



First Sponsor Group Limited
1Q2023 Voluntary Interim Update
27 April 2023

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Section 1

Key Message

Key Message

1. Following the easing of Covid-19 related restrictions and various official announcements of pro-market measures, the PRC property market sentiments have improved. The Group experienced healthy pre-sales for its development projects. The four Dongguan development projects that the Group procured in 2022 via public land tenders will be launched for pre-sales over the coming months of 2023. While the Group will see a record number of development projects under pre-sales in 2023, there will be a time lag in revenue recognition as Chinese development sales are recognised on a completed contract basis. In particular, the Group is expecting fewer projects to be completed this year.
2. On 23 February 2023, the 39.9%-owned developer trust for the CTC project in Sydney signed down a construction agreement with Richard Crookes Constructions Pty Limited as the main contractor, with a contract price comprising fixed and variable components. The CTC project, which is expected to be completed in 2027, will comprise the refurbished City Tattersalls Club, a 110-room hotel that will be 70.5%-owned by the Group and 241 residential units for sale.

Key Message

3. The Group's European operating hotels continued with its recovery, largely driven by meetings, events and leisure business. Profitability of the hotels was however adversely impacted by high energy and labour costs, as well as the closure of two Dutch Bilderberg hotels for a large part of 1Q2023 due to major renovation works. For 1Q2023, the European operating hotels recorded a loss before interest, tax, depreciation and amortisation ("LBITDA") of €0.4 million, significantly lower than the LBITDA of €2.7 million in 1Q2022. In the PRC, the Chengdu Wenjiang hotels recorded stronger earnings before interest, tax, depreciation and amortisation ("EBITDA") of RMB4.0 million in 1Q2023 as compared to an LBITDA of RMB0.5 million in 1Q2022, following the easing of Covid-19 related restrictions.
4. In March 2023, the Group completed the refinancing of S\$215 million committed revolving credit facilities and a further upside of S\$50 million. The above, together with the record number of upcoming new pre-sale launches of several PRC property development projects and substantial potential equity infusion from the exercise of outstanding warrants, will further strengthen the cash resources of the Group to enable it to capitalise on any good business opportunities when they arise.

Section 2

Business Updates 1Q2023 – Property Development

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

Project	Equity %	Type	Total saleable GFA (sqm)	In units (unless otherwise specified)			% of launched GFA sold ¹	Average selling price (RMB psm)	Land cost RMB psm ppr (Date of Entry)
				Total	Launched	Sold			
1 Millennium Waterfront Plot E, Wenjiang, Chengdu	100%	SOHO	196,000	2,960	246	41	17%	7,300	310 (May 2012)
		Commercial ²	112,500	Not applicable	-	-	-	-	
2 Skyline Garden, Wanjiang, Dongguan	27%	Residential	131,900	1,194	1,194	1,193	100%	38,300	15,200 (Jun 2019)
		SOHO	66,600	804	804	184	34%	21,600	
3 Time Zone, Humen, Dongguan	17.3%	Residential	296,600	2,370	2,062	1,525	71%	37,000	15,400 3,100 (Jun 2020)
		SOHO	367,400	5,820	948	717	75%	18,700	
		Commercial ³	358,700	Not applicable	3,000 sqm	2,800 sqm	92%	38,100	
4 Fenggang Project, Dongguan	18%	Residential	157,000	1,260 (Estimate)	-	-	-	-	Pending land conversion (Jan 2021)
5 Primus Bay, Panyu, Guangzhou	95%	Residential	163,900	1,495	417	64	14%	24,200	8,000 (Feb 2021)
6 Oasis Mansion, Humen, Dongguan	48.2%	Residential	77,800	738	490	280	55%	29,500	15,000 (Apr 2021)
7 Central Mansion, Humen, Dongguan	36%	Residential	82,000	562	156	61	37%	36,900	14,200 (Jul 2021)
		SOHO	26,200	102	-	-	-	-	

¹ “Sold” for this and subsequent slides for the property development projects in the PRC is calculated based on GFA and includes sales as at 26 April 2023 under option agreements or sale and purchase agreements, as the case may be.

² Comprises a commercial building (74,200 sqm) and a retail podium (38,300 sqm).

³ Comprises office (198,100 sqm), hotel (40,000 sqm), shopping mall (99,400 sqm) and other commercial/retail space (21,200 sqm).

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

Project	Equity %	Type	Total saleable GFA (sqm)	In units (unless otherwise specified)			% of launched GFA sold	Average selling price (RMB psm)	Land cost RMB psm ppr (Date of Entry)
				Total	Launched	Sold			
8 Exquisite Bay, ¹ Dalingshan, Dongguan	46.6%	Residential	147,700	1,240	-	-	-	-	14,600 (Jun 2022)
9 Egret Bay, ² Wanjiang, Dongguan	27%	Residential	70,700	383	-	-	-	-	22,500 (Jun 2022)
10 The Brilliance, Shilong, Dongguan	100%	Residential	93,300	820	248	19	7%	22,300	10,900 (Aug 2022)
11 Kingsman Residence, Shijie, Dongguan	50%	Residential	154,500	1,228	-	-	-	-	10,200 (Aug 2022)
Total Residential			1,375,400	11,290					
Total SOHO			656,200	9,686					

¹ Previously known as Cuilong Bay.

² Previously known as Luwan Garden.

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

40% RESERVED

~ 100% SOLD

100% SOLD

RESERVED

SOHO Blocks

Residential Blocks

- Five blocks of 1,194 units (131,900 sqm)
- Four blocks of 830 units (94,600 sqm) were 100% sold and handover has commenced since 4Q2022.

- The last residential block of 364 units (37,300 sqm), which is ~100% sold, is expected to be handed over in December 2023.

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 104 units of the high-rise SOHO block (306 units) have been reserved by purchasers with cash deposit paid

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

Three Office Towers (198,100 sqm)

- A grade-A tower with approx. 620 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. 4,680 SOHO units (268,900 sqm) and a hotel (40,000 sqm)

Shopping Mall (99,400 sqm)

Four SOHO Loft Blocks (98,500 sqm)

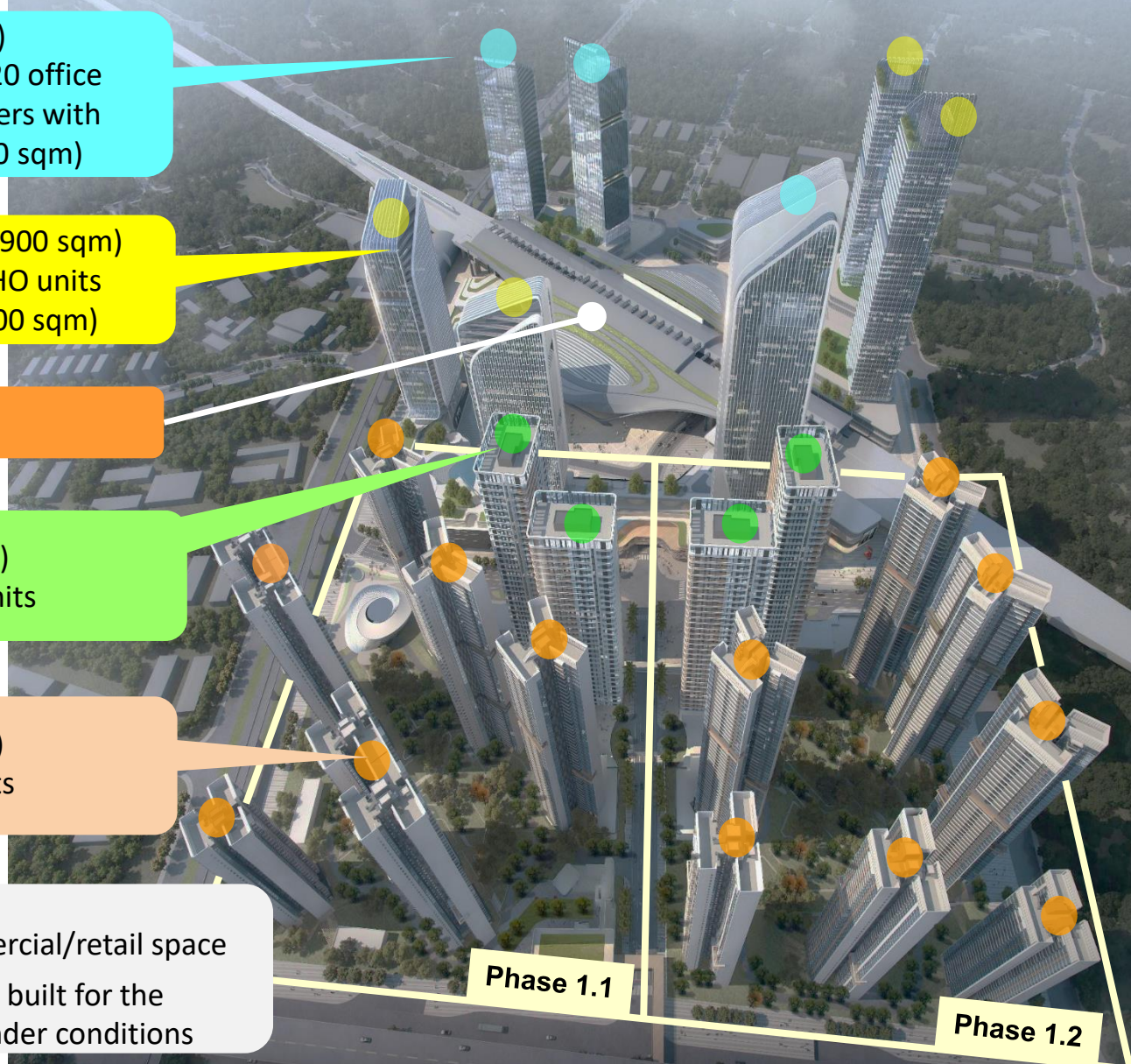
- Four blocks of 1,140 SOHO loft units

13 Residential Blocks (296,600 sqm)

- 13 blocks of 2,370 residential units

Others:

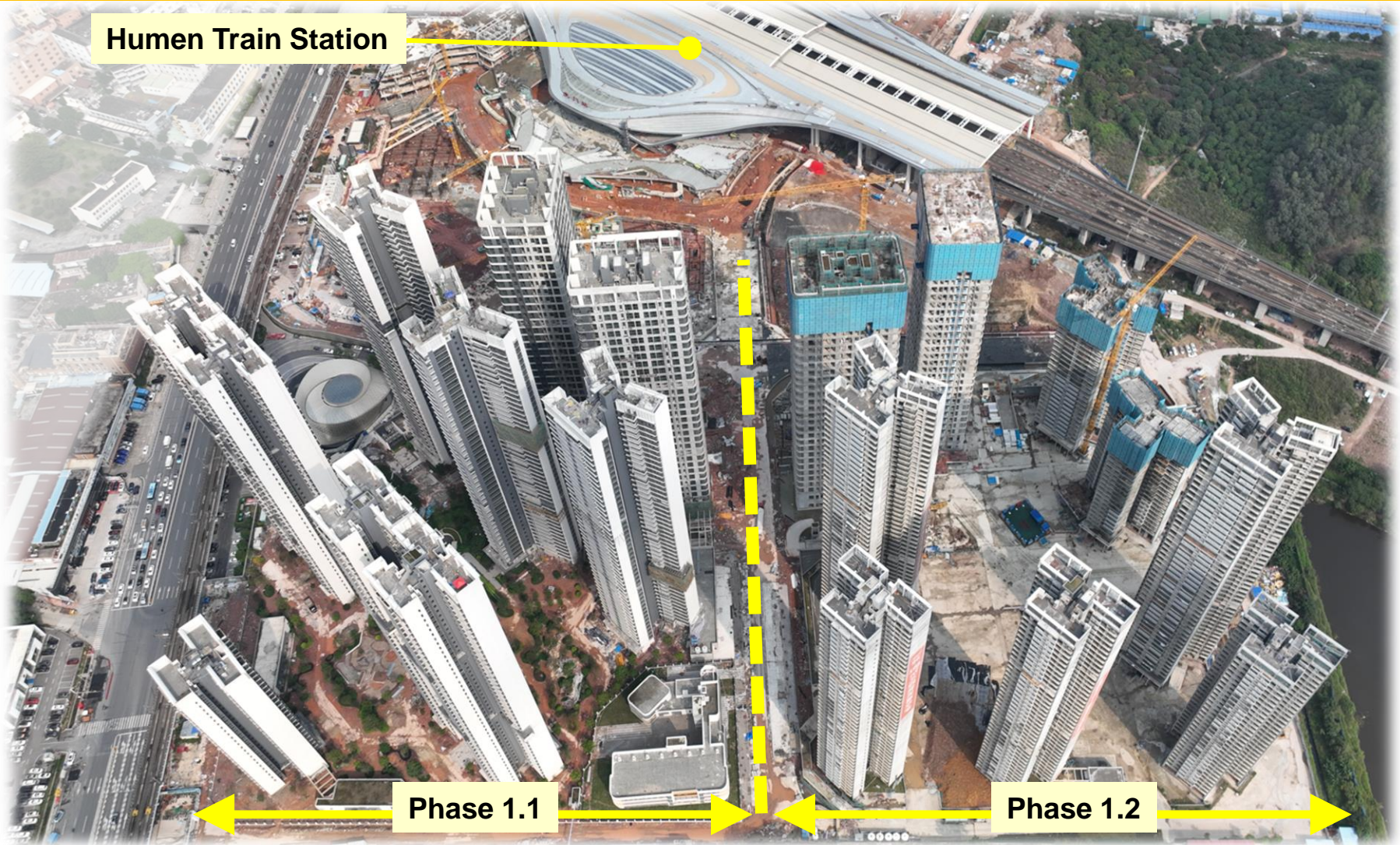
- Approx. 21,300 sqm of commercial/retail space
- Other general amenities to be built for the authorities as per the land tender conditions



Phase 1.1

Phase 1.2

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



- The 17.3%-owned Humen Time Zone is on track for its first handover of the residential apartment blocks in late 2023.

2.3 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.
- Phase 1.1 is expected to commence its first handover of residential apartment blocks in late 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. RMB3,100 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. RMB15,400 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 92% were sold



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

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

- One block has been launched for pre-sale and the SOHO units were sold at an average selling price of approximately RMB17,200 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



- Phase 1.2 launched another residential apartment block (176 units) for pre-sale on 24 March 2023, and was 8% sold.
- In total, five out of the seven residential apartment blocks (788 units) of Phase 1.2 have been launched for pre-sales, of which 68% or 550 units were sold.

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

- The 48.2%-owned Humen Oasis Mansion sold 280 out of the 490 residential units which were launched progressively from 31 March 2022, achieving a sales rate of approximately 55%. The project is expected to commence its handover of the sold residential apartment units from 2H2024.
- 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. As at 26 April 2023, the Group's remaining economic exposure in the project was the outstanding S\$63.3 million of JCB which is expected to be fully redeemed in 2023.



Artist's impression



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

- The residential units were sold at an average selling price of approximately RMB29,500 psm on a furnished basis
- The Group's land cost in the project is approximately RMB15,000 psm ppr

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

- The 36%-owned Humen Central Mansion, which launched its first pre-sale of two residential apartment blocks comprising 156 units on 31 December 2022, was 37% sold at an average selling price of approximately RMB36,900 psm.



Comprises :

- Seven blocks of 562 residential units (82,000 sqm)
- Three blocks of 102 SOHO units (26,200 sqm)
- Approx. 4,400 sqm of saleable storage space and 3,400 sqm of commercial/retail space

The Group's all-in land cost amounts to approximately RMB14,200 psm ppr

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

- The resettlement exercise is on-going as 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 FY2023.



Artist's impression



Fenggang Project*

Site area : 33,400 sqm

Saleable : approx. 164,000 sqm

GFA (residential 96% /
commercial 4%)

*subject to re-zoning approval

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

- The 95%-owned Panyu Primus Bay, which launched one new residential block of 120 units each in mid-March and mid-April 2023, saw a pick-up in sales with 40 units sold in 2023.
- The project is expected to commence its handover of the sold residential apartment units from late 2023.



Residential Blocks

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

2.8 Property Development – Exquisite Bay¹, Dalingshan, Dongguan (46.6%-owned)

- The 46.6%-owned Exquisite Bay targets to launch its first pre-sale of three residential apartment blocks comprising 271 units in late April/early May 2023.



Residential Blocks

- Predominantly residential project comprising 12 blocks of 1,240 units (147,700 sqm)
- The Group's land cost in the project is approximately RMB14,600 psm ppr

2.9 Property Development – Egret Bay¹, Wanjiang, Dongguan (27%-owned)

- The 27%-owned Egret Bay is expected to launch its first pre-sale of three residential apartment blocks comprising 175 units in June/July 2023.

Dongguan East River



Residential Blocks

- Residential project comprising seven blocks of 383 units (70,700 sqm)
- The Group's land cost in the project is approximately RMB22,500 psm ppr

2.10 Property Development – The Brilliance, Shilong, Dongguan (100%-owned)

- The wholly-owned The Brilliance launched its first pre-sale of two residential apartment blocks comprising 248 units on 22 April 2023 and achieved a modest result of 19 units sold.



Residential Blocks

- Predominantly residential project comprising seven blocks of 820 units (93,300 sqm)
- The Group's land cost in the project is approximately RMB10,900 psm ppr

2.11 Property Development – Kingsman Residence¹, Shijie, Dongguan (50%-owned)

- The 50%-owned Kingsman Residence would be the last of the four newly acquired projects in 2022 to commence pre-sales. It targets to launch its pre-sale of four residential apartment blocks comprising 484 units in September 2023.



Artist's impression



Residential Blocks

- Predominantly residential project comprising 11 blocks of 1,228 units (154,500 sqm)
- The Group's land cost in the project is approximately RMB10,200 psm ppr

¹ Previously known as Shijie Land

2.12 Property Development – Millennium Waterfront Project, Wenjiang, Chengdu (100%-owned)

- Plot E comprises 3 towers of approximately 2,960 SOHO units, a retail podium of 38,300 sqm and a commercial building of 74,200 sqm providing medical/health care services and products.
- Phase 1 is at an advanced stage of construction and has launched its first pre-sale of the SOHO units in late March 2023.
- Phase 2 is expected to commence construction in mid-2023.

- Plot F comprises 15 levels of 781 loft SOHO units which were 99% sold and 5 lower levels of commercial and retail (LFA of 8,100 sqm) which have become operational since January 2021.

- Plot G comprises the Group's 458-room Crowne Plaza Chengdu Wenjiang hotel and the 150-room Holiday Inn Express Chengdu Wenjiang Hotspring hotel which commenced operations since December 2016.



Artist's impression



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

- On 26 March 2023, the Group launched 246 units out of its first SOHO block of 1,175 units at Plot E (Phase 1) for pre-sales and achieved satisfactory sales results with 41 units sold.

1st SOHO block of which 246 units have been launched for pre-sale

2nd SOHO block to be launched for pre-sale in later part of 2023



Plot E Phase 1

4 floors of retail podium (lettable GFA of ~30,000 sqm)



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

Plot F Retail

- The five levels of commercial and retail space (LFA of 28,100 sqm) of Plot F were 97% leased as at 26 April 2023 with an expected stabilised annual net property income of around RMB11 million.
- 85% of the total LFA was leased to four key tenants for use as supermarket, cinema, restaurant and education center.



Plot F retail

Plot E Phase 1 Retail Podium

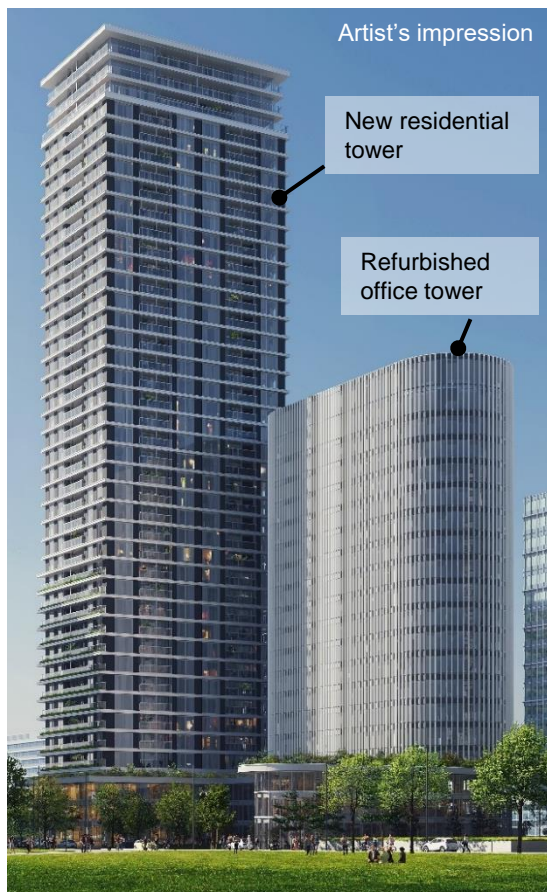
- As at 26 April 2023, the Group received expressions of interest from potential tenants for approximately 60% of the LFA in the four-level retail podium (~30,000 sqm).
- The retail podium is expected to commence operation in 1H2024.



Plot E Phase 1
Artist's impression



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



- The redevelopment project comprises a newly refurbished and enlarged 20-storey office tower (GFA: 20,231 sqm) which includes a new 3-storey 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, which commenced in early 2022, is on track for completion around late 2024 and 4Q2025 for the office and residential towers respectively.

- The current inflationary environment poses challenges and risk to the Dreeftoren redevelopment even though the Group has entered into fixed-price construction contracts for the project. The Group continues to engage actively with the contractors and subcontractors in order to manage the risk exposure.



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

- The Group is working on redeveloping Meerparc, a freehold substantially office property (GFA of 19,130 sqm) in Amsterdam central business district, into a mixed residential (60%) / office (40%) property (GFA of 50,000 sqm).
- Following the execution of the letter of intent in 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.



- The Group targets to apply for the building permit in 2H2023.

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

- The dated freehold commercial property, which comprises four adjacent monumental buildings (LFA of approximately 3,000 sqm) and is situated opposite the Amsterdam Central public transport hub in the city centre of Amsterdam, was acquired at an all-in purchase price of €11.5 million in December 2022.
- 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.



- The Group has engaged Rijnboutt, a renowned architect based in Amsterdam, for the design of the renovation and targets to complete the design and apply for the building permit in 2H2023.

2.16 Property Development – City Tattersalls Club (“CTC”) Project, Sydney (39.9%-owned)



- On 23 February 2023, the 39.9%-owned developer trust for the CTC project signed down a construction agreement with Richard Crookes Constructions Pty Limited as the main contractor, with a contract price comprising fixed and variable components.
- The CTC project, which commenced construction in March 2023 and is expected to complete in 2027, will comprise the refurbished City Tattersalls Club, a 110-room hotel that will be 70.5%-owned by the Group and 241 residential units for sale.
- The developer trust will monitor the market conditions before deciding on an appropriate time to launch the residential units for pre-sale.

← Ground Floor: Residential, Club & Hotel

Section 3

Business Updates 1Q2023 – Property Holding

3.1 Property Holding – European Property Portfolio Operating Performance

In €'000	1Q2023	1Q2022	Change %	1Q2019
Dutch office income	5,308	5,004	6.1% ⁽¹⁾	3,938
European hotel income	698	(1,665)	141.9%	2,028
- Operating hotels ⁽²⁾	(356)	(2,710)	86.9%	197
- Leased hotels ⁽³⁾	1,054	1,045	0.9%	1,830 ⁽⁴⁾
Total	6,006	3,339	79.9%	5,966

- (1) Higher income contribution from all Dutch offices except Mondriaan Tower Amsterdam due to the exit of its 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 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 1Q2019 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 7.1 years.

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



<i>Bilderberg Hotel Portfolio</i> ¹	1Q2023	1Q2022	Change	1Q2019
Occupancy	45.6%	32.6%	13.0%	55.3%
ADR	€ 105.2	€ 94.1	11.8%	€ 94.0
RevPAR	€ 47.9	€ 30.6	56.3%	€ 52.0
TRevPAR	€ 93.5	€ 61.6	51.8%	€ 104.5

¹Comprises 11 owned hotels.

- Recovery for the Dutch Bilderberg hotel portfolio continued to be strong in 1Q2023. Occupancy in 1Q2023 is still below that of 1Q2019 but it is encouraging to note that ADR for 1Q2023 has exceeded that of 1Q2019.
- Operating results were affected by the closure of the Bilderberg Hotel de Keizerskroon and Bilderberg Europa Hotel Scheveningen from 2 January 2023 due to major renovations. Bilderberg Hotel de Keizerskroon has since fully re-opened on 3 March 2023 while Bilderberg Europa Hotel Scheveningen is expected to re-open limited rooms by end April 2023 and the remaining rooms by end June 2023.

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



<i>(in million €)</i>	1Q2023	1Q2022	Change	1Q2019
Revenue	10.56	6.95	51.9%	11.79
LBITDA	(1.79)	(1.60)	(11.9%)	(0.18)
Government Subsidies	-	1.41	(100.0%)	-
Energy Cost	1.99	1.82	9.3%	0.66

- As a result of the higher ADR and strong meeting and event business, revenue has significantly increased from 1Q2022 but is still slightly lower as compared to that of 1Q2019.
- Despite the strong revenue, hotel performance was affected by the higher energy and labour costs, as well as the absence of government subsidies. The hotel portfolio recorded an LBITDA of €1.8m for 1Q2023 (1Q2022: €1.6m).
- Excluding the Bilderberg Hotel de Keizerskroon and Bilderberg Europa Hotel Scheveningen which were closed for major renovations, LBITDA for 1Q2023 would be lower at €0.6m (1Q2022: €1.2m).

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



- On 3 March 2023, Bilderberg Hotel de Keizerskroon in Apeldoorn, situated in the centre of the Netherlands, reopened its doors after two months of renovation of its 95 rooms.
- The hotel was timed to reopen about one month before the reopening of the iconic 17th century Het Loo Palace, a key Dutch tourist attraction which is next to the hotel and has undergone a major renovation and an extension over the past five years.



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



<i>(in million €)</i>	1Q2023	1Q2022	Change	1Q2019
Revenue	3.06	1.51	102.6%	2.72
EBITDA/(LBITDA)	0.15	(0.38)	139.5%	0.56
Government Subsidies	-	0.14	(100.0%)	-
Energy Cost	0.44	0.32	37.5%	0.13

- The hotel recorded a strong trading in 1Q2023, with both occupancy and ADR surpassing that of 1Q2019. The hotel recorded occupancy of 63.0% (1Q2022: 35.9%) and ADR of €153 (1Q2022: €120) in 1Q2023, which exceeded the 61.2% occupancy and ADR of €142 in 1Q2019.
- Revenue growth was supported by an increase in the meeting and event business.
- The hotel achieved an EBITDA of €0.2m in 1Q2023 compared to an LBITDA of €0.4m in 1Q2022 despite the absence of government subsidies. Operational cost control remains a challenge for the hotel.

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



<i>(in million €)</i>	1Q2023	1Q2022	Change	1Q2019
Revenue	3.30	1.21	172.7%	Hotels yet to be opened during the period
EBITDA/(LBITDA)	0.83	(0.11)	n.m.	
Government Subsidies	-	0.04	(100.0%)	
Energy Cost	0.22	0.18	22.2%	

- The Hampton by Hilton achieved an occupancy of 84.7% in 1Q2023 (1Q2022: 49.5%) with a strong improvement in ADR to €118 (1Q2022: €84).
- The Crowne Plaza also reported an improved occupancy of 70.3% for 1Q2023 (1Q2022: 26.7%).
- As a result of the strong trading results, the hotels jointly reported an EBITDA of €0.8m for 1Q2023 (1Q2022: LBITDA €0.1m).

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



<i>(in million €)</i>	1Q2023	1Q2022	Change	1Q2019 ¹
Revenue	3.58	1.48	141.9%	4.22
EBITDA/(LBITDA)	0.54	(0.40)	235.0%	1.18
Government Subsidies	-	0.19	(100.0%)	-
Energy Cost	0.25	0.23	8.7%	0.14

- The Le Meridien Frankfurt recorded a 1Q2023 occupancy of 53.5% (1Q2022: 29.7%), which is still below 1Q2019 occupancy of 69.3% as the city-wide events are returning gradually. Despite the slower improvement to occupancy, the hotel was able to increase the ADR for 1Q2023 to €173 (1Q2022: ADR €119) which surpassed 1Q2019's ADR of €163.
- The hotel reported an EBITDA of €0.5m for 1Q2023 (1Q2022: LBITDA of €0.4m).
- The hotel is currently studying the feasibility of various value enhancement options, including market re-positioning and room count increase.

¹As the hotel was a leased hotel of the Group up until 31 January 2021, the 1Q2019 hotel operating figures shown above were on the account of the previous tenant.

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



<i>(in million €)</i>	1Q2023	1Q2022	Change	1Q2019
Revenue	2.35	1.17	100.9%	1.96
LBITDA	(0.08)	(0.22)	63.6%	(0.13)
Government Subsidies	-	0.25	(100.0%)	-
Energy Cost	0.38	0.28	35.7%	0.13

- As the Dresden hospitality market continued with its recovery, the Bilderberg Dresden recorded an occupancy of 44.8% (1Q2022: 20.5%). This is also slightly above 1Q2019 occupancy of 41.0%.
- The hotel recorded an improved LBITDA of €0.1m for 1Q2023 (1Q2022: LBITDA of €0.2m) despite the absence of government subsidies and higher energy cost in 1Q2023. The trading in 1Q2019 was impacted by the room refurbishment program undertaken during that period.

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

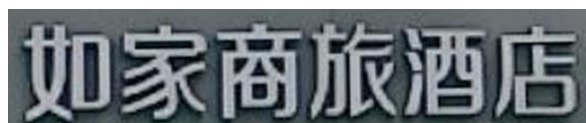


Crowne Plaza Chengdu Wenjiang and Holiday Inn Express Chengdu Wenjiang Hotspring Hotels, PRC

- Following the easing of Covid-19 related restrictions, the hotels recorded a much improved EBITDA of RMB4.0m in 1Q2023 (1Q2022: LBITDA of RMB0.5m). The comparative period of 1Q2022 was a weaker period as trading was affected by the implementation of restrictions to curb Covid-19, and both hotels were also used as quarantine hotels for approximately 2 weeks.
- With the easing of Covid-19 related restrictions and the return of events in Chengdu, Management is optimistic on the performance of the hotels for 2023.

3.8 Property Holding – FS Han Mai Mall¹, Pudong, Shanghai (100%-owned)

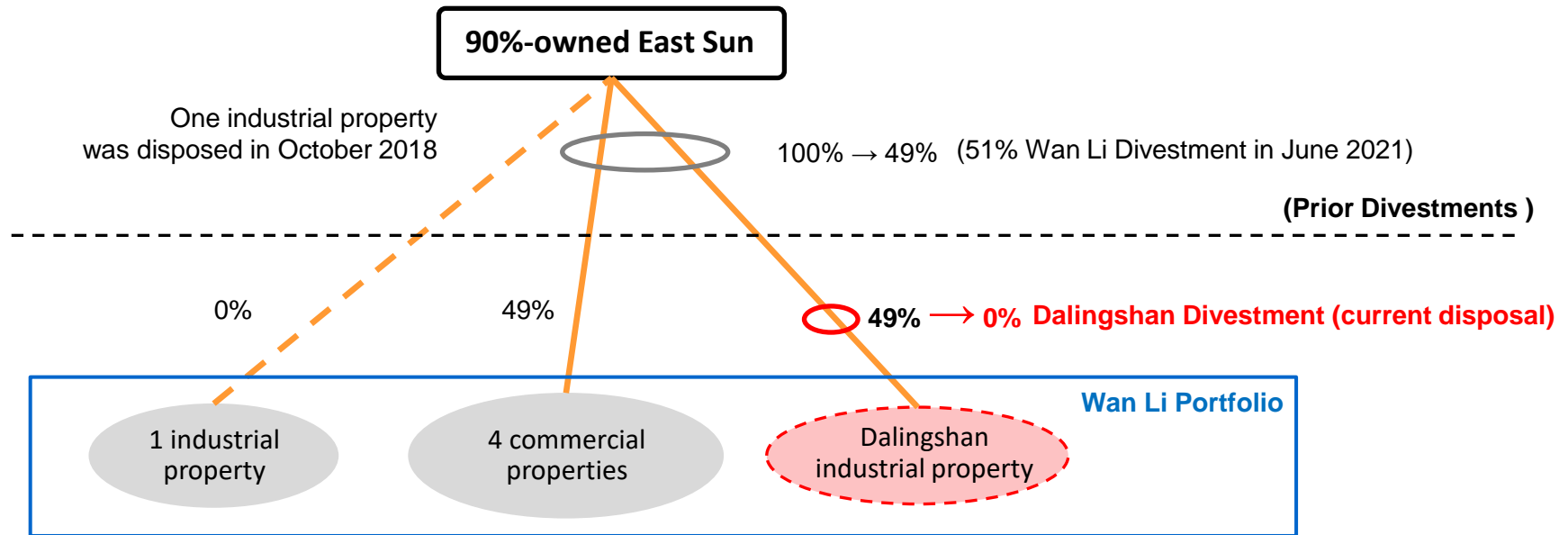
- In relation to the FS Han Mai Mall which the Group acquired as the winning bidder of the April 2022 foreclosure auction for the RMB280 million defaulted loan, the 5-storey commercial mall in the Shanghai Pudong business district is expected to contribute a net annual property income of approximately RMB17.7 million in 2023, which represents a yield of 6.4% based on the Group's all-in acquisition cost of RMB276.7 million.
- The mall (LFA of 15,267 sqm) is fully leased with 94% of the area leased to a master tenant and the remaining 6% to Bank of Shanghai. The tenants/sub-tenants include:



3.9 Property Holding – Update on Wan Li Property Portfolio (44.1%-owned)

- In January 2018, the 90%-owned East Sun acquired, at a consideration of RMB206.0 million, the entire equity interests in Dongguan Wan Li Group Limited (“Wan Li”) and its subsidiary which owns four outdated commercial and two industrial properties (“Wan Li Portfolio”) in Dongguan.
- In October 2018, one of the industrial properties in the Wan Li Portfolio was disposed at RMB128.0 million, a 166% premium over its allocated cost of RMB48.0 million. Further in June 2021, East Sun completed the divestment of a 51% controlling equity interest in Wan Li (together with the October 2018 disposal, “Prior Divestments”) valuing the remaining Wan Li Portfolio at RMB320.0 million, which represented an approximately 100% premium over its allocated cost.
- On 15 April 2023, East Sun entered into an agreement to divest its remaining 49% equity interest in the most significant property in the Wan Li Portfolio (“Dalingshan Divestment”) valuing the property at approximately RMB135 million net, which represents a premium of approximately 78% over its allocated cost. The Dalingshan Divestment is expected to complete in 2H2023.

3.9 Property Holding – Update on Wan Li Property Portfolio (44.1%-owned)



- The Prior Divestments and the Dalingshan Divestment not only allow East Sun to recoup its entire cost of investment of RMB206.0 million but also realise an approximately RMB151 million cash profit or approximately 73% return on its investment cost.
- After the Prior Divestments and the Dalingshan Divestment, East Sun will continue to retain a 49% equity interest in the remaining four outdated commercial properties in the Wan Li Portfolio.

Section 4

Business Updates 1Q2023 – Property Financing

4.1 Property Financing – PRC Loan Book

	Average PRC PF loan book for the quarter ended	PRC PF loan book as at
31 March 2023	RMB804.4m (S\$156.4m)	RMB791.3m (S\$153.2m)
31 December 2022	RMB914.5m (S\$187.4m)	RMB814.1m (S\$157.3m)

- The PRC PF loan book stood at RMB791.3 million as at 31 March 2023, a slight decrease from the loan book as at 31 December 2022.
- The Group has failed to close a number of PRC PF loan opportunities during 1Q2023 as our potential clients i.e. the acquirers, could not ultimately close their acquisition deals due to subsequent upward price revision by the selling parties. The Group will cautiously work on expanding its loan book.

Thank You

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Disclaimer

This document may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other developments or companies, shifts in customer demands, customers and partners, expected levels of occupancy rate, property rental income, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.