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**Acquisitions and Disposals :: Discloseable Transaction :: Increase In Effective Equity Increase In Jointly Controlled Entities of Metro Holdings Limited**

\* Asterisks denote mandatory information


Name of Announcer *	METRO HOLDINGS LIMITED
Company Registration No.	197301792W
Announcement submitted on behalf of	METRO HOLDINGS LIMITED
Announcement is submitted with respect to *	METRO HOLDINGS LIMITED
Announcement is submitted by *	Tan Ching Chek
Designation *	Company Secretary
Date & Time of Broadcast	14-Aug-2013 17:41:37
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**>> Announcement Details**

The details of the announcement start here ...

Announcement Title *	Increase In Effective Equity Increase In Jointly Controlled Entities of Metro Holdings Limited
Description	Please refer to the attachment.

**Attachments**

 [MHLECM.pdf](#)  
 Total size = **74K**  
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## **METRO HOLDINGS LIMITED**

(Company Registration No. 197301792W)

### **INCREASE IN EFFECTIVE EQUITY INTEREST IN JOINTLY CONTROLLED ENTITIES OF METRO HOLDINGS LIMITED**

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#### **1. INTRODUCTION**

The Board of Directors of Metro Holdings Limited ("Metro" or the "Company") wishes to announce that Nordevo Investments Limited ("Nordevo"), a 50% held jointly controlled entity of Crown Investments Ltd, a wholly-owned subsidiary of Metro China Holdings Pte Ltd, has entered into a Share Purchase Agreement and Deed of Novation (together, the "SPA") to increase its 63.3% equity interest in China East Investment Ltd ("CEI") to 100% (the "Investment"). CEI's wholly-owned subsidiary, ECM Property Holding (Tianjin) Co Ltd, owns EC Mall at Zhongguancun, Haidian District, Beijing, PRC. Metro China Holdings Pte Ltd is a wholly-owned subsidiary of the Company.

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

The SPA provides for Nordevo to acquire 36.7% of the issued shares of CEI at approximately US\$7.7 million, and to acquire the related shareholders loans of approximately US\$36.3 million. The total consideration is US\$44 million (approximately S\$55.8 million).

The Company will hold a 50% effective interest in CEI through Nordevo, once Nordevo completes the acquisition of the 36.7% of the issued shares of CEI.

#### **3. CONSIDERATION**

The consideration for the issued shares of CEI was arrived at based on arm's length negotiations by the parties and on the NTA of CEI.

The total consideration of US\$44 million for the Investment will be satisfied by cash. The Metro Group's share of the commitment of approximately US\$22 million (approximately S\$27.9 million) will be funded from internal cash resources.

**4. NTA / FINANCIAL EFFECTS**

Based on the NTA of CEI included in the latest announced consolidated accounts of the Metro Group as at 30 June 2013, the equivalent of a 36.7% interest would approximate US\$12.0 million (S\$15.2 million).

The acquisition of the additional interest in CEI is not expected to have a 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 2014.

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

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

**6. COMPLIANCE WITH RULE 704(17)(D) OF THE LISTING MANUAL**

As the completion of the Investment will result in Nordevo increasing its interest in CEI, being jointly controlled entities of the Group, this announcement is made pursuant to and for the purposes of compliance with Rule 704(17)(d) of the Listing Manual.

By Order Of The Board

Tan Ching Chek and Lee Chin Yin  
Joint Company Secretaries  
14 August 2013