

[Print this page](#)

MISCELLANEOUS

* Asterisks denote mandatory information

Name of Announcer *	BANYAN TREE HOLDINGS LIMITED
Company Registration No.	200003108H
Announcement submitted on behalf of	BANYAN TREE HOLDINGS LIMITED
Announcement is submitted with respect to *	BANYAN TREE HOLDINGS LIMITED
Announcement is submitted by *	Jane Teah
Designation *	Company Secretary
Date & Time of Broadcast	14-Sep-2010 20:12:25
Announcement No.	00129

>> ANNOUNCEMENT DETAILS

The details of the announcement start here ...

Announcement Title *	Establishment and First Closing of the Banyan Tree China Hospitality Fund
----------------------	---

Description

The Board of Banyan Tree Holdings Limited (the "Company") is pleased to announce that the Company established the Banyan Tree China Hospitality Fund (the "China Fund") on 13 September 2010, a private equity investment fund targeting total capital commitments of between RMB 1.0 bn to 1.5 bn (S\$200m to S\$250m) by way of a private placement to a limited number of investors. The China Fund has been constituted in the form of a limited liability partnership under the laws of the People's Republic of China ("PRC").

On 13 September 2010 the China Fund also completed its first closing with capital commitments of RMB 923m (S\$185m), which includes a capital commitment of RMB50m (S\$10m) from the Company. The China Fund will have a final closing for the admission of Limited Partners no later than 16 January 2011 ("Final Closing").

The Company has committed to investing an amount equivalent to at least 5% of the total capital commitments of the China Fund upon Final Closing.

Tianjin Banyan Tree Capital Investment Management Co., Ltd, a wholly-owned subsidiary of the Company established in the PRC, is the General Partner of the China Fund (the "General Partner").

THE CHINA FUND

The China Fund will primarily be making private equity investments in onshore PRC companies that will undertake hospitality projects in the PRC that will be operated under the Company's brands ("Banyan Tree" and "Angsana").

The China Fund will have a fund life of six years, subject to an extension of up to two additional years, after which, the General Partner will seek to realise the China Fund's investments via an initial public offering and listing on a stock exchange, a trade sale, or through any other method that would maximise value for the investors in the China Fund at that point in time.

BENEFITS OF THE CHINA FUND

The Board of the Company believes that the China Fund will enable the Company to:

- (i) establish a portfolio of resorts and hotels in the fast developing economy of the PRC in line with the Company's expansion plans,
- (ii) derive returns from its ongoing roles as general partner, as an investor, and as a provider of services to the underlying hospitality investments of the China Fund, and
- (iii) pursue a capital efficient strategy with regard to its investments in the PRC.

The above benefits will enable the Company to focus on growing its business through new management agreements and selective resort and hotel investments and increase its geographical presence in the PRC by expanding its resort and hotel operations in the country significantly during the China Fund term.

Attachments

Total size = 0
(2048K size limit recommended)

Close Window