

## ASSET ACQUISITIONS AND DISPOSALS::METRO GROUP ACQUIRES A PRIME OFFICE BUILDING IN SYDNEY, AUSTRALIA

### Issuer & Securities

#### Issuer/ Manager

METRO HOLDINGS LTD

#### Securities

METRO HOLDINGS LIMITED - SG1I11878499 - M01

#### Stapled Security

No

### Announcement Details

#### Announcement Title

Asset Acquisitions and Disposals

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Metro Group Acquires A Prime Office Building In Sydney, Australia

#### Announcement Reference

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#### Submitted By (Co./ Ind. Name)

Tan Ching Chek

#### Designation

Company Secretary

#### Description (Please provide a detailed description of the event in the box below)

Please refer to the attached files.

### Attachments

 [Ann - Castlereagh - Final.pdf](#)

 [MHL Press Release - Acquisition of Office Property in Australia.pdf](#)





**METRO HOLDINGS LIMITED**  
Company Registration No.: 197301792W  
(Incorporated in the Republic of Singapore)

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## **METRO GROUP ACQUIRES A PRIME OFFICE BUILDING IN SYDNEY, AUSTRALIA**

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The Board of Directors of Metro Holdings Limited (“**Metro**” or the “**Company**”, together with its subsidiaries, the “**Metro Group**”) wishes to announce the following:

### **ACQUISITION OF A PRIME OFFICE BUILDING IN SYDNEY, AUSTRALIA**

The Company has announced on 8 November 2019 that the Metro Group has entered into a Joint Venture Agreement with Sim Lian Group of Companies (“**Sim Lian**”), for the acquisition of a 20% stake in a portfolio of 14 quality freehold office and retail properties in Australia and the subsequent acquisitions of 2 neighbourhood retail centres – Ropes Crossing Village Shopping Centre in New South Wales in November 2020 and Cherrybrook Village Shopping Centre in August 2021. Thereafter, in October 2021, the Metro Group has increased its equity stake in the portfolio comprising 16 quality freehold office and retail properties as well as the asset and investment management company, Sim Lian – Metro Capital Pte. Ltd. (“**SLMC**”) by acquiring an additional 10% equity stake from Sim Lian. Arising from this, Metro Group holds a total of 30% equity stake in the portfolio and SLMC, and Sim Lian holds the remaining 70% equity stake. Subsequently, in July 2022, Shepparton Marketplace, a sub-regional retail centre in Victoria was acquired under this 30%-owned joint venture.

Further to the above announcements, SLMC Property Australia Pty Ltd as trustee for SLG 1 Castlereagh Trust, a newly constituted Trust on 24 September 2024, has entered into a Sale and Purchase Agreement with an independent third party to acquire a freehold prime office building, 1 Castlereagh Street (the “**Property**”) in Sydney, Australia for a purchase consideration of approximately A\$196.4 million (approximately S\$172.3 million) (the “**Investment**”) which mainly comprises the purchase consideration of the Property, related stamp duty, other costs and expenses. The purchase consideration was arrived at on a willing buyer willing seller basis.

SLG 1 Castlereagh Trust is wholly-owned by SLG Property Trust, a 30% indirect associated company of Metro SL Australia Investment Pte. Ltd. (“**Metro SL Australia**”). Metro SL Australia is an indirect wholly-owned subsidiary of the Metro Group.

The existing Australian portfolio of 17 freehold properties with Sim Lian has achieved a high occupancy of 94.1% and a weighted average lease expiry by income (“**WALE**”) of approximately 5.6 years as at 31 March 2024. Together with this acquisition, the Metro Group and Sim Lian will hold in total 18 quality freehold properties comprising 5 office buildings and 13 retail centres spanning across 4 key states, namely New South Wales, Victoria, Queensland and Western Australia, with a total appraised value of approximately A\$1,374 million (approximately S\$1,206 million) (the “**Portfolio**”).

The Investment is in the ordinary course of Metro Group’s property investment and development business.

## **Information on the Property**

The freehold prime Property is located in the financial core of Sydney CBD, Australia and is right across the newly opened Martin Place railway station. The 27-storey high building has a Net Lettable Area of 12,418 sqm and is surrounded by institutional grade offices and close to amenities, retail and food options. The occupancy is 85% with a WALE of approximately 3.0 years and being occupied by a diverse range of tenants.

## **The Acquisition Structure**

Metro Australia Holdings Pte Ltd, a wholly-owned subsidiary of the Metro Group, wholly-owned Metro SL Australia. Metro SL Australia indirectly owned 30% of Sim Lian Property Trust through Metro Property Trust (A) Pte. Ltd, a wholly-owned subsidiary of Metro SL Australia.

Sim Lian Property Trust's wholly-owned subsidiary, SLG Property Trust has constituted the following trust:

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Name of entity	:	SLG 1 Castlereagh Trust
Country of constitution	:	Australia
Principal activities	:	Property investment and rental operation
Unitholders' funds	:	A\$10 at incorporation
Unitholder	:	SLG Property Trust
Trustee	:	SLMC Property Australia Pty Ltd (30% indirectly owned by Metro SL Australia and 70% indirectly owned by Sim Lian)

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## **Consideration**

The Metro Group's capital commitment for the Investment is approximately A\$30.8 million (approximately S\$27.0 million) which mainly comprises the purchase consideration of the Property, related stamp duty, other costs and expenses and is funded primarily from internal cash sources and external borrowings.

## **NTA/Financial Effects**

The Investment is not expected to have any significant effect on the consolidated net tangible assets per share and consolidated earnings per share of the Metro Group for the current financial year ending 31 March 2025.

## **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 Eve Chan Bee Leng  
Joint Company Secretaries  
9 October 2024

## APPENDIX A

The table below sets out a summary of information on the Portfolio.

S/N	Property	State	Net lettable area (square metres) <sup>1</sup>
1	50 Margaret Street, Sydney, NSW 2000	New South Wales	8,800
2	390 St Kilda Road, Melbourne, VIC 3004	Victoria	16,219
3	100 Edward Street, Brisbane City, QLD 4000	Queensland	6,955
4	59 Albany Highway, Victoria Park, WA 6100	Western Australia	12,836
5	1 Castlereagh Street, Sydney, NSW 2000	New South Wales	12,418 <sup>2</sup>
<b>Sub-total Office Buildings</b>			<b>57,228</b>
1	Jordan Springs Shopping Centre, 61–63 Water Gum Drive, Jordan Springs, NSW 2747	New South Wales	6,245
2	Lake Munmorah Shopping Centre, 275 Pacific Highway, Lake Munmorah, NSW 2259	New South Wales	5,630
3	Tarneit Gardens Shopping Centre, 747 Tarneit Rd, Tarneit, VIC 3029	Victoria	6,420
4	6 Coltman Plaza, Lucas, VIC 3350	Victoria	5,512
5	Lara Village Shopping Centre, 2-4 Waverley Road, Lara, VIC 3212	Victoria	6,441
6	Town Square Redbank Plains, 357-403 Redbank Plains Road, Redbank Plains, QLD 4301	Queensland	27,328
7	Everton Park Woolworths, 768 Stafford Road, Everton Park, QLD 4053	Queensland	5,682
8	Everton Park Home Centre, 752 Stafford Road, Everton Park, QLD 4053	Queensland	12,547
9	Woolworths Rothwell, 763 Deception Bay Road, Rothwell, QLD 4022	Queensland	4,963
10	Dalyellup Shopping Centre, 54 Tiffany Centre, Dalyellup, WA 6230	Western Australia	6,499
11	Ropes Crossing Village, 8 Central Place, Ropes Crossing, NSW 2760	New South Wales	5,803
12	Cherrybrook Village Shopping Centre, 41-47 Shepherds Drive, Cherrybrook Village, NSW 2126	New South Wales	9,394
13	Shepparton Marketplace, 110-120 Benalla Road, Shepparton, VIC 3630	Victoria	16,535
<b>Sub-total Retail Centres</b>			<b>118,999</b>
<b>Overall Portfolio</b>			<b>176,227</b>

<sup>1</sup> As at 31 March 2024

<sup>2</sup> As at 1 September 2024

## **ABOUT SIM LIAN**

Sim Lian is a group of companies with established businesses in property development and investment, construction, asset management, and financial investments across Singapore, Malaysia and Australia. Founded in 1976, it consists of Sim Lian Holdings Pte Ltd and Sim Lian Group Limited.

Sim Lian Holdings Pte Ltd is a property development and investment company with a focus on commercial and retail developments. This is complemented by its asset management arm which has deep expertise and a strong track record in the Singapore and Australia real estate markets.

Sim Lian Group Ltd is an established construction, property development and investment company. The Group was listed on the Mainboard of the Singapore Exchange for 16 years from 2000 to 2016, and has a broad portfolio of residential, commercial, industrial, retail and mixed-use developments, built on the core foundations of prime location, quality workmanship and efficient space planning.

**NEWS RELEASE**

**METRO EXPANDS AUSTRALIA PORTFOLIO WITH JOINT VENTURE PARTNER SIM LIAN THROUGH ACQUISITION OF A FREEHOLD PRIME OFFICE PROPERTY IN SYDNEY CORE CBD**

- *Metro has acquired the freehold prime office property at 1 Castlereagh Street in Sydney for A\$196.4m (approximately S\$172.3m) through its 30%-owned joint venture Australian portfolio with Sim Lian*
- *The 27-storey office building is located at the financial core of Sydney's CBD next to the newly opened Martin Place railway station with good connectivity and access to amenities*
- *This opportunistic acquisition strategically expands the Group's footprint in Australia and marks Metro's 18th property and 5th office asset in the portfolio*



**Left: Building exterior**

**Right: Entrance to office lobby**

**Singapore, 9 October 2024** – Mainboard-listed Metro Holdings Limited (“**Metro**” or the “**Group**”) (“美罗控股有限公司”), a property investment and development group backed by established retail operations, has together with its joint venture partner, the Sim Lian Group of Companies (“**Sim Lian**”), acquired a freehold prime office property (“**Property**”) located at 1 Castlereagh Street in Sydney, New South Wales, Australia.

1 Castlereagh Street is a 27-storey office building with retail on its ground levels located within the highly sought after financial core of Sydney’s CBD, which is right next to the newly opened Martin Place railway station and enjoys good connectivity and access to amenities. The building was refurbished in 2021 and has achieved a NABERS (National Australian Built Environment Rating System) rating of 4 stars, and features regular and column-free floor plates that offer ease of subdivision to cater to different user demand. Prime office buildings in Sydney’s CBD core enjoy higher annual rental growth<sup>1</sup>, with tenant demand persisting for well-located and quality assets<sup>2</sup>. The Property has a net lettable area (“**NLA**”) of 12,418 square metres with an occupancy of 85%<sup>3</sup> that is well-supported by a diverse tenant mix, and a weighted average lease expiry by income (“**WALE**”) of approximately 3.0 years<sup>3</sup>.

Metro, together with its joint venture partner Sim Lian, has entered into a Sale and Purchase Agreement to acquire the Property from an independent third party for a purchase consideration of A\$196.4 million (approximately S\$172.3 million), which mainly comprises the purchase consideration of the Property, related stamp duty, other costs and expenses. The Metro Group’s capital commitment for the investment is approximately A\$30.8 million (approximately S\$27.0 million) and will be funded primarily from internal cash sources and external borrowings.

This opportunistic acquisition strategically expands Metro’s footprint in Australia and marks the Group’s 18th property and 5th office asset in the country. Metro’s existing 30%-owned joint venture Australian portfolio of 17 freehold properties with Sim Lian achieved a high occupancy of 94.1% and a WALE of approximately 5.6 years as at 31

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<sup>1</sup> Knight Frank, Sydney CBD Office Market – August 2024

<sup>2</sup> Cushman & Wakefield, Marketbeat – Sydney CBD – Office Q2 2024

<sup>3</sup> As at 1 September 2024



March 2024. Following the acquisition, the total appraised value of Metro's portfolio with Sim Lian will be approximately A\$1,374 million (approximately S\$1,206 million), consisting of 18 quality freehold properties (comprising 5 office buildings and 13 retail centres) with a total NLA of 176,227 square metres spanning New South Wales, Victoria, Queensland and Western Australia.

**(Please see Appendix A for more information)**

Metro Group Chief Executive Officer and Executive Director, Mr. Yip Hoong Mun said, "This is a rare opportunity to acquire a freehold prime office property within the highly sought-after core precinct of Sydney's CBD which continues to benefit from flight-to-location and flight-to-quality trends. The acquisition enhances our portfolio in Australia and deepens our strategic partnership with Sim Lian."

## **ABOUT METRO HOLDINGS LIMITED**

Metro Holdings Limited, a company listed on the Main Board of the SGX-ST since 1973, has a rich history that dates back to 1957 when it began as a humble textile store located at 72 High Street. Throughout its journey, Metro Holdings has evolved into a diversified property and retail group, with a global footprint in investments and operations.

Today, Metro Holdings is structured into two primary business segments: property investment and development, as well as retail. The company's strategic focus extends across pivotal markets, encompassing Singapore, China, Indonesia, the UK, and Australia.

### **Property Investment and Development**

The Group's property arm owns and manages prime retail and office properties in first-tier cities in China, including Shanghai and Guangzhou, along with emerging high-growth cities like Chengdu. Through strategic partnerships and collaborative ventures, Metro Holdings has broadened its property portfolio to encompass a diverse range of assets in Singapore, China, Indonesia, the UK, and Australia.

### **Retail**

Metro's retail division is dedicated to serving its valued customers through its two flagship Metro department stores in Singapore. The Metro shopping brand stands as an enduring and household name within the retail industry, offering an extensive range of high-quality merchandise to meet the diverse needs and preferences of its clients.

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ISSUED ON BEHALF OF : Metro Holdings Limited  
BY : Citigate Dewe Rogerson Singapore Pte Ltd  
158 Cecil Street  
#05-01  
SINGAPORE 069545  
CONTACT : Ms Dolores Phua  
at telephone  
DURING OFFICE HOURS : 6534 5122  
EMAIL : [Metro@citigatedewerogerson.com](mailto:Metro@citigatedewerogerson.com)

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