 Print this page


Miscellaneous	
* Asterisks denote mandatory information	
Name of Announcer *	LERENO BIO-CHEM LTD.
Company Registration No.	197401961C
Announcement submitted on behalf of	LERENO BIO-CHEM LTD.
Announcement is submitted with respect to *	LERENO BIO-CHEM LTD.
Announcement is submitted by *	Barbara Seng Suet Shee
Designation *	Company Secretary
Date & Time of Broadcast	16-Apr-2009 18:46:27
Announcement No.	00117

>> Announcement Details
The details of the announcement start here ...

Announcement Title * BUILDING AGREEMENT DATED 6 NOVEMBER 2007 BETWEEN LERENO BC (SINGAPORE) PTE LTD ("LERENO BC") WITH JURONG TOWN CORPORATION ("JTC")

Description

Attachments

 Building_Ageement_6Nov07_betw_LerenoBC_JTC_16April09.pdf
Total size = **36K**
(2048K size limit recommended)

Close Window

LERENO BIO-CHEM LTD
(Incorporated in the Republic of Singapore)
Company Registration No. 197401961C

BUILDING AGREEMENT DATED 6 NOVEMBER 2007 BETWEEN LERENO BC (SINGAPORE) PTE LTD (“LERENO BC”) WITH JURONG TOWN CORPORATION (“JTC”)

The Board of Directors of Lereno Bio-Chem Ltd (the “Company”) refers to the announcements made by the Company on 7 September 2007 and 30 November 2007 in relation to the Building Agreement dated 6 November 2007 (the “Building Agreement”) signed between its wholly owned subsidiary Lereno BC and JTC.

The Board of Directors of the Company wishes to announce that Lereno BC has on 16 April 2009 terminated the Building Agreement with JTC. The world financial crisis and the ensuing credit crunch have made it difficult for companies to raise funds for capital intensive projects. Lereno BC’s proposed substantial investments on Jurong Island are similarly affected. The Board is of the view that it would not be viable for Lereno BC to continue with the terms of the Building Agreement while waiting for the investment climate to improve.

Going forward, the prospects of the Group’s biofuel and oleochemicals production business through its plant in Lumut Malaysia is positive with the announced mandates in Malaysia, Indonesia and elsewhere for compulsory blending of biodiesel with fossil fuel.

The Group’s biodiesel plant in Lumut Malaysia produces winterized biodiesel meeting the stringent EU EN14214 and US ASTM D6751-08 specifications (including the recently introduced Cold Soak Filtration standard). Hence, the Group’s products command a price premium compared with other biodiesel produced from palm oil, and continue to enjoy order enquiries from international biofuel and oleochemical buyers.

The Company is actively exploring ways for it to expand its biodiesel/oleochemicals production capacity to take advantage of the imminent upturn in the biodiesel and oleochemicals industry. This includes, among other things, expanding the production capacity of the Group’s existing plant in Lumut and/or acquiring other completed biofuel / oleochemicals production facilities in the region.

By Order of the Board
Ong Puay Koon
Managing Director and Chief Executive Officer
16 April 2009