine to APT to re-organise production footprints, the remaining retrenchment will be executed by end of Q2 2015 at a cost of approximately AUD2.38 million (equivalent to approximately RM6.72 million) and the last date of the retrenchment personnel's employment will be by end of Q2 2015 depending on production requirements.

6. EFFECTS OF THE PROPOSED RETRENCHMENT

6.1 Share capital

The Proposed Retrenchment does not have any effect on the issued and paid-up share capital of the Company.

6.2 Substantial shareholders' shareholdings

The Proposed Retrenchment does not have any effect on the substantial shareholders' shareholdings in the Company.

6.3 Gearing

The Proposed Retrenchment does not have any material effect on the gearing in the Company.

6.4 Consolidated Earnings, Earnings per share and Net Assets per share

	Audited Financial Results for Year Ended 31 Dec 2013	Proforma after Proposed Retrenchment
Consolidated Earnings (RM'000)	24,526	21,098
Earnings per share (sen)	25.42	21.86
Net Assets per share (RM)	2.37	2.34

7. APPROVALS REQUIRED

The Proposed Retrenchment does not require the approvals of the shareholders nor any relevant government authorities.

8. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

Save as disclosed below, none of the Directors and/or major shareholders and/or any persons connected with the Directors or major shareholders has any interest, direct or indirect, in the Proposed Retrenchment:-

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|-------------------------------|---|
| (a) Ms Angela Heng Chor Kiang | - Director of the Company, MEIL, Anzpac and NTIH, the ultimate holding company. |
| (b) Mr Lee Chee Whye | - Director of MEIL, Anzpac and a former Director of the Company. |
| (c) Mr Yen Wen Hwa | - Executive Chairman of the Company and a Director of Anzpac. He is also a major shareholder of the Company by virtue of his shareholdings in Yen & Son Holdings Ltd and NTIH pursuant to Section 6A of the Companies Act, 1965 (%: 54.10). |

Yen & Son Holdings Ltd is a major shareholder of TWPH and is deemed interested by virtue of its shareholdings in NTIH.

9. DIRECTORS' STATEMENT

The Board, after having considered all aspects of the Proposed Retrenchment, is of the opinion that the Proposed Retrenchment is in the best interest of TWPH.

10. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposed Retrenchment is expected to be completed by end of Q2 2015.

This announcement is dated 17 February 2015.