First Sponsor Group Limited
Investor Presentation
17 February 2023

Artist's impression. Luwan Garden, Wanjiang, Dongguan.

Contents

Section 1 Key Message

Key Message

1. For 2H2022, the Group achieved a net profit of S$59.9 million, a 14.1% growth from 2H2021. While the Group's pre-tax profit for FY2022 of S$195.7 million was 3.4% lower than that for FY2021, the Group achieved a net profit of S$131.3 million for FY2022, an 8.1% growth from FY2021.The pre-tax profit and net profit for FY2022 are both the second highest amounts recorded by the Group since its inception.
2. The Board recommended a final tax-exempt (one-tier) cash dividend of 2.70 Singapore cents per share for FY2022. If approved, the total dividend declared for FY2022 will be 3.80 Singapore cents per share which is a 10.1% growth from that for FY2021 and a record dividend payout. The Board will continue to work towards a stable dividend payout with a steady growth, when appropriate, subject to the successful implementation of the Group's business strategy and prevailing market conditions.

Key Message

3. Dongguan, Guangzhou and Chengdu underwent several sporadic Covid-19 related lockdowns during FY2022, especially in 4Q2022. Such lockdowns adversely affected pre-sales of the Group's development projects. Nevertheless, the 17.3%-owned Humen Time Zone achieved good residential pre-sale results with 69% of the 1,886 launched units sold as at 31 December 2022, out of which 841 units were sold in FY2022. The 48.2%-owned Humen Oasis Mansion, which launched its first pre-sale of residential units on 31 March 2022, also saw healthy pre-sales with approximately 63% of the 318 launched units (excluding the units of the fourth residential block launched for pre-sale on 31 December 2022) sold in FY2022. The 36%-owned Humen Central Mansion launched its first pre-sale of two residential apartment blocks comprising 156 units on 31 December 2022, and achieved a modest result of 21 units sold to-date. Arising from the record purchase of development land plots in FY2022, the Group will see a record number of development projects under pre-sale in FY2023. However, there would be a time lag in revenue recognition as Chinese development sales are recognised on a completed contract basis.

Key Message

4. On 23 December 2022, the Group completed the acquisition of a dated freehold commercial property located in Amsterdam at an all-in purchase price of €11.5 million. The property, which comprises four adjacent monumental buildings with a total lettable floor area of approximately 3,000 sqm, is situated opposite the Amsterdam Central public transport hub in the city centre of Amsterdam. The Group intends to fully renovate the property to enhance its value once the existing lease in respect of the property expires on 31 December 2023.

5. The Group's European operating hotels ended FY2022 with a marked improvement compared to FY2021, largely driven by both corporate and leisure businesses. Profitability of the hotels was however adversely impacted by high energy and labour costs as well as the discontinuation of government subsidies. For 2H2022, the European operating hotels recorded earnings before interest, tax, depreciation and amortisation ("EBITDA") of €13.6 million, more than doubling from an EBITDA of €6.4 million in 2H2021. This brings the FY2022 EBITDA to €19.6 million, a significant increase from the FY2021 EBITDA of €1.1 million. In the PRC, although the Chengdu Wenjiang hotels recorded a stronger EBITDA of RMB8.3 million in 2H2022 as compared to RMB4.2 million in 2H2021, the FY2022 EBITDA was RMB11.9 million, slightly lower than the FY2021 EBITDA of RMB12.5 million. The lower FY2022 EBITDA was due to the hotels being used as quarantine hotels on several occasions during FY2022.

Key Message

6. The aggregate outstanding amount under the RMB280 million defaulted loan was RMB130.4 million as at 31 December 2022. A net impairment charge of RMB82.0 million, which effectively relates to the interest recognised on the loan but not collected, was recognised in FY2022. No impairment charge for the remaining RMB48.4 million out of the RMB130.4 million was necessary as such amount was not previously recognised as interest income although the Group is legally entitled to claim it from the borrower group. The Shanghai court has, on behalf of the Group, placed several legal caveats on the remaining properties of the borrower group. However, there is no assurance that any part of the RMB130.4 million and associated interest thereon will be recovered. Notwithstanding the above, the Group has already achieved an internal rate of return of 13.0% and 1.7% for the RMB50 million and RMB280 million defaulted loans respectively.

7. Backed by a strong balance sheet, substantial potential equity infusion from the exercise of outstanding warrants and unutilised committed credit facilities, the Group is ready to capitalise on any good business opportunities when they arise.

Section 2 Financial Updates 2H2022

2.1 Statement of Profit or Loss - Highlights

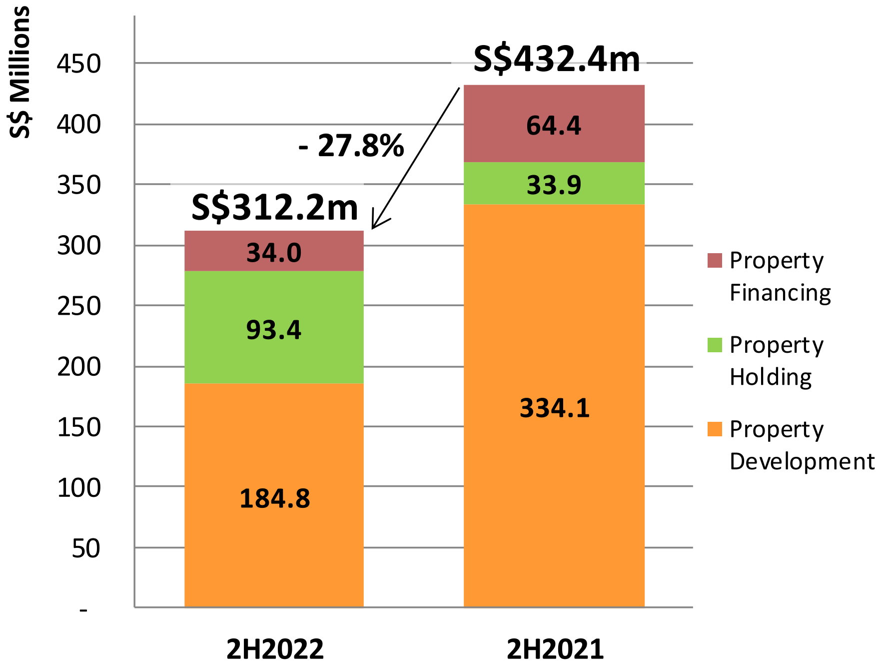
Statement of Profit or Loss - Highlights						
In S$'000	**2H2022**	**2H2021**	**Change %**	**FY2022**	**FY2021**	**Change %**
Revenue	312,239	432,412	(27.8%)	427,493	589,170	(27.4%)
Gross profit	139,863	170,066	(17.8%)	206,091	241,316	(14.6%)
Profit before tax	110,831	128,976	(14.1%)	195,716	202,595	(3.4%)
Attributable profit (1)	59,925	52,518	14.1%	131,256	121,469	8.1%
Basic EPS (cents)	6.49	5.72	13.5%	14.21	13.26	7.2%
Diluted EPS (cents)	4.52	3.96	14.1%	9.90	9.16	8.1%
Interest cover (2)	9.0x	9.9x	n.a.	8.5x	8.8x	n.a.

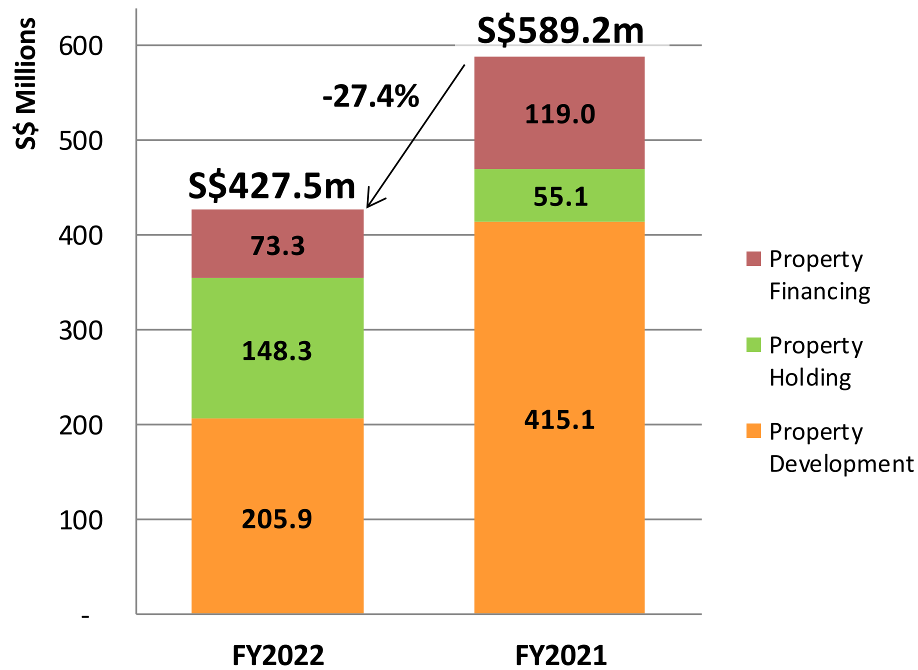
(1) "Attributable profit" refers to profit attributable to equity holders of the Company.

(2) Interest cover = PBT (excluding accounting interest due to or from financial institutions) ÷ net accounting interest expense due to or from financial institutions.

2.2 Statement of Profit or Loss – Revenue

Revenue





Property Development

The decrease in 2H2022 revenue was due mainly to a lower handover volume in relation to The Pinnacle project which consisted of 168 residential units, 47 retail units and 111 carpark lots whereas 2H2021 saw a handover of 437 residential units and 23 retail units.

Property Holding

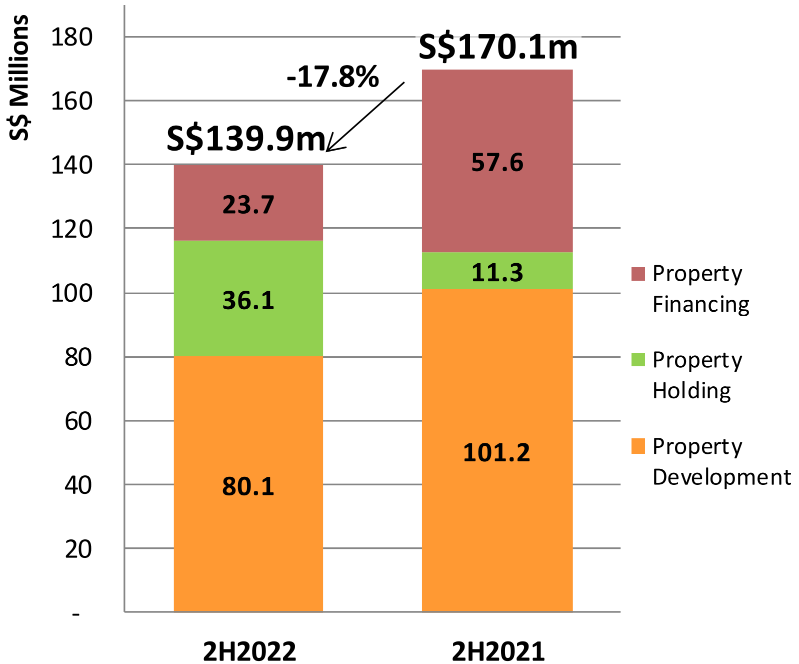
The increase was due mainly to the acquisition of the Dutch Bilderberg hotel portfolio on 2 May 2022 and the recovery of the European hospitality sector due mainly to the lifting of Covid-19 restrictions.

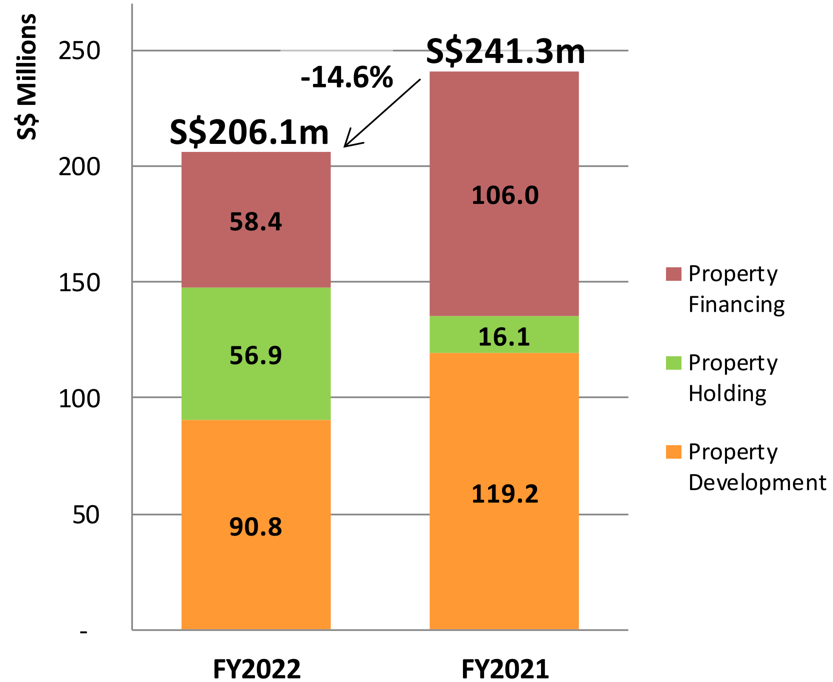
Property Financing

The decrease was due mainly to a lower average PRC loan portfolio in both 2H2022 and FY2022.

2.3 Statement of Profit or Loss – Gross Profit

Gross Profit





Property Development

The decrease in 2H2022 was in line with the lower revenue recognised due mainly to a lower handover volume in relation to The Pinnacle project which consisted of 168 residential units, 47 retail units and 111 carpark lots whereas 2H2021 saw a handover of 437 residential units and 23 retail units

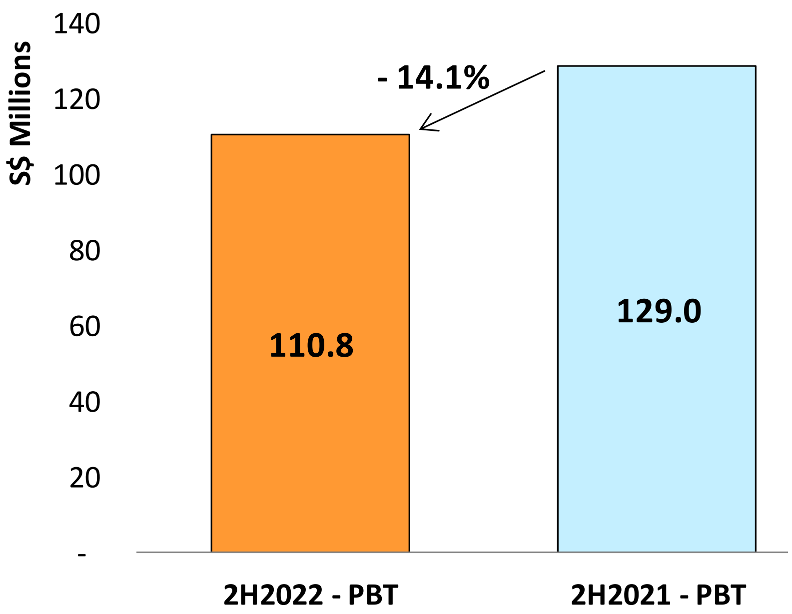
Property Holding

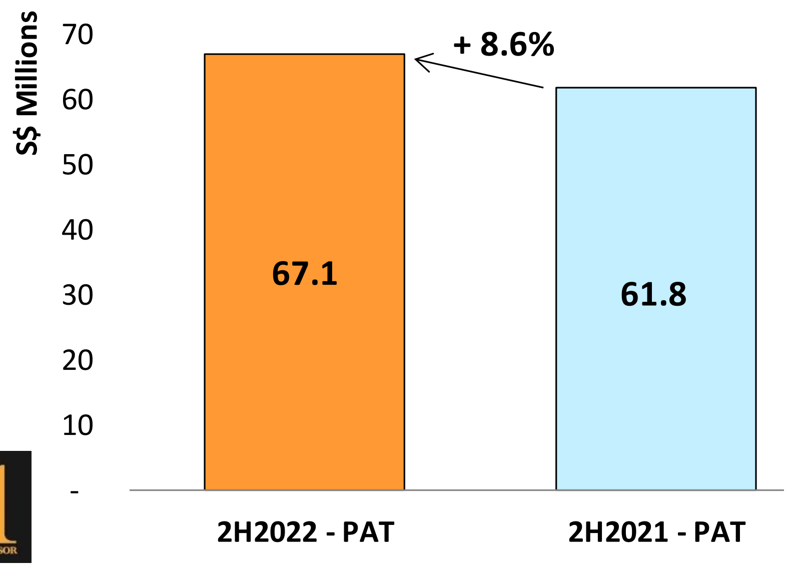
The increase was in line with the acquisition of the Dutch Bilderberg hotel portfolio on 2 May 2022 and the recovery of the European hospitality sector due mainly to the lifting of Covid-19 restrictions.

Property Financing

The decrease was due mainly to a lower average PRC loan portfolio in both 2H2022 and FY2022.

2.4 Statement of Profit or Loss – 2H2022 vs 2H2021





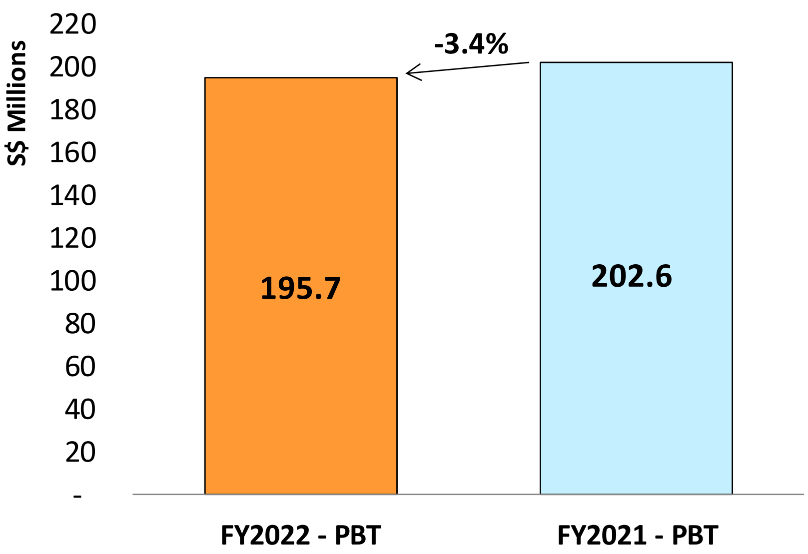
The decrease in profit before tax was due mainly to:

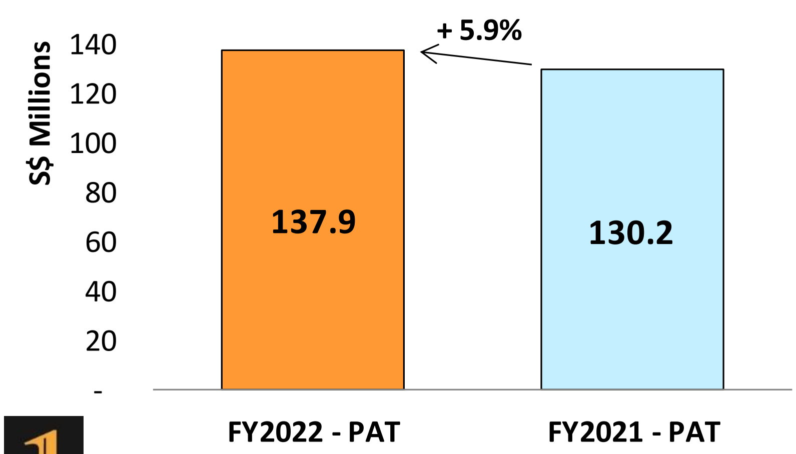
- Lower gross profit contribution from the PD and PF businesses [S$63.7m decrease]
- Higher non-cash impairment of real estate related assets [S$38.9m decrease]
- Higher administrative, selling expenses and operating expenses due mainly to the consolidation of the Dutch Bilderberg hotel portfolio [S$9.0m decrease]
- Higher net impairment of loan receivable in relation to the RMB280m defaulted loan in 2H2022 [S$11.1m decrease]
- Lower other gains as compared to 2H2021 [S$5.9m decrease]
- Lower fair value gain on investment properties [S$3.2m decrease]

Offset by:

- Higher gross profit contribution from the PH business [S$24.8m increase]
- Higher fair value gain (net) on financial derivatives net of foreign exchange gain/loss [S$70.6m increase]
- Higher share of after-tax profit of associates and joint venture due mainly to the handover of the first four residential blocks of Skyline Garden [S$19.0m increase]

2.5 Statement of Profit or Loss – FY2022 vs FY2021





The decrease in profit before tax was due mainly to:

- Lower gross profit contribution from the PD and PF businesses [S$84.7m decrease]
- Higher non-cash impairment of real estate related assets [S$38.9m decrease]
- Higher net impairment of loan receivable in relation to the RMB280m defaulted loan [S$11.1m decrease]
- Higher administrative, selling expenses and operating expenses due mainly to the consolidation of the Dutch Bilderberg hotel portfolio [S$18.1m decrease]
- Higher fair value loss on equity investments [S$5.0m decrease]
- Lower fair value gain on investment properties [S$3.2m decrease]

Offset by:

- Higher fair value gain (net) on financial derivatives net of foreign exchange gain/loss [S$87.7m increase]
- Higher gross profit contribution from the PH business [S$40.8m increase]
- Higher share of after-tax profit of associates and joint ventures due mainly to the handover of the first four residential blocks of Skyline Garden and the disposal gain recognised by FSMC in relation to the sale of its 95% equity interest in the Dutch Bilderberg hotel portfolio to the Group [S$29.0m increase]

2.6 Statement of Financial Position – Highlights

Statement of Financial Position - Highlights			
In S$'000	**31-Dec-22**	**30-Jun-22**	**Change %**
Total assets	4,338,114	4,418,557	(1.8%)
Cash and structured deposits (1)	270,263	687,140	(60.7%)
Total debt (2)	1,008,386	1,027,867	(1.9%)
Net asset value (NAV) (3)	1,810,265	1,875,046	(3.5%)
NAV per share (cents)	195.95	202.96	(3.5%)
Adjusted NAV per share (cents) (4)	172.35	177.24	(2.8%)
Gearing ratio (5)	0.39x	0.18x	n.a.

(1) Relates to principal-guaranteed structured deposits placed with financial institutions classified as other investments (current).

(2) Comprises gross borrowings of S$1,018.7m net of unamortised upfront fee of S$10.3m and S$1,036.7m net of unamortised upfront fee of S$8.8m as at 31 December 2022 and 30 June 2022 respectively.

(3) NAV includes translation loss of S$64.1m (Jun 2022: translation gain of S$50.4m), and excludes non-controlling interests.

(4) Represents NAV per share adjusted for the exercise of all warrants into ordinary shares.

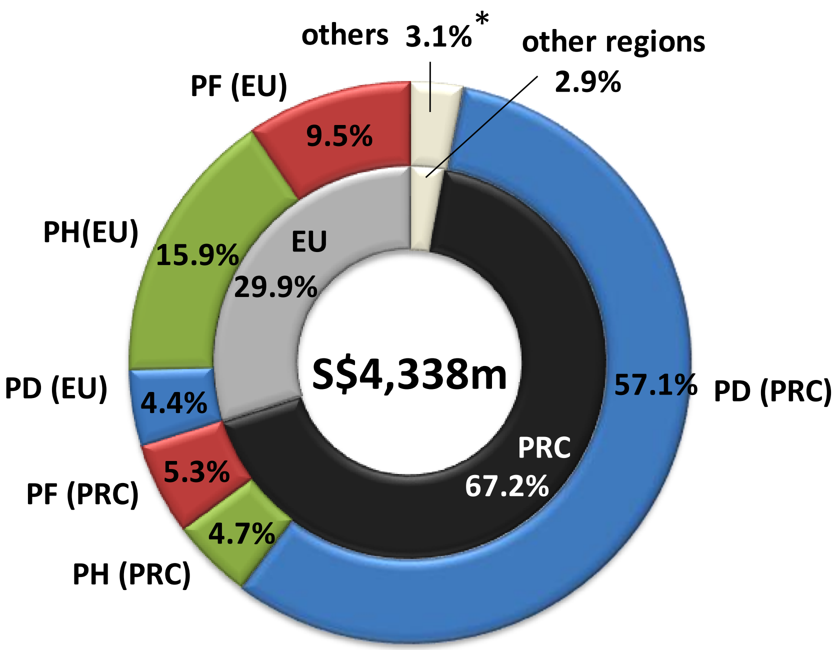
(5) Computed as net debt ÷ total equity including non-controlling interests.
Net debt = gross borrowings – cash and structured deposits.

2.7 Statement of Financial Position - Total Assets

Total Assets – by business and geographic segments

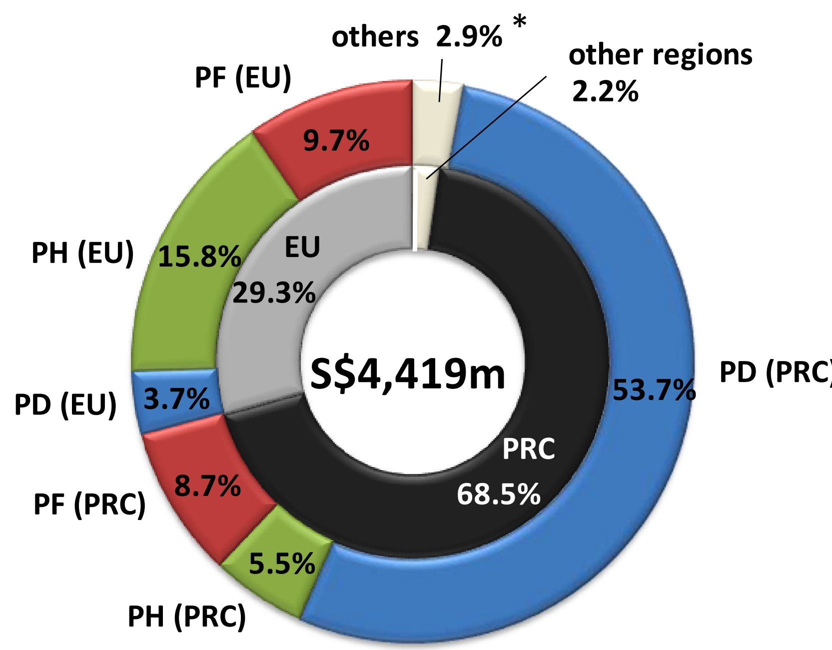
As at 31 December 2022

Total assets: S$4,338m



As at 30 June 2022

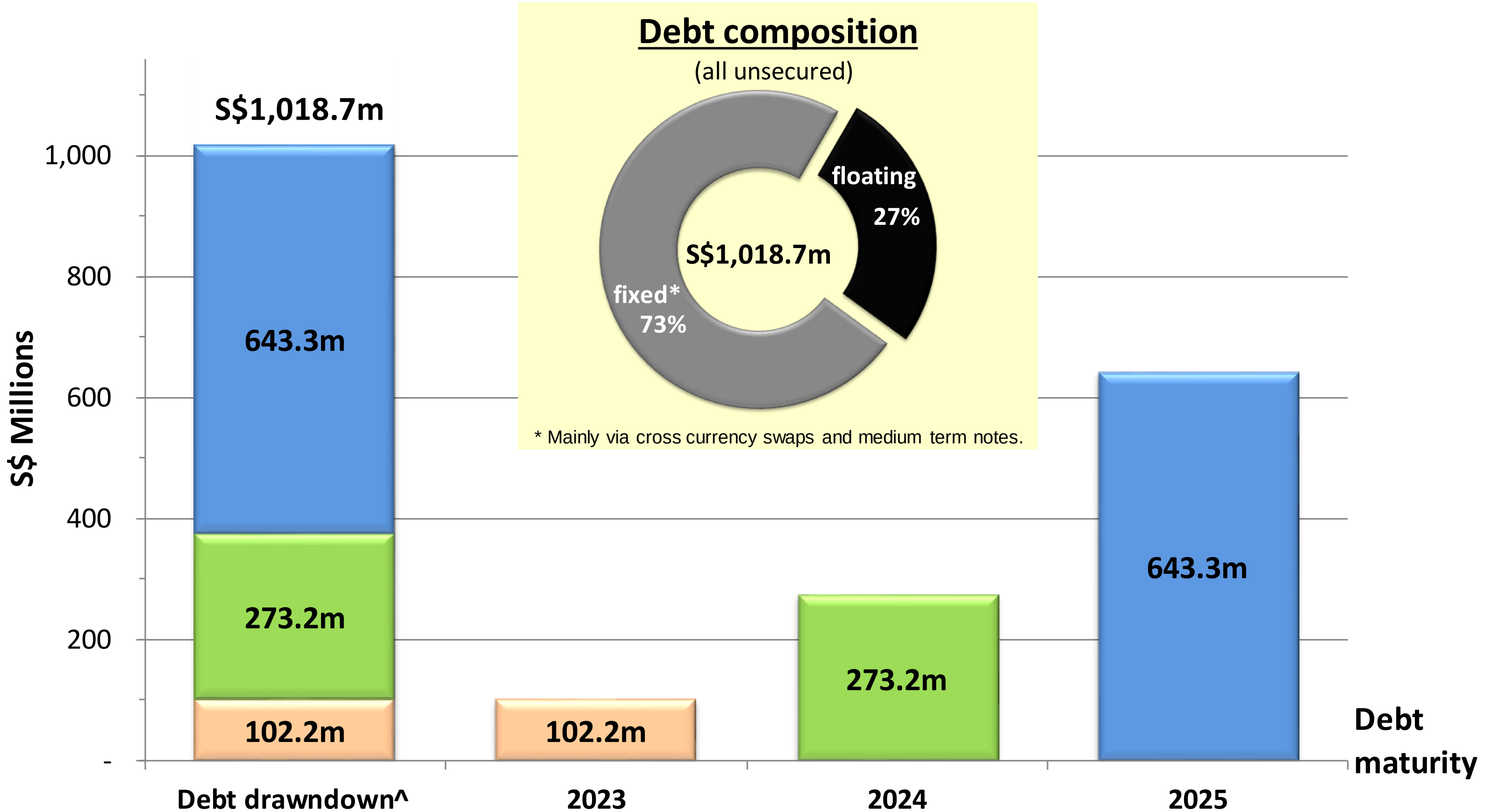
Total assets: S$4,419m



* Includes PD/PF (Australia) and tax related items (EU/PRC/Singapore)

- EU = The Netherlands + Germany + Italy
- PRC = The People's Republic of China
- PD = Property Development
- PH = Property Holding
- PF = Property Financing

2.8 Debt Maturity and Composition as at 31 December 2022



^ Remaining headroom of S$313.6m of committed credit facilities.

- The Group had cash balances of S$270.3m as at 31 December 2022.
- Legal documentation has commenced for the refinancing of all the debt facilities that are maturing in 2023 including, where applicable, the upsize of debt facilities.

Section 3 Business Updates 2H2022 – Property Development

3.1 Property Development – Ongoing PRC Projects (1 of 2)

	Project	Equity %	Type	Total saleable GFA (sqm)	In units (unless otherwise specified)			% of Launched sold [1]	Average selling price (RMB psm)	Land cost RMB psm ppr (Date of Entry)
					Total	Launched	Sold			
1	The Pinnacle, Chang'an, Dongguan	60%	Residential	63,600	606	606	606	100%	35,100	10,000 (Mar 2019)
			SOHO	8,800	202	202	59	34%	24,000	
2	Skyline Garden, Wanjiang, Dongguan	27%	Residential	131,900	1,194	1,194	1,190	99.7%	38,300	14,800 (Jun 2019)
			SOHO	66,600	804	804	197	38%	21,800	
3	Time Zone, Humen, Dongguan	17.3%	Residential	296,700	2,384	1,886	1,420	72%	37,200	15,200
			SOHO	366,800	7,522	948	685	72%	18,800	3,000
			Commercial [2]	358,800	Not applicable	3,000 sqm	2,700 sqm	89%	38,100	(Jun 2020)
4	Oasis Mansion, Humen, Dongguan	48.2%	Residential	77,800	738	398	210	51%	30,300	15,000 (Apr 2021)
5	Central Mansion, Humen, Dongguan	36%	Residential	82,000	562	156	21	13%	38,200	14,700 (Jul 2021)
			SOHO	26,200	102	-	-	-	-	
6	Fenggang Project, Dongguan	18%	Residential	157,000	1,260 *(Estimate)*	-	-	-	-	*Pending land conversion* (Jan 2021)

[1] Calculated based on GFA and includes sales under option agreements or sale and purchase agreements, as the case may be.
[2] Comprises office 198,100 sqm, hotel 40,000 sqm, shopping mall 99,400 sqm and other commercial/retail space 21,300 sqm.

3.1 Property Development – Ongoing PRC Projects (2 of 2)

	Project	Equity %	Type	Total saleable GFA (sqm)	In units (unless otherwise specified)			% of Launched sold [1]	Average selling price (RMB psm)	Land cost RMB psm ppr (Date of Entry)
					Total	Launched	Sold			
7	Cuilong Bay, Dalingshan, Dongguan	46.6%	Residential	147,600	1,240					14,600 (Jun 2022)
8	Luwan Garden, Wanjiang, Dongguan	27%	Residential	70,700	380	Under construction				22,500 (Jun 2022)
9	The Brilliance, Shilong, Dongguan	100%	Residential	93,400	820					10,900 (Aug 2022)
10	Shijie Land, Dongguan	50%	Residential	154,500	1,230					10,200 (Aug 2022)
11	Primus Bay, Panyu, Guangzhou	95%	Residential	163,900	1,495	177	21	11%	26,100	8,000 (Feb 2021)
12	Millennium Waterfront Plot E1, Wenjiang, Chengdu	100%	SOHO	149,700	2,124	-	-	-	-	310 (May 2012)

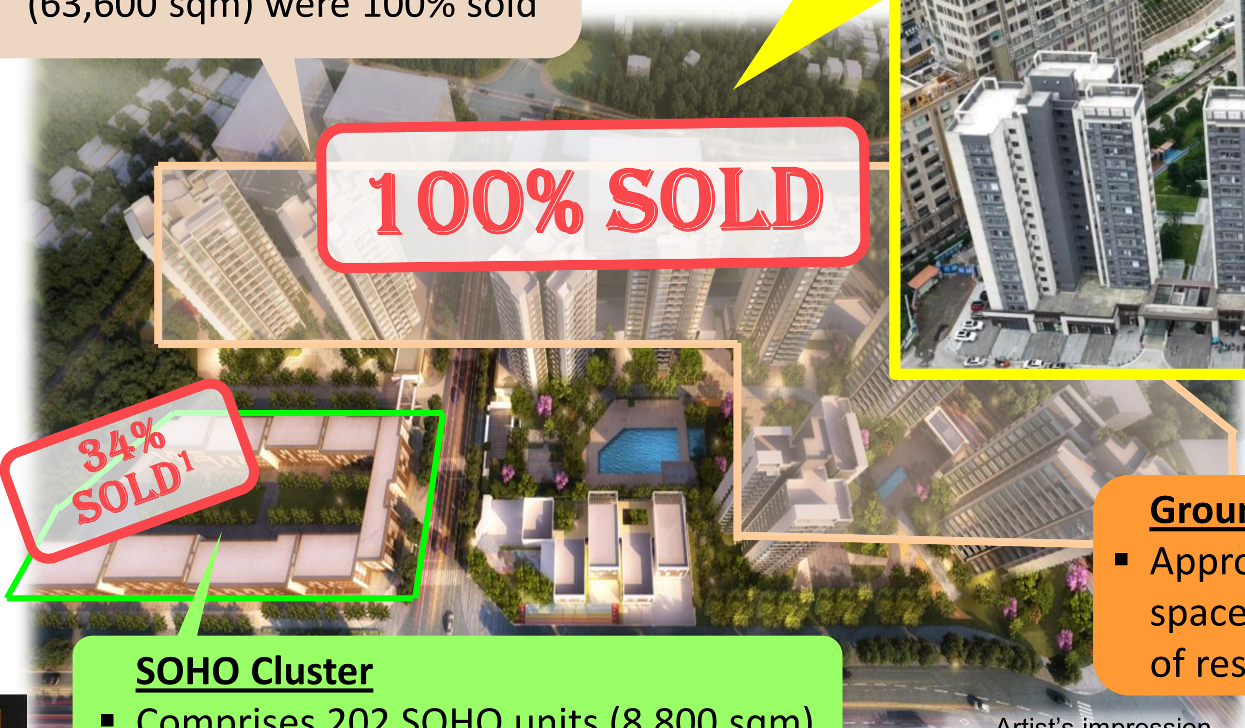
	Total saleable GFA (sqm)	Total units
Total Residential	**1,439,100**	**11,909**
Total SOHO	**618,100**	**10,754**
Total (Residential + SOHO)	**2,057,200**	**22,663**

[1] Calculated based on GFA and includes sales under option agreements or sale and purchase agreements, as the case may be.

3.2 Property Development – The Pinnacle, Chang'an, Dongguan (60%-owned)

- Subsequent to the first handover of six of the eight fully sold residential apartment blocks in December 2021, the remaining two fully sold residential apartment blocks were handed over in late September 2022. Handover of the sold units of the 202-unit SOHO cluster commenced in late December 2022.

Residential Blocks
- All eight blocks of 606 units (63,600 sqm) were 100% sold



Ground Level Retail:
- Approx. 2,700 sqm of retail space located at ground level of residential and SOHO blocks

SOHO Cluster
- Comprises 202 SOHO units (8,800 sqm)

Artist's impression

[1] "Sold" for this and subsequent slides for the property development projects in the PRC includes sales to-date under option agreements or sale and purchase agreements, as the case may be.

3.3 Property Development – Skyline Garden, Wanjiang, Dongguan (27%-owned)

Artist's impression

Residential Blocks

- Total five blocks of 1,194 units (131,900 sqm)
- Four blocks of 830 units (94,600 sqm) were 100% sold while the last block of 364 units (37,300 sqm) was ~100% sold

➢ Skyline Garden commenced its first handover of the four fully sold residential apartment blocks in late November 2022.

SOHO Blocks

- Seven blocks of 804 SOHO units (66,600 sqm) and 4,400 sqm of retail space
- All SOHO units and commercial space are to be kept for a minimum holding period of 2 years as per land tender conditions
- One (80 units) of the six low-rise SOHO blocks and 117 units of the high-rise SOHO block (306 units) have been reserved[1] by purchasers with cash deposit paid

[1] To-date

3.4 Property Development – Time Zone, Humen, Dongguan (17.3%-owned)

Three Office Towers (198,100 sqm)
- A grade-A tower with approx. 650 office units (84,800 sqm) and two towers with approx. 940 office units (113,300 sqm)

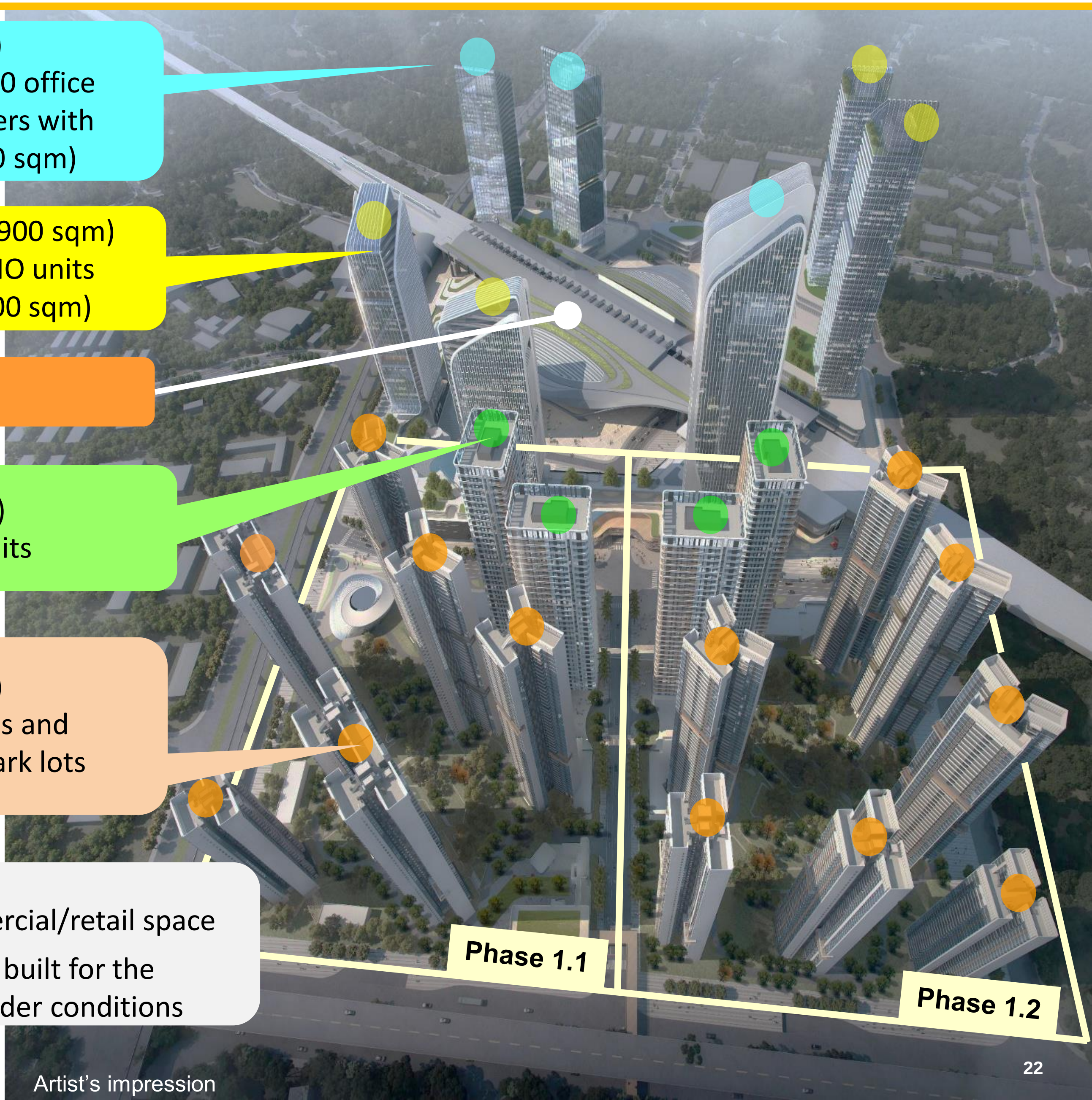
Four SOHO cum Hotel Blocks (308,900 sqm)
- Four blocks of approx. 6,370 SOHO units (268,900 sqm) and a hotel (40,000 sqm)

Shopping Mall (99,400 sqm)

Four SOHO Loft Blocks (97,900 sqm)
- Four blocks of 1,152 SOHO loft units

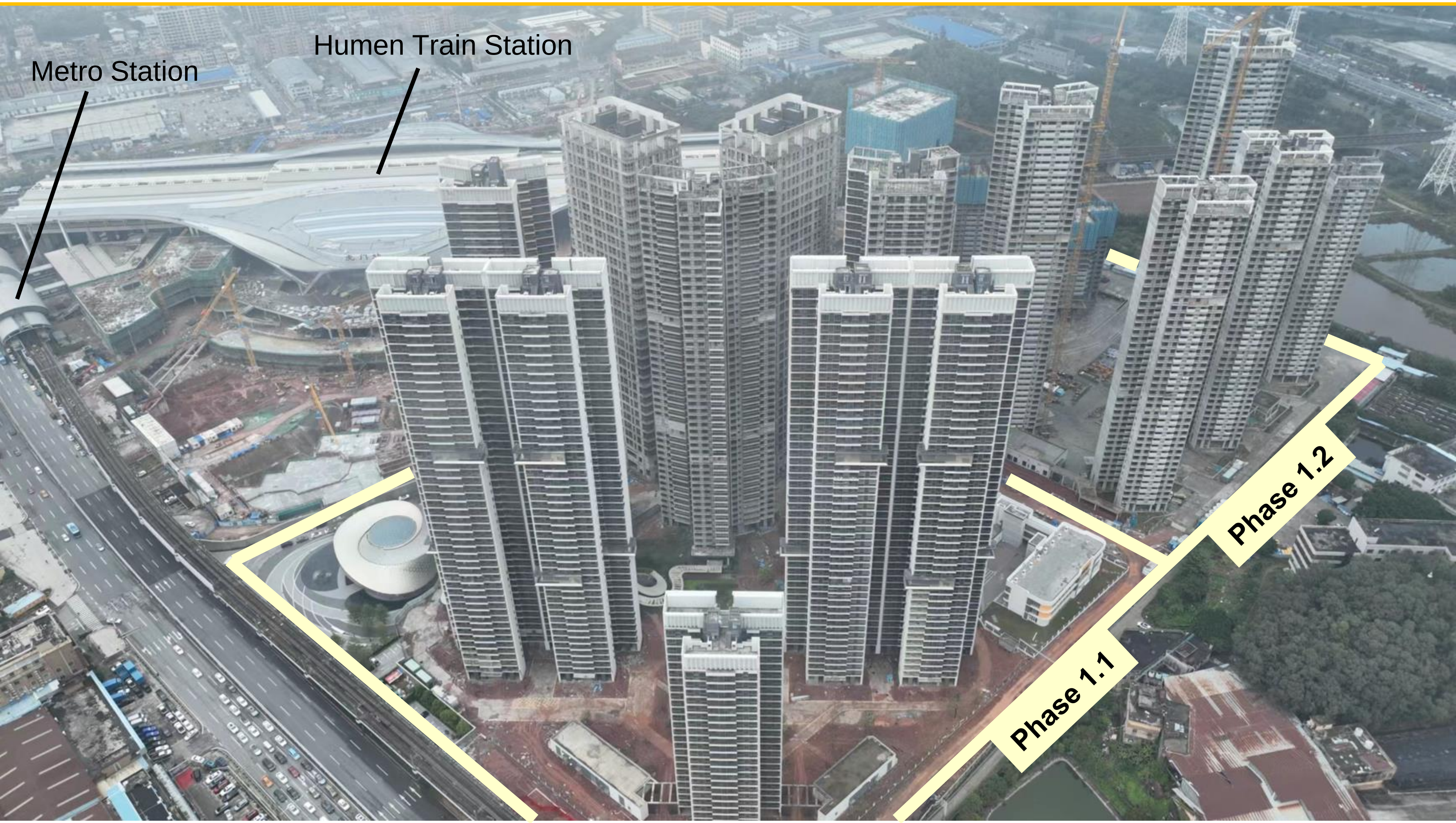
13 Residential Blocks (296,700 sqm)
- 13 blocks of 2,384 residential units and 3,970 saleable underground carpark lots

Others:
- Approx. 21,300 sqm of commercial/retail space
- Other general amenities to be built for the authorities as per the land tender conditions



Artist's impression

3.4 Property Development – Time Zone, Humen, Dongguan (17.3%-owned)



- The 17.3%-owned Humen Time Zone achieved good residential pre-sale results with 69% of the 1,886 launched units from Phase 1.1 and Phase 1.2 sold as at 31 December 2022, out of which 841 units were sold in FY2022.

3.4 Property Development – Time Zone Phase 1.1 (17.3%-owned)

- All six residential blocks and two SOHO loft blocks in Phase 1.1 have been launched for pre-sales and achieved sales rates of 72% and 96% respectively.

- Barring any unforeseen circumstances, Phase 1.1 is expected to commence its first handover of residential apartment blocks in 2023.

Two SOHO Loft Blocks (648 units, 55,100 sqm)

- The SOHO units were sold at an average selling price of approximately RMB18,900 psm
- The effective land cost for the commercial component of the entire project is approx. RMB3,000 psm ppr

Six Residential Blocks (1,274 units, 158,700 sqm)

- The residential units were sold at an average selling price of approximately RMB38,600 psm on a furnished basis
- The effective land cost for the residential component of the entire project is approx. RMB15,200 psm ppr

Ground Level Retail:

- 2,300 sqm out of the 4,300 sqm of retail space were launched for pre-sales in August 2022 of which 88% were sold to-date

88% SOLD

3.4 Property Development – Time Zone Phase 1.2 (17.3%-owned)

Two SOHO Loft Blocks (504 units, 42,800 sqm)

- The SOHO units were sold at an average selling price of approximately RMB17,500 psm

Seven Residential Blocks (1,110 units, 138,000 sqm)

- The residential units were sold at an average selling price of approximately RMB34,200 psm on a furnished basis

Ground Level Retail:

- 728 sqm out of the 3,520 sqm of retail space were launched for pre-sale on 7 December 2022 with 92% sold to-date

92% SOLD

- Phase 1.2 launched another two residential apartment blocks (332 units) for pre-sales on 29 November 2022, and they were 81% and 58% sold.
- In total, four out of the seven residential apartment blocks (612 units) of Phase 1.2 have been launched for pre-sales in 2H2022, of which 72% or 448 units were sold.

3.5 Property Development – Oasis Mansion, Humen, Dongguan (48.2%-owned)

- The 48.2%-owned Humen Oasis Mansion, which launched its first pre-sale of residential units on 31 March 2022, saw healthy pre-sales with approximately 63% of the 318 launched units (excluding the units of the fourth residential block launched for pre-sale on 31 December 2022) sold in FY2022.

- The Group's key investment in this project is via the subscription of approximately S$89 million and S$97 million of senior and junior convertible bonds ("JCB") with an annual coupon rate of 12% and 15% respectively. To-date, the Group's remaining economic exposure is effectively in the form of S$67.6 million JCB which is likely to be fully redeemed within the year.

Artist's impression

Eight Residential Blocks (738 units, 77,800 sqm)

- The residential units were sold at an average selling price of approximately RMB30,300 psm on a furnished basis
- The Group's land cost in the project is approximately RMB15,000 psm ppr

3.6 Property Development – Central Mansion, Humen, Dongguan (36%-owned)

➢ The 36%-owned Humen Central Mansion launched its first pre-sale of two residential apartment blocks comprising 156 units on 31 December 2022, and achieved a modest result of 21 units sold to-date at an average selling price of approximately RMB38,200 psm.

Artist's impression

Comprises :

- Seven blocks of 562 residential units (82,000 sqm) and approx. 1,390 saleable underground carpark lots
- Three blocks of 102 SOHO units (26,200 sqm)
- Approx. 3,400 sqm of commercial/retail space

The Group's all-in land cost amounts to approximately RMB14,700 psm ppr

3.7 Property Development – Fenggang Project, Dongguan (18%-owned)

- The resettlement exercise is on-going. There are three remaining inhabitants who have not agreed on the resettlement compensation terms.

- Approval for the re-zoning application is expected to be obtained in 2Q2023.

Demolition progress

<u>Fenggang Project*</u>

Site area : 33,400 sqm

Saleable GFA : approx. 164,000 sqm (residential 96% / commercial 4%)

*subject to re-zoning approval

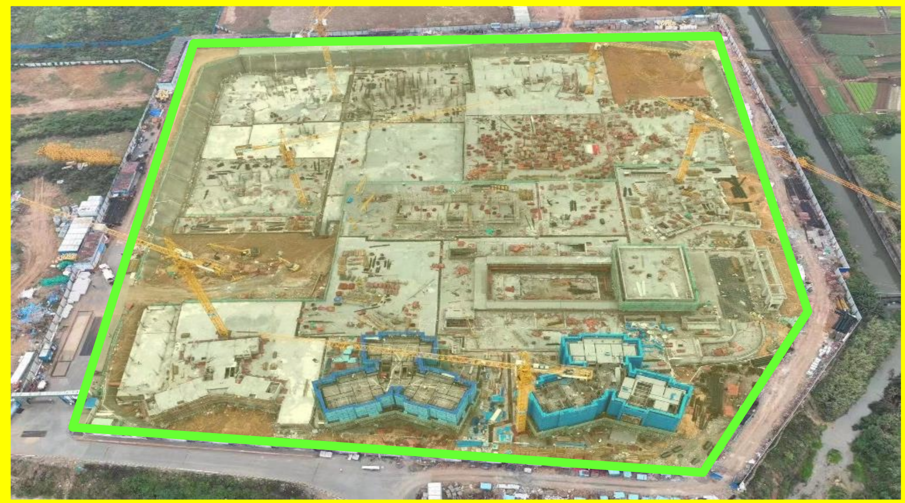
3.8 Property Development – Primus Bay, Panyu, Guangzhou (95%-owned)

- Pre-sale for the first three residential apartment blocks (177 units) of Primus Bay has been moving at a slow pace since its launch on 26 May 2022 as Guangzhou has not implemented housing policy relaxation similar to that seen in Dongguan.
- Pre-sales for the rest of the residential apartment blocks, for which the Group has optimised the design after taking over the project, are expected to be launched progressively in the coming months.

Residential Blocks
- Predominantly residential project comprising 20 blocks of approx. 1,495 units (163,900 sqm)
- The Group's land cost in the project is approximately RMB8,000 psm ppr

3.9 Property Development – Cuilong Bay, Dalingshan, Dongguan (46.6%-owned)

- After the acquisition of Cuilong Bay via a public land tender exercise held on 24 June 2022, construction commenced in August 2022.
- Barring any unforeseen circumstances, the predominantly residential project, which comprises twelve residential apartment blocks of approximately 1,240 units, is expected to launch its first pre-sale around mid-2023.



Cuilong Bay
Site area : 42,900 sqm
Saleable : 148,500 sqm
GFA (residential 99% / commercial 1%)
The Group's land cost in the project is approximately RMB14,600 psm ppr

3.10 Property Development – Luwan Garden, Wanjiang, Dongguan (27%-owned)

- Luwan Garden, which was also acquired via a public land tender exercise held on 24 June 2022, is the third JV development project with China Poly.
- Construction for this predominantly residential project with approximately 380 units has commenced.
- Barring any unforeseen circumstances, the first pre-sale is expected to be launched in 3Q2023.

Dongguan East River

<u>Luwan Garden</u>

Site area : 31,100 sqm

Saleable : 70,700 sqm

GFA (residential 100%)

The Group's land cost in the project is approximately RMB22,500 psm ppr

3.11 Property Development – The Brilliance[1], Shilong, Dongguan (100%-owned)

- The Brilliance, which was acquired via a public land tender exercise held on 30 August 2022, is situated less than 500 metres from the Dongguan Train Station and is adjacent to a future transit oriented development (TOD) mixed-use development plot which has not been released for public land tender. The Dongguan Train Station is an existing transportation hub which includes the Guangzhou-Shenzhen Intercity Railway that connects to Guangzhou, Shenzhen and Kowloon, Hong Kong.
- The predominantly residential development project, comprising seven blocks of approximately 820 units, commenced construction in December 2022 and is expected to launch its first pre-sale around mid-2023.

The Brilliance

Site area : 32,400 sqm

Saleable : 94,400 sqm

GFA (residential 99% / commercial 1%)

The Group's land cost in the project is approximately RMB10,900 psm ppr.

[1] Previously known as Shilong Land

3.12 Property Development – Shijie Land, Dongguan (50%-owned)

- Shijie Land, which was acquired via a public tender exercise held on 30 August 2022, is a joint venture project with New Century, an existing JV partner in the redevelopment of the Dongguan East Sun Wentang Recycling Factory.
- Construction for the 1,230-unit project commenced in December 2022.
- Barring any unforeseen circumstances, its first pre-sale is expected to be launched in late 2023.

Shijie Land
Site area : 50,900 sqm
Saleable : 155,600 sqm
GFA (residential 99% / commercial 1%)
The Group's land cost in the project is approximately RMB10,200 psm ppr

3.13 Property Development – Millennium Waterfront Plot E, Wenjiang, Chengdu (100%-owned)

- The Group is expected to launch the first pre-sale of one SOHO block of 1,175 units at Plot E Phase 1 of the Millennium Waterfront project in the coming months.
- Barring any unforeseen circumstances, the handover of SOHO units is expected to commence in early 2024.

- Plot E (Phase 1 and 2) comprises a total of approximately 2,800 SOHO units, 37,500 sqm of lettable commercial space and a medical facility with a GFA of 74,200 sqm
- The Group's land cost in Plot E is approximately RMB310 psm ppr

SOHO block (1,175 SOHO units) to be launched for pre-sale in the coming months

Artist's impression

3.14 Property Development – Dreeftoren Redevelopment, Amsterdam (100%-owned)

- The redevelopment project comprises a newly refurbished and enlarged 18-storey office tower (GFA: 20,231 sqm, including commercial plinth), a new 130-metre high residential tower with 312 apartment units (GFA: 27,890 sqm) and a parking garage with 136 carpark lots.

- The redevelopment work is on track for completion around late 2024 and 4Q2025 for the office and residential towers respectively.

- The construction market continues to pose challenges and risks to the contractors and subcontractors in terms of controlling their cost. The Group has been actively engaging them in order to manage its risk exposure.

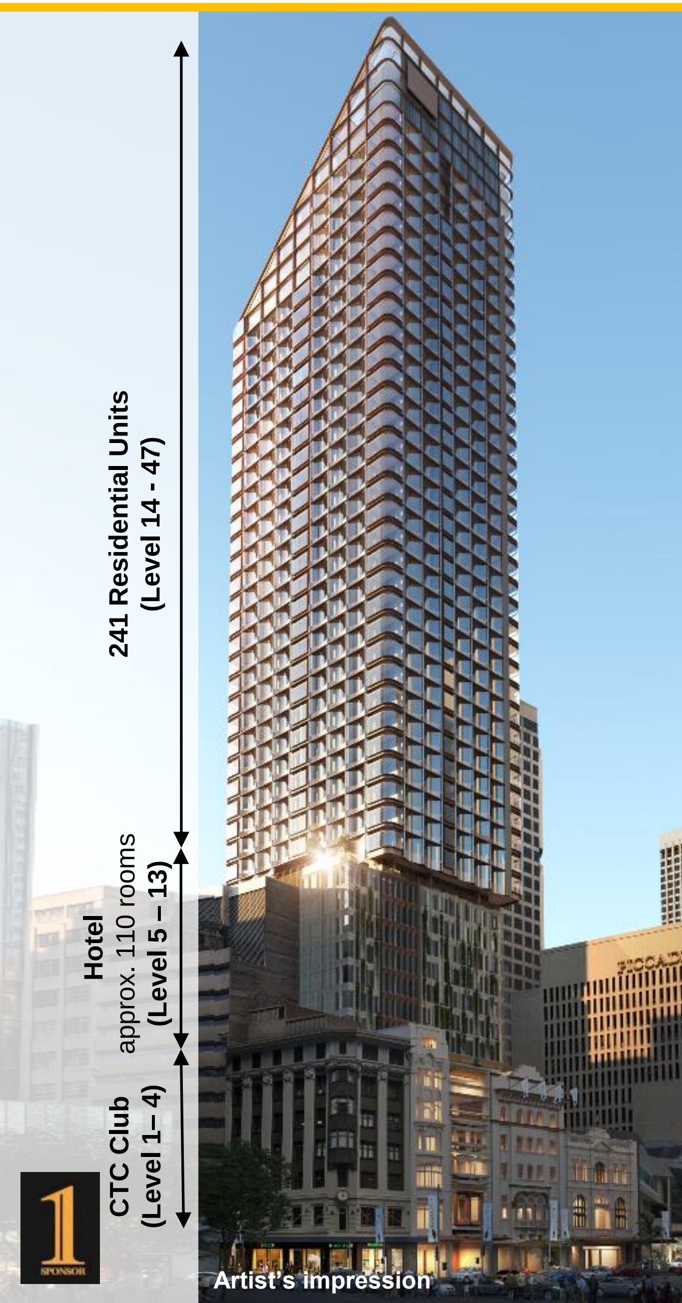
3.15 Property Development – Meerparc Redevelopment, Amsterdam (100%-owned)

- In December 2017, the Group acquired Meerparc, a freehold property with a substantial office component (GFA of 19,130 sqm) located in the Amsterdam South-Axis, the central business district of Amsterdam.
- The Group is working on redeveloping the property into a mixed residential (60%) / office (40%) property with an overall GFA of 50,000 sqm.
- Following the execution of the letter of intent on 21 October 2022, the Group has been in discussion with the municipality on the design, program, and specifications of the building, including the residential mix of social, mid-rent and free market units.
- Management aims to complete the design process and apply for the building permit in mid-2023.

3.16 Property Development – 16-19 Prins Hendrikkade, Amsterdam (100%-owned)

- On 23 December 2022, the Group completed the acquisition of a dated freehold commercial property located in Amsterdam at an all-in purchase price of €11.5 million.
- The property, which comprises four adjacent monumental buildings with a total lettable floor area of approximately 3,000 sqm, is situated opposite the Amsterdam Central public transport hub in the city centre of Amsterdam.
- The Group intends to fully renovate the property to enhance its value once the existing lease in respect of the property expires on 31 December 2023.

3.17 Property Development – City Tattersalls Club ("CTC") Project, Sydney (39.9%-owned)



Ground Floor: Residential, Club & Hotel

- For the CTC project in Sydney, the 39.9%-owned developer trust has entered into exclusive negotiations with a potential main contractor for the project.
- In order to manage the risk of increasing construction cost, the developer trust intends to enter into a partially fixed-cost construction agreement with the main contractor.
- The CTC project, upon completion, will comprise the refurbished City Tattersalls Club, a 110-room hotel and 241 residential units.
- The developer trust will monitor the market conditions before deciding on an appropriate time to launch the residential units for pre-sale.
- The Group will take a 70.5% stake in the hotel component.

Section 4 Business Updates 2H2022 – Property Holding

4.1 Property Holding – FY2022 Non-Cash Fair Value Adjustments/Impairment Charges

In S$'000	Asset level Fair Value (Impairment)/Gain	Share %	Impact to the Group's Net Profit
European Office Portfolio	**(62,172)**		**(15,223)**
- Berg & Bosch Bilthoven	(1,504)	33%	(368)
- Mondriaan Tower Amsterdam	(12,339)	33%	(3,021)
- Zuiderhof I Amsterdam	(19,860)	33%	(4,863)
- Munthof Amsterdam	(3,833)	33%	(939)
- Oliphant Amsterdam	(24,636)	33%	(6,032)
European Hotel Portfolio	**(46,495)**		**(40,798)**
- Arena Towers Amsterdam	(3,783)	100%	(2,807)
- Dutch Bilderberg hotel portfolio	(28,362)	95%	(24,482)
- Bilderberg Bellevue Hotel Dresden	(5,833)	94.9%	(4,659)
- Utrecht Centraal Station hotels	(5,395)	100%	(5,395)
- Hilton Rotterdam	441	33%	108
- Milan bare shell hotel	(3,563)	100%	(3,563)
Dongguan East Sun Portfolio	(8)	90%	(6)
Dongguan Wanli Portfolio	594	44.1%	262
Dongguan The Pinnacle SOHO component *	(5,197)	60%	(3,019)
Chengdu Millennium Waterfront Plot E1 carparks *	(11,244)	100%	(8,433)
RMB280m Defaulted Loan *	**(11,744)**		**(8,808)**
- Shanghai Pudong 51 Mall	5,062	100%	3,796
- Net impairment charge on loan receivable	(16,806)	100%	(12,604)
Total	**(136,266)**		**(76,025)**

* Not under property holding business, but included here for ease of reference to non-cash P&L adjustments relating to fair value adjustments and impairment charges in FY2022.

- The Group recognised a net attributable fair value loss and impairment charges of S$76.0 million in FY2022.

4.2 Property Holding – European Property Portfolio Operating Performance

In €'000	2H2022	2H2021	Change %	FY2022	FY2021	Change %	FY2019
Dutch office income	**9,612**	**9,839**	**(2.3%)** [1]	**18,858**	**19,968**	**(5.6%)** [1]	**15,853**
European hotel income	**15,682**	**8,494**	**84.6%**	**23,817**	**5,227**	**355.7%**	**26,769**
- Operating hotels[2]	13,575	6,392	112.4%	19,572	1,027	n.m.	19,321
- Leased hotels[3]	2,107	2,102	0.2%	4,245	4,200	1.1%	7,448 [4]
Total	**25,294**	**18,333**	**38.0%**	**42,675**	**25,195**	**69.4%**	**42,622**

(1) Due mainly to the lower income contribution from Mondriaan Tower Amsterdam arising from the exit of anchor tenant Delta Lloyd in early 2022.

(2) Includes the Bilderberg Hotel Portfolio, Hilton Rotterdam, Bilderberg Bellevue Hotel Dresden, Hampton by Hilton Utrecht Centraal Station, Crowne Plaza Utrecht Centraal Station and with effect from 31 January 2021, Le Méridien Frankfurt. There was a marked improvement in trading results mainly because of the lifting of Covid-19 restrictions.

(3) Includes the Holiday Inn and Holiday Inn Express at Arena Towers Amsterdam.

(4) Includes rental income from Le Méridien Frankfurt as it was classified under "Leased hotels" in FY2019 before the termination of its lease in January 2021.

Excluding Dreeftoren Amsterdam and Meerparc Amsterdam, the Dutch office portfolio and European leased hotels (LFA: 114,665 sqm, 90% occupancy) have a WALT of approximately 7.4 years.

4.3 Property Holding – Dutch Bilderberg Hotel Portfolio (95%-owned)

Bilderberg Hotel Portfolio [1]	2H2022	2H2021	Change	2H2019	FY2022	FY2021	FY2019
Occupancy	65.1%	52.1%	13.0%	74.2%	58.2%	37.3%	69.7%
ADR	€ 117.3	€ 102.0	15.0%	€ 103.2	€ 114.7	€ 100.7	€ 103.3
RevPAR	€ 76.4	€ 53.1	43.8%	€ 76.5	€ 66.8	€ 37.6	€ 72.0
TRevPAR	€ 140.0	€ 101.3	38.1%	€ 146.3	€ 124.1	€ 70.7	€ 138.5

[1] Comprises 11 owned hotels.

- The Dutch Bilderberg hotel portfolio continued its strong recovery from the Covid-19 pandemic in both ADR and occupancy for FY2022. It is encouraging to note that the 2H2022 RevPAR is almost the same as 2H2019's level.

4.3 Property Holding – Dutch Bilderberg Hotel Portfolio (95%-owned)

(in million €)	2H2022	2H2021	Change	2H2019	FY2022	FY2021	FY2019
Revenue	32.3	23.4	38.1%	33.8	56.8	32.4	63.5
EBITDA	5.4	5.9	(7.9%)	8.2	7.8	2.1	12.5
Government Subsidies	-	3.0	(100.0%)	-	1.4	6.1	-
Energy Cost	2.3	0.9	151.2%	1.0	5.0	1.9	2.0

- The hotel portfolio recorded a slightly lower EBITDA of €5.4m for 2H2022 (2H2021: €5.9m). This was due largely to the fact that there were no subsidies in 2H2022 as compared to the €3.0m in subsidies obtained in 2H2021, as well as higher operating expenses, especially energy cost.
- With the strong recovery in the hospitality industry, EBITDA for FY2022 increased substantially to €7.8m (FY2021: €2.1m) despite FY2022 recording much lower government subsidies of €1.4m (FY2021: €6.1m).

4.4 Property Holding – Hilton Rotterdam, the Netherlands (33%-owned)

(in million €)	2H2022	2H2021	Change	2H2019	FY2022	FY2021	FY2019
Revenue	7.1	3.0	135.9%	6.8	12.4	4.4	13.4
EBITDA/(LBITDA)	2.1	(0.4)	578.2%	2.2	3.1	(0.6)	4.0
Government Subsidies	0.4	-	n.m.	-	0.7	1.3	-
Energy Cost	0.6	0.2	282.2%	0.2	1.1	0.4	0.4

- Hilton Rotterdam recorded a strong 2H2022 which was driven by the meeting and event businesses. The hotel recorded occupancy of 76.3% in 2H2022 (2H2021: 39.9%), which was just below the 77.0% occupancy achieved in 2H2019. For FY2022, occupancy was 66.3% (FY2021: 29.9%).
- In 2H2022, the hotel recorded an EBITDA of €2.1m as compared to an LBITDA[1] of €0.4m in 2H2021. For FY2022, the hotel recorded an EBITDA of €3.1m (FY2021: LBITDA of €0.6m) despite lower government subsidies. Rising energy cost continues to adversely impact hotel profitability.

[1]Loss before interest, tax, depreciation and amortisation

4.5 Property Holding – Utrecht Centraal Station Hotels, the Netherlands (100%-owned)

(in million €)	2H2022	2H2021	Change	2H2019	FY2022	FY2021	FY2019
Revenue	7.2	2.5	192.9%	Hotels not fully opened for the period	12.1	2.9	Hotels not fully opened for the period
EBITDA	2.4	0.2	n.m.		4.0	0.1	
Government Subsidies	(0.1)	-	n.m.		0.2	0.8	
Energy Cost	0.3	0.2	91.1%		0.7	0.3	

- The Hampton by Hilton reported a strong 2H2022 occupancy of 88.7% (2H2021: 67.8%), resulting in an FY2022 occupancy of 78.1% (FY2021: 42.7%). Both 2H2022 and FY2022 occupancy rates exceeded pre Covid-19 levels.
- The Crowne Plaza continued its ramp-up since its reopening in January 2022 and reported an occupancy of 81.2% for 2H2022. Occupancy for FY2022 was at 67.1%.
- As a result of the strong trading, the hotels jointly reported an EBITDA of €2.4m for 2H2022 (2H2021: €0.2m), resulting in a significantly higher FY2022 EBITDA of €4.0m (FY2021: €0.1m).

4.6 Property Holding – Le Méridien Frankfurt, Germany (50%-owned)

(in million €)	2H2022	2H2021	Change	2H2019[1]	FY2022	FY2021	FY2019[1]
Revenue	7.7	3.6	112.3%	8.0	12.8	4.4	16.3
EBITDA/(LBITDA)	1.7	(0.6)	388.3%	2.2	2.0	(1.5)	4.4
Government Subsidies	-	0.2	(100.0%)	-	0.2	1.1	-
Energy Cost	0.5	0.3	77.0%	0.4	0.9	0.4	0.7

- As the Frankfurt hospitality market continued with its recovery, the hotel recorded an improved 2H2022 occupancy of 58.4% (2H2021: 37.9%), bringing FY2022 occupancy to 51.2% (FY2021: 27.7%).
- Arising from this stronger occupancy, the hotel achieved an EBITDA of €1.7m for 2H2022 (2H2021: LBITDA of €0.6m). For FY2022, EBITDA was €2.0m (FY2021: LBITDA of €1.5m).
- The hotel is currently studying the feasibility of various value enhancement options, including market re-positioning and room count increase.

[1]As the hotel was a leased hotel of the Group up until 31 January 2021, the 2H2019 and FY2019 hotel operating figures shown above were on the account of the previous tenant.

4.7 Property Holding – Bilderberg Bellevue Hotel Dresden, Germany (94.9%-owned)

(in million €)	2H2022	2H2021	Change	2H2019	FY2022	FY2021	FY2019
Revenue	7.9	5.6	39.6%	6.0	12.6	7.4	11.2
EBITDA	2.0	1.4	44.9%	1.3	2.7	1.0	2.0
Government Subsidies	-	0.1	(100.0%)	-	0.2	0.8	-
Energy Cost	0.7	0.4	84.4%	0.4	1.3	0.6	0.7

- The Dresden market continued its recovery and the hotel recorded a higher occupancy level of 69.2% (2H2021: 58.3%). Occupancy for FY2022 was at 56.6%, higher than the 36.0% achieved in FY2021.
- The hotel recorded an improved EBITDA of €2.0m for 2H2022 (2H2021: €1.4m) and €2.7m for FY2022 (FY2021: €1.0m). For FY2022, EBITDA was above the level in 2019 which was impacted by the room refurbishment program.

4.8 Property Holding – Chengdu Wenjiang hotels (100%-owned)

Crowne Plaza Chengdu Wenjiang and Holiday Inn Express Chengdu Wenjiang Hotspring Hotels, PRC

- Due to the resurgence of Covid-19 cases in Chengdu, both the Crowne Plaza and Holiday Inn Express hotels were selected by the local municipal for use as quarantine hotels on several occasions during the year, for a total of approximately 6 and 5 weeks respectively in 2H2022.
- Notwithstanding the above, the hotels recorded a higher EBITDA of RMB8.3 million in 2H2022 (2H2021: RMB4.2 million) as 2H2021 was a weaker period with the implementation of restrictions to curb Covid-19.
- For FY2022, the hotels recorded a slightly lower EBITDA of RMB11.9 million (FY2021: RMB12.5 million) as trading took a hit when the Crowne Plaza and Holiday Inn Express hotels were used as quarantine hotels and closed to the public for a total period of approximately 15 and 19 weeks respectively.

Section 5 Business Updates 2H2022 – Property Financing

5.1 Property Financing - Overview of Financial Performance

In S$'000	2H2022	2H2021 *(adjusted)*	Change %	FY2022	FY2021 *(adjusted)*	Change %
Secured PRC PF debt (1)	15,372 (2)	40,935 (2)	(62.4%)	40,066 (2)	74,656 (2)	(46.3%)
PF loans to the Group's members						
- European associates and JV (3)	8,696	16,902	(48.6%)	22,340	34,753	(35.7%)
Secured non-PRC PF loan	1,297	791	64.0%	2,198	1,471	49.4%
Total PF revenue (net of impairment)	**25,365**	**58,628**	**(56.7%)**	**64,604**	**110,880**	**(41.7%)**

(1) Due mainly to a lower average PRC PF loan book.

(2) A net impairment charge of RMB82m (S$16.8m), which effectively relates to the interest recognised on the RMB280m defaulted loan but not collected, was recognised in FY2022. To better reflect the impact of the impairment charge to the PRC PF income, proforma adjustments have been made by way of deductions of S$8.1m and S$8.7m from the FY2021 reported PF revenue and the FY2022 reported PF revenue respectively. S$5.8m has also been correspondingly deducted from the 2H2021 reported PF revenue.

(3) Due to a partial loan repayment by the 33%-owned FSMC after the sale of its 95% equity interest in the Dutch Bilderberg hotel portfolio to the Group and the depreciation of € against S$.

5.2 Property Financing – PRC Loan Book

	Average PRC PF loan book for the year to date ended	PRC PF loan book * as at
31 December 2022	RMB1,623.5m (S$332.7m)	RMB814.1m (S$157.3m)
30 September 2022	RMB1,848.4m (S$385.4m)	RMB1,215.4m (S$245.0m)

* PRC PF loan book as at 31 December 2022 excludes any balance in relation to the RMB280m defaulted loan as this has been fully impaired, while a balance of RMB80.9m was included as at 30 September 2022.

- The PRC PF loan book stood at RMB814.1 million as at 31 December 2022, a 33% decrease from the loan book as at 30 September 2022.
- Arising from the difficult property market conditions in the PRC during FY2022, the Group has taken a more prudent approach in managing its PRC loan book. However, given the improving economic outlook of the PRC economy, the Group will carefully evaluate the feasibility of increasing its PRC loan book again.

5.3 Property Financing – Update on the RMB330m PRC Defaulted Loans

(Figures in RMB'm)	RMB50m Pudong Villa Mortgaged Loan	RMB280m Pudong Mall Mortgaged Loan	Overall RMB330m Defaulted Loan	
Outstanding debt	(62.1)	(375.3)	(437.4)	*[A]*
● *Loan principal*	*(50.0)*	*(280.0)*		
● *Default and penalty Interest*	*(12.1)*	*(89.8)*		
● *Legal fees*	-	*(5.5)*		
Total enforcement proceeds	62.1	244.9	307.0	*[B]*
Remaining shortfall	-	(130.4)	(130.4)	*[A]+[B]*
Book Exposure	-	(82.0)	(82.0)	
Total cash income (collected to-date)	**84.8**	**292.5**	**377.3**	
IRR	13.0%	1.7%	4.8%	

- The aggregate outstanding amount under the RMB280 million defaulted loan was RMB130.4 million as at 31 December 2022. A net impairment charge of RMB82.0 million, which effectively relates to the interest recognised on the loan but not collected, was recognised in FY2022. No impairment charge for the remaining RMB48.4 million out of the RMB130.4 million was necessary as such amount was not previously recognised as interest income although the Group is legally entitled to claim it from the borrower group.
- The Shanghai court has, on behalf of the Group, placed several legal caveats on the remaining properties of the borrower group. However, there is no assurance that any part of the RMB130.4 million and associated interest thereon will be recovered.
- Notwithstanding the above, the Group has already achieved an internal rate of return of 13.0% and 1.7% for the RMB50 million and RMB280 million defaulted loans respectively.

Thank You

For enquiries, please contact:

Mr Leonard Gerk
Senior Vice President – Financial Planning & Analysis
First Sponsor Group Limited
Email: ir@1st-sponsor.com.sg

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