NEWS RELEASE

METRO GROUP ESTABLISHES STUDENT ACCOMMODATION FUND TO EXPAND FURTHER IN THE UK

- ***Newly set up Fund provides investment platform to grow UK Purpose-Built Student Accommodation portfolio to generate stable and recurring income***
- ***First strategic collaboration with Lee Kim Tah and Woh Hup together***
- ***The Fund made its first seed asset acquisition – Red Queen, Warwick***



Red Queen, situated north of University of Warwick, comprises new student accommodation of approximately 210 en-suite beds over 5 floors, with several communal spaces including residents gym, cinema room, social study lounge, kitchen and common area

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Singapore, 21 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 established a Purpose-Built Student Accommodation ("**PBSA**") fund, Paideia Capital UK Trust (the "**Trust**"), through a newly formed strategic partnership with Lee Kim Tah Holdings Limited ("**LKT**") and Woh Hup Holdings Pte Ltd ("**WH**"), to expand further in the United Kingdom ("**UK**").

With an initial aggregate committed capital of £60 million (approximately S$108 million) upon its First Closing, the Trust will acquire PBSA properties in the UK to potentially grow its asset portfolio size to £150 million (approximately S$270 million). Paideia Partners Pte. Ltd ("**Paideia Partners**"), a jointly-owned fund manager with Metro, LKT and WH as equal shareholders, is set up to manage and grow the portfolio, which will potentially include new investors in the future.

FIRST SEED ACQUISITION UNDER THE FUND

Upon the First Closing of the fund, the Trust has entered into a Sales and Purchase Agreement to acquire its first PBSA seed property known as Red Queen, Warwick (the "**Property**"), for a total consideration of £21.5 million (approximately S$38.7 million).

Red Queen is situated 1 mile north of the main campus of the University of Warwick, which is ranked 10th in UK in the Times Good University Guide 2021, with approximately twenty-two thousand full-time students. The Property is well connected by both private and public transport, and several retailers, leisure facilities, bars, cafes and shops are within close vicinity.

The newly constructed property was completed in September 2020 with approximately 210 en-suite beds over 5 floors and several communal spaces including a study area, gym, cinema and lounge. It also has approximately 26 car parking spaces, secured bike storage and laundry facilities. Red Queen currently has a committed occupancy rate of approximately 90%.

(Please see Appendix A for more information)

Metro Chairman, Lt Gen (Rtd) Winston Choo ("朱维良"), said, "We are pleased with this latest corporate milestone. Notably, this investment signifies Metro's first collaboration with Lee Kim Tah and Woh Hup together, and deepens the Group's investment in the UK."

"This strategic investment represents an excellent proposition to further diversify our investments through the acquisition of suitable PBSA assets. It will position the Group favourably amidst the rising demand for PBSA in the UK. This will further enhance the quality, diversity and income profile of Metro's investment portfolio and at the same time to generate stable and recurring income stream to the Group immediately."

Group Chief Executive Officer, Yip Hoong Mun ("叶康文"), added, "Together with our experienced partners LKT and WH, we will leverage on this platform to grow the PBSA portfolio across England, Scotland, Wales and Northern Ireland, where we see promising prospects, given the resilience in demand for quality higher education. Going forward, this platform can be extended to include new investors."

In 2014, Metro acquired a 25% effective interest in two predominant residential development land sites in Manchester, UK. In 2016, Metro acquired another 50% effective interest in an office development land site in Sheffield, UK. In 2018, Metro, together with LKT, acquired a freehold office property at 5 Chancery Lane, London.

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 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 LEE KIM TAH HOLDINGS LIMITED

LKT built both its business and reputation upon sound foundations that date back to the 1920s. It has been a long-term partner of Metro in various projects including 5 Chancery Lane, London and two residential projects in Bekasi and Bintaro, Jakarta, Indonesia. They have been involved in diverse range of sectors in the real estate industry including construction, development and investment. LKT has substantial investment holdings in the Asia-Pacific region and the Group's current portfolio spans the UK, as well as Australia, China, India and Indonesia.

ABOUT WOH HUP HOLDINGS PTE LTD

WH was established in 1927 and is now one of Singapore's largest privately owned construction and civil engineering specialists with projects throughout Asia. WH has delivered large-scale projects such as Clifford Pier, MacDonald House, Golden Mile Complex, Great World City, Orchard Central, Gardens By The Bay and Jewel Changi Airport, buildings that helped fill in the city's landscape. Together with Lee Kim Tah, Woh Hup also has investments in development projects in the UK and construction projects in India.

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Appendix A – Summary of Key Facts

Red Queen	
Location	Warwick, UK
Practical Completion	September 2020
Tenure	Freehold
Property Manager	Torsion Students
Committed Occupancy	Approximately 90%
Room Type	210 en-suite bedrooms, ranging from 11.3 to 22.5 sqm in size
No. of Floors	Five floors
Key Retailers (Walking Distance)	Go Outdoors, Sainsbury's, Starbucks, McDonalds, Subway, KFC, Pizza Hut, Domino's Pizza and Costco
Amenities	Residents gym, cinema room, social study lounge, kitchen and common area, outdoor courtyard and laundry facilities
Others	26 car parking spaces, secured bike storage and laundry facilities

Red Queen, Warwick – Accommodation and Communal Spaces

Residents Gym



Cinema Room



Social Study Lounge



Kitchen and Common Area

