METRO HOLDINGS LIMITED
(Company Registration No. 197301792W)

SETTING UP OF AN ASSOCIATED COMPANY

1. INTRODUCTION

The Board of Directors of Metro Holdings Limited ("Metro" or the "Company") wishes to announce that Firewave Management Limited ("Firewave"), a wholly-owned subsidiary of Crown Investments Ltd ("Crown"), in turn a wholly-owned subsidiary of Metro China Holdings Pte Ltd, has set up a 48.027% associated company by the name of South Bright Investment Limited ("South Bright"). The balance 51.973% of South Bright is controlled by InfraRed NF China Real Estate Fund II (A), L.P. ("Fund II"), a private equity real estate fund. Metro China Holdings Pte Ltd is a wholly-owned subsidiary of the company.

2. INFORMATION RELATING TO SOUTH BRIGHT

South Bright is incorporated in the British Virgin Islands with an issued share capital of 50,000 shares of US$1 each and its principal activity is that of investment holding. Further to the announcement dated 16 June 2015, it is proposed that Firewave will utilize South Bright to co-invest with Fund II in real estate debt instruments in the People's Republic of China.

3. CONSIDERATION

The Metro Group's commitment for South Bright's investments is about US$28 million (approximately S$39.9 million), and was arrived at based in arm's length negotiations and will be funded primarily from internal cash sources. This commitment is in addition to Firewave's total commitment to invest US$57 million in Fund II as set out in the announcement dated 16 June 2015.

4. FINANCIAL EFFECTS

The setting up of South Bright 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 2017.

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

To the best of our knowledge, 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 (if any) in the Company.

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

This announcement is made pursuant to and for the purposes of compliance with Rule 704(17)(c) of the Listing Manual.

BY ORDER OF THE BOARD

Tan Ching Chek and Lee Chin Yin
Joint Company Secretaries
30 November 2016