METRO HOLDINGS LIMITED
(Company Registration No. 197301792W)

ACQUISITION OF AN ASSOCIATED COMPANY

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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 acquired a 47.28% associated company, Starry New Limited ("Starry New"). The balance 52.72% of Starry New is controlled by InfraRed NF China Real Estate Fund III L.P. ("Fund III"), a private equity real estate fund. Metro China Holdings Pte Ltd is a wholly-owned subsidiary of the Company.

2. INFORMATION RELATING TO STARRY NEW

Starry New is incorporated in the British Virgin Islands with an issued share capital of 10,000 shares of US$1 each and its principal activity is that of investment holding. It is proposed that Firewave will utilize Starry New to co-invest with Fund III in real estate debt instruments in the People's Republic of China.

3. CONSIDERATION

The Metro Group's commitment for Starry New's investments is about US$20.0 million (approximately S$27.1 million) and was arrived at based on arm's length negotiations and will be funded primarily from internal cash sources and external borrowings.

4. NET TANGIBLE ASSETS ("NTA") / FINANCIAL EFFECTS

The acquisition of Starry New is not expected to have any significant effect on the consolidated NTA per share and consolidated earnings per share of the Metro Group for the current financial year ending 31 March 2020.

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 Eve Chan Bee Leng
Joint Company Secretaries
27 December 2019