

Matrix Concepts, Salim Group to develop Jakarta Islamic finance hub

PETALING JAYA: Matrix Concepts Holdings Bhd (MCHB) has entered into a memorandum of understanding (MoU) with a Salim Group joint venture PT Bangun Kosambi Sukses (BKS) and PT Nikko Sekuritas Indonesia (NSI) for the joint development of an Islamic financial district in Pantai Indah Kapuk (PIK) 2, Jakarta.

BKS is jointly owned by Agung Sedayu Group and Salim Group, and the developer of PIK 2 Sedayu Indo City Indonesia. NSI is an investment banking firm that offers brokerage, underwriting and fund management in Indonesia. Both BKS and NSI are companies incorporated in Indonesia.

Upon execution of this MoU, the parties will negotiate in good faith on the terms and conditions of the proposed joint venture agreement (JVA) to be entered between the parties and endeavor to execute the definitive JVA within six months.

"The proposed Islamic financial district, is initiated by the Indonesian government in their quest to position themselves as an Islamic financial district in view of their large Muslim population. MCHB plans to join effort with the Indonesian consortium in Indonesia to undertake this project that is expected to benefit both parties in the long run. The definitive JVA serves to affirm MCHB's first step to establish its presence in Indonesia, being one of the biggest and growing markets in Asean," MCHB said.

At this juncture, the establishment of JVA is still in the midst of in-depth study and negotiation by the parties to the MoU with the final costs and commitment of the parties to be finalised in due course.

As such, for the time being, the MoU has no material financial effects on MCHB group for the financial year ending March 31, 2019 but is anticipated to contribute positively to the future earnings of MCHB group should there be a successful joint venture between the parties.

The stock was up one sen to RM1.95 with some 472,300 shares changing hands.