



First Sponsor Group Limited Investor Presentation 27 July 2023



Bilderberg Hotel de Keizerskroon and the neighbouring attraction - Het Loo Palace, Apeldoorn, the Netherlands

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Section 1

Key Message

Key Message

1. Net profit for the Group was S\$10.6 million for 1H2023, an 85.1% decline from 1H2022. This significant drop in profit was due mainly to lower income from the property financing segment arising from a lower average PRC loan book and the absence of one-off disposal gains in relation to the Dutch Bilderberg hotel portfolio and Dongguan Liaobu Factory.
2. The Board has approved an interim tax-exempt (one-tier) cash dividend of 1.1 Singapore cents per share for FY2023, which is the same as that of last year.
3. Pre-sales for two of the four Dongguan property development projects won in public land tender exercises in 2022, namely, the 100%-owned The Brilliance and 46.6%-owned Exquisite Bay, have commenced in late April 2023. Pre-sale for the third Dongguan property development project, namely, the 27%-owned Egret Bay, has commenced in mid-July 2023 while pre-sale for the fourth project would commence later this year, if appropriate. However, buying sentiments in the Dongguan residential property market have slowed down substantially from mid-2Q2023 due to an unexpected drop in market confidence.

Key Message

4. Following from 1Q2023, the Group's European operating hotels continued their recovery with occupancies in 2Q2023 close to their pre-pandemic 2019 levels. Profitability of the hotels was however adversely impacted by high energy and labour costs as well as the temporary closure of two Dutch Bilderberg hotels in 1H2023 due to major renovation works. Notwithstanding the above, the European operating hotels recorded earnings before interest, tax, depreciation and amortisation ("EBITDA") of €8.4 million in 1H2023, an improvement from the EBITDA of €6.0 million in 1H2022. In the PRC, the Chengdu Wenjiang hotels recorded an EBITDA of RMB10.9 million in 1H2023 as compared to an EBITDA of RMB3.6 million in 1H2022 during which both hotels were intermittently used as Covid-19 quarantine hotels.
5. After the completion of the major renovations at the two Dutch Bilderberg hotels, the Group plans to embark on a major renovation of the 50%-owned Le Meridien Frankfurt whereby all the 80 rooms at the Palais wing will be totally refurbished and another 29 new rooms which represent approximately 10% of the current 300-room inventory would be added. Further, given the success of the Hampton by Hilton Utrecht Centraal Station and Hilton Rotterdam hotels, the Group plans to collaborate with Hilton once again to redevelop the bare shell 65-room Puccini Milan hotel acquired in early 2019 into a 59-room 4-star Tapestry by Hilton hotel to be ready for operations in 2025. The aforesaid major hotel renovations/redevelopment, together with the redevelopment of the three Amsterdam residential/office projects, will further enhance the recurring income and value of the Group's European property portfolio.

Key Message

6. In late June 2023, the Group provided a RMB580 million senior loan to a partnership which ultimately holds a strata-titled residential property located in Pudong, Shanghai that is substantially leased out.
7. On the back of a substantial potential equity infusion from the exercise of outstanding warrants and unutilised committed credit facilities, the Group is ready to manage any economic challenges arising from the difficult market conditions and capitalise on any good business opportunities when they arise.

Section 2

Financial Updates 1H2023

2.1 Statement of Profit or Loss - Highlights

Statement of Profit or Loss - Highlights

In S\$'000	1H2023	1H2022	Change %
Revenue	135,889	115,254	17.9%
Gross profit	65,422	66,228	(1.2%)
Profit before tax	12,547	84,885	(85.2%)
Attributable profit ⁽¹⁾	10,605	71,331	(85.1%)
Basic EPS (cents)	1.15	7.73	(85.1%)
Diluted EPS (cents)	0.93	5.38	(82.7%)
Interest cover ⁽²⁾	1.5x	7.9x	n.a.

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

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

2.2 Statement of Profit or Loss – Revenue

Revenue

Property Development

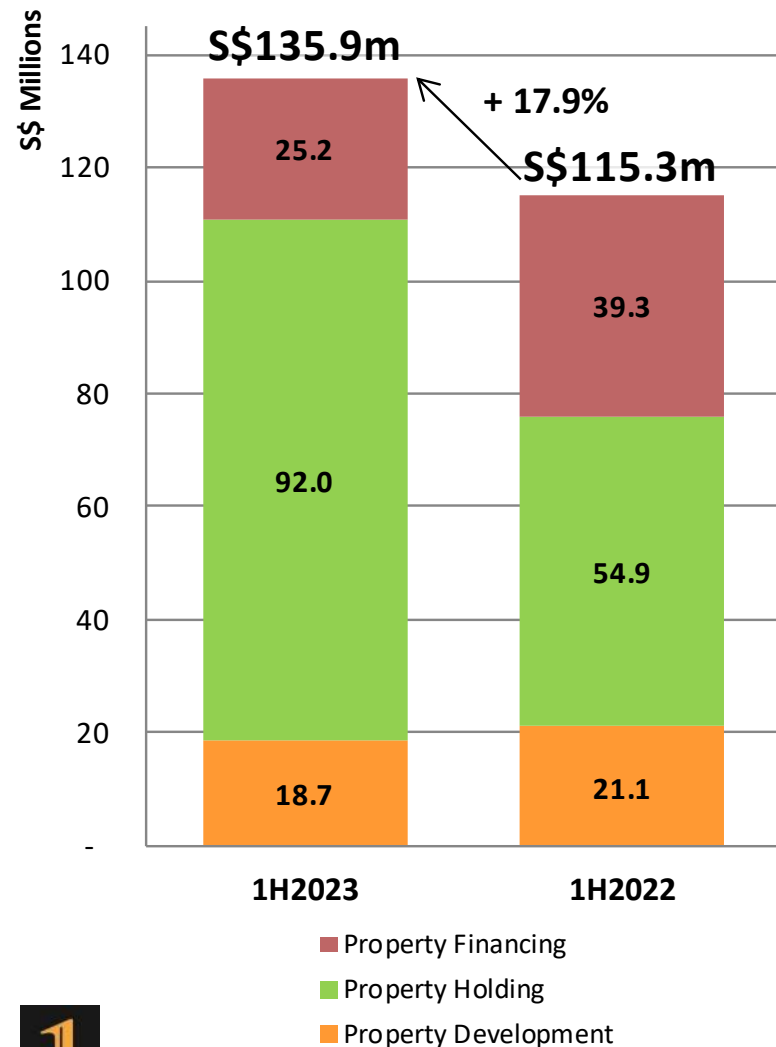
The decrease was due mainly to a lower volume of handover in 1H2023 in the Millennium Waterfront project as compared to 1H2022, which was partially offset by a higher volume of handover in The Pinnacle project (1H2023: largely arising from 23 commercial units and 72 car park lots in The Pinnacle project, 9 SOHO loft units and 5 commercial units in the Millennium Waterfront project; 1H2022: largely arising from 3 villas in the Primus Bay, 40 SOHO loft units and 10 commercial units in the Millennium Waterfront project).

Property Holding

The increase was due mainly to higher hotel revenue from the European hotels, arising from the Dutch Bilderberg hotel portfolio which was acquired by the Group on 2 May 2022 and stronger trading with the removal of Covid-19 restrictions.

Property Financing

The decrease in 1H2023 was due mainly to a lower average PRC loan book as compared to 1H2022.



2.3 Statement of Profit or Loss – Gross Profit

Gross Profit

Property Development

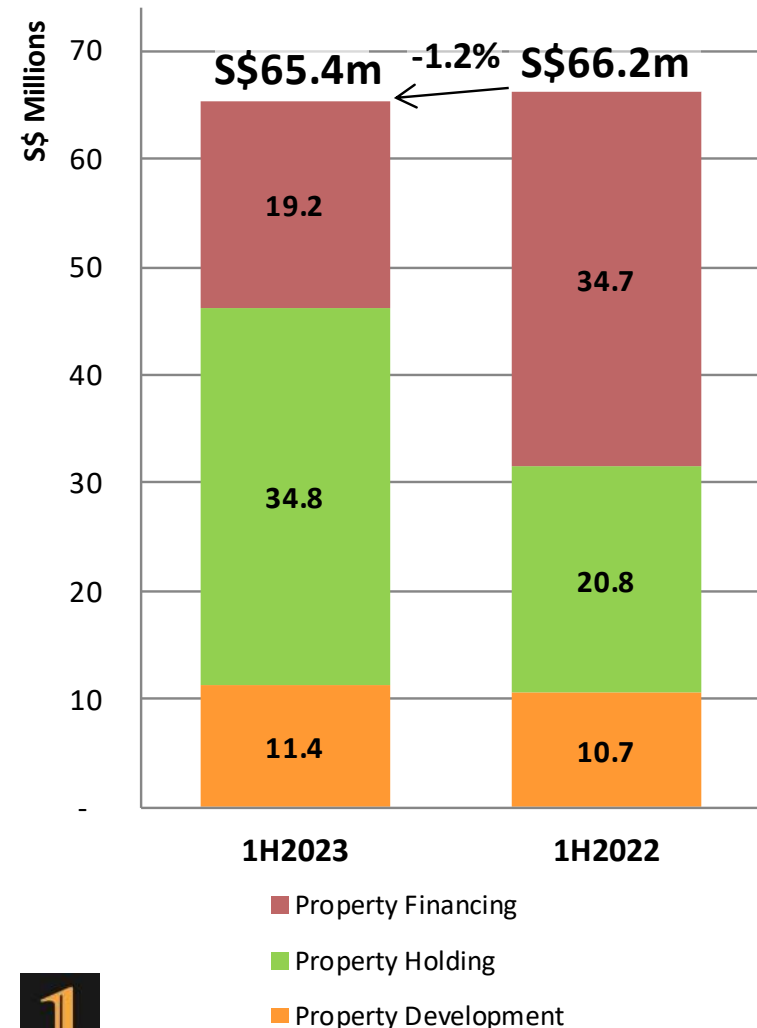
The increase was due mainly to a different sales mix in 1H2023 as compared to 1H2022. Gross profit margin was higher in 1H2023 as the commercial units and car park lots in The Pinnacle project have a higher gross profit margin than the SOHO loft units in Plot F of the Millennium Waterfront project.

Property Holding

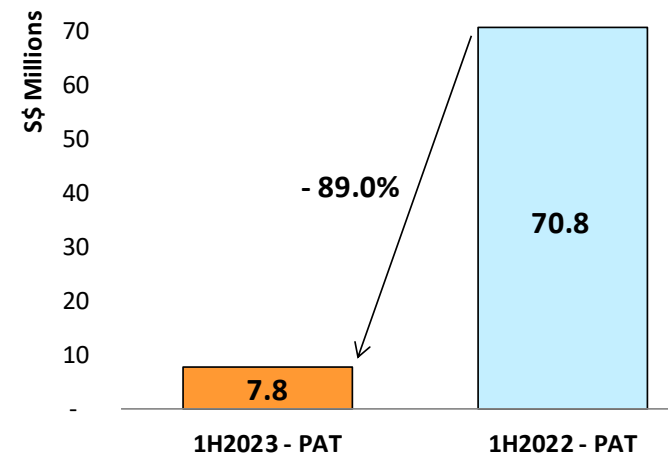
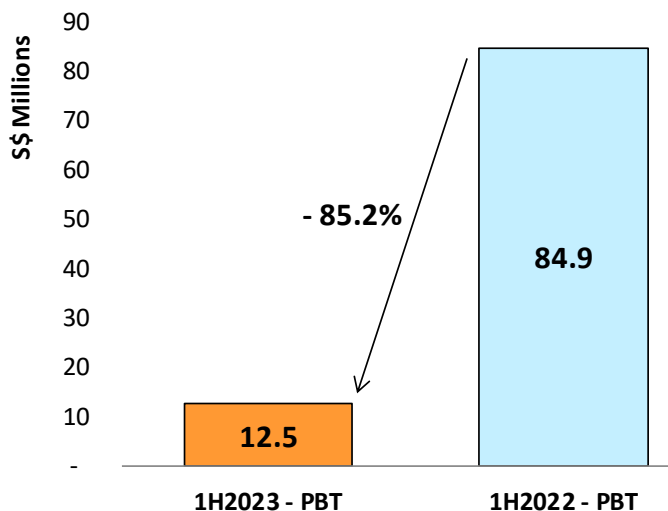
The increase was due mainly to higher hotel revenue from the European hotels, arising from the Dutch Bilderberg hotel portfolio which was acquired by the Group on 2 May 2022 and stronger trading with the removal of Covid-19 restrictions.

Property Financing

The decrease was consistent with the decrease in revenue in 1H2023, which was due mainly to a lower average PRC loan book as compared to 1H2022.



2.4 Statement of Profit or Loss – 1H2023 vs 1H2022



The decrease in profit before tax was due mainly to:

- Lower share of income from associates and joint ventures due mainly to the absence of 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 in 1H2022 [S\$24.0m decrease]
- Lower net credit from foreign exchange differences and fair value change in financial derivatives and other investments [S\$16.1m decrease]
- Lower gross profit contribution from the property financing business segment arising from a lower average PRC loan book [S\$15.5m decrease]
- Absence of other gain in 1H2023 as compared to 1H2022, which saw the divestment of the Group's 90% equity interest in the Dongguan Liaobu Factory [S\$15.2m decrease]
- Higher administrative expenses due mainly to the consolidation of the Dutch Bilderberg hotel portfolio's expenses since 2 May 2022 and higher staff costs [S\$7.9m decrease]
- Higher net finance expense due mainly to the higher interest rate environment [S\$4.9m decrease]

The decrease was partially offset by a higher gross profit contribution from the property development and property holding business segments [S\$14.7m increase].

The lower tax expense in 1H2023 over 1H2022 is in line with the decrease in profit before tax.

2.5 Statement of Financial Position – Highlights

Statement of Financial Position - Highlights			
In S\$'000	30-Jun-23	31-Dec-22	Change %
Total assets	4,474,133	4,338,114	3.1%
Cash and structured deposits ⁽¹⁾	177,129	270,263	(34.5%)
Total debt ⁽²⁾	1,328,782	1,008,386	31.8%
Net asset value (NAV) ⁽³⁾	1,755,767	1,810,265	(3.0%)
NAV per share (cents)	190.04	195.95	(3.0%)
Adjusted NAV per share (cents) ⁽⁴⁾	168.24	172.35	(2.4%)
Gearing ratio ⁽⁵⁾	0.62x	0.39x	n.a.

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

(2) Comprises gross borrowings of S\$1,339.0m net of unamortised upfront fee of S\$10.2m and S\$1,018.7m net of unamortised upfront fee of S\$10.3m as at 30 June 2023 and 31 December 2022 respectively.

(3) NAV includes translation loss of S\$104.3m (Dec 2022: translation loss of S\$64.1m), 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.

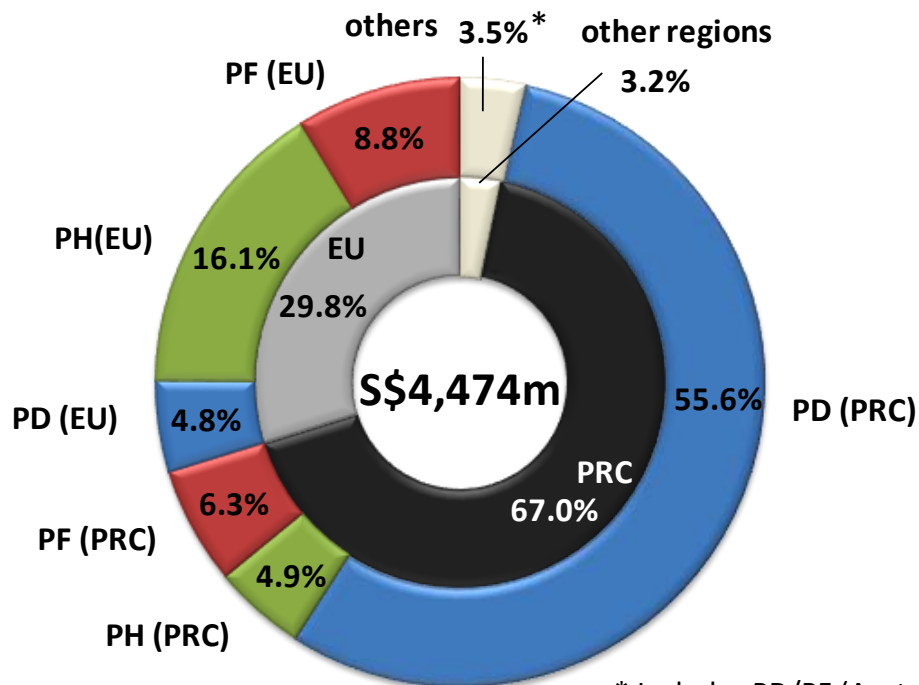
Net debt = gross borrowings – cash and structured deposits.

2.6 Statement of Financial Position - Total Assets

Total Assets – by business and geographic segments

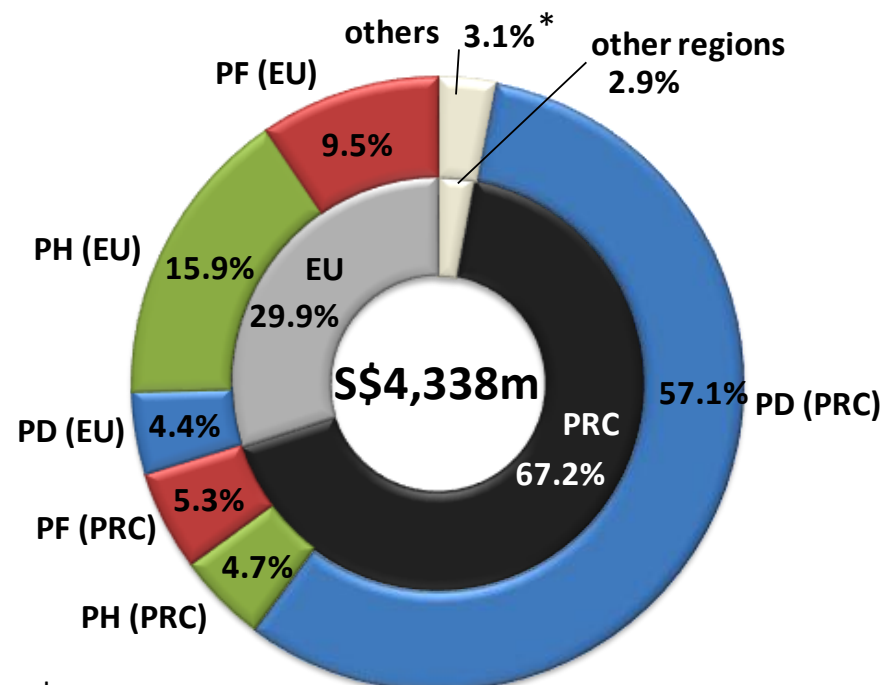
As at 30 June 2023

Total assets: S\$4,474m



As at 31 December 2022

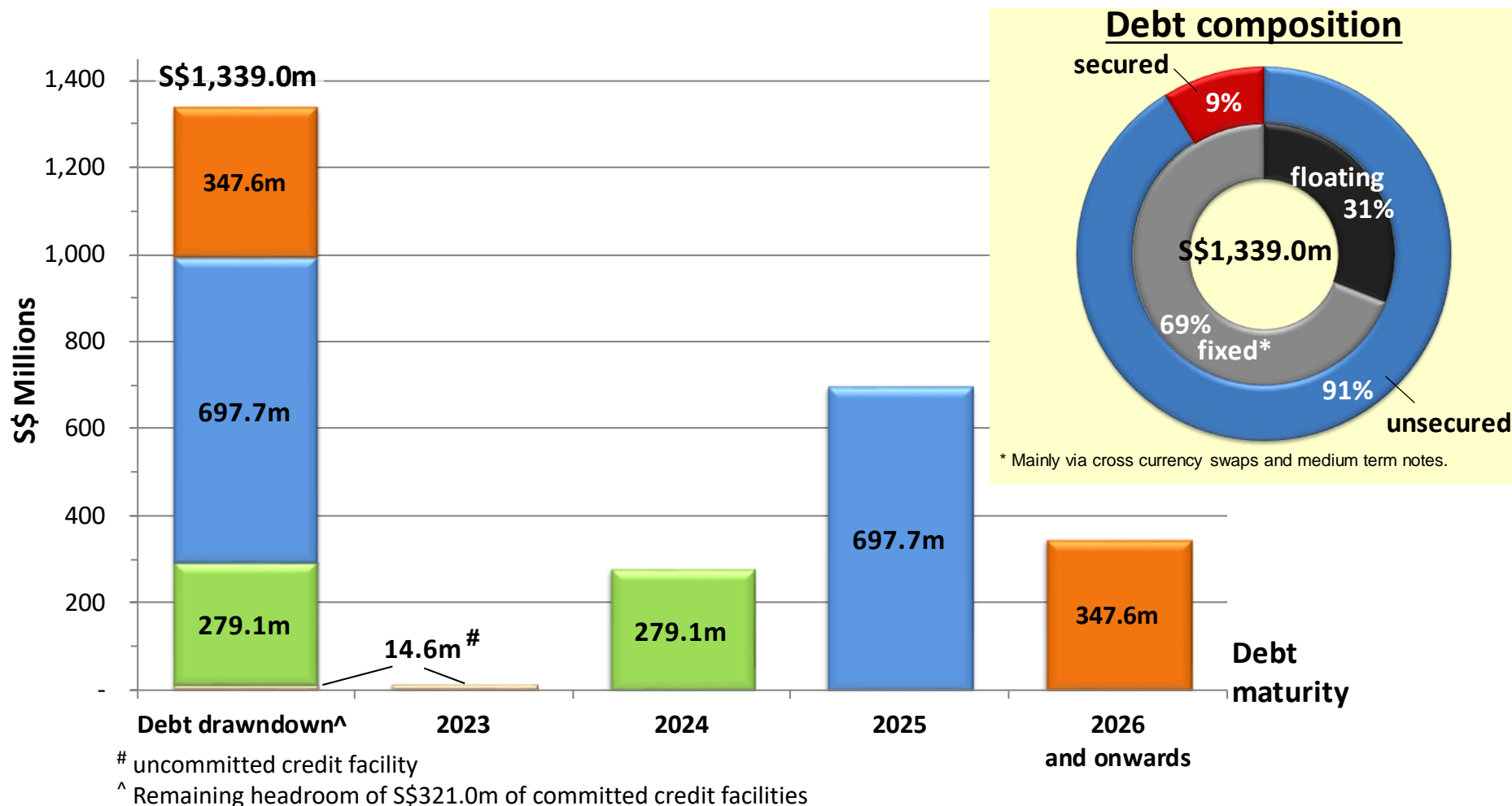
Total assets: S\$4,338m



* 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

2.7 Debt Maturity and Composition as at 30 June 2023



- The refinancing of all committed debt facilities that are maturing in 2023 has been completed.
- Legal documentation has commenced for the upside of an existing debt facility by €18m to fund the European operations.

Section 3

Business Updates 1H2023 – 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 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	280	85	30%	7,300	310 (May 2012)
		Commercial ²	112,500	Not applicable	-	-	-	-	
2 Skyline Garden, Wanjiang, Dongguan	27%	Residential	131,900	1,194	1,194	1,189	~100%	38,400	15,200 (Jun 2019)
		SOHO	66,600	804	804	604	57%	17,300	
3 Time Zone, Humen, Dongguan	17.3%	Residential	296,600	2,370	2,062	1,565	73%	36,900	15,400 3,100 (Jun 2020)
		SOHO	367,400	5,820	948	736	77%	18,500	
		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	162,600	1,495	417	85	18%	23,800	8,000 (Feb 2021)
6 Central Mansion, Humen, Dongguan	36%	Residential	81,800	562	312	70	21%	36,500	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 July 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).



3.1 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			
7 Exquisite Bay, Dalingshan, Dongguan	46.6%	Residential	147,700	1,240	213	65	31%	26,300	14,600 (Jun 2022)
8 Egret Bay, Wanjiang, Dongguan	27%	Residential	71,200	383	154	46	31%	44,000	22,400 (Jun 2022)
9 The Brilliance, Shilong, Dongguan	100%	Residential	93,400	819	248	31	12%	21,700	10,900 (Aug 2022)
10 Kingsman Residence, Shijie, Dongguan	50%	Residential	152,900	1,228	-	-	-	-	10,300 (Aug 2022)
Total Residential			1,295,100	10,551					
Total SOHO			656,200	9,686					
Total (Residential + SOHO)			1,951,300	20,237					

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

42% RESERVED

~ 100% SOLD

100% SOLD

100% RESERVED

SOHO Blocks

Residential Apartment 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 apartment 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 retail space are to be kept for a minimum holding period of 2 years as per land tender conditions
- All six low-rise SOHO blocks (498 units) have been reserved by purchasers with cash mostly paid in full, including the two river-facing blocks which were reserved by the Group
- 106 units of the high-rise SOHO block (306 units) have been reserved by purchasers with cash deposit paid

3.3 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)

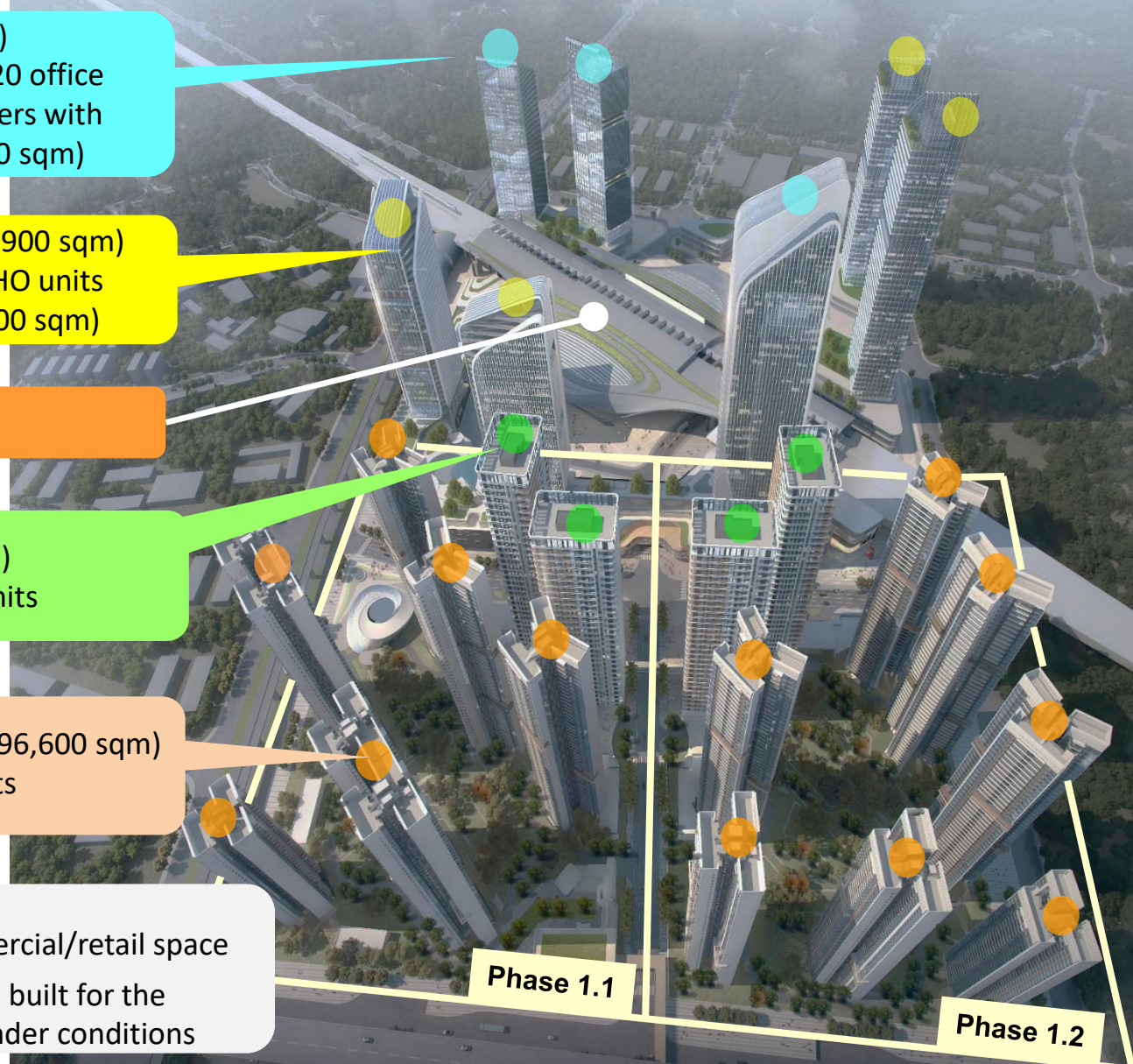
- Four blocks of 1,140 SOHO loft units

13 Residential Apartment 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

3.3 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.

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

- All six residential apartment blocks and two SOHO loft blocks in Phase 1.1 have been launched for pre-sales and achieved sales rates of 72% and 93% respectively.
- Phase 1.1 is expected to commence its first handover of two residential apartment blocks in late 2023.

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

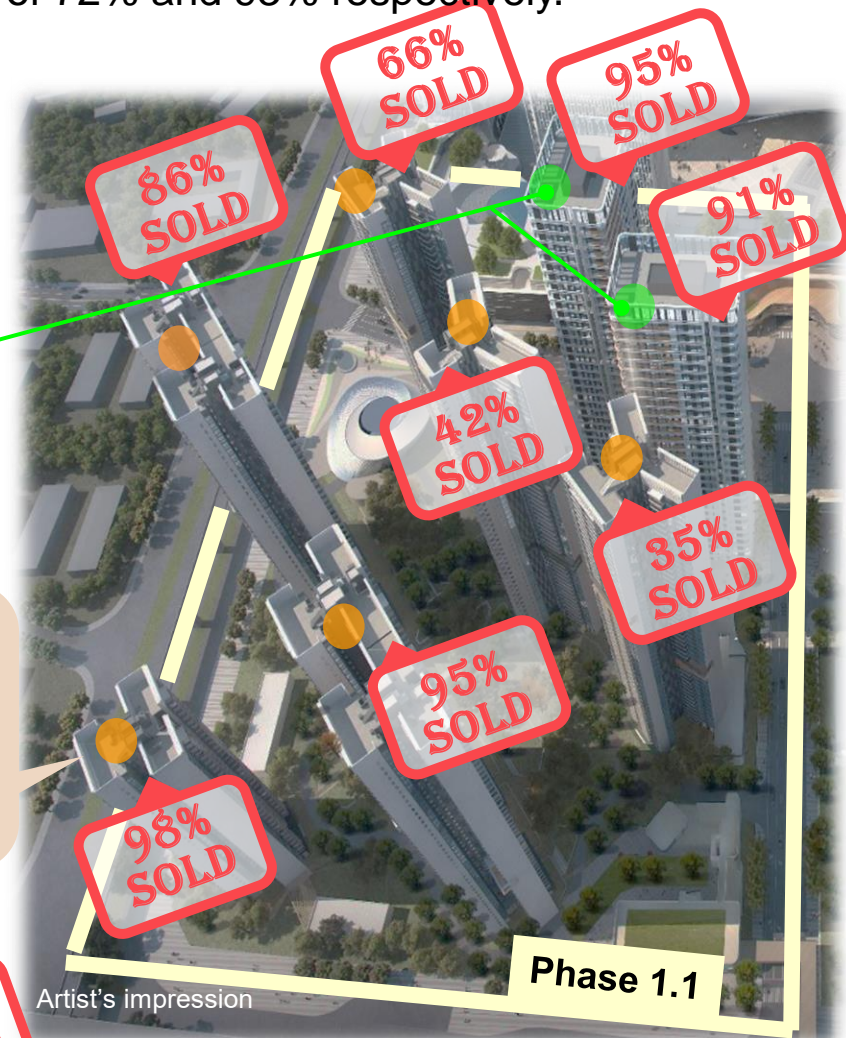
- The SOHO units were sold at an average selling price of approximately RMB18,900 psm
- The effective land cost for the commercial component of the entire project is approx. RMB3,100 psm ppr

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

- The residential units were sold at an average selling price of approximately RMB38,500 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 has been launched for pre-sale



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

Two SOHO Loft Blocks (492 units, 43,400 sqm)

- One block has been launched for pre-sale and the SOHO units were sold at an average selling price of approximately RMB17,000 psm

Seven Residential Apartment 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 3,440 sqm of retail space has been launched for pre-sale



- In total, five out of the seven residential apartment blocks (788 units) and one of the two SOHO loft blocks of Phase 1.2 have been launched for pre-sales and achieved sales rates of 73% and 44% respectively.
- Presale for the remaining SOHO loft block is expected to be launched in 2H2023 and the last two residential apartment blocks in 1H2024.

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

- The 36%-owned Humen Central Mansion launched its third residential apartment block (156 units) for pre-sale on 23 May 2023. The three residential apartment blocks (312 units) under pre-sales were 21% sold at an average selling price of approximately RMB36,500 psm.

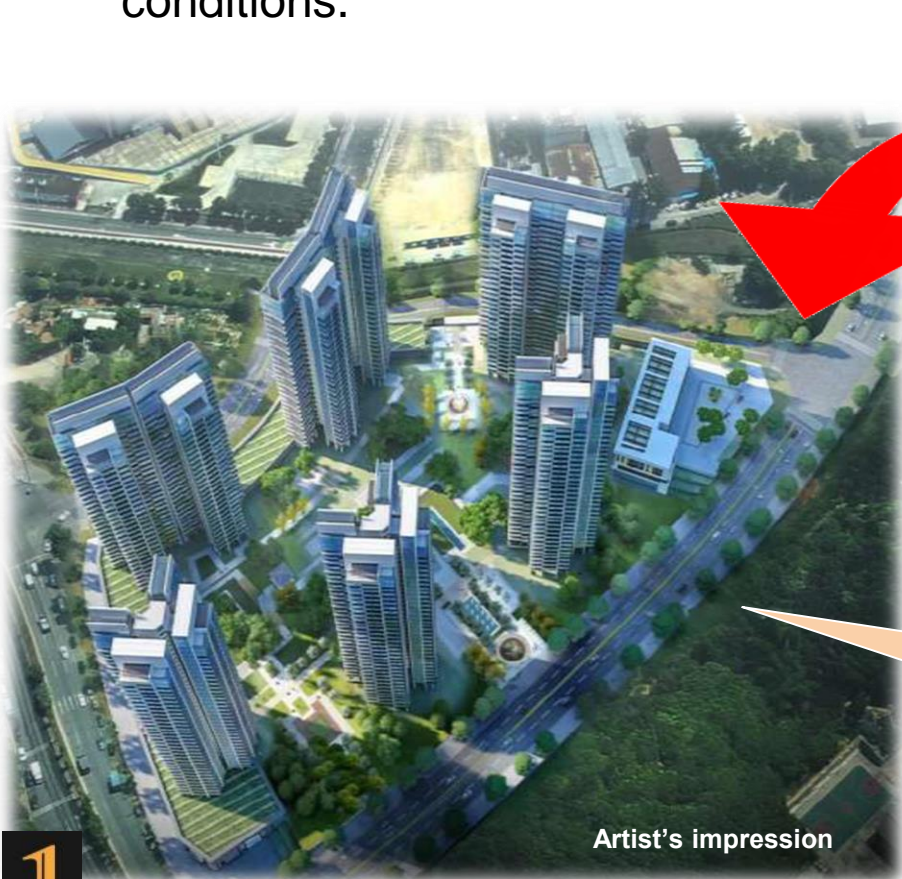


Comprises :

- Seven blocks of 562 residential units (81,800 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 amounted to approximately RMB14,200 psm ppr

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

- The resettlement exercise was completed in June 2023.
- Approval for the re-zoning exercise is expected to be obtained in late 2023, upon which the land conversion premium will be payable. Such premium is expected to be lower than previously envisaged due to the current difficult market conditions.



Fenggang Project*

Site area : 33,400 sqm

Saleable : approx. 164,000 sqm

GFA (residential 96% /
retail 4%)

*subject to re-zoning approval

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

- The 95%-owned Panyu Primus Bay has launched a total of five (417 units) out of its 20 residential apartment blocks for pre-sales, of which 85 units were sold at an average selling price of approximately RMB23,800 psm.
- The project is expected to commence its handover of the sold residential units from late 2023.



Residential Apartment Blocks

- Predominantly residential project comprising 20 blocks of 1,495 units (162,600 sqm)
- The Group's land cost in the project is approximately RMB8,000 psm ppr

3.7 Property Development – Exquisite Bay, Dalingshan, Dongguan (46.6%-owned)

- The 46.6%-owned Exquisite Bay has launched pre-sales of two residential apartment blocks comprising 213 units in April and May 2023, of which 31% (65 units) were sold at an average selling price of approximately RMB26,300 psm.



Residential Apartment 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

3.8 Property Development – Egret Bay, Wanjiang, Dongguan (27%-owned)

- The 27%-owned Egret Bay launched its first pre-sale of three residential apartment blocks comprising 154 units on 15 July 2023 and achieved a modest result of 46 units sold at an average selling price of approximately RMB44,000 psm.

Dongguan East River



Residential Apartment Blocks

- Residential project comprising seven blocks of 383 units (71,200 sqm)
- The Group's land cost in the project is approximately RMB22,400 psm ppr

3.9 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 in April 2023 and achieved a modest result of 31 units sold at an average selling price of approximately RMB21,700 psm.

Dongguan Train Station



Future TOD
development plot

Residential Apartment Blocks

- Predominantly residential project comprising seven blocks of 819 units (93,400 sqm)
- The Group's land cost in the project is approximately RMB10,900 psm ppr

16% SOLD

8% SOLD

3.10 Property Development – Kingsman Residence, Shijie, Dongguan (50%-owned)

- The 50%-owned Kingsman Residence targets to open its sales office and display units in August 2023, and if appropriate, launch its first pre-sale of two residential apartment blocks comprising 184 units later this year.



Residential Apartment Blocks

- Predominantly residential project comprising 11 blocks of 1,228 units (152,900 sqm)
- The Group's land cost in the project is approximately RMB10,300 psm ppr

3.11 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 3Q2023.

Plot F comprises 15 levels of 781 loft SOHO units which were 99% sold and 5 lower levels of commercial and retail (LFA of 28,100 sqm) which have become operational since January 2021.

Plot G comprises (i) the 458-room Crowne Plaza Chengdu Wenjiang hotel and 150-room Holiday Inn Express Chengdu Wenjiang Hotspring hotel which commenced operations since December 2016; and (ii) the Shu Le Chi hotspring which commenced operations since October 2017.

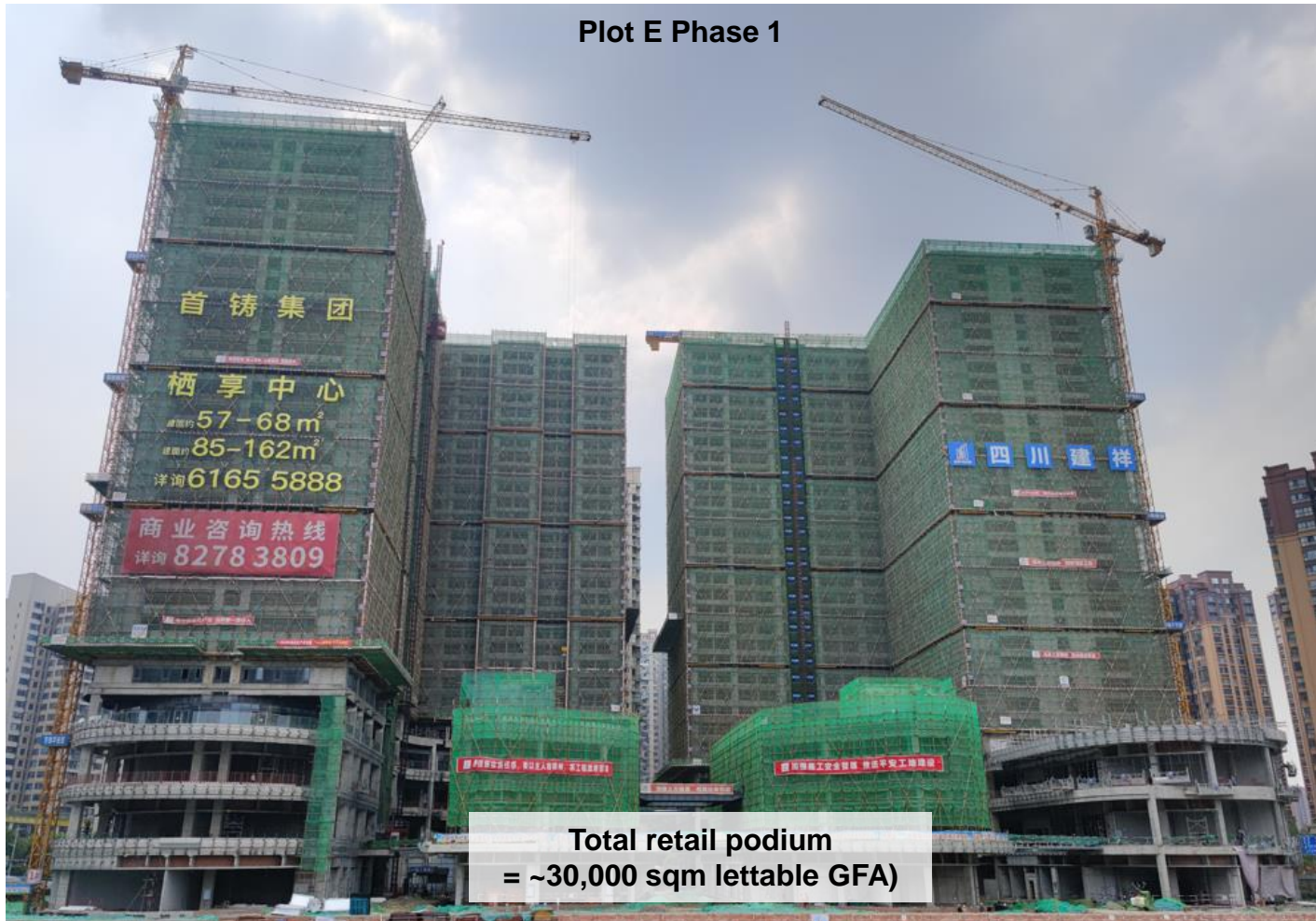


Artist's impression



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

- The wholly-owned Millennium Waterfront Plot E (Phase 1) launched 280 units out of its two SOHO blocks (total 2,228 units) for pre-sales and sold 85 units at an average selling price of RMB7,300 psm.



3.11 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 end June 2023 with an expected stabilised annual net property income of around RMB11 million.
- 84% of the total LFA was leased to four key tenants for use as supermarket, cinema, restaurant and education center.



Plot E Phase 1 Retail Podium

- As at end June 2023, out of the 30,000 sqm of LFA in the four-level retail podium, 11% has been leased with another 47% at various stages of lease negotiation.
- The retail podium is expected to commence operations in 1H2024.



3.12 Property Development – Amsterdam Redevelopment Projects (100%-owned)



Office tower

The **Dreeftoren** redevelopment project comprises a refurbished and enlarged 20-storey office tower (GFA: 20,231 sqm) which includes a new 3-storey commercial plinth, a new 312-unit residential tower and a 136 lot parking garage. The construction of the office and residential towers is progressing well, with projected completion around late 2024 and 4Q2025 respectively. The current inflationary environment poses challenges and risk to the redevelopment even though the Group has entered into fixed-price construction contracts. The Group continues to actively engage the contractors and subcontractors of the project in order to better manage its risk.



Artist's impression

The Group is working to redevelop **Meerparc**, from a 19,130 sqm (GFA) office cum industrial property, into a 50,000 sqm (GFA) mixed residential (60%) and office (40%) property. Discussion with the municipality regarding the residential mix of the redevelopment is challenging. Though discussions are still ongoing, the Group may re-evaluate its redevelopment plan in due course.



The Group intends to fully renovate **Prins Hendrikkade**, a freehold commercial property comprising four adjacent monumental buildings, upon the expiry of its tenant's lease on 31 December 2023. The Group is currently in discussion with the municipality regarding the renovation options for the property considering its monumental status. The finalisation of the renovation options is targeted to be completed in 3Q2023.

3.13 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. Construction work has since commenced in March 2023.
- The high costs of labour and construction materials continue to pose challenges to the main contractors and their subcontractors who are undertaking construction projects in Sydney. The developer trust will monitor and actively engage the main contractor to try to manage its risk and avoid any disruption to the construction process.
- While there appears to be a growing shortage of housing supply in Sydney CBD, the Group will continue to monitor market conditions and construction progress before deciding on the appropriate time to launch the residential units for pre-sale.
- The Group will take a 70.5% equity stake in the hotel component which is expected to commence operations in FY2027.

Section 4

Business Updates 1H2023 – Property Holding

4.1 Property Holding – European Property Portfolio Operating Performance

In €'000	1H2023	1H2022	Change %	FY2022
Dutch office income	10,293	9,246	11.3% ⁽¹⁾	18,858
European hotel income	10,548	8,135	29.7%	23,817
- Operating hotels ⁽²⁾	8,413	5,997	40.3% ⁽³⁾	19,572
- Leased hotels ⁽⁴⁾	2,135	2,138	(0.1%)	4,245
Total	20,841	17,381	19.9%	42,675

- (1) Higher income contribution from all Dutch offices except Mondriaan Tower Amsterdam due to lower occupancy. However, Mondriaan Tower Amsterdam has secured a new tenant that will commence its lease from 1 August 2023 and there are several potential tenants which are viewing the property.
- (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.
- (3) Trading results improved significantly with strong growth in both ADR and occupancy.
- (4) Includes the Holiday Inn and Holiday Inn Express at Arena Towers Amsterdam.

Excluding Dreeftoren Amsterdam and Meerparc Amsterdam, the Dutch office portfolio and European leased hotels (LFA: 114,665 sqm, 89% occupancy) have a WALT of approximately 7.1 years.

4.2 Property Holding – European Hotels¹ Operating Performance



	1H2023	1H2022	Change	FY2022
Occupancy	61.4%	51.3%	10.1%	60.1%
ADR	€ 135.1	€ 118.0	14.5%	€ 123.3
Revenue	€ 58.3m	€ 44.5m	31.0%	€ 106.7m
EBITDA	€ 8.4m	€ 6.0m	40.3%	€ 19.6m

- In 1H2023, the hospitality sector performed relatively well compared to 1H2022 as the portfolio achieved a growth of occupancy to 61.4% in 1H2023, which is fast approaching the pre-pandemic level of 65.2% recorded in 1H2019. Likewise, ADR has also seen strong growth to €135.1 in 1H2023, surpassing the €117.9 achieved in 1H2019.
- As a result, both revenue and EBITDA have recorded significant improvements, despite cost pressures from higher energy and labour costs.

¹Comprises eleven 95%-owned hotels in the Dutch Bilderberg Hotel Portfolio, 33%-owned Hilton Rotterdam, two 100%-owned Utrecht Centraal Station hotels, 50%-owned Le Méridien Frankfurt and 94.9%-owned Bilderberg Bellevue Hotel Dresden.

4.2 Property Holding – European Hotels Operating Performance



- Amongst the European operating hotels, the Crowne Plaza Utrecht Centraal Station and Hampton by Hilton Utrecht Centraal Station have done well, with an occupancy of 79% and 88% respectively, bringing in total revenue of €7.9 million. Hilton Rotterdam had the highest ADR of approximately €181, and brought in total revenue of €7.8 million for 1H2023.
- In 1H2023, the Bilderberg Hotel de Keizerskroon and Bilderberg Europa Hotel Scheveningen underwent major room renovations. The Bilderberg Hotel de Keizerskroon successfully reopened in March 2023 and the Bilderberg Europa Hotel is expected to fully reopen in 3Q2023.
- Excluding the results from these two Dutch Bilderberg hotels, EBITDA of the European operating hotels would be higher at €9.8 million in 1H2023 as compared to €5.8 million for the same period last year.
- The Group will next embark on a major renovation in the Palais wing of the 50%-owned Le Meridien Frankfurt and a redevelopment of the wholly-owned bare shell Puccini Milan hotel into a 59-room Tapestry by Hilton hotel.

4.3 Property Holding – European Hotels Solar Panels Installation Initiative

- As part of the Group's ESG initiatives, an exercise to install 4,153 sqm of solar panels at six hotels in the Group's hotel portfolio has commenced.
- The exercise is expected to be completed by late 2023. The solar panels are estimated to generate approximately 797 megawatt-hour (MWh) of electricity per annum, which is approximately 11% of total usage in FY2022. This translates to a cost saving of approximately €0.2 million per annum or 10% return on investment based on the contracted energy prices for FY2023.

	Solar panels area (sqm)	MWh generated
Bilderberg Bellevue Hotel Dresden	1,885	388
Bilderberg Résidence Groot Heideborgh	566	103
Bilderberg Kasteel Vaalsbroek	524	91
Hotel de Bilderberg	509	90
Bilderberg Hotel 't Speulderbos	441	81
Hilton Rotterdam	228	44
Total	4,153	797

4.4 Property Holding – Chengdu Wenjiang hotels¹ Operating Performance



	1H2023	1H2022	Change	FY2022
Occupancy	52.0%	41.7%	10.3%	44.1%
ADR	RMB 365.7	RMB 384.4	(4.9%)	RMB 383.7
Revenue	RMB 43.7m	RMB 28.4m	53.9%	RMB 63.5m
EBITDA	RMB 10.9m	RMB 3.6m	202.8%	RMB 11.9m

- With the end of Covid-19 related restrictions, the hotels saw a growth in both occupancy and F&B revenue, therefore recording a much improved EBITDA of RMB10.9 million in 1H2023 (1H2022: RMB3.6 million). The comparative period of 1H2022 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 9 weeks during the period.
- With the end of Covid-19 related restrictions and the return of several large events to Chengdu, Management is optimistic on the performance of the hotels this year.

¹Comprises the two 100%-owned Crowne Plaza Chengdu Wenjiang and Holiday Inn Express Chengdu Wenjiang Hotspring hotels 40

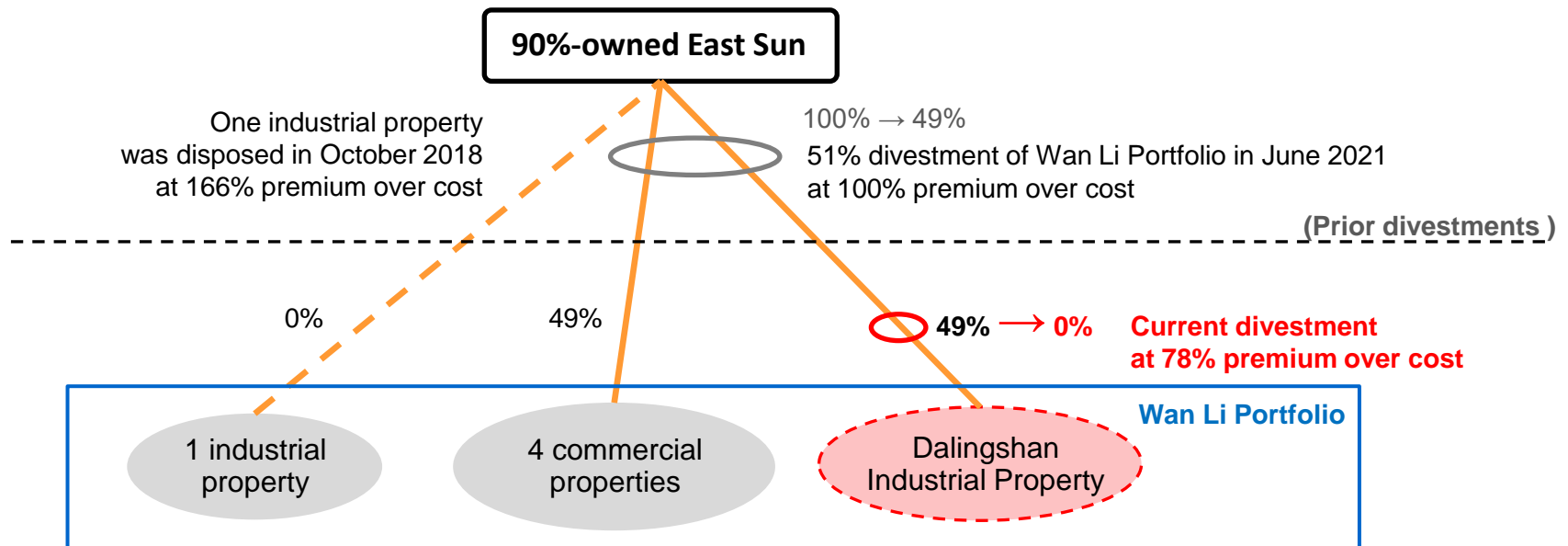
4.5 Property Holding – FS Han Mai Mall, Pudong, Shanghai (100%-owned)

- FS Han Mai Mall, a 5-storey commercial mall in Shanghai Pudong, was acquired by the Group at the April 2022 foreclosure auction of the RMB280 million defaulted loan. The mall is expected to contribute a net annual property income of approximately RMB17.7 million in 2023 which represents an annual 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:



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

- On 15 April 2023, the 90%-owned East Sun entered into an agreement to divest its remaining 49% equity interest in the most significant property (“Dalingshan Industrial Property”) in the Wan Li Portfolio valuing the property at approximately RMB135 million net, which represents a premium of approximately 78% over its allocated cost.
- The divestment is expected to complete in 2H2023.



Section 5

Business Updates 1H2023 – Property Financing

5.1 Property Financing - Overview of Financial Performance

In S\$'000	1H2023	1H2022	Change %
Secured PRC PF debt	13,037	24,694	(47.2%) ⁽¹⁾
PF loans to the Group's members - European associates and JVs	10,554	13,644	(22.6%) ⁽²⁾
Secured non-PRC PF loans	1,641	901	82.1%
Total PF revenue	25,232	39,239	(35.7%)

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

(2) 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.

5.2 Property Financing – PRC Loan Book

	Average PRC PF loan book for half year ended	PRC PF loan book [*] as at
30 June 2023	RMB838.9m (S\$161.5m)	RMB1,383.2m (S\$258.4m)
31 December 2022	RMB1,089.0m (S\$223.1m)	RMB814.1m (S\$157.3m)

* Included RMB338.9m (S\$63.3m) and RMB349.8m (S\$67.7m) of outstanding junior convertible bonds as at 30 June 2023 and 31 December 2022 respectively, issued by the offshore holding company in relation to the Group's 48.2%-owned Humen Oasis Mansion in Dongguan.

- In late June 2023, the Group provided a RMB580 million senior loan to a partnership which ultimately holds a strata-titled residential property located in Pudong, Shanghai that is substantially leased out.
- The PRC loan book stood at approximately RMB1.4 billion as at 30 June 2023. The Group will grow its PRC loan book in a prudent manner.

Thank You

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Disclaimer

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