METRO HOLDINGS LIMITED
(Company Registration No. 197301792W)

METRO GROUP'S STUDENT ACCOMMODATION FUND ACQUIRES FOUR PROPERTIES IN EXETER, DURHAM, GLASGOW and KINGSTON, UNITED KINGDOM

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1. INTRODUCTION

The Board of Directors of Metro Holdings Limited ("**Metro**" or the "**Company**", together with its subsidiaries, the "**Metro Group**") wishes to announce that its student accommodation fund, Paideia Capital UK Trust ("**Trust**"), has acquired four freehold student accommodation properties in Exeter, Durham, Glasgow and Kingston in the United Kingdom ("**UK**") (the "**Properties**"). The Trust is 30% owned by Sun Capital Assets Pte. Ltd., a wholly-owned subsidiary of the Company and the remaining 70% in the Trust is held by Lee Kim Tah Holdings Limited, Aurum Investments (Private) Limited ("**Aurum**") and a third party. Aurum is a direct wholly-owned subsidiary of Woh Hup Holdings Pte Ltd.

Paideia Capital Pte. Ltd. ("**Paideia Capital**"), a wholly-owned subsidiary of the Trust (acting through Paideia Trustee Pte. Ltd. as the trustee), entered into a sale and purchase agreement with an independent third party to acquire the entire issued share capital of Oval Properties 2801 Limited and Oval Properties 2901 Limited (the "**Target PropCos**"), along with its subsidiary, Oval Properties 2902 Limited (the "**Subsidiary PropCo**") (collectively, the "**PropCos**") (the "**Investment**"). The PropCos entered into a conditional property purchase agreement relating to the acquisition of the Properties (the "**Acquisition**"). On 31 May 2022, the legal completion on the Investment and the Acquisition took place.

The Investment and the Acquisition are in the ordinary course of Metro Group's property investment and development business.

2. INFORMATION ON THE INVESTMENT AND THE PROPERTIES

2.1 Information on the Acquisition of the Properties

The total purchase consideration is £74.4 million (approximately S$119.0 million) which mainly comprises the purchase consideration of the Target PropCos and the Properties, the related stamp duties and estimated fees and expenses. The purchase consideration was arrived at on a willing buyer willing seller basis after taking into account *inter alia* the expected net income to be derived from the Properties.

The total purchase consideration will be funded by a combination of proceeds from subscription of units in the Trust and external borrowings.

2.2 Information on the Four Properties

Iron Bridge Studios, Exeter ("**Exeter Property**")

Iron Bridge Studios is located on the Western fringe of Exeter city centre, 5 minutes' walk to Exeter Central train station. The Exeter Property is just an 8 minutes' walk away from the Exeter College and a 19 minutes' walk away from the St. Luke's campus of University of Exeter.

It was completed in 2012 and comprises 129-bed with reception, communal areas, central courtyard and laundry room. Being centrally located, the Exeter Property is only a few minutes' walk away from Guildhall Shopping Centre. The area is well-connected to the entire city via public transport. Iron Bridge Studios currently has a 99% occupancy rate.

The total purchase consideration which includes the related stamp duties and estimated fees and expenses is £16.1 million (approximately S$25.8 million).

St. Giles Studios, Durham ("**Durham Property**")

St Giles Studios is located in Gilesgate, to the east of Durham city centre, around 1.8 kilometres from the train station. The Durham Property is a 6 minutes' walk from College of St. Hild & St. Bede and 7 minutes' walk from the School of Education. The accommodation provides close proximity to shops, Durham city centre and the Durham University colleges.

The Durham Property was completed in 2016 and comprises 109 self-contained studios, plus reception, office and various communal areas for the students. Each studio is stylishly decorated with a double bed, excellent storage, a kitchen and an en-suite bathroom. St Giles Studios currently has a 100% occupancy rate.

The total purchase consideration which includes the related stamp duties and estimated fees and expenses is £9.5 million (approximately S$15.2 million).

Gallery Apartments, Glasgow ("**Glasgow Property**")

Gallery Apartments is a 5 minutes' walk away from Glasgow Caledonian University and the Royal Conservatoire of Scotland and a 10 minutes' walk from the University of Strathclyde. Queen Street Railway station and Buchanan Street Subway station are just over 5 minutes' walk south and Buchanan Bus station is immediately adjacent to the Glasgow Property. It is located within the heart of Glasgow city centre and benefits from extensive amenities including a cinema, cafes, pubs, shops and restaurants, all accessible within a short walking distance.

The Glasgow Property is a former hotel which was converted to use as student accommodation in 2010/2011. It has two commercial units comprising a convenience store and a restaurant. The Glasgow Property with 140-bed offers good communal facilities including common room, study room, gym, cinema, cycle storage and laundry room. Gallery Apartments currently has a 100% occupancy rate.

The total purchase consideration which includes the related stamp duties and estimated fees and expenses is £21.9 million (approximately S$35.0 million).

73-77 Penrhyn Road, Kingston ("**Kingston Property**")

The Kingston Property is located on Penrhyn Road, approximately half a mile south of the centre of Kingston. The Kingston Property is adjacent to the main campus of the Kingston University. The Bentalls Shopping Centre and central Kingston are located a 12 minutes' walk from the Kingston Property, and provide access to restaurants, retail and leisure amenity.

The Kingston Property was completed in 2017 and include retail space. The Kingston Property with 89-bed is currently undergoing fire safety remediation works in addition to a refurbishment of the internal bedspaces and is operating at a reduced capacity. One of the two buildings will be closed for the 2022/2023 academic year. The Kingston Property is fully let on a 25-year full repairing and insuring (FRI) lease to Kingston University with 20 years remaining. Rent will continue to be paid during the rectification period.

The total purchase consideration which includes the related stamp duties and estimated fees and expenses is £26.9 million (approximately S$43.0 million).

2.3 Information on The Trust

The student accommodation fund, the Paideia Capital UK Trust, is constituted as a private trust in Singapore:

Name of Trust	:	Paideia Capital UK Trust
Country of Constitution	:	Singapore
Aggregate Committed Capital (First Closing)	:	£60 million
Subscribers	:	30% - Sun Capital Assets Pte. Ltd. 30% - Lee Kim Tah Holdings Limited 30% - Aurum Investments (Private) Limited 10% - Third Party

Sun Capital Assets Pte. Ltd. is a wholly-owned subsidiary of the Metro Group.

2.4 Information on the Associated Companies

Paideia Capital Pte. Ltd., a wholly-owned subsidiary of the Trust, has acquired the following subsidiaries:

Name of Subsidiary	:	Oval Properties 2801 Limited (the "**Target PropCo**")
Country of Incorporation	:	Jersey Channel Islands
Issued and Fully Paid Up Capital	:	£1
Shareholder	:	Paideia Capital Pte. Ltd.
Property Acquired	:	73 – 77 Penrhyn Road, Kingston

Name of Subsidiary	:	Oval Properties 2901 Limited (the "**Target PropCo**")
Country of Incorporation	:	Jersey Channel Islands
Issued and Fully Paid Up Capital	:	£1
Shareholder	:	Paideia Capital Pte. Ltd.
Properties Acquired	:	(1) Iron Bridge Studios, Exeter (2) St. Giles Studios, Durham (3) Gallery Apartments, Glasgow

Name of Subsidiary	:	Oval Properties 2902 Limited (the "**Subsidiary PropCo**")
Country of Incorporation	:	Jersey Channel Islands
Issued and Fully Paid Up Capital	:	£1
Shareholder	:	Oval Properties 2901 Limited
Property Acquired	:	St. Giles Studios, Durham

3. CONSIDERATION

The Metro Group's 30% equity commitment for the PropCos and the Properties' total purchase consideration of £74.4 million (approximately S$119.0 million), is approximately £10.4 million (approximately S$16.6 million) and will be funded from internal cash sources and external borrowings.

4. NTA/FINANCIAL EFFECTS

The above Investment is not expected to have any significant effect on the consolidated net tangible asset per share and the consolidated earnings per share of the Metro Group for the current financial year ending 31 March 2023.

5. 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
3 October 2022