NEWS RELEASE

METRO GROUP DEEPENS ITS PRESENCE IN SINGAPORE BY INVESTING INTO A QUALITY PORTFOLIO OF 14 INDUSTRIAL, BUSINESS PARK, HIGH-SPEC INDUSTRIAL AND LOGISTICS PROPERTIES

- ***Extends Metro's footprint into the resilient industrial real estate market in Singapore by acquiring a 26% stake in a portfolio of 14 quality industrial, business park, high-spec industrial and logistics properties***
- ***First collaboration and strategic partnership with Boustead Projects Limited, which has deep expertise, proven track record and a strong pipeline in the sector in Singapore***
- ***Establishes a strategic presence with immediate scale to generate stable and recurring income***



From Left to Right: GSK Asia House, Continental Building – Phase 2

Singapore, 31 December 2020 – Main Board-listed Metro Holdings Limited ("**Metro**" or the "**Company**", together with its subsidiaries, the "**Metro Group**") ("美罗控股有限公司"), a property investment and development group backed by established retail operations, has expanded its Singapore footprint by acquiring a 26% stake in a portfolio of 14 quality industrial, business park, high-spec industrial and logistics properties by subscribing into the

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Units and Notes to be issued by Perpetual (Asia) Limited (in its capacity as trustee of Boustead Industrial Fund ("**BIF**")) for an investment amount of up to S$76.6 million.

The investment marks Metro's entry into the highly sought-after industrial real estate market in Singapore for long term investment growth and represents the first collaboration and strategic partnership with the sponsor of BIF, Boustead Projects Limited ("**BPL**"). The remaining 25% of the Units and Notes will be held by BPL or its wholly-owned subsidiary and 49% by another third party institutional real estate investors. The fund manager of BIF is Boustead Industrial Fund Management Pte. Ltd.

Quality Portfolio to Generate Stable and Recurring Income

The total portfolio of 14 properties comprises six industrial properties, one business park, four high-spec industrial properties and three logistics properties are located in various parts of Singapore and within proximity to transportation nodes. With a total net lettable area of 1,748,105 square feet, the portfolio enjoys a high committed average occupancy rate of 99% and an overall weighted average lease expiry ("**WALE**") of approximately 7.7 years.

The investment augurs well with the Metro Group's overall long term investment strategy of building a resilient real estate portfolio for sustainable recurring income as Singapore's industrial real estate market, which mainly consists of industrial, business park and logistics properties, remains resilient amid the COVID-19 pandemic given the nation's stability[1]. The occupancy rates for industrial, business park and logistics properties remain high at 87.8%, 85.4% and 89.1% respectively in 3Q2020[2] and rental rates are expected to remain stable driven by the demand from the foreign companies looking to expand their operations in Singapore.

(Please see Appendix A Information on the Portfolio for more information)

[1] *Source: Knight Frank Singapore 3Q2020 industrial research report*
[2] *Source: JTC 3Q2020 quarterly industrial properties market report*

Metro Chairman, Lt Gen (Rtd) Winston Choo (“朱维良”), said, “We are delighted to mark this first and strategic partnership with an established and reputable group like BPL, an experienced industrial developer and operator. This deepens the Group’s investment in our home market – Singapore and with BPL’s proven track record and strong pipeline in the industrial real estate market in Singapore, this will provide the long term potential investment growth in the new sector together.

“The investment marks Metro’s entry into the highly sought-after industrial real estate market in Singapore, which has and will remain resilient, underscored by foreign investments drawn to the country’s stability and favourable destination as a hub for companies worldwide and the industrial sector is poised for sustainable growth over the long term.”

Group Chief Executive Officer, Yip Hoong Mun (“叶康文”), added, “This collaboration is in line with the Metro Group’s overall long term investment strategy to diversify and expand our real estate investment portfolio for stable and recurring income, particularly in a sector where we see long term investment growth – the Singapore industrial real estate market.”

“We see several positive attributes for this quality portfolio, which is well diversified within key industrial, business park and logistics segments. In addition, these strategically located properties enjoy a high committed average occupancy rate with a defensive long WALE and are being anchored by quality tenants. The investment represents an excellent proposition for Metro to establish a strategic presence in the Singapore industrial real estate market with an immediate scale of 14 quality assets to generate stable and recurring income.”

ABOUT METRO HOLDINGS LIMITED

Listed on the Main Board of the SGX-ST in 1973, Metro Holdings started out in 1957 as a textile store on 72 High Street. Over the years, Metro has grown to become a property and retail group with investments and operations in the region.

Today, the Group operates two core business segments – property investment and development, and retail – and focuses on key markets in Singapore, China, Indonesia, the United Kingdom (“UK”) and Australia.

Property Investment and Development

The Group's property arm owns and manages several prime retail and office properties in first tier cities in China, such as Shanghai and Guangzhou, and up-and-coming high growth cities like Chengdu. It has expanded its portfolio to cover a fuller spectrum of properties in Singapore, China, Indonesia, the UK and Australia.

Retail

Metro's retail arm serves customers through two Metro department stores in Singapore and through its online platforms. The Metro shopping brand is an established household name in the retail industry and offers a wide range of quality merchandise.

ABOUT BOUSTEAD PROJECTS LIMITED

SGX Mainboard-listed BPL, the Portfolio's sponsor, was established in 1996 and is a leading real estate solutions provider in Singapore, with core engineering expertise in the design-and-build and development of smart eco-sustainable business park and industrial developments for clients including Fortune 500, S&P 500 and Euronext 100 corporations. BPL has constructed and developed more than three million square metres of real estate regionally in Singapore, China, Malaysia and Vietnam.

BPL is a 53%-owned[3] subsidiary of Boustead Singapore Limited (SGX:F9D), a progressive global infrastructure-related engineering and technology group which is separately listed on the SGX Mainboard.

[3] As at 31 December 2020

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Appendix A

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

S/N	Property name and/or address	Sector	Net lettable area[1] (square feet)	Market value[1] (100% basis) (S$' million)	Percentage of equity interest held by BIF
1	Bombardier Aerospace (10 Seletar Aerospace Heights, Singapore 797546)	Industrial	66,155	22.2	100%
2	11 Seletar Aerospace Link, Singapore 797554	Industrial	38,391	11.6	49%
3	26 Changi North Rise, Singapore 498756	Industrial	64,584	13.3	100%
4	16 Tampines Industrial Crescent, Singapore 528604	Industrial	215,493	38.3	100%
5	85 Tuas South Avenue 1, Singapore 637419	Industrial	112,299	19.6	100%
6	10 Tukang Innovation Drive, Singapore 618302	Industrial	266,947	52.5	49%
7	GSK Asia House (23 Rochester Park, Singapore 139234)	Business Park	136,341	144.8	100%
8	Edward Boustead Centre (82 Ubi Avenue 4, Singapore 408832)	High-spec industrial	80,770	33.0	100%
9	Continental Building – Phase 1 (80 Boon Keng Road, Singapore 339780)	High-spec industrial	121,766	59.3	100%
10	Continental Building – Phase 2 (80 Boon Keng Road, Singapore 339780)	High-spec industrial	53,151		100%
11	Continental Building – Phase 3 (84 Boon Keng Road, Singapore 339781)	High-spec industrial	120,031	30.1	49%
12	10 Changi North Way, Singapore 498740	Logistics	128,505	30.0	100%
13	12 Changi North Way, Singapore 498791	Logistics	221,822	38.2	100%
14	16 Changi North Way, Singapore 498772	Logistics	121,850	25.0	100%
Total			**1,748,105**	**517.9**	

[1] Based on valuation report as at 30 November 2020

Industrial Properties

1) Bombardier Aerospace



2) 11 Seletar Aerospace Link



3) 26 Changi North Rise



4) 16 Tampines Industrial Crescent



5) 85 Tuas South Avenue 1



6) 10 Tukang Innovation Drive



Business Park

7) GSK Asia House



High-Spec Industrial Properties

8) Edward Boustead Centre



9) Continental Building – Phase 1



10) Continental Building – Phase 2



11) Continental Building – Phase 3



Logistics Properties

12) 10 Changi North Way



13) 12 Changi North Way



14) 16 Changi North Way

