METRO HOLDINGS LTD
(Company Registration No. 197301792W)

EXTENSION OF A SHAREHOLDER LOAN TO AN ASSOCIATED COMPANY AND INCREASE IN INDIRECT EQUITY INTEREST IN A SUBSIDIARY

The Board of Directors of Metro Holdings Limited ("**Metro**" or the "**Company**", together with its subsidiaries, the "**Metro Group**") wishes to announce the following:

1. INFORMATION RELATING TO THE SHAREHOLDER LOAN

Background

On 26 October 2018, the Board of Directors of the Company announced that Metro Property (BVI) Limited ("**Metro Property BVI**"), a wholly-owned subsidiary of Metro Prop Investments Ltd ("**Metro Prop Investments**"), which in turn is a wholly-owned subsidiary of Metro Investments Holdings Pte. Ltd., set up a 79.17% subsidiary by the name of Metro-LKT (BVI) Limited ("**Metro-LKT (BVI)**"). The balance 20.83% of Metro-LKT (BVI) is held by Lee Kim Tah Holdings Limited ("**LKTHL**"), an independent and unrelated party. Metro Investments Holdings Pte. Ltd. is a wholly-owned subsidiary of the Company.

Metro-LKT (BVI) is incorporated in the British Virgin Islands with an issued share capital of 120 shares of US$1 each and its principal activity is that of investment holding.

On 26 October 2018, Metro Property BVI and LKTHL (as lenders "**the Lenders**"), Top Spring International (BVI) Limited (as borrower, the "**Borrower**"), Top Spring International Holdings Limited ("**TSI**") (as guarantor, the "**Guarantor**"), Metro-LKT (BVI) (as facility agent, the "**Facility Agent**") and Metro-LKT (BVI) (as security agent, the "**Security Agent**") entered into a secured facility agreement (the "**Secured Facility Agreement**"). The principal amount of the Secured Facility Agreement is US$120 million (approximately S$165.6 million) (the "**Loan**"), out of which the amount of the Loan which each of Metro Property BVI and LKTHL advanced to the Borrower is US$95 million (approximately S$131.1 million) (the "**Metro Loan**") and US$25 million (approximately S$34.5 million) respectively. The Loan is secured by way of a share charge over 70% of the issued share capital of each of Huge Source Limited ("**Huge Source"**), Progress Link Limited ("**Progress Link**") and Shine Long Limited ("**Shine Long**") and the shareholder's loans provided by Top Spring BVI to Huge Source, Progress Link and Shine Long which will be assigned to Metro-LKT (BVI) as security for the Lenders.

Top Spring (BVI) is a company incorporated in the British Virgin Islands and its principal business activity is investment holding. It is a wholly-owned subsidiary of TSI, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited, in which the Company has a 14.9% indirect ownership interest as at the date of this announcement. TSI is an associated company of the Metro Group.

As disclosed in the announcement dated 27 September 2017 of the Company, among other things, Top Spring (BVI) and Firewave Management Limited ("**Firewave**"), an indirect wholly-owned subsidiary of the Company, entered into the respective shareholders' agreements with each of Huge Source, Progress Link and Shine Long for the purpose of acquiring and operating three completed office buildings. Each of Huge Source, Progress Link and Shine Long is 70% and 30% held by Top Spring (BVI) and Firewave respectively.

On 21 November 2018, Metro Prop Investments transferred its 79.17% interest in Metro Property BVI to Crown Investments Ltd ("**Crown Investments**"), a wholly-owned subsidiary of Metro China Holdings Pte Ltd, which in turn is a wholly-owned subsidiary of the Company.

On 27 November 2018, the Loan was utilised. Pursuant to the terms of the Secured Facility Agreement, the final repayment date of the Loan was 26 November 2020 and such final repayment date was extended for two years to 26 November 2022 pursuant to a first supplemental agreement dated 23 November 2020 (the "**First Supplemental Agreement**") made between the Lenders, the Borrower, the Guarantor, the Facility Agent and the Security Agent.

1.1 <u>Extension Of The Shareholder Loan To An Associated Company And Increase In Indirect Equity Interest In A Subsidiary</u>

On 11 October 2022, the Lenders, the Borrower, the Guarantor, the Facility Agent and the Security Agent entered into a second supplemental agreement (the "**Second Supplemental Agreement**"), pursuant to which, the parties conditionally agreed on the variations of terms to the Secured Facility Agreement (as amended and supplemented by the First Supplemental Agreement).

Under the Second Supplemental Agreement, Metro Property BVI will continue acting as a lender for the Metro Loan of US$95 million while LKTHL will cease to be a lender on 26 November 2022. The final repayment date of the Metro Loan will be extended by a further two years to 26 November 2024.

Arising from the above, LKTHL has ceased to be a shareholder of Metro-LKT (BVI) (which is both the Facility Agent and Security Agent) on 26 November 2022 and the balance 20.83% of Metro-LKT (BVI) held by LKTHL has been acquired by Metro Property BVI. Upon completion of the acquisition of 20.83% of Metro-LKT (BVI) held by LKTHL, Metro-LKT (BVI) became a wholly-owned subsidiary of Metro Property BVI.

Metro Property (BVI) is an indirect wholly-owned subsidiary of Metro which is a deemed substantial shareholder of TSI, and is therefore an associate of Metro and a connected person of TSI under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). As one or more of the relevant applicable percentage ratios (as defined in the Listing Rules) in relation to the Metro Loan exceed(s) 5%, on an aggregate basis, the entering into of the Metro Loan and the transactions as contemplated thereunder constitutes a connected transaction of TSI under the Listing Rules and are subject to the reporting, announcement and TSI's independent shareholders' approval requirements under the Listing Rules. TSI obtained the

approval at its Extraordinary General Meeting held on 16 November 2022 to extend the Metro Loan for a further two years to 26 November 2024.

1.2 Information on TSI

TSI is a real estate property developer in the PRC specialising in the development and operation of urban mixed-use communities and the development and sale of residential properties in the Greater Bay Area, the centres of which are Hong Kong, Shenzhen and Guangzhou, as well as the economically dynamic regions including Shanghai and Sydney, Australia.

2. CONSIDERATION

The Metro Group's 20.83% equity commitment for Metro-LKT (BVI) is US$25.00 (approximately S$34.00), comprising share capital of US$25.00 (approximately S$34.00). This was arrived at based on arm's length negotiations and will be funded primarily from internal funds.

3. FINANCIAL EFFECTS

The additional commitment in Metro-LKT (BVI) and the extension of the Metro Loan for a further two years are 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 2023.

4. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Mr Yip Hoong Mun, the Executive Director and Group Chief Executive Officer of the Company, is also a Non-Executive and Non-Independent director of TSI. He does not hold any shares in TSI.

Mr Ong Sek Hian (Wang ShiXian), a Non-Executive and Non-Independent Director and a controlling shareholder of the Company, holds 2,000,000 shares in TSI. He is also a deemed substantial shareholder of TSI by virtue of his interest in the Company through Crown Investments and Meren Pte Ltd ("**Meren**"). Crown Investments and Meren hold 227,970,810 shares and 419,300 shares respectively in TSI. Crown Investments and Meren Pte Ltd are wholly-owned subsidiaries of the Company.

Mr Ong Jenn, a controlling shareholder of the Company, is also a deemed substantial shareholder of TSI by virtue of his interest in the Company through Crown Investments and Meren.

Save as disclosed in the announcement, none of the other 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
5 December 2022