CSC Holdings Limited Extraordinary General Meeting 12 December 2018

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Introduction



- > Proposed Adoption of General Mandate for Interested Persons Transactions ("IPT")
 - The Proposed IPT Mandate:

(a) will cover IPT arising from ordinary course of business operations; and

(b) will not cover transactions with joint ventures under Rule 916(2)

- Background:
 - IPT mandate in place since August 2003
 - Renewal of IPT Mandate was voted down in July 2016





Interested Person Transactions

As at 30 November 2018 :

Nature of IPTs	IPTs requiring Mandate \$'million	IPTs Not requiring Mandate \$'million	Total \$'million
Rental of Machinery	2.7	_	2.7
Rental of Workers Quarters & Yard	1.5	-	1.5
Revenue from Piling Work	0.6	-	0.6
Sale of Machinery	0.3	-	0.3
Others	0.8	1.0	1.8
Total	5.9	1.0	6.9
% of CSC's latest audited NTA	3.8%	0.6%	4.4%

• IPT limit at 5% of CSC's latest audited NTA (i.e. \$7.9M)



Interested Persons

- > Tat Hong Holdings Ltd and its subsidiaries ("**THH Group**")
 - Largest Crane Company in the Asia-Pacific Region
 - Fleet size in excess of 1,500 crawler, mobile and tower cranes ranging from under 50 tonnes to 1,600 tonnes
 - Approx. 50% to 60% crane fleet in Singapore
- TH Investments Pte Ltd and its Associates
- Chwee Cheng & Sons Pte Ltd and its Associates
- Ng San Tiong, Ng Sun Ho Tony, Ng San Wee David, Ng Sun Giam Roger and their Associates







Reasons for the Proposed IPT Mandate

- Require approx. 70 cranes for existing projects today
- > CSC owns 40 cranes which are fully deployed, remaining cranes are hired from third parties
- > FY19 todate, approx. 60% total rental cranes are hired from THH Group
- Cranes hired are higher tonnage cranes (for LTA projects), where demand is high and supply limited
- > Current arrangements with THH Group ensures continuity and smooth project execution
- As at 30 November 2018, rentals from THH Group is approx. \$2.7M (FY2018: \$2.5M) or 13% (FY2018: 10%) of our total equipment rental cost



Reasons for the Proposed IPT Mandate



- Aggregate value of IPTs @ 30/11/2018 is approx. 3.8% of CSC's latest audited NTA of \$157.7M
- No additional IPT allowed beyond 5% of CSC's audited NTA (i.e. \$7.9M) without shareholders approval
- IPT mandate eliminates the need to convene shareholders' meetings to seek approval for an IPT
- IPT Mandate will reduce expenses associated with holding shareholders' meetings on an ad hoc basis
- IPT mandate allows CSC to pursue time-sensitive business opportunities and frees up resources that can be channelled to other parts of CSC operations



Thank you

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