

Circular dated 7 July 2009

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you should consult your stockbroker or other professional adviser immediately.

If you have sold all your shares in the capital of Metro Holdings Limited, you should immediately hand this Circular and the enclosed Proxy Form to the stockbroker or agent through whom you effected the sale for onward transmission to the purchaser.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made or opinions expressed in this Circular.



METRO HOLDINGS LIMITED

Company Registration No.: 197301792W
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE RENEWAL OF THE SHARE PURCHASE MANDATE

IMPORTANT DATES AND TIMES:

- | | | |
|--|---|---|
| Last date and time for lodgement of Proxy Form | : | 21 July 2009 at 10:15 a.m. |
| Date and time of Extraordinary General Meeting | : | 23 July 2009 at 10:15 a.m. (or as soon thereafter as the Thirty-Sixth Annual General Meeting of the Company to be held at 10:00 a.m. on the same day and at the same place is concluded or adjourned) |
| Place of Extraordinary General Meeting | : | Mandarin Ballroom
6th Floor Main Tower
Meritus Mandarin Singapore
333 Orchard Road
Singapore 238867 |

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

“Articles”	The Articles of Association of the Company
“Board”	The Board of Directors of the Company
“CDP”	The Central Depository (Pte) Limited
“Company” or “MHL”	Metro Holdings Limited
“Companies Act”	The Companies Act, Chapter 50 of Singapore
“Directors”	The Directors of the Company
“EGM”	The Extraordinary General Meeting of the Company, notice of which is set out on pages 22 to 23 of this Circular
“EPS”	Earnings per Share
“Group”	The Company and its subsidiaries
“Latest Practicable Date”	11 June 2009, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	The Listing Manual of the SGX-ST
“Market Day”	A day on which the SGX-ST is open for trading in securities
“NTA”	Net tangible assets
“SIC”	Securities Industry Council
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Shareholders”	Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the persons to whose securities accounts maintained with CDP are credited with the Shares
“Share Purchase Mandate”	A mandate to enable the Company to purchase or otherwise acquire its issued Shares
“Shares”	Ordinary shares in the capital of the Company
“Substantial Shareholder”	In relation to the Company, a person who has an interest in not less than 5% of the total number of issued Shares
“Take-over Code”	The Singapore Code on Takeovers and Mergers
“Warrants”	Warrants of the Company expiring on 22 September 2011, each of which carries the right to subscribe for one new Share at the prevailing exercise price
“\$”	Singapore dollars and cents

“%” or “per cent.”	Percentage or per centum
“2008 Circular”	The Company’s Circular to Shareholders dated 23 June 2008
“2008 EGM”	The Extraordinary General Meeting of the Company held on 16 July 2008

The terms “**Depositor**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined in the Companies Act or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it in the Companies Act or any statutory modification thereof, as the case may be.

Any reference to a time of day in this Circular is made by reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding.

METRO HOLDINGS LIMITED

Company Registration No.: 197301792W
(Incorporated in the Republic of Singapore)

Directors:

Lt Gen (Retd) Winston Choo Wee Leong (*Chairman*)
Jopie Ong Hie Koan (*Group Managing Director*)
Ong Tjoe Kim
Chan U Seek
Jackson Lee Chik Sin
Phua Bah Lee
Gerald Ong Chong Keng
Fang Ai Lian

Registered Office:

391A Orchard Road
#19-00 Tower A
Ngee Ann City
Singapore 238873

7 July 2009

To the Shareholders of
METRO HOLDINGS LIMITED

Dear Sir/Madam

1. INTRODUCTION

- 1.1 **Summary.** The Directors have convened the EGM to be held on 23 July 2009 to seek the approval of Shareholders for the renewal of the Share Purchase Mandate.
- 1.2 **This Circular.** The purpose of this Circular is to provide Shareholders with information relating to the proposal for the renewal of the Share Purchase Mandate, to be tabled at the EGM.

2. THE RENEWAL OF THE SHARE PURCHASE MANDATE

- 2.1 **Background.** Shareholders had approved, *inter alia*, a Share Purchase Mandate at the 2008 EGM. The authority and limitations of the Share Purchase Mandate were set out in the 2008 Circular and the ordinary resolution in the notice of the 2008 EGM. The Share Purchase Mandate approved at the 2008 EGM was expressed to continue in force until the next Annual General Meeting of the Company and, as such, will be expiring on 23 July 2009, being the date of the forthcoming Thirty-Sixth Annual General Meeting of the Company ("**36th AGM**"). It is proposed that the Share Purchase Mandate be renewed at the EGM to be held immediately following the conclusion of the 36th AGM. This proposal will be tabled as an Ordinary Resolution for Shareholders' approval at the EGM.
- 2.2 **Rationale.** The Share Purchase Mandate will give the Company the flexibility to undertake purchases or acquisitions of its Shares at any time, subject to market conditions, during the period that the Share Purchase Mandate is in force. Share purchases or acquisitions allow the Company greater flexibility over its share capital structure with a view to improving, *inter alia*, its return on equity. The Shares which are purchased or acquired may be held as treasury shares which may be used for prescribed purposes such as selling treasury shares for cash, transferring them as consideration for the acquisition of assets or transferring them pursuant to an employees' share scheme. The use of treasury shares in lieu of issuing new Shares would also mitigate the dilution impact on existing Shareholders.

It should be noted that the purchase or acquisition of Shares pursuant to the Share Purchase Mandate will only be undertaken if it can benefit the Company and Shareholders. No purchase or acquisition of Shares will be made in circumstances which would have or may have a material adverse effect on the financial position of the Company and the Group and/or affect the listing status of the Company on the SGX-ST. In addition, any purchase or acquisition of its Shares has to be made in accordance with, and in the manner prescribed by, the Companies Act, the Listing Manual and such other laws and regulations as may for the time being be applicable.

2.3 **Authority and limitations.** The authority and limitations on the purchase or acquisition of Shares by the Company under the Share Purchase Mandate are summarised below.

(a) **Maximum number of Shares**

The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares (excluding treasury shares) as at the date of the EGM. Under the Companies Act, any Shares which are held as treasury shares shall be disregarded for the purposes of computing the 10% limit.

Purely for illustrative purposes, on the basis of 630,007,676 issued Shares (excluding 769,000 Shares held as treasury shares) as at the Latest Practicable Date and assuming that (i) no new Shares are issued, whether pursuant to the exercise of Warrants or otherwise, and (ii) no further Shares are held as treasury shares, then not more than 63,000,767 Shares (representing 10% of the total number of issued Shares as at that date, excluding treasury shares) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate.

(b) **Duration of authority**

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the EGM, at which the Share Purchase Mandate is approved, up to:

- (i) the date (being a date after the EGM) on which the next Annual General Meeting of the Company is held or required by law to be held; or
- (ii) the date (being a date after the EGM) on which the authority conferred by the Share Purchase Mandate is revoked or varied,

whichever is the earlier.

(c) **Manner of purchase or acquisition of Shares**

Purchases or acquisitions of Shares may be made by way of:

- (i) market purchases ("**Market Purchases**"); and/or
- (ii) off-market purchases ("**Off-Market Purchases**").

Market Purchases refer to purchases or acquisitions of Shares by the Company effected on the SGX-ST or, as the case may be, other stock exchange for the time being on which the Shares may be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose.

Off-Market Purchases refer to purchases or acquisitions of Shares by the Company made under an equal access scheme or schemes for the purchase or acquisition of Shares from Shareholders. The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Companies Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. Under the Companies Act, an Off-Market Purchase must, however, satisfy all the following conditions:

- (1) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (2) all of those persons shall be given a reasonable opportunity to accept the offers made; and

- (3) the terms of all the offers shall be the same, except that there shall be disregarded:
 - (aa) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements; and
 - (bb) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

Additionally, the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain, *inter alia*:

- (A) the terms and conditions of the offer;
 - (B) the period and procedures for acceptances;
 - (C) the reasons for the proposed Share purchases;
 - (D) the consequences, if any, of Share purchases by the Company that will arise under the Take-over Code or other applicable takeover rules;
 - (E) whether the Share purchases, if made, would have any effect on the listing of the Shares on the SGX-ST; and
 - (F) details of any Share purchases made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases.
- (d) **Purchase price**

The purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. However, the maximum purchase price (the “**Maximum Price**”) to be paid for the Shares as determined by the Directors must not exceed:

- (i) in the case of a Market Purchase, 5% above the Average Closing Price; and
- (ii) in the case of an Off-Market Purchase, the NTAV of a Share,

in either case, excluding related expenses of the purchase or acquisition.

For the above purposes:

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last five Market Days on which the Shares were transacted on the SGX-ST or, as the case may be, such other stock exchange on which the Shares are listed or quoted, before the date of the Market Purchase by the Company, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs after the relevant five-day period;

“**NTAV of a Share**” means the net tangible asset value of a Share taken from the latest announced consolidated financial statements of the Company preceding the date of the making of the offer pursuant to the Off-Market Purchase; and

“**date of the making of the offer**” means the date on which the Company makes an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.4 **Status of purchased or acquired Shares.** Under current law, the Shares purchased or acquired by the Company shall be deemed cancelled immediately on purchase or acquisition, and all rights and privileges attached to those Shares will expire on cancellation, unless such Shares are held by the Company as treasury shares. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company which are cancelled and are not held as treasury shares.

2.5 **Treasury shares.** Under the Companies Act, the Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below.

(a) **Maximum holdings**

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

(b) **Voting and other rights**

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a smaller amount is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

(c) **Disposal and cancellation**

Where Shares are held as treasury shares, the Company may at any time but subject always to the Take-over Code:

- (i) sell the treasury shares for cash;
- (ii) transfer the treasury shares for the purposes of or pursuant to an employees' share scheme;
- (iii) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the treasury shares; or
- (v) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Under the Listing Manual, immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares (in each case, the "**usage**"). Such announcement must include details such as the date of the usage, the purpose of the usage, the number of treasury shares of the usage, the number of treasury shares before and after the usage, and the percentage of the number of treasury shares of the usage against the total number of issued shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after the usage.

2.6 **Source of funds.** In purchasing or acquiring Shares pursuant to the Share Purchase Mandate, the Company may only apply funds legally available for such purchase or acquisition in accordance with the Articles and applicable laws. Under the Companies Act, any payment made by the Company in consideration of the purchase or acquisition of its Shares may be made out of the Company's capital and/or profits. The Company intends to use internal sources of funds, external borrowings, or a combination of internal resources and external borrowings, to finance purchases or acquisitions of its Shares. The Directors do not propose to exercise the Share Purchase Mandate to such extent that it would materially affect the working capital requirements, financial flexibility or investment ability of the Group.

2.7 **Financial effects.** The financial effects on the Group and the Company arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired out of capital and/or profits of the Company, the aggregate number of Shares purchased or acquired, and the consideration paid at the relevant time. The financial effects on the Group and the Company based on the audited financial statements of the Group and the Company for the financial year ended 31 March 2009 are based on the assumptions set out below.

(a) **Purchase or acquisition out of capital and/or profits**

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital and/or profits so long as the Company is solvent.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding brokerage, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

(b) **Maximum Price paid for Shares acquired or purchased**

Based on 630,007,676 issued Shares (excluding treasury shares) as at the Latest Practicable Date, the purchase by the Company of 10% of such issued Shares will result in the purchase or acquisition of 63,000,767 Shares.

Assuming that the Company purchases or acquires the 63,000,767 Shares at the Maximum Price on the Latest Practicable Date, the maximum amount of funds required is approximately:

- (i) in the case of Market Purchases of Shares, \$38,304,466 based on \$0.608 for each Share (being the price equivalent to 5% above the Average Closing Price of the Shares traded on the SGX-ST over the last five Market Days preceding the Latest Practicable Date); and
- (ii) in the case of Off-Market Purchases of Shares, \$93,430,137 based on \$1.483 for each Share (being the price equivalent to the NTAV of a Share taken from the unaudited financial results of the Company and Group for the financial year ended 31 March 2009 released by the Company on 25 May 2009, being the latest announced consolidated financial statements of the Company preceding the Latest Practicable Date).

For illustrative purposes only, on the basis of the assumptions set out above as well as the following:

- (1) the Share Purchase Mandate had been effective on 1 April 2008;
- (2) the purchase of Shares took place at the beginning of the financial year on 1 April 2008;
- (3) there was no issuance of Shares, whether pursuant to the exercise of Warrants or otherwise, after the Latest Practicable Date; and
- (4) the Share purchases were funded entirely by internal resources,

the financial effects on the audited financial statements of the Group and the Company for the financial year ended 31 March 2009 would have been as follows:

MARKET PURCHASE ⁽¹⁾

	← GROUP →		← COMPANY →	
	Before Share Purchase \$'000	After Share Purchase \$'000	Before Share Purchase \$'000	After Share Purchase \$'000
As at 31 March 2009				
Share Capital	126,155	126,155	126,155	126,155
Treasury Shares	(266)	(38,570)	(266)	(38,570)
Warrant Reserve	4,315	4,315	4,315	4,315
Fair Value and Revaluation Reserves	12,501	12,501	6,301	6,301
Foreign Currency Translation	44,099	44,099	–	–
Revenue Reserve	747,188	747,188	84,886	84,886
Equity Attributable to Equity Holders of the Company	933,992	895,688	221,391	183,087
Minority Interests	2,580	2,580	–	–
Total Equity	936,572	898,268	221,391	183,087
Current Assets	271,266	232,962	30,601	1,356
Current Liabilities	196,254	196,254	4,899	13,958
Borrowings	197,815	197,815	–	–
Cash and Cash Equivalents	193,041	153,737	29,245	–
NTA ⁽²⁾	933,992	895,688	221,391	183,087
Net Profit After Tax	39,623	39,623	(2,401)	(2,401)
Profit attributable to equity holders of the Company	39,411	39,411	(2,401)	(2,401)
Number of Shares ('000)	630,007	567,006 ⁽³⁾	630,007	567,006 ⁽³⁾
Financial Ratios				
NTA per Share (cents)	148.3	158.0	35.1	32.3
Gearing (times) ⁽⁴⁾ (Net D/E)	0.01	0.05	(0.13)	–
Current Ratio (times) ⁽⁵⁾	1.38	1.19	6.25	0.10
EPS (cents)	6.26	6.95	(0.38)	(0.42)

OFF-MARKET PURCHASE ⁽¹⁾

	← GROUP →		← COMPANY →	
	Before Share Purchase \$'000	After Share Purchase \$'000	Before Share Purchase \$'000	After Share Purchase \$'000
As at 31 March 2009				
Share Capital	126,155	126,155	126,155	126,155
Treasury Shares	(266)	(93,696)	(266)	(93,696)
Warrant Reserve	4,315	4,315	4,315	4,315
Fair Value and Revaluation Reserves	12,501	12,501	6,301	6,301
Foreign Currency Translation	44,099	44,099	–	–
Revenue Reserve	747,188	747,188	84,886	84,886
Equity Attributable to Equity Holders of the Company	933,992	840,562	221,391	127,961
Minority Interests	2,580	2,580	–	–
Total Equity	936,572	843,142	221,391	127,961
Current Assets	271,266	177,836	30,601	1,356
Current Liabilities	196,254	196,254	4,899	69,084
Borrowings	197,815	197,815	–	–
Cash and Cash Equivalents	193,041	99,611	29,245	–
NTA ⁽²⁾	933,992	840,562	221,391	127,961
Net Profit After Tax	39,623	39,623	(2,401)	(2,401)
Profit attributable to equity holders of the Company	39,411	39,411	(2,401)	(2,401)
Number of Shares ('000)	630,007	567,006 ⁽³⁾	630,007	567,006 ⁽³⁾
Financial Ratios				
NTA per Share (cents)	148.3	148.2	35.1	22.6
Gearing (times) ⁽⁴⁾ (Net D/E)	0.01	0.12	(0.13)	–
Current Ratio (times) ⁽⁵⁾	1.38	0.91	6.25	0.02
EPS (cents)	6.26	6.95	(0.38)	(0.42)

Notes to the above tables:

(1) The disclosed financial effects remain the same irrespective of whether:

- (a) the purchase of the Shares is effected out of capital or profits; or
- (b) the purchased Shares are held in treasury or are cancelled.

(2) NTA equals to Total Equity less Minority Interest.

(3) Exclude 63,000,767 Shares that are held as treasury shares.

(4) Gearing is defined as Borrowings (net of cash) divided by Equity Attributable to Equity Holders of the Company.

(5) Current Ratio equals Current Assets divided by Current Liabilities.

SHAREHOLDERS SHOULD NOTE THAT THE FOREGOING FINANCIAL EFFECTS ARE BASED ON THE AUDITED FINANCIAL STATEMENTS OF THE GROUP AND THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009 AND ARE FOR ILLUSTRATION ONLY. THE RESULTS OF THE GROUP AND THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2009 MAY NOT BE REPRESENTATIVE OF FUTURE PERFORMANCE.

It should be noted that although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 10% of the total number of issued Shares (excluding treasury shares), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10%. In addition, the Company may cancel or hold in treasury all or part of the Shares purchased or acquired. The Company will take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of a share purchase before execution.

- 2.8 **Taxation.** Shareholders who are in doubt as to their respective tax positions or any tax implications, or who may be subject to tax in a jurisdiction outside Singapore, should consult their own professional advisers.
- 2.9 **Listing status of the Shares.** The Listing Manual requires a listed company to ensure that at least 10% of the total number of its issued shares (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed is held by public shareholders at all times.

As at the Latest Practicable Date, approximately 49.83% of the total number of issued Shares are held by public shareholders. Accordingly, the Company is of the view that there is a sufficient number of the Shares in issue held by public shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 10% limit pursuant to the Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST. The Company will consider investor interests when maintaining a liquid market in its securities, and will ensure that there is a sufficient float for an orderly market in its securities when purchasing its Shares.

- 2.10 **Listing rules.** The Listing Manual restricts a listed company from purchasing shares by way of market purchases at a price per share which is more than 5% above the “average closing price”, being the average of the closing market prices of the shares over the last five Market Days on which transactions in the shares were recorded, before the day on which the purchases were made, as deemed to be adjusted for any corporate action that occurs after the relevant five-day period. The Maximum Price for a Share in relation to Market Purchases referred to in Paragraph 2.3 above complies with this requirement. Although the Listing Manual does not prescribe a maximum price in relation to purchases of shares by way of off-market purchases, the Company has set a cap of the consolidated net asset value of a Share as the Maximum Price for a Share to be purchased or acquired by way of an Off-Market Purchase.

While the Listing Manual does not expressly prohibit any purchase or acquisition of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Purchase Mandate at any time after any matter or development of a price sensitive nature has occurred or has been the subject of consideration and/or a decision of the Board until such price sensitive information has been publicly announced. In particular, in line with the Company’s internal guide on securities dealings, the Company will not purchase or acquire any Shares through Market Purchases during the two weeks immediately preceding, and up to the time of the announcement of, the Company’s results for each of the first three quarters of its financial year and during the one month preceding, and up to the time of announcement of, the Company’s results for the full financial year.

- 2.11 **Reporting requirements.** The Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of a market purchase, on the Market Day following the day of purchase or acquisition of any of its shares, and (b) in the case of an off-market purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer. Such announcement (which must be in the form prescribed by the Listing Manual) must include details of the date of the purchase, the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for such shares, as applicable, and the total consideration (including stamp duties and clearing charges) paid or payable for the shares.

2.12 **Take-over implications.** Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

(a) **Obligation to make a take-over offer**

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

(b) **Persons acting in concert**

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert with each other:

- (i) the following companies:
 - (a) a company;
 - (b) the parent company of (a);
 - (c) the subsidiaries of (a);
 - (d) the fellow subsidiaries of (a);
 - (e) the associated companies of any of (a), (b), (c) or (d); and
 - (f) companies whose associated companies include any of (a), (b), (c), (d) or (e);
 - (g) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights; and
- (ii) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

The circumstances under which Shareholders, including Directors and persons acting in concert with them respectively, will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

(c) **Effect of Rule 14 and Appendix 2**

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

SHAREHOLDERS WHO ARE IN DOUBT AS TO THEIR OBLIGATIONS, IF ANY, TO MAKE A MANDATORY TAKE-OVER OFFER UNDER THE TAKE-OVER CODE AS A RESULT OF ANY PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY SHOULD CONSULT THE SIC AND/OR THEIR PROFESSIONAL ADVISERS AT THE EARLIEST OPPORTUNITY.

(d) **SIC rulings applicable to the Company**

As at the Latest Practicable Date, Mr Jopie Ong Hie Koan, the Group Managing Director of the Company, his father, Mr Ong Tjoe Kim, a non-executive Director of the Company (together, the **"Relevant Directors"**) and their close relatives (the **"Ong Family"**), including companies that he and/or they control (the **"Ong Companies"**), have an aggregate interest (direct and deemed) in 257,141,234 Shares, representing approximately 40.82% of the total number of issued Shares (excluding treasury shares) in the capital of MHL. The shareholding interests of the Relevant Directors and the Ong Family in issued Shares are set out in the Appendix to this Circular.

The Ong Companies comprise Eng Kuan Company Private Limited (**"Eng Kuan"**), Dynamic Holdings Pte Ltd (**"Dynamic"**) and Leroy Singapore Pte Ltd (**"Leroy"**). As at the Latest Practicable Date, (i) Mr Jopie Ong Hie Koan, Mr Ong Tjoe Kim and Mr Ong Jen Yaw (brother of Mr Jopie Ong Hie Koan) are the only directors and shareholders of Eng Kuan, (ii) Mr Jopie Ong Hie Koan is one of two directors of Dynamic (the other director being a senior executive of MHL who does not have any interest in Shares), and the shareholders of Dynamic are Mr Jopie Ong Hie Koan and his four children, namely, Ms Ong Ling Ling, Mr Jenn Ong, Ms Ong Ching Ping and Mr Ong Sek Hian, and (iii) Mr Jopie Ong Hie Koan is the sole director and sole shareholder of Leroy. The shareholdings of the Ong Companies in issued Shares are set out in the Appendix to this Circular.

Under the Take-over Code, the Ong Family and the Ong Companies (collectively, the **"Concert Parties"**) are presumed to be acting in concert with the Relevant Directors. In the event that the Company should, pursuant to the Share Purchase Mandate, purchase or acquire up to 10% of its issued Shares (**"Full Buy-back"**), the Relevant Directors and their Concert Parties' aggregate shareholding interest of MHL of approximately 40.82% could increase by more than 1% in any period of six months. Under the Take-over Code, the Relevant Directors and their Concert Parties would incur a mandatory take-over obligation for the issued Shares.

The Relevant Directors have obtained the following rulings from the SIC:

- (i) The Relevant Directors and their Concert Parties are exempted from the requirement to make a general offer for MHL following an increase in the Relevant Directors and their Concert Parties' aggregate percentage of total voting rights in the Company by more than 1% in any period of six months as a result of the Company purchasing its Shares under the Share Purchase Mandate, subject to the following conditions:
 - (a) the circular to Shareholders seeking their approval for the Share Purchase Mandate will contain advice to the effect that by voting in favour of the resolution to approve the renewal of the Share Purchase Mandate (the **"Buy-back Resolution"**), Shareholders are waiving their right to a general offer at the required price from the Relevant Directors and their Concert Parties;

- (b) the aforesaid circular discloses the names and voting rights of the Relevant Directors and their Concert Parties (i) as of the time of the Buy-back Resolution, and (ii) after a Full Buy-back;
- (c) the Buy-back Resolution is approved by a majority of the Shareholders who are present and voting at the EGM on a poll who could not become obliged to make a general offer for MHL as a result of the buy-back of Shares by MHL pursuant to the Share Purchase Mandate. In this regard, the Relevant Directors and their Concert Parties would abstain from voting on the Buy-back Resolution in respect of all their Shares as of the date of the EGM;
- (d) the Relevant Directors (namely, Mr Jopie Ong Hie Koan and Mr Ong Tjoe Kim) will abstain from (i) voting on the Buy-back Resolution, and (ii) making a recommendation to Shareholders to vote in favour of the Buy-back Resolution; and
- (e) the Relevant Directors and their Concert Parties have not acquired and will not acquire any Shares between the date on which they know that the announcement of the proposal for the Share Purchase Mandate is imminent and the earlier of:
 - (i) the date on which the authority for the Share Purchase Mandate expires; and
 - (ii) the date on which MHL announces that it has (aa) bought back such number of Shares as authorised by Shareholders at the EGM, or (bb) decided to cease buying back the Shares, as the case may be,

if any such acquisitions, taken together with the buy-back, would cause the aggregate voting rights in the Company of the Relevant Directors and their Concert Parties to increase by more than 1% in the preceding six months.

- (ii) If the Company ceases to buy-back Shares pursuant to the Share Purchase Mandate and the increase in the aggregate voting rights held by the Relevant Directors and their Concert Parties is less than 1%, the Relevant Directors and their Concert Parties may acquire further voting rights in the Company. However, any increase in their percentage voting rights as a result of the buy-back of Shares pursuant to the Share Purchase Mandate will be taken into account together with any voting rights acquired by the Relevant Directors and their Concert Parties (by whatever means) in determining whether they have increased their voting rights by more than 1% in any six-month period.

(e) **Advice to Shareholders**

Shareholders are advised that by voting in favour of the Ordinary Resolution relating to the renewal of the Share Purchase Mandate, they will be waiving their rights to a take-over offer at the required price from the Relevant Directors and their Concert Parties who, as a result of the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate, would increase their collective interest in the Shares by more than 1% in any period of six months.

(f) **Voting rights of the Relevant Directors and their Concert Parties before and after share purchase**

Based on the direct holdings of Shares of the Relevant Directors and their Concert Parties as at the Latest Practicable Date, and assuming that:

- (i) there is no change in the direct holdings of Shares between the Latest Practicable Date and the date of the EGM;

- (ii) no new Shares are issued to the Relevant Directors and/or their Concert Parties by the Company following the approval being received from Shareholders at the EGM for the renewal of the Share Purchase Mandate; and
- (iii) the Relevant Directors and the Concert Parties do not sell or otherwise dispose of their holding of Shares,

the aggregate interest (direct and deemed) of the Relevant Directors and the Concert Parties in Shares as at the date of the EGM and after the purchase by the Company of 10% of its issued Shares (excluding treasury shares) pursuant to the Share Purchase Mandate are as follows:

	Before Share Purchase (as at date of EGM)		After Share Purchase	
	No. of Shares	% ⁽³⁾	No. of Shares	% ⁽³⁾
Relevant Directors ⁽¹⁾				
Jopie Ong Hie Koan	191,810,104	30.446	191,810,104	33.829
Ong Tjoe Kim	181,919,220	28.876	181,919,220	32.084
Ong Family ⁽²⁾				
Yu Hui Cheng	4,404	0.001	4,404	0.001
Yoong Sek Har	1,965,248	0.312	1,965,248	0.347
Ong Sioe Hong	16,069,078	2.551	16,069,078	2.834
Ong Jen Yaw	3,587,840	0.569	3,587,840	0.633
Ong Hiang Gin	2,175,120	0.345	2,175,120	0.384
Ong Huan Gie	143,280	0.023	143,280	0.025
Ong Ling Ling	36,414,190	5.780	36,414,190	6.422
Ong Jenn	36,404,190	5.778	36,404,190	6.420
Ong Ching Ping	36,404,190	5.778	36,404,190	6.420
Ong Sek Hian	36,404,190	5.778	36,404,190	6.420
Ong Xiang Min	48,000	0.008	48,000	0.008
Dana Wong Han Loong	248,000	0.039	248,000	0.044
Sean Wong Kalani Sien Long	248,000	0.039	248,000	0.044
Tan Zhong Hao	48,000	0.008	48,000	0.008
Tan Zhong Yi	48,000	0.008	48,000	0.008
Lau Guan Wen	48,000	0.008	48,000	0.008
Tan Kai Er	48,000	0.008	48,000	0.008
Ong Companies ⁽²⁾				
Eng Kuan	139,501,408	22.143	139,501,408	24.603
Dynamic	36,356,190	5.771	36,356,190	6.411
Leroy	15,952,506	2.532	15,952,506	2.813

Notes:

- (1) The Relevant Directors are Mr Jopie Ong Hie Koan and Mr Ong Tjoe Kim. Their respective direct and deemed interests in issued Shares are set out in paragraph 1 of the Appendix to this Circular.
- (2) The Ong Family and the Ong Companies are the Concert Parties of the Relevant Directors. The individuals comprising the Ong Family and the companies comprising the Ong Companies and their respective direct and deemed interests in issued Shares are set out in paragraphs 1 and 2 of the Appendix to this Circular.
- (3) “%” Before Share Purchase is based on 630,007,676 issued Shares (excluding treasury shares) as at the Latest Practicable Date, and “%” After Share Purchase is based on 567,006,909 issued Shares (excluding treasury shares).

- 2.13 **Particulars of Shares purchased in the past year.** As at the Latest Practicable Date, the Company had, pursuant to and in accordance with the Share Purchase Mandate approved at the 2008 EGM, purchased an aggregate of 769,000 Shares by way of Market Purchases effected on the SGX-ST. The prices paid, and other particulars relating to the purchases, are set out below.

Transaction Date	Total number of Shares purchased	Purchase Price per Share (\$)	Aggregate Consideration (\$)
20 November 2008	10,000	0.35	3,500
21 November 2008	166,000	0.35	58,100
26 November 2008	125,000	0.34	42,500
12 December 2008	150,000	0.35	52,500
15 December 2008	318,000	0.345	109,710
	769,000		

Notes:

The above table sets out information on purchases of Shares made pursuant to the Share Purchase Mandate approved at the 2008 EGM up to the Latest Practicable Date.

“Aggregate Consideration” excludes brokerage, commission, applicable goods and services tax and other related expenses of the purchase.

3. DIRECTORS’ RECOMMENDATION

- 3.1 **Recommendation.** The Directors (other than the Relevant Directors) are of the opinion, for the reasons set out in Paragraph 2.2 above, that the Share Purchase Mandate is in the interests of the Company. They accordingly recommend that Shareholders vote in favour of the Ordinary Resolution relating to the renewal of the Share Purchase Mandate at the EGM. Each of the Relevant Directors (namely, Mr Jopie Ong Hie Koan and Mr Ong Tjoe Kim) has abstained from making any recommendation to Shareholders on the Ordinary Resolution relating to the renewal of the Share Purchase Mandate.

- 3.2 **Voting restrictions.** Each of the Relevant Directors will abstain from voting on the Ordinary Resolution relating to the renewal of the Share Purchase Mandate in respect of his holding of Shares (if any) at the EGM. Each of them will also not accept any appointment as proxy or otherwise for voting at the EGM. The individuals comprising the Ong Family and the companies comprising the Ong Companies (being the Concert Parties) will abstain from voting at the EGM in respect of their holdings of Shares (if any) on the Ordinary Resolution relating to the renewal of the Share Purchase Mandate. Each of the Ong Family members will also not accept any appointment as proxy or otherwise for voting at the EGM.

4. DIRECTORS’ AND SUBSTANTIAL SHAREHOLDERS’ INTERESTS

- 4.1 **Interests of Directors.** The interests of the Directors in Shares and Warrants, based on the Company’s Register of Directors’ Shareholdings, as at the Latest Practicable Date, are as follows:

Director	No. of Shares		No. of Shares	
	Direct Interest	%⁽³⁾	Deemed Interest	%⁽³⁾
Ong Tjoe Kim	40,448,160	6.42	141,471,060 ⁽¹⁾	22.45
Jopie Ong Hie Koan	–	–	191,810,104 ⁽²⁾	30.45
Chan U Seek	–	–	2,670,996	0.42
Phua Bah Lee	–	–	60,480	0.01

Notes:

- (1) Mr Ong Tjoe Kim’s deemed interest arises by virtue of section 7 of the Companies Act through his interests in Eng Kuan Company Private Limited and interests held through his spouses.

(2) Mr Jopie Ong Hie Koan's deemed interest arises by virtue of section 7 of the Companies Act through his interests in Eng Kuan Company Private Limited, Dynamic Holdings Pte Ltd and Leroy Singapore Pte Ltd.

(3) "%" is based on 630,007,676 issued Shares (excluding treasury shares) as at the Latest Practicable Date.

Director	No. of Warrants		No. of Warrants	
	Direct Interest	% ⁽³⁾	Deemed Interest	% ⁽³⁾
Ong Tjoe Kim	–	–	18,191,920 ⁽¹⁾	28.84
Jopie Ong Hie Koan	–	–	23,478,353 ⁽²⁾	37.22
Chan U Seek	–	–	267,099	0.42

Notes:

(1) Mr Ong Tjoe Kim's deemed interest arises by virtue of section 7 of the Companies Act through his interests in Eng Kuan Company Private Limited and interests held through his spouses.

(2) Mr Jopie Ong Hie Koan's deemed interest arises by virtue of section 7 of the Companies Act through his interests in Eng Kuan Company Private Limited, Dynamic Holdings Pte Ltd and Leroy Singapore Pte Ltd.

(3) "%" is based on 63,077,667 Warrants outstanding as at the Latest Practicable Date.

4.2 **Interests of Substantial Shareholders.** The interests of Substantial Shareholders in the issued Shares, based on the Company's Register of Substantial Shareholders, as at the Latest Practicable Date, are as follows:

Substantial Shareholder	No. of Shares		No. of Shares	
	Direct Interest	% ⁽⁶⁾	Deemed Interest	% ⁽⁶⁾
Ong Tjoe Kim	40,448,160	6.42	141,471,060 ⁽¹⁾	22.45
Jopie Ong Hie Koan	–	–	191,810,104 ⁽²⁾	30.45
Eng Kuan Company Private Limited	97,501,408	15.47	42,000,000	6.67
Dynamic Holdings Pte Ltd	21,356,190	3.39	15,000,000	2.38
Ong Ling Ling	58,000	0.009	36,356,190 ⁽³⁾	5.77
Ong Jenn	48,000	0.008	36,356,190 ⁽³⁾	5.77
Ong Ching Ping	48,000	0.008	36,356,190 ⁽³⁾	5.77
Ong Sek Hian	48,000	0.008	36,356,190 ⁽³⁾	5.77
Ngee Ann Development Pte Ltd	57,300,800	9.10	–	–
Ngee Ann Kongs	–	–	57,300,800 ⁽⁴⁾	9.10
Takashimaya Company Limited	–	–	57,300,800 ⁽⁵⁾	9.10

Notes:

(1) Mr Ong Tjoe Kim is deemed to be interested in the Shares through his interests in Eng Kuan Company Private Limited by virtue of section 7 of the Companies Act and interests held through his spouses.

(2) Mr Jopie Ong Hie Koan is deemed to be interested in the Shares through his interests in Eng Kuan Company Private Limited, Dynamic Holdings Pte Ltd and Leroy Singapore Pte Ltd by virtue of section 7 of the Companies Act.

(3) Ms Ong Ling Ling, Mr Ong Jenn, Ms Ong Ching Ping and Mr Ong Sek Hian (Wang ShiXian) are deemed to be interested in the Shares through their interests in Dynamic Holdings Pte Ltd by virtue of section 7 of the Companies Act.

(4) Ngee Ann Kongs is deemed to be interested in Shares through its interest in Ngee Ann Development Pte Ltd by virtue of section 7 of the Companies Act.

(5) Takashimaya Company Limited is deemed to be interested in Shares through its interest in Ngee Ann Development Pte Ltd. by virtue of section 7 of the Companies Act.

(6) "%" is based on 630,007,676 issued Shares (excluding treasury shares) as at the Latest Practicable Date.

5. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 22 to 23 of this Circular, will be held at Mandarin Ballroom, 6th Floor Main Tower, Meritus Mandarin Singapore, 333 Orchard Road, Singapore 238867 on 23 July 2009 at 10:15 a.m. (or as soon thereafter as the Thirty-Sixth Annual General Meeting of the Company to be held at 10:00 a.m. on the same day and at the same place is concluded or adjourned), for the purpose of considering and, if thought fit, passing the Ordinary Resolution set out in the Notice of EGM.

6. ACTION TO BE TAKEN BY SHAREHOLDERS

- 6.1 **Lodgement of proxies.** If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the enclosed Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered office of the Company at 391A Orchard Road #19-00 Tower A, Ngee Ann City, Singapore 238873 not later than 10:15 a.m. on 21 July 2009.

Completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM if he so wishes. However, any appointment of a proxy or proxies by such Shareholder shall be deemed to be revoked if the Shareholder attends the EGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the EGM.

- 6.2 **Depositors.** A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register at least 48 hours before the EGM.
- 6.3 **Voting at the EGM.** Shareholders' attention is drawn to Paragraph 3.2 above concerning certain voting restrictions. **Voting on the Ordinary Resolution for the renewal of the Share Purchase Mandate will be conducted by way of poll at the EGM.**

7. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept responsibility for the accuracy of the information given in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this Circular are fair and accurate and that there are no material facts the omission of which would make any statement in this Circular misleading. Where information has been extracted and/or reproduced from published and publicly available sources, the sole responsibility of the Directors has been to ensure that such information is accurately reproduced in this Circular.

8. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company during normal office hours from the date of this Circular up to, and including, the date of the EGM:

- (a) the Company's Annual Report for the financial year ended 31 March 2009; and
- (b) the Company's Memorandum and Articles of Association.

Yours faithfully
METRO HOLDINGS LIMITED

Lt Gen (Retd) Winston Choo Wee Leong
Chairman

INTERESTS OF THE RELEVANT DIRECTORS AND THEIR CONCERT PARTIES IN SHARES

1. RELEVANT DIRECTORS AND ONG FAMILY

The holdings of the Relevant Directors (namely, Mr Jopie Ong Hie Koan and his father, Mr Ong Tjioe Kim) and their close relatives comprising the Ong Family, in issued Shares as at the Latest Practicable Date, are set out below.

Name	Relationship to Mr Jopie Ong Hie Koan (“JO”)	No. of Shares Direct Interest		No. of Shares Deemed Interest	
			% ⁽⁴⁾		% ⁽⁴⁾
Jopie Ong Hie Koan	–	–	–	191,810,104 ⁽¹⁾	30.446
Ong Tjoe Kim	Father	40,448,160	6.420	141,471,060 ⁽²⁾	22.455
Yu Hui Cheng	Mother	4,404	0.001	–	–
Yoong Sek Har	Step Mother	1,965,248	0.312	–	–
Ong Sioe Hong	Sister of JO	16,069,078	2.551	–	–
Ong Jen Yaw	Brother of JO	3,587,840	0.569	–	–
Ong Hiang Gin	Sister of JO	2,175,120	0.345	–	–
Ong Huan Gie	Sister of JO	143,280	0.023	–	–
Ong Ling Ling	Daughter of JO	58,000	0.009	36,356,190 ⁽³⁾	5.771
Ong Jenn	Son of JO	48,000	0.008	36,356,190 ⁽³⁾	5.771
Ong Ching Ping	Daughter of JO	48,000	0.008	36,356,190 ⁽³⁾	5.771
Ong Sek Hian	Son of JO	48,000	0.008	36,356,190 ⁽³⁾	5.771
Ong Xiang Min	Nephew	48,000	0.008	–	–
Dana Wong Han Loong	Nephew	248,000	0.039	–	–
Sean Wong Kalani					
Sien Long	Nephew	248,000	0.039	–	–
Tan Zhong Hao	Nephew	48,000	0.008	–	–
Tan Zhong Yi	Nephew	48,000	0.008	–	–
Lau Guan Wen	Nephew	48,000	0.008	–	–
Tan Kai Er	Niece	48,000	0.008	–	–

Notes:

- (1) Mr Jopie Ong Hie Koan is deemed to be interested in the Shares through his interests in Eng Kuan Company Private Limited, Dynamic Holdings Pte Ltd and Leroy Singapore Pte Ltd by virtue of section 7 of the Companies Act.
- (2) Mr Ong Tjoe Kim is deemed to be interested in the Shares through his interests in Eng Kuan Company Private Limited by virtue of section 7 of the Companies Act and interests held through his spouses.
- (3) Ms Ong Ling Ling, Mr Ong Jenn, Ms Ong Ching Ping and Mr Ong Sek Hian (Wang ShiXian) are deemed to be interested in the Shares through their interests in Dynamic Holdings Pte Ltd by virtue of Section 7 of the Companies Act.
- (4) “%” is based on 630,007,676 issued Shares (excluding treasury shares) as at the Latest Practicable Date.

2. ONG COMPANIES

The holdings of the Ong Companies in issued Shares, as at the Latest Practicable Date, are set out below.

Ong Company	No. of Shares		No. of Shares	
	Direct Interest	%	Deemed Interest	%
Eng Kuan Company Private Limited	97,501,408	15.476	42,000,000	6.667
Dynamic Holdings Pte Ltd	21,356,190	3.390	15,000,000	2.381
Leroy Singapore Pte Ltd	15,952,506	2.532	—	—

Note:

“%” is based on 630,007,676 issued Shares (excluding treasury shares) as at the Latest Practicable Date.

METRO HOLDINGS LIMITED

Company Registration No.: 197301792W
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of the Company will be held at Mandarin Ballroom, 6th Floor Main Tower, Meritus Mandarin Singapore, 333 Orchard Road, Singapore 238867 on 23 July 2009 at 10:15 a.m. (or as soon thereafter as the Thirty-Sixth Annual General Meeting of the Company to be held at 10:00 a.m. on the same day and at the same place is concluded or adjourned), for the purpose of considering and, if thought fit, passing the following Ordinary Resolution:

ORDINARY RESOLUTION

Renewal of Share Purchase Mandate

That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 (the “**Companies Act**”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire ordinary shares in the capital of the Company (“**Shares**”) not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
- (i) market purchase(s) on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and/or any other stock exchange on which the Shares may for the time being be listed and quoted (“**Other Exchange**”); and/or
 - (ii) off-market purchase(s) (if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST or, as the case may be, Other Exchange as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);

- (b) unless varied or revoked by the Company in General Meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:
- (i) the date on which the next Annual General Meeting of the Company is held; and
 - (ii) the date by which the next Annual General Meeting of the Company is required by law to be held;

- (c) in this Resolution:

“**Average Closing Price**” means the average of the last dealt prices of a Share for the five consecutive Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, Other Exchange immediately preceding the date of market purchase by the Company, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs after the relevant five-day period;

“date of the making of the offer” means the date on which the Company makes an offer for the purchase or acquisition of Shares from shareholders, stating therein the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the off-market purchase;

“Market Day” means a day on which the SGX-ST is open for trading in securities;

“Maximum Limit” means that number of Shares representing 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares);

“Maximum Price” in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- (i) in the case of a market purchase of a Share, 5% above the Average Closing Price; and
- (ii) in the case of an off-market purchase of a Share pursuant to an equal access scheme, the NTAV of a Share; and

“NTAV of a Share” means the net tangible asset value of a Share taken from the latest announced consolidated financial statements of the Company preceding the date of the making of the offer pursuant to the off-market purchase; and

- (d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.

By Order of the Board

Tan Ching Chek and Lee Chin Yin
Joint Company Secretaries
Singapore
7 July 2009

Notes:

1. A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. The instrument appointing the proxy must be lodged at the Company’s registered office at 391A Orchard Road #19-00 Tower A, Ngee Ann City, Singapore 238873 not less than 48 hours before the time appointed for the Extraordinary General Meeting.
3. The Company intends to use internal sources of funds, external borrowings, or a combination of internal resources and external borrowings, to finance purchases or acquisitions of its Shares. The amount of financing required for the Company to purchase or acquire its Shares, and the impact on the Company’s financial position, cannot be ascertained as at the date of this Notice as these will depend on, *inter alia*, whether the Shares are purchased or acquired out of capital and/or profits of the Company, the aggregate number of Shares purchased or acquired, and the consideration paid at the relevant time. For illustrative purposes only, the financial effects of an assumed purchase or acquisition by the Company of 10% of its issued Shares (excluding treasury shares) as at 11 June 2009, at a purchase price equivalent to the Maximum Price per Share, in the case of a market purchase and an off-market purchase respectively, based on the audited financial statements of the Group and the Company for the financial year ended 31 March 2009 and certain assumptions, are set out in Paragraph 2.7 of the Company’s Circular to Shareholders dated 7 July 2009.

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METRO HOLDINGS LIMITED

Company Registration No.: 197301792W
(Incorporated in the Republic of Singapore)

PROXY FORM

EXTRAORDINARY GENERAL MEETING

IMPORTANT:

1. For investors who have used their CPF monies to buy METRO HOLDINGS LIMITED shares, this Circular to Shareholders is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

I/We _____ (Name)

of _____ (Address)

being a member/members of METRO HOLDINGS LIMITED (the "Company") hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting, as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company (the "Meeting") to be held at Mandarin Ballroom, 6th Floor Main Tower, Meritus Mandarin Singapore, 333 Orchard Road, Singapore 238867 on 23 July 2009 at 10:15 a.m. (or as soon thereafter as the Thirty-Sixth Annual General Meeting of the Company to be held at 10:00 a.m. on the same day and at the same place is concluded or adjourned), and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolution to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting.

Ordinary Resolution	No. of votes For	No. of votes Against
Renewal of the Share Purchase Mandate		

*Voting on the Ordinary Resolution for the renewal of the Share Purchase Mandate will be conducted by way of poll.
If you wish to exercise all your votes "For" or "Against", please indicate with a "✓" within the box provided.
Alternatively, please indicate the number of votes as appropriate.*

Dated this _____ day of _____ 2009.

Total no. of Shares held	
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Signature(s) of Member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES FOR PROXY FORM



Notes for Proxy Form

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
3. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the Meeting.
4. A member should insert the total number of Shares held. If the member has Shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50 of Singapore), he should insert that number of Shares. If the member has Shares registered in his name in the Register of Members of the Company, he should insert that number of Shares. If the member has Shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of Shares. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by the member.
5. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 391A Orchard Road #19-00 Tower A, Ngee Ann City, Singapore 238873 not less than 48 hours before the time set for the Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer.
7. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

GENERAL

The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.