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**Miscellaneous**

\* Asterisks denote mandatory information

Name of Announcer *	CSC HOLDINGS LTD
Company Registration No.	199707845E
Announcement submitted on behalf of	CSC HOLDINGS LTD
Announcement is submitted with respect to *	CSC HOLDINGS LTD
Announcement is submitted by *	Lee Quang Loong
Designation *	Company Secretary
Date & Time of Broadcast	25-Oct-2013 17:32:15
Announcement No.	00096

**>> Announcement Details**

The details of the announcement start here ...

Announcement Title \* Establishment of Joint Venture with Tat Hong International Pte Ltd, AME Land Sdn Bhd and BP Lands Sdn Bhd

Description Please refer to the attachment.

**Attachments**

 [Establishment\\_of\\_Joint\\_Venture.pdf](#)  
 Total size = **76K**  
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**CSC HOLDINGS LIMITED**

(Company Registration No. 199707845E)

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**ESTABLISHMENT OF JOINT VENTURE WITH TAT HONG INTERNATIONAL PTE LTD,  
AME LAND SDN BHD AND BP LANDS SDN BHD**

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**1. INTRODUCTION**

The Board of Directors of CSC Holdings Limited (the “**Company**”) wishes to announce that its wholly-owned subsidiary, L&M Ground Engineering Sdn Bhd (“**L&M**”) has entered into a Shareholders’ Agreement (“**Shareholders Agreement**”) with Tat Hong International Pte Ltd (“**THI**”), AME Land Sdn Bhd (“**AME**”) and BP Lands Sdn Bhd (“**BP Lands**”) (collectively the “**JV Partners**”) in relation to Tat Hong Industrial Properties Sdn Bhd (“**THIP**” or the “**JV Co**”), to jointly undertake mixed property development in Iskandar Malaysia (the “**Joint Venture**”).

**2. THE JOINT VENTURE**

2.1 THI and THIP are wholly-owned subsidiaries of Tat Hong Holdings Ltd (“**THH**”). THI is the registered and beneficial owner of the existing issued and paid-up share capital of RM1.0 million (approx. S\$0.4 million) in THIP prior to the formation of the joint venture.

2.2 Pursuant to the Shareholders Agreement:-

i) the JV Partners will subscribe for 9 million new shares of RM1.00 per share fully paid in THIP and their resultant equity interests in THIP will be as follows:

<b>Shareholder</b>	<b>Total Paid-up Capital of JV Co</b>	<b>Equity interest in the JV Co</b>
THI	RM2.5 million	25%
AME	RM3.5 million	35%
BP Lands	RM3.5 million	35%
L&M	RM0.5 million	5%
Total	RM10.0 million	100%

ii) For the purpose of acquiring land for development, the JV Co will enter into an Assignment cum Nomination of Purchase Rights Agreement (“**ANPR Agreement**”):

a) with Tat Hong Heavy Equipment (Pte) Ltd (“**THHE**”), a wholly-owned subsidiary of THH, to take over the completion of the purchase of five parcels of vacant industrial land in Iskandar Malaysia (“**Iskandar Land A**”) under the sale and purchase agreement (“**SPA**”) dated 22 April 2011 that THHE had entered into with UEM Land Bhd (“**UEM**”) as vendor of Iskandar Land A; and

b) with L&M to take over the completion of the purchase of one parcel of vacant industrial land adjoining Iskandar Land A (“**Iskandar Land B**”) under the SPA dated 29 April 2011 that L&M had entered into with UEM as vendor of Iskandar Land B.

- iii) the JV Partners will advance shareholders loan of RM88.0 million (approx. S\$34.8 million) to the JV Co according to their respective shareholdings to fund the payments under the ANPR Agreement and other costs in relation to the operation of the JV Co.

A further announcement will be made when the ANPR Agreement is entered into between the JV Co, THHE and L&M.

### **3. THE JV PARTNERS**

THI is a wholly-owned subsidiary of THH. THH a company listed on the Mainboard of the Singapore Exchange Securities Trading Limited, is the seventh largest crane company in the world in terms of aggregate tonnage owned and owns the largest fleet of crawler and mobile cranes in the world (*source: International Cranes, IC50 Ranking, June 2013*). THH has four key businesses – the rental of crawler and mobile cranes, the rental of tower cranes, the distribution of cranes and heavy equipment and general equipment rental. Its operations span Southeast Asia, Hong Kong, China and Australia.

AME is part of the AME Group. The AME Group is well known for its five key businesses - real estate development, construction of industrial and commercial premises, steel structure fabrication, M&E services and IT & Security services. Among its flagship real estate development is the award winning industrial park project known as i-Park @ Indahpura located at Kulaijaya, Johor within Iskandar Malaysia's Flagship Zone E which won the coveted "Highly Commended Industrial Development Malaysia" award in the Asia Pacific Property Awards 2013-2014.

BP Lands is a property investment holding company in Malaysia and a wholly-owned subsidiary of Boustead Projects Pte Ltd, a leading industrial real estate solutions provider in Singapore, with core engineering expertise in the design-and-build, and development of industrial facilities for multinational corporations and local enterprises. To date, Boustead Projects Pte Ltd has constructed and developed more than four million square metres of industrial real estate regionally.

### **4. RATIONALE**

The Company had, through L&M, signed the SPA in 2011 to acquire Iskandar Land B which it had intended to use for the storage of its equipments and inventories and for maintenance facilities.

Recent developments in the Nusajaya area have resulted in the Iskandar Land B being in proximity to residential, commercial, educational and medical facilities. The original intended use of Iskandar Land B is now incompatible with the general land use in the Nusajaya area. In addition, the recent appreciation in the market value of Iskandar Land B has rendered it expensive for use as a depot for equipments storage and maintenance.

The Company considers the joint venture with THI, AME and BP Lands a good avenue to realise more efficient use of the Iskandar Land B and create further value. Due to the strong interest in industrial and other properties in the Nusajaya area of Iskandar Malaysia, the Company would, as a partner in the JV Co, be able to participate in future value creation through the development of Iskandar Land B while at the same time, mitigate its risks by partnering established companies in the property development and construction sectors

through the joint venture.

#### **5. FINANCIAL EFFECTS OF THE JOINT VENTURE**

The Company will fund the subscription of shares in the JV Co and the shareholders loan in relation to the Joint Venture, being the amount of RM0.5 million (approx. S\$0.2 million) and RM4.4 million (approx. S\$1.7 million) respectively, using internally generated funds.

The subscription of shares in the JV Co and the grant of the shareholders loan is not expected to have a material impact on the earnings per share or net tangible assets per share of the Company for FY2014.

#### **6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

Mr Ng San Tiong Roland is a Non-Executive Director and controlling shareholder of the Company, and is also the Managing Director and controlling shareholder of THH, of which THI is a wholly-owned subsidiary.

Save as disclosed, none of the directors or controlling shareholders of the Company has any direct or indirect interest in the joint venture other than through their interests in the Company as shareholders.

#### **7. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the Shareholders Agreement will be available for inspection during normal business hours at the registered office of the Company at 2 Tanjong Penjuru Crescent, Singapore 608968, for a period of three months from the date of this announcement.

#### **BY ORDER OF THE BOARD**

Lee Quang Loong  
Company Secretary

25 October 2013