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** Asterisks denote mandatory information*

Name of Announcer *	THAKRAL CORPORATION LTD
Company Registration No.	199306606E
Announcement submitted on behalf of	THAKRAL CORPORATION LTD
Announcement is submitted with respect to *	THAKRAL CORPORATION LTD
Announcement is submitted by *	Anil Daryanani
Designation *	Group Financial Controller
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>> ANNOUNCEMENT DETAILS

The details of the announcement start here ...

Announcement Title *	INVESTMENT IN RESIDENTIAL DEVELOPMENT, LANE COVE, SYDNEY, AUSTRALIA
Description	Please refer to attachment.

Attachments

 [ThakralCorp_Annmt_LaneCove_20110425.pdf](#)
 Total size = **17K**
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THAKRAL CORPORATION LTD
(Incorporated in the Republic of Singapore on 7 October 1993)
(Company Registration No. 199306606E)

ANNOUNCEMENT

INVESTMENT IN RESIDENTIAL DEVELOPMENT LANE COVE, SYDNEY, AUSTRALIA

The board of directors (the “Board”) of Thakral Corporation Ltd (the “Company” or “TCL”) is pleased to announce that its indirect wholly-owned subsidiary, Hanbest Limited (“Hanbest”), has on 8 April 2011 agreed to provide capital structured by way of debt facility to a special purpose vehicle wholly owned by Sakkara, a well-established developer in Sydney. Sakkara is to carry out a residential development project of 85 apartments on land located at Burns Bay Road, Lane Cove, a northern suburb in Sydney (the “Project”). The Project is known as Emerant Lane (<http://emerantlane.com.au>).

Details and Material Terms and Conditions of the Investment

The Project consists of the development of 85 apartments at 284 – 288 Burns Bay Road, Lane Cove (“the Land”), located 9 km from the Sydney Central Business District.

Sakkara is an experienced and established property developer in Australia. Since its founding 13 years ago, it has undertaken more than 80 property projects totaling A\$4.7 billion in value.

The Land has been secured by Sakkara pursuant to an option (the “Option”) for the purchase of the land from the land owner, an independent and unrelated third party. Development Approval (“DA”) to develop the Project on the Land was obtained on 10 March 2011.

(In this announcement “Financial Close” is defined to mean the exercise of the Option to acquire the Land).

Hanbest has agreed to provide up to A\$1.35 million prior to Financial Close. The maximum funding from Hanbest is capped at A\$8.4 million. The balance of A\$7.05 million to be provided at Financial Close is subject to the extensive conditions precedent and achieving of milestones in relation to the Project.

In the event that the transaction does not proceed to Financial Close, Hanbest has the right to require its loan to be repaid together with a minimum return thereon.

Source of funds

The investment is to be financed by bank borrowings and internal resources of TCL Group.

Valuation of the Investment

TCL Group’s investment is by way of loan. No asset has been purchased by TCL Group as such. In the circumstances, no independent valuation of the loan is required.

Net Profits Attributable to the Investment

TCL Group's return from the investment includes a fee for participating in the management of the Project in addition to the return on the capital provided.

The first draw down from TCL Group for the pre Financial Close funding of about A\$422,000 has been provided and the balance of the pre Financial Close commitment of A\$928,000 is expected to be drawn by the end of Q3 2011.

Based on the presumption that the total investment of A\$1.35 million is made accordingly, the net return attributable to the investment is expected to be as below:-

	For a full financial year (presumed invested at beginning of financial year)	For period funds actually advanced in 2011
Net return attributable to investment (approx.)	S\$0.42 million	S\$0.30 million

For the purposes of this announcement, the profit contribution from the Project after Financial Close has been ignored due to the time it will take to reach Financial Close and the uncertainty in meeting all conditions precedent and the final amount to be invested by TCL Group.

Financial effects of the Investment

TCL Group's initial commitment is to provide up to A\$1.35 million. The provision of the remaining A\$7.05 million is contingent on the satisfaction of various conditions precedent and the Project meeting certain milestones. Based on the initial draw down of A\$422,000, and subsequent draw down in Q3 of 2011, the investment would not have had any material impact on the net tangible assets or earnings per share of TCL Group for the last financial year ended 31 December 2010.

Rationale and Benefits for the Investment

The investment is in line with TCL Group's stated intention to invest in real estate investment opportunities to create a sustainable second revenue stream and contribute to positive shareholder value.

Directors and Controlling Shareholders' Interests

None of the directors or the controlling shareholders of the Company has any interest, direct or indirect, in the investment.

Service Agreements

No person will be appointed to the Board in connection with the investment and no service contracts in relation thereto will be entered into by the Company.

By Order of the Board

Kartar Singh Thakral
Chairman
25 April 2011
Singapore