

## Asset Acquisitions and Disposals::Metro Group Enters Into Further Collaboration With PT Trans Corpora

## Issuer &amp; Securities

<b>Issuer/ Manager</b>	METRO HOLDINGS LTD
<b>Securities</b>	METRO HOLDINGS LIMITED - SG1111878499 - M01
<b>Stapled Security</b>	No

## Announcement Details

<b>Announcement Title</b>	Asset Acquisitions and Disposals
<b>Date &amp; Time of Broadcast</b>	03-Nov-2017 17:45:53
<b>Status</b>	New
<b>Announcement Sub Title</b>	Metro Group Enters Into Further Collaboration With PT Trans Corpora
<b>Announcement Reference</b>	SG1711030THRU21T
<b>Submitted By (Co./ Ind. Name)</b>	Tan Ching Chek
<b>Designation</b>	Company Secretary
<b>Description (Please provide a detailed description of the event in the box below)</b>	Please refer to the attached file.
<b>Attachments</b>	<a href="#">DealBekasi.pdf</a> Total size =111K

Like 0

Tweet



Share

## **METRO HOLDINGS LIMITED**

(Company Registration No. 197301792W)

### **METRO GROUP ENTERS INTO FURTHER COLLABORATION WITH PT TRANS CORPORA FOR THE DEVELOPMENT, MARKETING AND SALES OF APARTMENT UNITS IN BEKASI, JAKARTA, INDONESIA**

#### **1. INTRODUCTION**

The Board of Directors of Metro Holdings Limited ("Metro" or the "Company") wishes to announce that on 3 November 2017, its indirect wholly-owned subsidiary, Metrobilt Construction Pte Ltd ("MCPL"), and an independent third party, Shawco Pte Ltd ("SPL"), have entered into a Master Agreement (the "MA") with PT. Trans Corpora ("Trans Corp") in relation to the development, marketing and sales of five 32-storey residential towers in Bekasi, Jakarta Indonesia for a total investment value of approximately Rp1,987 billion (including VAT) (approximately S\$200.4 million) (the "Investment").

As announced by the Company on 19 October 2017, Metro has incorporated a new subsidiary in Indonesia, PT Metro Bekasi Investment ("MBI"), where MBI is 90% owned by MCPL and 10% by SPL. SPL is a wholly owned subsidiary of the Lee Kim Tah Group. MBI will undertake the transactions envisaged under the MA.

The Investment is in the ordinary course of the Metro Group's property development business.

#### **2. INFORMATION RELATING TO THE INVESTMENT**

##### **2.1 INFORMATION ON THE INVESTMENT**

Trans Corp is an Indonesian-based group primarily in businesses that span across media, retail, food and beverage, tour and travel, leisure and hotel and resort. It is currently developing the Trans Park Bekasi, Jakarta, which is a quality landmark mixed development over a site area of about 4.5 hectares and comprises of five 32-storey residential towers, a hotel, a school, SOHO apartments, shop houses, an office building and a Transmart mall with a gross floor area of approximately 30,485 square metres (the "Bekasi" project).

As part of Metro's ongoing property development business and in line with its strategy to expand in the East Asia and Southeast Asia region, Metro has entered into an agreement to further collaborate with Trans Corp for the development, marketing and sales of the five 32-storey residential towers component of the Bekasi project. The total investment value for the five 32-storey residential towers

(with approximately 5,600 apartment units) in Bekasi, Jakarta, is Rp1,987 billion (including VAT) (approximately S\$200.4 million). Both parties will jointly develop the marketing strategy to market and sell the apartment units.

MCPL and SPL has agreed to contribute 100% of the Investment sum and all the related taxes, estimated costs and expenses by way of equity in proportion to the 90:10 ratio of their shareholdings in MBI.

## 2.2 INFORMATION ON TRANS CORP AND CT CORP

Trans Corp is an Indonesian-based group which has businesses that span across media, lifestyle and entertainment, retail and property where it manages TV stations, high-end branded boutiques, food and beverage, theme parks, malls, and travel agencies. Trans Corp is a wholly-owned subsidiary of CT Corp.

CT Corp is an Indonesian-based conglomerate group which has diverse businesses mainly in banking and financial services, media, lifestyle and entertainment, and natural resources.

Both Trans Corp and Metro jointly operate the nine Metro retail department stores in Indonesia through its jointly-owned company, PT Metropolitan Retailmart.

## 2.3 INFORMATION ON THE BEKASI PROJECT

The Bekasi project is situated in Bekasi, south-east of Jakarta along Jalan Insinyur Haji Juanda, in close proximity to the bus station and railway station (100 metres) and the upcoming light train station (100 metres) which is expected to be completed in 2018. It is also located near the entry and exit points of a highway.

Bekasi is one of the fastest-growing urban cities in the country. It is also one of the newly developed upper middle class satellite cities with shopping malls, schools, universities, club houses and waterparks. Due to its close proximity to the trains and toll roads heading towards central Jakarta, it has attracted a large number of multinational companies and expatriates (mainly Japanese and Korean) to settle in Bekasi, as well as property investors.

The Bekasi project will be another one of Trans Corp's quality landmark mixed development projects and comprises of five 32-storey residential towers (approximately 5,600 units), a hotel, a school, SOHO apartments, shop houses, an office building and a Transmart mall over a site area of 4.5 hectares. Trans Corp held a ground-breaking ceremony on 3 November 2017 to mark the commencement of the construction and development of the Bekasi project which is expected to be completed in three years. Trans Corp will develop its trade-mark Transmart mall with a gross floor area of approximately 30,485 square metres and which will have department stores, supermarkets and cinemas, as well as a theme

park with Snow Town and Kidcity. The residential units are positioned for the mass market with quality design.

### **3. RATIONALE FOR THE PROPOSED INVESTMENT**

The proposed Investment will enable Metro to expand its retail interests in Indonesia, to Metro's core property business. Metro considers Indonesia, the largest economy in Southeast Asia, as a growth market with vast potential. Indonesia's real estate is underpinned by sound fundamentals such as country's steady economic growth, rapid urbanization, increasing domestic consumption, a rising affluent middle class and a young population. In addition, the Indonesian government has plans to build up its rail-network and infrastructure to offer seamless connectivity between cities in the country which will drive more economic growth for the country.

Metro also considers Trans Corp as a strategic partner with more than a decade of partnership since 2008, when Trans Corp took up its initial stake in Metro Indonesia to operate the retail department stores in Indonesia. The Investment will serve as the start of a strategic alliance between Trans Corp, Metro and Lee Kim Tah where each can contribute its expertise and complement each other particularly in the Indonesian real-estate sector.

The Investment is in line with the Company's stated intention to build Metro and its group of companies' ("Metro Group's") presence and investment in the region through a selective positioning, new investments in property development and strategic alliances with a view to broadening the revenue stream of the Metro Group and facilitating sustained profitability for the Metro Group moving forward.

### **4. CONSIDERATION**

The Metro Group's 90% commitment for the Investment is approximately Rp1,788.3 billion (including VAT) (approximately S\$180.4 million), and was arrived at based on arm's length negotiations.

The Metro Group's commitment and expenses relating to the transaction will be funded primarily from internal cash sources.

### **5. NTA/FINANCIAL EFFECTS**

The above Investment is not expected to have any significant effect on the consolidated net tangible asset per share and the consolidated earnings per share of the Metro Group for the current financial year ending 31 March 2018.

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

None of the Directors or controlling shareholders of the Company (to the best of the knowledge of the Company) has any interest, direct or indirect, in the above matter other than through their shareholding interests in the Company.

By Order Of The Board

Tan Ching Chek and Lee Chin Yin  
Joint Company Secretaries  
3 November 2017