



# FIRST SPONSOR GROUP LIMITED

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Press Release

THE GROUP REPORTED A NET LOSS OF S\$97.7 MILLION AND S\$78.8 MILLION FOR 2H2025 AND FY2025 RESPECTIVELY, DUE MAINLY TO NET UNREALISED MARK-TO-MARKET LOSS FROM THE EXISTING FINANCIAL DERIVATIVES AS AT 31 DECEMBER 2025 AND NET LOSS IN RESPECT OF FINANCIAL DERIVATIVES THAT MATURED DURING 2H2025 AND FY2025, AS WELL AS NET NON-CASH IMPAIRMENT CHARGES AND FAIR VALUE ADJUSTMENTS ON THE GROUP'S DEVELOPMENT PROJECTS IN THE PRC AND INVESTMENT PROPERTIES RESPECTIVELY

NOTWITHSTANDING THE 2H2025 AND FY2025 NET LOSS, AS AT 31 DECEMBER 2025, NET GEARING RATIO STOOD AT APPROXIMATELY 0.56X WITH TOTAL CASH AND AVAILABLE UNDRAWN COMMITTED BANK FACILITIES IN EXCESS OF S\$520.0 MILLION TO MEET THE GROUP'S OPERATIONAL AND FINANCIAL COMMITMENTS

THE GROUP IS IN A SOUND FINANCIAL POSITION TO NOT ONLY NAVIGATE THROUGH THE GEOPOLITICAL AND ECONOMIC CHALLENGES AND UNCERTAINTIES, BUT ALSO TO CAPITALISE ON ANY FAVOURABLE BUSINESS OPPORTUNITIES THAT MAY ARISE

*Singapore, 24 February 2026* – Singapore Exchange (“SGX”) Main Board-listed First Sponsor Group Limited (“First Sponsor” or the “Company”, and together with its subsidiaries, associated companies and joint ventures, the “Group”) today announced the Group's unaudited financial results for the second half (“2H2025”) and full year (“FY2025”) ended 31 December 2025.

## Financial Highlights

In S\$'000	2H2025	2H2024	Change %	FY2025	FY2024	Change %
Revenue	137,825	144,686	(4.7%)	291,714	317,559	(8.1%)
(Loss)/profit attributable to equity holders of the Company	(97,735)	81,093	N.M.	(78,757)	93,017	N.M.
Total comprehensive (loss)/income attributable to equity holders of the Company	(23,726)	50,043	N.M.	(11,016)	74,434	N.M.

- The Board recommended a final tax-exempt (one-tier) cash dividend of 3.69 Singapore cents per share for FY2025. If approved, the total dividend declared for FY2025 will be 4.79 Singapore cents per share, representing a 3% growth from FY2024. This reflects the Board's confidence in the long-term prospects of the Group, notwithstanding the prolonged challenging market conditions in the PRC and the accounting losses reported for 2H2025 and FY2025.
- The recurring net operating income from the European property holding portfolio was €28.6 million and €53.3 million in 2H2025 and FY2025, an increase of 4.6% and 1.2% from €27.3 million and €52.6 million in 2H2024 and FY2024 respectively. The recurring net operating income of the Group is expected to be more than sufficient to cover the Group's interest expense obligations. Such recurring income is expected to be further enhanced by the opening of the Puccini Hotel Milan, Tapestry Collection by Hilton ("**Tapestry Hilton Milan**") on 30 January 2026 and the expected completion of the redevelopment of Prins Hendrikkade Amsterdam, Drive Tower and Live Tower Amsterdam (formerly collectively known as Dreeftoren Amsterdam) within FY2026.
- The Group has in February 2026 acquired an additional 17% equity interest in the Allianz Tower Rotterdam, valuing the fully paid-off perpetual leasehold property at €63.8 million. This acquisition, which increased the Group's equity stake in the property to 50%, was made from two of the three co-investors in the September 2023 acquisition of this prime office property in the Rotterdam CBD for €62 million, which was during then a 99-year leasehold property.

**Mr Neo Teck Pheng, Group Chief Executive Officer, said**

“The Group reported a net loss of S\$97.7 million for 2H2025 and S\$78.8 million for FY2025, against the backdrop of global uncertainties arising from geopolitical and trade tensions, and prolonged challenges posed by the difficult real estate market in the PRC.

Given that most of the Group’s assets are invested overseas and are not Singapore dollar (S\$) denominated, it has largely hedged its foreign exchange exposure, mainly to the Euro (€), Chinese yuan and Australian dollar, using foreign currency debts and financial derivatives, to protect its shareholders’ funds. 2025 was a particularly challenging year, where global trade flow experienced significant disruption amidst tariff-related uncertainties, leading to market volatility in major economies across the world which contributed to significant fluctuations in the foreign exchange market. The Group’s 2H2025 and FY2025 profit and loss was negatively impacted by such fluctuations, particularly the strong appreciation of €, which adversely affected the market value of the Group’s € denominated financial derivatives entered for the purpose of hedging the Group’s € exposure. Overall, the Group reported a net loss of S\$80.0 million and S\$76.1 million for 2H2025 and FY2025 respectively arising from net unrealised mark-to-market loss from the existing financial derivatives as at 31 December 2025 and net loss in respect of the financial derivatives that matured during 2H2025 and FY2025. However, it is noteworthy that the aforesaid strengthening of the foreign currencies against S\$ produced a translation gain on the net assets of the foreign subsidiaries, associates and joint ventures of the Group recorded in reserves, which has substantially offset the loss, leaving the overall impact to the shareholders’ funds largely intact. This underpins the principle of the Group’s foreign exchange hedging strategy to protect shareholders’ funds.

Another key contributor to the Group’s 2H2025 and FY2025 net loss was the net non-cash impairment charges and fair value adjustments amounting to S\$23.3 million for 2H2025 and S\$23.0 million for FY2025, in relation to the Group’s development projects in the PRC and investment properties respectively.

Excluding the two aforementioned negative factors, the Group would have an adjusted net profit of S\$5.6 million and S\$20.3 million for 2H2025 and FY2025 respectively.

The Board recommended a final tax-exempt (one-tier) cash dividend of 3.69 Singapore cents per share for FY2025. If approved, the total dividend declared for FY2025 will be 4.79 Singapore cents per share, representing a 3% growth from FY2024. This reflects the Board’s confidence in the long-term prospects of the Group, notwithstanding the protracted challenging market conditions in the PRC and the accounting losses reported for 2H2025 and FY2025.

For the PRC property development segment, pre-sales and sales of the Group’s ongoing projects showed no meaningful improvement. However, as the construction of these projects is largely completed, they no longer pose any material cashflow pressure to the Group, thereby allowing the Group to maintain a long-term view on project sales.

The Group’s European property portfolio recorded slightly stronger net operating income of €28.6 million in 2H2025 (2H2024: €27.3 million). This was driven by stronger performance from both the office and hotel portfolio, partially offset by weaker trading at Le Méridien Frankfurt ("LMF") as a result of business disruption from the major refurbishment of the 80-room Palais Wing, which started since late 2024 and completed in mid-October 2025. The FY2025 net operating income of the same portfolio also saw an improvement to €53.3 million

(FY2024: €52.6 million). Excluding LMF, total net operating income would have been 9.0% higher at €28.9 million for 2H2025 (2H2024: €26.5 million) and 6.4% higher at €54.3 million for FY2025 (FY2024: €51.1 million).

The Group continues to expand its hotel management platform beyond the Hampton by Hilton Utrecht Centraal Station and Crowne Plaza Utrecht Centraal Station hotels since their opening in 2019 and 2020 respectively. The Group has commenced management of the Tapestry Hilton Milan which opened on 30 January 2026, as well as Le Méridien Frankfurt with effect from 1 February 2026 after the expiry of the third-party management agreement. Similarly, the Group is looking forward to take over the management of the two Chengdu Wenjiang Hotels following the expiry of the management agreement with IHG in December 2026, and is currently in discussions with various parties to enter into a franchise agreement for the two hotels. The Group also intends to owner-manage the Sydney House Hotel upon its completion in 3Q2027, reflecting its confidence in operating and managing hotel assets directly.

The Group has also further increased its equity interest in NSI N.V. ("**NSI**"), a Dutch commercial property company listed on Euronext Amsterdam, via open market purchases. As at 31 December 2025, the Group holds an approximately 29.98% voting interest in NSI, and remains its single largest shareholder.

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Looking ahead, there is a strong pipeline of projects which, when completed, may further enhance the Group's recurring income. Other than the above-mentioned Tapestry Hilton Milan which has become operational on 30 January 2026, Prins Hendrikkade Amsterdam, Live Tower and Drive Tower Amsterdam are expected to become operational during the course of this year, followed by the Sydney House Hotel/Galleria in FY2027 and the Meerparc Amsterdam redevelopment in FY2030.

To conclude, notwithstanding the reported net loss for 2H2025 and FY2025, the Group's overall business and financial position remains strong, with total cash and available undrawn committed bank facilities in excess of S\$520.0 million as at 31 December 2025, enabling the Group to not only meet its operational and financial commitments but also to capitalise on any favourable business opportunities that may arise."

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Please refer to the Group’s unaudited condensed interim financial statements for 2H2025 and FY2025, and the investor presentation slides dated 24 February 2026 for a detailed review of the Group’s performance and prospects. For media enquiries, please contact:

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### **About First Sponsor Group Limited**

First Sponsor Group Limited (“**First Sponsor**”, and together with its subsidiaries, associated companies and joint ventures, the “**Group**”) is a public company listed on the Main Board of the Singapore Exchange Securities Trading Limited since 22 July 2014. The principal business activities of the Group are property development, property holding and property financing.

The Group’s property development projects include offices, retail, residential and hotel developments in the Netherlands, Australia and the People’s Republic of China (the “**PRC**”). The Group’s property portfolio comprises commercial properties (including hotels) in the Netherlands, Germany and the PRC. The Group provides property financing services mainly in the Netherlands, Germany, Australia and the PRC.

The Group is supported by both its established key controlling shareholders, the Hong Leong group of companies, through its shareholding interests in City Developments Limited, and Tai Tak Estates Sendirian Berhad, a private company with a long operating history, which was incorporated in Singapore in 1954.

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Please visit <https://www.1st-sponsor.com.sg/> for the Group’s SGX-ST announcements, financial statements, investor presentations and press releases.