



## NEWS RELEASE

### **METRO HOLDINGS REPORTS FY2025 LOSS AFTER TAX OF S\$224.7 MILLION MAINLY ATTRIBUTABLE TO NON-CASH FAIR VALUE AND IMPAIRMENT LOSSES ARISING FROM ITS CHINA REAL ESTATE EXPOSURE**

- ***Loss after tax of S\$224.7 million for FY2025 compared to profit after tax of S\$14.6 million for FY2024 was mainly due to***
  - ***Ongoing prolonged property sector headwinds in China resulted in:***
    - a) ***share of loss of S\$105.4 million from its associate Top Spring arising from fair value losses (net of tax) on investment properties and operating loss (including impairment losses on its properties held for sale);***
    - b) ***fair value loss (net of tax) of S\$91.1 million mainly from China properties held under associates and joint ventures; and***
    - c) ***impairment of amounts due from associates of S\$32.9 million relating to co-investments with BGO<sup>1</sup>***
  - ***Fair value losses of S\$23.2 million mainly from investment in MGSA<sup>2</sup>***
  - ***Partially mitigated by:***
    - a) ***the share of net operating profit of S\$14.9 million and fair value gains (net of tax) of S\$11.5 million from the United Kingdom (“UK”), Australia and Singapore properties held under associates and joint ventures; and***
    - b) ***negative goodwill of S\$7.2 million recognised on its acquisition of an additional 25% equity stake in Fairbriar<sup>3</sup> which owns and develops the Middlewood Locks mixed-use development in Manchester***
  - ***Retail Division reported a loss after tax of S\$6.9 million mainly due to lower revenue, lower gross margins and impairment losses amid the challenges confronting Singapore’s retail sector***

---

<sup>1</sup> BGO = BentallGreenOak

<sup>2</sup> MGSA = Mapletree Global Student Accommodation Private Trust

<sup>3</sup> Fairbriar = Fairbriar Real Estate Limited

- ***Continues to strengthen resilience in diversified portfolio:***
  - ***UK – Recorded fair value gain (net of tax) and 99.3% occupancy for 30%-owned portfolio of PBSA<sup>4</sup> properties under PCUT<sup>5</sup>, and commenced handover of units for ‘Railings’, i.e. Phase 3 of 50%-owned Middlewood Locks***
  - ***Australia – Strategically expanded its presence with acquisition of 1 Castlereagh Street freehold prime office property in October 2024***
  - ***Singapore – Achieved substantial backfilling of the vacated space at Asia Green office property and sale of approximately 20% of the strata area at VisionCrest Orchard freehold commercial property***
- ***Maintains a healthy balance sheet with Net Assets of S\$1.2 billion and Total Assets of S\$2.1 billion***
- ***Proposes final dividend of 2.0 Singapore cents per ordinary share***

**Singapore, 23 May 2025** – Mainboard-listed Metro Holdings Limited (“**Metro**” or the “**Group**”) (“美罗控股有限公司”), a property investment and development group backed by established retail operations, recorded a loss after tax of S\$224.7 million for the financial year ended 31 March 2025 (“**FY2025**”) which was mainly attributable to non-cash fair value and impairment losses arising from its China real estate exposure, as compared to a profit after tax of S\$14.6 million for the corresponding period a year ago (“**FY2024**”).

In FY2025, the Group’s property division continued to be negatively impacted by the ongoing prolonged property sector headwinds in China, which resulted in: (1) share of loss of S\$105.4 million from its 20.5%-owned associate Top Spring International Holdings Limited (“**Top Spring**”) arising from fair value losses (net of tax) on investment properties and operating loss (including impairment losses on its properties held for sale); (2) fair value loss (net of tax) of S\$91.1 million mainly from China properties held under associates and joint ventures; and (3) impairment of amounts due from associates of S\$32.9 million relating to co-investments with BGO. In addition, the Group recognised fair value losses of S\$23.2 million mainly from its investment in

---

<sup>4</sup> PBSA = purpose-built student accommodation

<sup>5</sup> PCUT = Paideia Capital UK Trust

MGSA. These were partially mitigated by: (1) the share of net operating profit of S\$14.9 million and fair value gains (net of tax) of S\$11.5 million from the UK, Australia and Singapore properties held under associates and joint ventures; and (2) negative goodwill of S\$7.2 million being the excess fair value over purchase consideration recognised on Metro's acquisition of an additional 25% equity stake in Fairbriar in November 2024.

The Retail Division reported a loss after tax of S\$6.9 million in FY2025 compared to a profit after tax of S\$1.8 million in FY2024, which was mainly due to lower revenue, lower gross margins and impairment loss amid the challenges confronting Singapore's retail sector.

Group revenue decreased from S\$115.9 million in FY2024 to S\$104.5 million in FY2025, with lower revenue from the retail division by S\$8.9 million which was mainly due to lower sales from Metro Paragon and Metro Causeway Point, and lower contribution from sale of property rights of the residential development properties in Bekasi and Bintaro, Jakarta by S\$2.0 million.

Metro Chairman, Mr. Tan Soo Khoon (陈树群), said, "In a macro-environment marked by trade tensions, the imposition of tariffs and extremely high levels of policy uncertainty with strong headwinds across Metro's key markets, maintaining a diversified portfolio across geographies and asset classes and healthy balance sheet will help ensure that we are well positioned to overcome adversity, navigate challenges and respond to opportunities."

## **Review of Financial Performance**

### **Property Division**

The Property Division recorded FY2025 revenue of S\$8.0 million as compared to S\$10.5 million a year ago, mainly due to lower sales of property rights of the residential development properties in Bekasi and Bintaro, Jakarta by S\$2.0 million.

Metro's property segment, excluding finance costs and share of results of associates and joint ventures, reported a loss of S\$1.2 million in FY2025 as compared to a profit of S\$11.7 million in FY2024 mainly due to lower gross profit and lower other net income. The lower other net income for FY2025 of S\$12.4 million was primarily due to higher net fair value loss from its investment in MGSA by S\$10.1 million. In FY2025, a fair value loss of S\$2.5 million was also recorded on the GIE Tower investment property in Guangzhou.

The average occupancy rate for Metro's four investment properties – GIE Tower in Guangzhou, Metro City and Metro Tower in Shanghai, China and Asia Green in Singapore – stood at 78.4% as at 31 March 2025 as compared to 84.5% as at 31 March 2024.

Share of results of associates (excluding negative goodwill and impairment of amounts due from associates) registered a loss of S\$170.4 million in FY2025 as compared to share of loss of S\$34.4 million in FY2024. This was mainly due to the ongoing prolonged property sector headwinds in China which resulted in: (1) higher losses incurred by Top Spring by S\$72.8 million, primarily arising from its fair value losses (net of tax) by S\$49.6 million and higher operating loss (including impairment losses on its properties held for sale) by S\$23.2 million; (2) higher fair value loss (net of tax) for China properties, namely Bay Valley by S\$42.8 million and Shanghai Plaza by S\$23.6 million; and (3) higher operating loss from Shanghai Plaza by S\$10.7 million. These were partially mitigated by a net fair value gain (net of tax) by S\$7.8 million from the PBSA properties under PCUT, a lower fair value loss (net of tax) by S\$3.9 million

from its 30%-owned Australia portfolio with Sim Lian, and better operating performance from its associates in the UK, Australia and Singapore by S\$2.0 million. In FY2025, the Group made an impairment loss of S\$32.9 million on amounts due from associates from the co-investments with BGO, compared to a negative goodwill of S\$60.3 million recognised in FY2024 arising from its acquisition of an additional 6% equity stake in Top Spring.

Share of profit of joint ventures increased by S\$13.4 million from S\$9.7 million in FY2024 to S\$23.1 million in FY2025 mainly due to: (1) the absence of a fair value loss of S\$17.9 million recorded in FY2024 for its 50%-owned 5 Chancery Lane office property; (2) higher contribution by S\$10.6 million from its 20%-owned VisionCrest Orchard; and (3) the recognition of a negative goodwill of S\$7.2 million arising from the acquisition of an additional 25% equity stake in Fairbriar. These were partially offset by share of higher fair value loss (net of tax) by S\$19.1 million and lower operating profit by S\$3.6 million mainly from Metro City, Metro Tower and The Atrium Mall, Chengdu.

## **Retail Division**

Amid the challenges confronting Singapore's retail sector, the Retail Division registered a revenue decrease from S\$105.4 million in FY2024 to S\$96.5 million in FY2025 mainly due to lower sales at its two department stores in Singapore, Metro Paragon and Metro Causeway Point. Gross profit decreased by S\$4.9 million from S\$7.5 million in FY2024 to S\$2.6 million in FY2025, primarily due to the lower revenue and lower gross margins arising from the highly competitive trading environment. In view of the continuing challenges faced by the retail segment, the Retail Division recorded an impairment loss of S\$4.1 million on right-of-use and fixed assets. Correspondingly, segment results excluding finance costs was a loss of S\$5.5 million in FY2025 as compared to a profit of S\$3.4 million in FY2024.

## Recent Key Investment and Strategic Moves

In Australia, Metro together with its joint venture partner Sim Lian acquired freehold prime office property 1 Castlereagh Street in the financial core of Sydney's CBD for a purchase consideration of A\$196.4 million (approximately S\$172.3 million) in October 2024. This strategically expanded Metro's footprint in Australia's office market and increased the total appraised value of Metro's portfolio with Sim Lian to A\$1.4 billion (approximately S\$1.2 billion), consisting of 18 quality freehold properties (comprising 5 office buildings and 13 retail centres) with a total net lettable area ("**NLA**") of 176,279 square metres ("**sqm**") spanning New South Wales, Victoria, Queensland and Western Australia.

In the UK, Metro increased its equity stake in Fairbriar from 25% to 50% in November 2024 and recognised a negative goodwill of S\$7.2 million on the acquisition for FY2025. Fairbriar owns and develops Middlewood Locks, an award-winning mixed-use development and regeneration project in Manchester which will provide 2,215 new homes, and an additional 1,000 new homes or one million square feet of commercial space (including offices, hotel, shops and restaurants). Handover of units under 'Railings', i.e. Phase 3 of the development has commenced following practical completion in November 2024, with approximately half of the 189 residential units sold or reserved as at 3 April 2025. Metro also recorded a fair value gain (net of tax) of S\$5.8 million for its PBSA properties under PCUT, which also achieved occupancy of 99.3% in FY2025. In London, asset enhancement work for new extension and refurbishment progressed on 5 Chancery Lane, with completion expected by end of 2026.

In Singapore, Metro achieved substantial backfilling of the vacated space at its 50%-owned Grade-A office property Asia Green in Tampines, following Hitachi Asia's lease expiry on 31 March 2024 which had accounted for approximately 30% of the property's NLA. As at 31 March 2025, Asia Green had a committed occupancy of approximately 95.0%. Higher contribution by S\$11.8 million was also recorded from VisionCrest Orchard. The 26%-owned Boustead Industrial Fund ("**BIF**"), with a total asset size of

S\$763.2 million, achieved a high committed average occupancy of 95.7% and a weighted average lease expiry (“**WALE**”) by income of approximately 5.0 years as at 31 March 2025.

### **Healthy Balance Sheet**

Metro’s balance sheet remained healthy with net assets of S\$1.2 billion and total assets of S\$2.1 billion as at 31 March 2025.

Group Chief Executive Officer, Mr. Yip Hoong Mun (“叶康文”), said, “Our loss after tax of S\$224.7 million in FY2025 is mainly attributable to fair value losses and impairment losses that are largely non-cash in nature. Our key investment properties of Metro City, Metro Tower and GIE Tower in China as well as our properties in Singapore, the UK and Australia have continued to stay resilient. However, we expect the ongoing trade tariffs, prolonged property sector headwinds in China and the challenging retail environment in Singapore will continue to weigh on our near-term performance.”

### **Proposed Dividend**

The Board has recommended for shareholders’ approval, a final dividend of 2.0 Singapore cents per ordinary share, taking into consideration foreseeable capital requirements and reinvestment needs of the Group given the uncertain and challenging macro-environment. The Group remains committed to delivering sustainable returns to its shareholders.

## Outlook

Metro Chairman, Mr. Tan Soo Khoon (“陈树群”) added, “In view of the strong headwinds in our operating environment resulting from the ongoing trade tariffs, the prolonged property sector downturn in China and the challenging retail environment in Singapore, Metro is committed to overcoming adversity, strengthening our resilience and navigating the challenges through maintaining a diversified portfolio of high-quality assets in resilient sectors and markets. To enhance shareholder value, we will also continue to actively uphold robust capital management practices and diligently manage our investment portfolio to maximise returns and capitalise on new opportunities.”

The escalation of US-China trade tensions and the imposition of tariffs have created strong headwinds for the global economy. A series of new tariff measures by the US and countermeasures by its trading partners have been announced and implemented, ending up in near-universal US tariffs on 2 April 2025 and bringing effective tariff rates to levels not seen in a century<sup>6</sup>. The US administration subsequently paused the higher tariffs for 90 days to give foreign governments time to negotiate<sup>7</sup>, and on 12 May 2025 the US and China agreed to lower some tariffs on each other’s products for 90 days while negotiations continue<sup>8</sup>. The swift escalation of trade tensions and extremely high levels of policy uncertainty are expected to have a significant impact on global economic activity<sup>6</sup>. In its “reference forecast” based on information available as at 4 April 2025, the International Monetary Fund (“IMF”) has lowered its global growth projection for 2025 and 2026 to 2.8% and 3% respectively, down from its previous forecasts of 3.3% for both years<sup>6</sup>.

Global headline inflation is expected to decline at a pace that is slightly slower than what was earlier expected in January 2025, reaching 4.3% in 2025 and 3.6% in 2026, with notable upward revisions for advanced economies and slight downward revisions

---

<sup>6</sup> IMF, *World Economic Outlook, Executive Summary*, 22 April 2025

<sup>7</sup> Bloomberg, *Trump Puts 90-Day Pause on Higher Tariffs, But Hikes China Rates*, 10 April 2025

<sup>8</sup> Bloomberg, *US, China to Slash Tariffs During 90-Day Reprieve for Talks*, 12 May 2025



for emerging market and developing economies in 2025<sup>6</sup>. After three consecutive cuts to the federal funds rate in 2024<sup>9</sup>, officials at the US Federal Reserve voted unanimously to keep the benchmark federal funds rate in a range of 4.25% to 4.50% at their policy meeting on 2-3 May 2025, stating that uncertainty about the economic outlook has increased further and the risks of higher unemployment and higher inflation have risen<sup>10</sup>. The Group operates in 5 countries namely Singapore, China, Indonesia, the UK and Australia which are subject to the heightened economic volatility and currencies' fluctuations against the Singapore dollar.

While China's GDP growth of 5.4% for Q1 2025 outstripped expectations<sup>11</sup>, several major banks have downgraded their own forecast on China's GDP growth for the 2025 full year to 4.0% or lower, which are well below the official goal of around 5.0%<sup>12</sup>. China's property sector which is in its fourth year of decline has continued to weigh on broader consumption and employment<sup>13</sup>. By floor area, China's property sales for 2024 shrunk to a level last seen in 2009-2010<sup>14</sup>. While mortgage rates for first-time homebuyers have been lowered and downpayment requirements have been cut<sup>14</sup>, China home prices continued their prolonged slump in April 2025<sup>15</sup>. China also reported a net foreign direct investment outflow of US\$168 billion in 2024, which is the biggest capital flight in data going back to 1990<sup>16</sup>.

Prime office values have tumbled about 30% from their pre-Covid high in some of China's major cities, including Shanghai which has seen institutional real estate investors divest their office properties at significant discounts or losses and to the extent of defaulting on their loans<sup>17 18 19</sup>. China's economic slowdown and swelling

---

<sup>9</sup> *The Business Times, US Federal Reserve will 'adapt' to any policy changes - Goolsbee, 27 February 2025*

<sup>10</sup> *Bloomberg, Powell Says Fed Can Wait to Adjust Rates, Sees Tariff Risks, 8 May 2025*

<sup>11</sup> *Reuters, China Q1 GDP growth tops expectations, but US tariff shock looms large, 16 April 2025*

<sup>12</sup> *Bloomberg, China accelerates budget spending to counter tariff woes, 18 April 2025*

<sup>13</sup> *Bloomberg, China's New Home Sales Slump Persists as US Tariffs Take Effect, 30 April 2025*

<sup>14</sup> *Bloomberg, China's Property Crisis Enters a Dangerous New Phase, 12 February 2025*

<sup>15</sup> *Reuters, China struggles to lift home prices as April shows no growth, 19 May 2025*

<sup>16</sup> *Bloomberg, China Has Record Foreign Investment Outflow as \$168 Billion Exit, 14 February 2025*

<sup>17</sup> *Bloomberg, BlackRock Fund Gives Up China Towers After Missing Loan, 13 February 2025*

<sup>18</sup> *Mingtiandi, OUE REIT Selling Shanghai's Lippo Plaza for \$263M to Exit China Market, 13 December 2024*

<sup>19</sup> *Bloomberg, BlackRock Fund's Forfeited China Towers to Be Sold at 40% Loss, 20 March 2025*

supply of office space have triggered more landlords to cut rents or resort to subsidies to retain tenants<sup>20</sup>. Grade A office rents for Shanghai fell 12.9% over 2024<sup>21</sup>, while the citywide office rental index for Guangzhou declined 4.9% over the same period<sup>22</sup>. Shanghai's office market saw a net take-up of 696,400 sqm in 2024, which is only about half of the total new supply of 1.38 million sqm for the year, while the citywide office vacancy rate reached 22.7% in Q4 2024 which is the highest in the past five years<sup>23</sup>.

The protracted property market downturn has weighed on leasing demand for Metro City and Metro Tower in Shanghai, and GIE Tower in Guangzhou, all of which reported an average occupancy of 74.3%<sup>24</sup> (79.4%<sup>25</sup>). The Atrium Mall in Chengdu and Shanghai Plaza in Shanghai have achieved occupancy of 88.0%<sup>24</sup> (91.2%<sup>25</sup>) and 84.9%<sup>24</sup> (88.2%<sup>25</sup>) respectively. Leasing also continues to be challenging for the three office buildings in Bay Valley which are 68.6%<sup>24</sup> (70.6%<sup>25</sup>) occupied. Current difficulties in China's office leasing market, particularly in Shanghai where the citywide vacancy rate was 22.7% in Q4 2024 and could reach a new high by the end of 2025<sup>23</sup>, will continue to affect the occupancy of our China investment properties. The Group's associate, Top Spring, our co-investments with BGO and our other China investment properties will continue to be subject to the persistent market headwinds in China and Hong Kong.

The Ministry of Trade and Industry has downgraded Singapore's growth forecast for 2025 to "0% to 2%" (previously 1% to 3%) and has flagged substantial downside risks in the global economy<sup>26</sup>. Firstly, the spike in uncertainty may lead to a larger-than-expected pullback in economic activity as businesses and households adopt a "wait-and-see" approach before making spending decisions<sup>26</sup>. Secondly, further tariff

---

<sup>20</sup> Bloomberg, *Emptying Chinese Skyscrapers Trigger Price War Among Developers*, 15 October 2024

<sup>21</sup> Knight Frank, *Shanghai Grade-A Office Market Report, Q4 2024*

<sup>22</sup> Knight Frank, *Guangzhou Grade-A Office Market Report, Q4 2024*

<sup>23</sup> Savills, *Shanghai Office Q4/2024*, 16 January 2025

<sup>24</sup> As at 31 March 2025

<sup>25</sup> As at 31 March 2024

<sup>26</sup> MTI Singapore, *Singapore's GDP Grew by 3.8 Per Cent in the First Quarter of 2025. MTI Downgrades Singapore's GDP Growth Forecast For 2025 to "0.0 to 2.0 Per Cent"*, 14 April 2025

measures including retaliatory tariffs could lead to a full-blown global trade war, which will upend global supply chains, raise costs and lead to a far sharper global economic slowdown<sup>26</sup>. Thirdly, disruptions to the global disinflation process and rising recession risks in both advanced and emerging markets could lead to destabilising capital flows that could trigger latent vulnerabilities in banking and financial systems<sup>26</sup>.

To navigate the global uncertainty, some office occupiers are seeking cost neutral strategies, e.g. right-sizing and moving to more modern facilities to minimise cost<sup>27</sup>. Positive demand and limited new supply are expected to keep Singapore office rents and capital values on a stable to modest growth path over the next 12 months, barring any unforeseen economic shocks<sup>28</sup>. Asia Green, our premium Grade-A office property at the Tampines Regional Centre, achieved a committed occupancy of 95.0%<sup>24</sup> (99.7%<sup>25</sup>) following substantial backfilling of the vacated space following the Hitachi Asia lease expiry on 31 March 2024.

At the prime Orchard Road precinct, strata sales continue to be underway for the strata office and retail units at VisionCrest Orchard, our freehold Grade-A commercial property which was legally acquired in January 2024. As at 31 March 2025, a total of four retail units and two office floors amounting to approximately 20% of the total strata area have been sold since the commencement of strata sales in July 2024.

In the industrial property segment, leasing activity remained robust in Q1 2025, although most leasing deals focused on renewals due to cautious sentiment among occupiers, and expansionary demand eased from Q4 2024<sup>29</sup>. Metro is well positioned given our 26% stake in BIF, with a quality portfolio of 15 industrial, business park, high-spec industrial and logistics properties in Singapore, enjoying a high committed average occupancy of 95.7%<sup>24</sup> (92.8%<sup>25</sup>) and a WALE by income of approximately 5.0 years<sup>24</sup> (5.1 years<sup>25</sup>). The total portfolio under BIF has a total asset size of S\$763.2 million<sup>24</sup>.

---

<sup>27</sup> Knight Frank, *Singapore Office Market Update – Q1 2025*

<sup>28</sup> JLL, *Singapore Office Market Dynamics – Q1 2025, 15 April 2025*

<sup>29</sup> CBRE Research, *Singapore Figures Q1 2025, 11 April 2025*

Indonesia reported a GDP growth of 4.87% for the first quarter of 2025, which was the weakest growth rate in more than three years<sup>30</sup>. Indonesia's central bank reduced its benchmark rate by 25 basis points to 5.5% at its policy meeting on 20-21 May 2025, the lowest level since 2022<sup>31</sup>. The central bank has lowered its estimate for Indonesia's GDP growth for this year to a range of 4.6% to 5.4%, and said the economy needs to further strengthen and interest rates need to come down to support growth<sup>31</sup>. Indonesia's middle class, traditionally the backbone of the country's economy, has fallen from a peak of around 23% of the population to 17% in 2024 and there are growing signs that the diminishing middle class is already affecting the economy<sup>32</sup>.

All five Bekasi towers and both Bintaro towers have topped off, fully-paid units are gradually being handed over and sales continue to be underway. Still-high borrowing rates, weak economic sentiments and the dwindling middle class will continue to pose headwinds for our projects.

The UK posted a better-than-expected GDP growth of 0.5% for February 2025, the strongest growth in almost a year, partially driven by a shock 2.2% surge in manufacturing which economists say is likely to reflect manufacturers building inventory in anticipation of US tariffs<sup>33</sup>. The UK's Office for Budget Responsibility has however halved its growth forecast for 2025 to 1%, highlighting a more challenging economic and fiscal outlook<sup>34</sup>. The Bank of England's Monetary Policy Committee has at its May 2025 meeting cut the central bank's benchmark interest rate by 25 basis points to 4.25%, maintaining that a gradual and careful approach to the further withdrawal of monetary policy restraint was appropriate<sup>35</sup>.

---

<sup>30</sup> Reuters, *Indonesia targeting 2026 GDP growth in 5.8% to 6.3% range, minister says*, 5 May 2025

<sup>31</sup> Bloomberg, *Indonesia Resumes Rate Cuts as Growth Outlook Dims, Rupiah Gains*, 21 May 2025

<sup>32</sup> Financial Times, *Indonesia's shrinking middle class rattles businesses betting on a boom*, 17 February 2025

<sup>33</sup> Bloomberg, *UK Growth Surges as Factories Boost Output Before US Tariffs*, 11 April 2025

<sup>34</sup> Office for Budget Responsibility, *Economic and fiscal outlook – March 2025*, 26 March 2025

<sup>35</sup> Bank of England, *Bank Rate reduced to 4.25%*, 8 May 2025.

Annual investment into the UK's PBSA sector reached £3.87 billion in 2024, an increase of 14% from the £3.39 billion in 2023<sup>36</sup>. Supply of PBSA and build-to-rent ("BTR") is expected to remain tight while demand indicators remain strong<sup>37</sup>. Metro owns a 30% stake in PCUT, which owns a portfolio comprising six freehold quality PBSA properties across Warwick, Bristol, Durham, Exeter, Glasgow and Kingston valued at £149.0 million<sup>24</sup> (£132.4 million<sup>25</sup>) and it has achieved a high occupancy rate of 99.3%<sup>24</sup> (95.2%<sup>25</sup>).

Manchester is the UK's second economic powerhouse and continues to see strong demand for BTR and new homes<sup>38, 39</sup>. Manchester is now one of the wealthiest areas in the UK, with the largest BTR market outside of London<sup>38</sup>, and has also recorded the second-highest home price growth out of 20 cities<sup>40</sup>. In November 2024, the Group increased its equity interest in Fairbriar from 25% to 50%. Handover of the sold units under 'Railings', i.e. Phase 3 of Middlewood Locks are in progress following practical completion in November 2024. Approximately half of the total 189 units in 'Railings' have been either sold or reserved as at 3 April 2025.

It has been noted that green-certified office buildings provide a competitive advantage and can experience increased occupier demand from firms adhering to corporate sustainability targets, potentially leading to higher rental growth in markets with limited availability<sup>41</sup>. Asset enhancement works for new extension and refurbishment have commenced for our office property at 5 Chancery Lane after the previous tenancy ended in May 2023, with completion expected by end of 2026. This is expected to better position the asset to leverage on the leasing demand for green buildings.

Australia posted a quarterly GDP growth of 0.6% for Q4 2024, marking the strongest quarterly growth rate since December 2022<sup>42</sup>. However, the IMF has lowered its 2025

---

<sup>36</sup> Knight Frank, PBSA investment hits £3.9bn, 12 February 2025.

<sup>37</sup> Colliers, UK Property Forecasts 2025, 16 December 2024

<sup>38</sup> Bidwells, Build-to-Rent Market Snapshot – Manchester, July 2024

<sup>39</sup> Deloitte, Manchester Crane Survey 2024

<sup>40</sup> Colliers, Top UK Residential Investment Cities | H2 2024, 11 February 2025.

<sup>41</sup> Savills, Spotlight: European Property Themes 2024, 15 January 2024

<sup>42</sup> KPMG, Australia Economic Outlook: Q12025, 11 April 2025.

GDP growth forecast for Australia to 1.6%, down from its previous projection of 2.1%, reflecting the impact of global economic challenges including the new US tariffs<sup>43</sup>. After reducing the cash rate in February 2025 by 25 basis points<sup>44</sup>, the Reserve Bank of Australia lowered the cash rate by another 25 basis points to 3.85% at its 20 May 2025 policy meeting, stating that it remains cautious about the outlook, particularly given the heightened level of uncertainty about both aggregate demand and supply<sup>45</sup>.

With the acquisition of the 1 Castlereagh Street freehold prime office building in Sydney in October 2024 for A\$196.4 million, Metro's 30%-owned joint venture portfolio with Sim Lian has a total appraised value of approximately A\$1.4 billion (approximately S\$1.2 billion) as at 31 March 2025, consisting of 18 quality freehold properties comprising 5 office buildings and 13 retail centres spanning across 4 key states, namely New South Wales, Victoria, Queensland, and Western Australia, with an occupancy of 92.9%<sup>24</sup> (94.1%<sup>25</sup>) and a WALE of approximately 5.0 years by income<sup>24</sup> (5.5 years<sup>25</sup>).

The Group's portfolio of long-term and short-term investments, held at fair value through profit or loss and other comprehensive income, will continue to be subject to volatile fluctuations in their fair value. The Group is exposed to the effects of foreign currency exchange rate fluctuations, primarily in relation to Chinese Renminbi, Hong Kong dollar, US dollar, Sterling pound, Indonesian rupiah and Australian dollar. Whenever possible, the Group seeks to maintain a natural hedge through the matching of liabilities, including borrowings, against assets in the same currency.

Singapore's retail trade sector reversed from a 1.3% growth in 2023 to a 0.4% contraction in 2024, weighed down by more cautious spending amid high cost and

---

<sup>43</sup> ABC News, *Trump tariffs will lead to 'significant slowdown' in global growth, including in Australia, says IMF*, 22 April 2025.

<sup>44</sup> Reserve Bank of Australia, *Statement by the Monetary Policy Board - Monetary Policy Decision*, 18 February 2025

<sup>45</sup> Reserve Bank of Australia, *Statement by the Monetary Policy Board - Monetary Policy Decision*, 20 May 2025.

global uncertainties<sup>46 47</sup>. Department stores' sales volume contracted 3.2% in 2024<sup>46</sup> as compared to the flat growth recorded in 2023<sup>48</sup>. Retail sales in Singapore are likely to remain subdued in 2025, with consumer demand diverted overseas with the strong SGD, and household sentiment could weaken amid dimming economic outlook and broadening global trade war<sup>49</sup>. In view that the challenging market conditions are expected to persist, we remain committed to optimising our retail division's operations and driving efficiencies to better navigate the environment and maintain our competitive edge.

Metro continues to operate under challenging conditions, in a macro-environment marked by trade tensions, the imposition of tariffs and extremely high levels of policy uncertainty, with strong headwinds across key markets. Majority of the Group's property exposure continues to be in China, which continues to be affected by a protracted property market downturn and slowing economic growth that are in turn weighing on business and consumer confidence, investment plans and employment.

Amidst these uncertainties, Metro will exercise caution and prudence while taking proactive measures to maintain strong capital management discipline, including preserving cash, optimising cash flows and liquidity. We intend to actively manage our existing investment portfolio to optimise returns and capitalise on new strategic opportunities to enhance shareholder value. With regards to our asset management strategy, we will prioritise critical asset enhancement, while deferring uncommitted capital expenditure, implementing cost saving measures and deploying derivative instruments to hedge the underlying interest rate exposures, where possible. The Group will continue to maintain a strong liquidity position comprising cash and banking facilities.

---

<sup>46</sup> MTI Singapore, *Economic Survey of Singapore 2024, Chapter 6 – Sectoral Performances*, Ministry of Trade and Industry, 14 February 2025

<sup>47</sup> Cushman & Wakefield, *Singapore Retail MarketBeat Q1 2025*, 10 April 2025

<sup>48</sup> MTI Singapore, *Economic Survey of Singapore 2023, Chapter 6 – Sectoral Performances*, Ministry of Trade and Industry, 15 February 2024

<sup>49</sup> *The Straits Times*, *Singapore retail sales fall worse-than-expected 3.6% in February; tariffs darken outlook*, 4 April 2025

## **ABOUT METRO HOLDINGS LIMITED**

Metro Holdings Limited, a company listed on the Main Board of the SGX-ST since 1973, has a rich history that dates back to 1957 when it began as a humble textile store located at 72 High Street. Throughout its journey, Metro Holdings has evolved into a diversified property and retail group, with a global footprint in investments and operations.

Today, Metro Holdings is structured into two primary business segments: property investment and development, as well as retail. The company's strategic focus extends across pivotal markets, encompassing Singapore, China, Indonesia, the UK, and Australia.

### **Property Investment and Development**

The Group's property arm owns and manages prime retail and office properties in first-tier cities in China, including Shanghai and Guangzhou, along with emerging high-growth cities like Chengdu. Through strategic partnerships and collaborative ventures, Metro Holdings has broadened its property portfolio to encompass a diverse range of assets in Singapore, China, Indonesia, the UK, and Australia.

### **Retail**

Metro's retail division is dedicated to serving its valued customers through its two flagship Metro department stores in Singapore. The Metro shopping brand stands as an enduring and household name within the retail industry, offering an extensive range of high-quality merchandise to meet the diverse needs and preferences of its clients.



---

ISSUED ON BEHALF OF	:	Metro Holdings Limited
BY	:	CDR
		158 Cecil Street
		#05-01
		SINGAPORE 069545
CONTACT	:	Ms Dolores Phua / Ms Leong Jia Yu
		at telephone
DURING OFFICE HOURS	:	6534 5122
EMAIL	:	<a href="mailto:Metro@cdrconsultancy.com">Metro@cdrconsultancy.com</a>

---