



FIRST SPONSOR GROUP LIMITED

(Incorporated in the Cayman Islands on 24 September 2007)
(Registration No. 195714)

RENOUNCEABLE AND NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO S\$332,606,649.60 IN AGGREGATE PRINCIPAL AMOUNT OF 4.85% PERPETUAL CONVERTIBLE CAPITAL SECURITIES (THE “SERIES 3 TRANCHE 2 CONVERTIBLE SECURITIES”)

Prior to making a decision to subscribe for the Series 3 Tranche 2 Convertible Securities, you should carefully consider all the information contained in the Offer Information Statement dated 29 September 2026 (the “OIS”) and whether you understand what is described in the OIS. This Product Highlights Sheet (the “PHS”) should be read in conjunction with the OIS. You will be subject to various risks and uncertainties, including the potential loss of your entire principal amount invested. You should consider whether an investment in the Series 3 Tranche 2 Convertible Securities is suitable for you taking into account your investment objectives and risk appetite. If you are in doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser. You are responsible for your own investment choices.

Unless otherwise defined herein or the context otherwise requires, all capitalised terms used in this PHS shall bear the same meanings ascribed to them in the OIS.

This PHS is an important document.

- It highlights the key information and risks relating to the offer of the Series 3 Tranche 2 Convertible Securities contained in the OIS. It complements the OIS¹.
- You should not subscribe for the Series 3 Tranche 2 Convertible Securities if you do not understand the nature of an investment in convertible securities or our business or are not comfortable with the accompanying risks.
- If you wish to subscribe for the Series 3 Tranche 2 Convertible Securities, you will need to make an application in the manner set out in the OIS.

Issuer	First Sponsor Group Limited (the “Company”)	Place of incorporation	Cayman Islands
Issue Price and denomination of the Series 3 Tranche 2 Convertible Securities	100% of the principal amount of the Series 3 Tranche 2 Convertible Securities, being S\$1.08 for each Series 3 Tranche 2 Convertible Security (the “Issue Price”). The Series 3 Tranche 2 Convertible Securities will be issued in registered form in specified denominations of S\$1.08 each and integral multiples thereof.	Total amount to be raised in the Rights Issue	• Gross proceeds from the issue of the Series 3 Tranche 2 Convertible Securities: Approximately S\$332.6 million, based on the maximum Issue Size. • Net proceeds from the issue of the Series 3 Tranche 2 Convertible Securities: Approximately S\$331.8 million, based on the maximum Issue Size.

¹ The OIS (together with this PHS), lodged with the Monetary Authority of Singapore on 29 September 2026, is available on SGXNET

<https://www.sgx.com/stock-exchange/company-announcements?value=FIRST%20SPONSOR%20GROUP%20LIMITED&type=company> and the Company’s corporate website at <https://firstsponsorgroup.listedcompany.com/circulars.html>.

Description of the Series 3 Tranche 2 Convertible Securities	Up to S\$332,606,649.60 in aggregate principal amount of 4.85% Series 3 Tranche 2 Convertible Securities payable semi-annually in arrear on 7 January and 7 July in each year (each, a “Distribution Payment Date”) (in each case, if such date is not a business day, then the Distributions shall be payable on the next immediate business day). The Series 3 Tranche 2 Convertible Securities are expected to be issued on 26 October 2026 (the “Issue Date”) and have no fixed redemption date. Please refer to the Section titled “Key Features – Key Features of the Series 3 Tranche 2 Convertible Securities” below for more information on the Series 3 Tranche 2 Convertible Securities.	Listing status of the Issuer, the Series 3 Tranche 2 Convertible Securities and the Conversion Shares	• Company: Primary Listing on the Mainboard of the SGX-ST. • Series 3 Tranche 2 Convertible Securities: Expected to be listed on the Mainboard of SGX-ST on and from 26 October 2026. Trading will be in board lots of S\$108 in principal amount of the Series 3 Tranche 2 Convertible Securities, with each board lot of Series 3 Tranche 2 Convertible Securities comprising 100 Series 3 Tranche 2 Convertible Securities. Investors who wish to trade in lot sizes other than this may do so on the Unit Share Market of the SGX-ST. • Conversion Shares: The SGX-ST has granted approval in-principle (the “AIP”) for the listing of and quotation for up to 307,969,120 Conversion Shares on the Mainboard of the SGX-ST. In the event there are adjustments to the Conversion Price which would require additional Conversion Shares to be issued, the Company will seek the approval of the SGX-ST for the dealing in, listing of and quotation for such additional Conversion Shares on the Official List of the SGX-ST at the relevant time.
Manager of the Rights Issue	United Overseas Bank Limited	Underwriter	The Rights Issue is not underwritten in view of the Irrevocable Undertakings and other reasons set out in the OIS.
Credit rating of the Issuer / the Series 3 Tranche 2 Convertible Securities and Credit Rating Agencies	The Company and the Series 3 Tranche 2 Convertible Securities are not rated by any credit rating agency. That means that no independent assessment by a credit rating agency of the default risk of the Company and the Series 3 Tranche 2 Convertible Securities has been made.	Trustee / Registrar / Agents	• Trustee and Paying Agent: Kroll Trustee Services (Singapore) Pte. Limited • Calculation Agent: Kroll Agency Services (Singapore) Pte. Limited • Registrar, Conversion Agent and Transfer Agent: Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.)

INVESTMENT SUITABILITY

WHO IS THE INVESTMENT SUITABLE FOR?

The Series 3 Tranche 2 Convertible Securities are only suitable for you if you:

- are comfortable investing in hybrid securities that combine the features of both debt and equity and as such are prepared to accept risks higher than those normally associated with plain vanilla bonds;
- are prepared to rank lower in priority compared to holders of plain vanilla bonds and other senior creditors in an insolvency situation;
- accept the risk that you may not receive distributions in a timely manner if we choose to postpone the payment of such distributions and that you will not receive interest on such postponed distributions;
- accept that you will not receive postponed distributions due to you in the event that you choose to convert your Series 3 Tranche 2 Convertible Securities to Conversion Shares before receiving such postponed distributions;

- accept the risk that we may choose not to redeem the Series 3 Tranche 2 Convertible Securities at all and as such, your ability to exit your investment is through either the secondary market or conversion to Conversion Shares; and
- are prepared to hold your Series 3 Tranche 2 Convertible Securities indefinitely, or to lose a substantial amount of your principal investment if you sell your Series 3 Tranche 2 Convertible Securities in a secondary market at a discount or if you sell your Conversion Shares at a price lower than the Issue Price.

There are further risks associated with an investment in the Series 3 Tranche 2 Convertible Securities. Please refer to the Section titled “Risk Factors” of the OIS and in particular, the sub-section titled “Risks Associated with the Series 3 Convertible Securities” on pages 98 to 108 of the OIS for a summary of the risks relating to an investment in the Series 3 Tranche 2 Convertible Securities. The considerations and risks referred to above are not exhaustive.

KEY FEATURES

BACKGROUND INFORMATION ON THE COMPANY

WHO ARE YOU INVESTING IN?

The Company was incorporated in the Cayman Islands on 24 September 2007 as an exempted company limited by shares under the Cayman Companies Act and was listed on the SGX-ST on 22 July 2014. The Group is a real estate group headquartered in Singapore, and has operations in Europe and the PRC, and a growing presence in Australia. The Group has three key operating segments, namely: property holding, property development and property financing, each as described below.

Property Holding Business. The Group's property holding portfolio comprises residential and commercial properties (including hotels) in the Netherlands (mainly in Amsterdam, Rotterdam, Utrecht and The Hague), Germany (Frankfurt and Dresden), Italy (Milan), Australia (Sydney), the PRC (Shanghai and Chengdu), as well as a 29.98% equity interest in NSI N.V., a Dutch commercial property investor listed on the Euronext Amsterdam.

Property Development Business. The Group develops residential and commercial properties (including hotels) in key cities in the Netherlands (Amsterdam), Australia (Sydney), as well as the PRC (specifically in Dongguan, Guangzhou and Chengdu).

Property Financing Business. The Group provides property financing services mainly in the Netherlands, Germany, Australia and the PRC. The Group currently maintains a cautious stance in not actively pursuing new PRC real estate financing opportunities. On the other hand, the Group has progressively increased its property financing business especially in the Netherlands to fund projects owned by the Group's associated companies and joint ventures to finance their property related acquisitions and developments.

The Group has two established key Controlling Shareholders, namely, the Hong Leong Singapore group of companies, through its shareholding interests in CDL, as well as Tai Tak. As at the Latest Practicable Date, CDL and Tai Tak are deemed to be interested in approximately 32.8% and approximately 47.5% of the Shares, respectively.

Refer to the Section titled “Summary of the Business of the Group” on pages 26 to 36 of the OIS for more information on the Group's business.

Refer to paragraph 1 of the Section titled “Part 2 – Identity of Directors, Advisers and Agents” on page 126 of the OIS for more information on our Directors and paragraph 8(e) of the Section titled “Part 4 – Key Information” on pages 147 and 148 of the OIS for more information on our Controlling Shareholders.

KEY FEATURES OF THE SERIES 3 TRANCHE 2 CONVERTIBLE SECURITIES

WHAT ARE YOU INVESTING IN?

We are offering up to S\$332,606,649.60 in aggregate principal amount of Series 3 Tranche 2 Convertible Securities to Entitled Shareholders under the Rights Issue on the basis of one (1) Series 3 Tranche 2 Convertible Security for every five (5) existing Shares held by Entitled Shareholders as at Record Date, fractional entitlements to be disregarded. The Issue Price is 100% of the principal amount of the Series 3 Tranche 2 Convertible Securities, being S\$1.08 for each Series 3 Tranche 2 Convertible Security.

Upon issue, the Series 3 Tranche 2 Convertible Securities will be consolidated and form a single series with the S\$243,983,140.20 in aggregate principal amount of 4.85 per cent. subordinated perpetual convertible capital securities in the denomination of S\$1.08 issued by the Company on 30 September 2024 (the “**Series 3 Tranche 1 Convertible Securities**”), and will have the same terms and conditions as the Series 3 Tranche 1 Convertible Securities in all respects, save for the Issue Date and the first Distribution Payment Date.

For more information on the Series 3 Tranche 2 Convertible Securities, please refer to:

- *the Section titled “Summary of the Rights Issue” on pages 37 and 38 of the OIS;*
- *the Section titled “Offering, Selling and Transfer Restrictions” on page 115 of the OIS;*

Each Series 3 Tranche 2 Convertible Security confers a right to receive distributions on its outstanding principal amount ("**Distributions**") from (and including) 7 July 2026 (being the distribution payment date of the outstanding Series 3 Convertible Securities immediately occurring prior to the Issue Date), payable at the applicable Distribution Rate semi-annually in arrear on each Distribution Payment Date with the first Distribution Payment Date being 7 January 2027. For the avoidance of doubt, each S\$1.08 in principal amount of Series 3 Tranche 2 Convertible Security will receive approximately 2.64 Singapore Cents, being the full distribution amount for the distribution period accruing from (and including) 7 July 2026 and ending on (but excluding) 7 January 2027, which will be identical to each S\$1.08 in principal amount of Series 3 Tranche 1 Convertible Security.

We may, at our sole discretion, elect to defer any Distribution, in whole or in part, which is otherwise scheduled to be paid on a Distribution Payment Date, and any such deferred Distribution shall constitute "**Arrears of Distribution**". We are not subject to any limit as to the number of times Distributions and Arrears of Distribution can be deferred, subject to restrictions set out in the Terms and Conditions. In any event, no interest on any Arrears of Distribution will be payable to Securityholders. Any Arrears of Distribution due in respect of a Series 3 Convertible Security shall be extinguished by the Company in full through the delivery by the Company of the Conversion Shares upon the exercise of your Conversion Right in respect of such Series 3 Convertible Security.

The Series 3 Tranche 2 Convertible Securities are convertible into new Shares ("**Conversion Shares**") at your option, at any time on or after the Issue Date, and if such Series 3 Tranche 2 Convertible Securities are to be redeemed pursuant to the Terms and Conditions, up to (and including) the close of business on the 7th day before the date fixed for redemption of the Series 3 Tranche 2 Convertible Securities at the conversion price of S\$1.08 per Conversion Share ("**Conversion Price**"), subject to adjustments and provided always that the Conversion Price shall not be less than the nominal or par value of a Share.

The Conversion Price is subject to adjustment under certain circumstances, including, without limitation, the following: (a) consolidation or subdivision, (b) capitalisation of profits or reserves, (c) capital distribution (excluding cash dividends), (d) rights issues of Shares or options over Shares at less than 95% of the market price (excluding for the avoidance of doubt, the current Rights Issue), (e) rights issues of other securities, (f) issues of Shares or other securities at less than 95% of the market price, (g) other issues by the Company or any other person (at the direction or request of or pursuant to any arrangements with the Company) of other securities at less than 95% of the market price, (h) modifications of rights of conversion, exchange or subscription attaching to any other securities issued and which are convertible into Shares such that the consideration per Share is less than 95% of the market price, (i) issues of securities in the context of an offer to holders of at least 60% of the Shares outstanding (at the time such offer is made) and there is no adjustment carried out under other provisions of the Terms and Conditions, and (j) in events or circumstances not otherwise provided in the Terms and Conditions, subject to, among other things, the use by the Company of an independent financial adviser to determine if such adjustment is fair and reasonable. For the avoidance of doubt, no adjustment shall be made to the Conversion Price on the issuances of the Conversion Shares.

The Series 3 Tranche 2 Convertible Securities will constitute direct, unconditional, subordinated and unsecured obligations of the Company and shall at all times rank *pari passu*, without any preference or priority among themselves (including the Series 3 Tranche 1 Convertible Securities), and *pari passu* with any Parity Obligations of the Company.

The Series 3 Tranche 2 Convertible Securities are perpetual convertible capital securities in respect of which there is no fixed redemption date. However, we may redeem all or some of the Series 3 Convertible Securities at any time on giving not less than 45 nor more than 60 days' irrevocable notice to the Securityholders, or on the occurrence of certain events set out in "Appendix A – Terms and Conditions" of the OIS. We have only one class of shares, and the Conversion Shares will have the same rights as our other existing issued and paid-up Shares, including voting rights. Holders of the Conversion Shares will be entitled to all rights attached to their Conversion Shares in proportion to their shareholding, such as any cash dividends declared by the Company and any distribution of assets upon liquidation of the Company.

Except as provided in Articles 48 to 51 of the Articles of Association of the Company and the Section titled "Offering, Selling and Transfer Restrictions" of the OIS, there are no restrictions on the transferability of the Shares.

- the Section titled "Summary of the Terms and Conditions" on pages 40 to 48 of the OIS; and
- Appendix A – "Terms and Conditions" on pages A-1 to A-30 of the OIS.

KEY FINANCIAL INFORMATION

Key profit and loss information

(S\$'000)	Group				
	FY2023	Audited FY2024	FY2025	Unaudited 1H2025	Unaudited 1H2026
Revenue	282,928	317,559	291,714	153,889	136,726
Profit/(loss) before tax	27,696	112,759	(73,771)	33,367	(85,424)
Profit/(loss) for the year/period	13,079	89,708	(82,640)	26,708	(88,067)
Profit/(loss) attributable to equity holders of the Company ⁽¹⁾	12,522	93,017	(78,757)	18,978	(92,846)
Total comprehensive (loss)/profit for the year/period attributable to equity holders of the Company ⁽¹⁾	(36,685)	74,434	(11,016)	12,710	(65,412)
LPS before the Rights Issue ⁽²⁾ (Singapore cents)			8.02		8.74
LPS after the Rights Issue ^{(2),(3),(4)} (Singapore cents)			4.90		5.34

Key balance sheet information

(S\$'000)	Group	
	As at 31 December 2025 (Audited)	As at 30 June 2026 (Unaudited)
Total assets	4,925,159	4,524,168
Total liabilities	2,626,517	2,367,858
NAV before the Rights Issue ⁽¹⁾	1,947,096	1,834,616
Adjusted NAV before completion of the Rights Issue ⁽³⁾	2,389,356	2,276,876
Adjusted NAV after completion of the Rights Issue ^{(3),(4)}	2,721,963	2,609,483

Key cash flows information

(S\$'000)	Group	
	FY2025 (Audited)	1H2026 (Unaudited)
Net cash from/(used in) operating activities	67,568	(28,051)
Net cash (used in)/from investing activities	(79,245)	28,037
Net cash (used in)/from financing activities	(17,292)	34,726
Net (decrease)/increase in cash and cash equivalents	(28,969)	34,712
Cash and cash equivalents at beginning of the year/period	187,772	160,373
Cash and cash equivalents at end of the year/period	160,373	198,498

Notes:

- (1) Computed based on the equity attributable to equity holders of the Company.
- (2) Calculated based on the weighted average number of 1,129,266,258 Shares and 1,129,266,894 Shares outstanding during FY2025 and 1H2026 respectively. The weighted average number of Shares excludes the 307,682 Shares held by Wenjiang BVI, a wholly-owned subsidiary of the Company, which are accounted for as treasury shares in the consolidated financial statements of the Group in accordance with IAS 32 *Financial Instruments: Presentation*.
- (3) This assumes the issuance of 184,360,709 Warrants (2020) Exercise Shares pursuant to the exercise of 184,360,709 Warrants (2020) at the initial exercise price of S\$1.08 and 225,910,315 Conversion Shares pursuant to the conversion of 225,910,315 Series 3 Tranche 1 Convertible Securities, as the case may be, which were outstanding at the beginning of FY2025, and 1H2026 (as the case may be), or as at 31 December 2025, and 30 June 2026 (as the case may be).
- (4) This assumes (a)(i) the maximum S\$332,606,649.60 in aggregate principal amount of Series 3 Tranche 2 Convertible Securities are issued pursuant to the Rights Issue, (ii) the conversion of all 307,969,120 Series 3 Tranche 2 Convertible Securities into 307,969,120 Conversion Shares at the Conversion Price, (iii) no adjustment is made to the Conversion Price, and (iv) there are no effects of the use of the Net Proceeds on the earnings of the Group, and (b) the events in sub-paragraph (a) were completed at the beginning of FY2025 and 1H2026 (as the case may be), or as at 31 December 2025, and 30 June 2026 (as the case may be).

Refer to paragraphs 1 and 6 of the Section titled "Part 5 – Operating and Financial Review and Prospects" on page 151 and pages 158 and 159, respectively, paragraph 2(i) of the Section titled "Additional Disclosure Requirements under Appendix 8.2 of the Listing Manual" on pages 200 to 206, as well as Appendices B, C, D, and E of the OIS for more information on our financial performance, financial position and cash flows.

Please refer to paragraph 6 of the Section titled “Part 5 – Operating and Financial Review and Prospects” and paragraph 2(i) of the Section titled “Additional Disclosure Requirements under Appendix 8.2 of the Listing Manual” of the OIS for further details.

The most significant factors contributing to our financial performance in 1H2026 compared to 1H2025 are as follows:

- Revenue decreased by S\$17.2 million or 11.2%, from S\$153.9 million in 1H2025 to S\$136.7 million in 1H2026. This decrease was due mainly to the decrease in revenue from sale of development properties, property financing and rental income from investment properties of S\$13.3 million, S\$3.6 million and S\$1.1 million respectively. In 1H2026, the Group recorded other expenses of S\$83.1 million, comprising mainly (a) a S\$36.7 million impairment relating to the Affected Units (including related VAT recoverable) following an unfavourable outcome in the legal proceedings brought against various subsidiaries of the Company, (b) a net fair value loss of S\$33.2 million on the outstanding derivatives as at 30 June 2026 and (c) a net loss of S\$10.7 million in respect of the financial derivatives that matured during the period. The decrease was partially offset by the increase in revenue from hotel operations of S\$0.8 million. As a result of the foregoing and other factors set out in the OIS, the Group incurred a loss before tax of S\$85.4 million for 1H2026 as compared with a profit before tax of S\$33.4 million for 1H2025.

The most significant factors contributing to our financial performance in FY2025 compared to FY2024 are as follows:

- Revenue decreased by S\$25.9 million or 8.1%, from S\$317.6 million in FY2024 to S\$291.7 million in FY2025. This decrease was due mainly to the decrease in revenue from sale of development properties and property financing of S\$18.8 million and S\$12.5 million respectively. The decrease was partially offset by the increase in revenue from hotel operations and rental of investment properties of S\$4.3 million and S\$1.1 million respectively. In FY2025, the Group recorded other expenses (net) of S\$104.3 million, comprising mainly (a) a net fair value loss of S\$56.1 million on the outstanding derivatives as at 31 December 2025, (b) a net loss relating to the settlement of derivatives that matured during the year of S\$20.0 million, and (c) write-down of Oasis Mansion, The Pinnacle and Primus Bay development properties amounting to S\$12.5 million in aggregate. As a result of the foregoing and other factors set out in the OIS, the Group incurred a loss before tax of S\$73.8 million for FY2025 as compared with a profit before tax of S\$112.8 million for FY2024.

The most significant factors contributing to our financial performance in FY2024 compared to FY2023 are as follows:

- Revenue increased by S\$34.6 million or 12.2%, from S\$283.0 million in FY2023 to S\$317.6 million in FY2024. The increase was due mainly to the increase in revenue from sale of development properties of S\$34.1 million and increase in revenue from hotel operations of S\$8.3 million. The increase was partially offset by the decrease in revenue from property financing and rental of investment properties of S\$7.5 million and S\$0.3 million respectively. In FY2024, the Group recorded other income (net) of S\$29.9 million, comprising mainly (a) a fair value gain of S\$53.2 million on the outstanding derivatives as at 31 December 2024, (b) a net gain of S\$7.0 million relating to the settlement of derivatives that matured during the year and (c) a net fair value gain on investment properties and equity securities of S\$30.9 million and S\$3.6 million respectively. As a result of the foregoing and other factors set out in the OIS, the Group's profit before tax increased from S\$27.7 million in FY2023 to S\$112.8 million in FY2024.

The above factors are not the only factors contributing to our financial performance in FY2023, FY2024, FY2025, 1H2025 and 1H2026. Please refer to paragraph 4 of the Section titled “Part 5 – Operating and Financial Review and Prospects” for the other factors set out on pages 152 to 158 of the OIS.

BUSINESS STRATEGIES AND FUTURE PLANS

The Group plans to adopt the following strategies to drive long-term value creation through the investment and development of quality residential and commercial properties in gateway cities in Europe, the PRC and Australia:

Growing the Group's portfolio of income-generating properties in growth markets through asset enhancement initiatives. To generate a stable stream of recurring income and for capital gain, the Group intends to refurbish its portfolio of long-term properties (which include its hotels) selectively through asset enhancement initiatives. These initiatives are aimed at maintaining and/or improving the image and appeal of the properties to increase patronage and potentially their occupancy rates and ADR. Any such refurbishments are undertaken in a staged manner to ensure income stability for the Group.

Selective acquisition of interests in commercial properties that are complementary to the Group's portfolio. Where suitable opportunities arise, the Group intends to make selective property-related investments to deepen its exposure to assets that are complementary to its existing portfolio and for future income. The Group believes that such investments will broaden the Group's exposure to quality and well-located properties in growth markets in which it has an existing presence, and will enable it to generate additional income. The Group may in the future, explore investment opportunities in other European markets to further expand its presence in key global cities.

Growing the Group's property development business by selectively expanding into growth markets. The Group intends to meet the demand for quality and well-located residential and office properties in growth markets such as the Netherlands and Australia by buyers and tenants who are more selective and who place greater emphasis on connectivity by public transport and affordability. In the PRC, the Group intends to focus on the progressive selling down of its outstanding inventory of residential units in the PRC. The Group may however, opportunistically acquire additional equity interests in certain of its existing development projects from its partners to average down its property investment costs.

Prudent expansion of the Group's property financing business. The Group intends to continue leveraging on its healthy financial position and property market knowledge to prudently expand its property financing business primarily in certain markets in which it has an existing presence, such as the Netherlands and Germany in Europe, as well as Australia.

For more information, refer to the Section titled "Summary of the Business of the Group – Strategies and Future Plans" on pages 34 to 36 of the OIS.

TRENDS, UNCERTAINTIES, DEMANDS, COMMITMENTS OR EVENTS REASONABLY LIKELY TO HAVE A MATERIAL EFFECT

Industry Outlook

Europe. The Group expects the office sector in the Netherlands to remain challenging in 2026. The Group however, believes that demand for quality and well-located properties will remain resilient as buyers and tenants become more selective and discerning with their choices, placing greater emphasis on connectivity by public transport and compliance with ESG standards. The hospitality sector in the European markets in which the Group operates is also expected to be challenging in 2026 due to rising operating costs, economic uncertainties and the increase in VAT rates for hotel stays in the Netherlands with effect from 1 January 2026.

The PRC. The Group expects the residential and commercial property market in the PRC to remain difficult in 2026. Although the PRC government has progressively eased its property cooling measures since 2024, these measures have yet to produce a sustained recovery in buyer confidence or market activity. The Company, however, remains cautiously optimistic that the easing of property cooling measures could support a gradual stabilisation of the market over time.

Australia. Recent changes in taxation rules may take time to translate into stronger demand for new residential developments whilst higher borrowing costs, affordability constraints and a more cautious approach by buyers and investors generally are expected to contribute to more subdued transaction activity in the residential market. The Group believes, however, that the limited supply of residential and commercial properties, as well as the continuing demand for quality and well-located properties in both sectors may cushion the downside pressure exerted on the price and demand for these properties.

For more information, refer to paragraph 10 of the Section titled "Part 5 – Operating and Financial Review and Prospects – Trend Information and Profit Forecast or Profit Estimate" on pages 162 to 168 of the OIS.

Company Outlook

Property Holding. The Group expects growth of its property holding business to primarily come from the Group's European property holding portfolio. The opening of the Puccini Hotel Milan, the recent acquisitions of the two Amsterdam leased hotels, namely, Crowne Plaza Amsterdam-South and Andaz Amsterdam Prinsengracht, as well as the Dutch Bilderberg Hotel Acquisition will enable the Group to generate additional income as operations of these properties stabilise. The Group also believes that the recent completion of refurbishment works in the Hotel de Bilderberg and the major renovations planned for the Bilderberg Garden Hotel Amsterdam will further contribute to the overall performance of the Group's European property holding portfolio upon completion. The Sydney House Hotel which, upon its expected completion in 1H2028, will be operated and managed by the Group, will further contribute to the Group's performance. To further develop this portfolio, the Group will make selective acquisitions of interests in properties that complement its existing portfolio. For instance, the Group has increased its equity interest in the holding company of the Allianz Tower, and also acquired interests in a limited partnership which owns the Crowne Plaza Amsterdam South, as well as in a cooperative which owns the Andaz Amsterdam Prinsengracht. Upon completion of the acquisition of the remaining 5% equity interest in the Dutch Bilderberg Portfolio which is targeted to take place on or around 30 September 2026, the Group would be managing all its owned hotels, except for four Amsterdam hotels that are on long-term leases, the Bilderberg Bellevue Hotel Dresden and the Hilton Rotterdam.

Property Development. The commencement of pre-sale and/or completion of the Group's projects in the Netherlands and Australia will contribute towards its overall performance. In the PRC, against the backdrop of a weaker property market, the Group is focused on progressively selling down its outstanding inventory of residential units. However, the Group may opportunistically acquire additional equity interests in certain of its existing property development projects from its partners to average down its property investment costs. In the Netherlands, leasing efforts are ongoing for Drive Tower and PHK16-19, as well as Live Tower. With the expected completion of Meerparc in 2031, the Group believes it is well-placed to generate additional income when these properties are completed and opened for operations. In Australia, although buying interest has recently been subdued, the Group remains confident that it will be able to generate additional revenue and income upon completion of Sydney House.

Property Financing. In view of the conditions in the PRC property market, the Group intends to maintain a cautious approach towards the disbursement of any new loans in the PRC. The Group expects its property financing business in Europe to remain stable, based on its existing disbursed loans. The Group is also on the look-out for further opportunities for growth should the Group acquire additional properties in Europe for its property development and/or property holding businesses. To that end, the Group has steadily increased its loan books in Europe to fund the acquisitions of the Crowne Plaza Amsterdam-South and Andaz Amsterdam Prinsengracht in 1H2026, and projects owned by the Group's associates and joint ventures. The Group's property financing activities in Australia mainly relate to loans disbursed to various stakeholders involved in Sydney House.

The above are not the only trends, uncertainties, demands, commitments or events that could affect us. See other factors set out in the Section titled "Risk Factors" on pages 51 to 108 and paragraph 10 of the Section titled "Part 5 – Operating and Financial Review and Prospects" on pages 162 to 168 of the OIS.

USE OF PROCEEDS FROM THE RIGHTS ISSUE

Assuming that the maximum of S\$332,606,649.60 in aggregate principal amount of Series 3 Tranche 2 Convertible Securities is issued pursuant to the Rights Issue at the Issue Price, the estimated Gross Proceeds are expected to be approximately S\$332.6 million. After deducting professional fees and related expenses estimated to be incurred in connection with the Rights Issue, the estimated Net Proceeds are expected to be approximately S\$331.8 million.

The Company intends to use (a) approximately 42.6% of the Net Proceeds to repay the borrowings which were used to fund the Amsterdam Acquisitions; (b) approximately 4.0% of the Net Proceeds to repay the borrowings which are to be used to fund the Dutch Bilderberg Portfolio Acquisition; and (c) approximately 53.4% of the Net Proceeds to fund the expansion of the Group's business, that is, its property holding, property development and/or property financing businesses.

For more information, refer to paragraphs 2 to 6 of the Section titled "Part 4 – Key Information" on pages 133 to 137 of the OIS.

Pending the deployment of the Net Proceeds, the Net Proceeds may also be used to repay other borrowings of the Group, deposited with banks and/or financial institutions, used for investment in short-term money markets or debt instruments and/or used for other purposes on a short-term basis as the Directors may, in their absolute discretion, deem appropriate in the Company's interests.	
KEY RISKS	
Investing in the Series 3 Tranche 2 Convertible Securities involves substantial risks. Set out below are some of the key risks of investing in the Series 3 Tranche 2 Convertible Securities. This list is not exhaustive, and does not represent all the risks associated with, and considerations relevant to, the Series 3 Convertible Securities or your decision to subscribe for the Series 3 Tranche 2 Convertible Securities. The value of the Series 3 Tranche 2 Convertible Securities and the Conversion Shares may rise or fall. These risk factors may cause you to lose some or all of your investment.	<i>For more information, refer to the Section titled "Risk Factors" on pages 51 to 108 of the OIS.</i>
BUSINESS AND INDUSTRY-RELATED RISKS	
General Risks relating to the Group's Businesses. The Group is subject to the performance of the property markets in which its properties are located, as well as economic and real estate market conditions and general legal and regulatory framework in these markets. A downturn in these markets or non-compliance with such frameworks will result in an adverse impact on the Group's business, operations, results of operations, financial position and prospects. As a developer and owner of properties, the Group is also exposed to the risks of being unable to identify and acquire suitable land sites for future developments at commercially acceptable prices, to complete the acquisitions of land sites, or to obtain relevant approvals, permits or certificates which may result in claims being made against the Group, any of which would affect its ability to grow its pipeline. The Group also faces competition which may result in increased land acquisition costs, lower demand for its hotel, office, commercial and/or residential space, and lower interest rates for its property financing business.	
Risks relating to the Group's Property Holding Business. Such risks include the Group's dependence on conditions in the hospitality and office industry, the Group's success in implementing its plans to expand its property holding business and changes in tax laws, regulations and policies applicable to the Group.	
Risks relating to the Group's Property Development Business. The development of properties entails significant risks, including legal and business risks in relation to sales and/or pre-sales of the Group's properties, the Group's ability to secure adequate financing to fund its land acquisitions and property developments, and risks of delays and increased costs in its property development projects.	
Risks relating to the Group's Property Financing Business. The Group is exposed to the possibility that borrowers may default on loans made to them through the loan arrangements, the possibility that the Group may not be able to source for suitable borrowers and the risks in financing environment in the Netherlands, Germany, Australia and the PRC.	
Risks relating to Foreign Exchange Fluctuations. As the Group has operations and assets in Europe, Australia and the PRC, it is exposed to volatility of the €, A\$, and RMB respectively. Any depreciation in these foreign currencies against the S\$ will adversely affect the Group's earnings and net assets. Fluctuations in exchange rates are affected by, among others, changes in political and economic conditions and the PRC's foreign exchange regime and policy. While the Group monitors and manages its foreign exchange exposure, there is no assurance as to the effectiveness and success of any hedging measures that the Group might take.	
LEGAL, REGULATORY AND ENFORCEMENT RISKS	
You may not receive distribution payments. The Company may, at its sole discretion and subject to certain conditions, elect not to pay any scheduled Distribution (or to pay only part of a scheduled Distribution) on the Series 3 Convertible Securities. The Company is not subject to any limit as to the number of times Distributions and Arrears of Distribution can be deferred pursuant to the Terms and Conditions, subject to compliance with such restrictions. Any deferral of Distribution will likely have an adverse effect on the market price of the Series 3 Convertible Securities. Any Arrears of Distribution due in respect of a Series 3 Convertible Security shall be extinguished by the Company in full through the delivery by the Company of the Conversion Shares upon the exercise of your Conversion Right in respect of such Series 3 Convertible Security.	

You have no right to require redemption. The Series 3 Convertible Securities are perpetual convertible capital securities and have no maturity date. The Company is under no obligation to redeem the Series 3 Convertible Securities at any time and the Series 3 Convertible Securities can only be disposed of by sale or by conversion into Conversion Shares.

The Series 3 Convertible Securities are unsecured and subordinated. The Series 3 Convertible Securities will constitute direct, unconditional, subordinated and unsecured obligations of the Company which rank *pari passu*, without any preference or priority among themselves, and *pari passu* with any Parity Obligations of the Company. Subject to the insolvency laws of the Cayman Islands and other applicable laws, in the event of the winding-up of the Company, your rights to payment of the principal amount of the relevant Series 3 Convertible Security together with accrued and unpaid Distributions (including any unpaid Arrears of Distribution) are expressly subordinated and subject in right of payment to the prior payment in full of all claims of senior creditors of the Company but at least *pari passu* with all other subordinated obligations of the Company that are not expressed by their terms to rank junior to the Series 3 Convertible Securities, but always in priority to the claims of Shareholders. In the event of a shortfall of funds on a winding-up of the Company, there is a real risk that you will lose all or some of your investment and will not receive a full return or any return of the principal amount or any unpaid amounts due under the Series 3 Convertible Securities. If you choose to exercise your Conversion Right, the Conversion Shares that you will acquire will rank *pari passu* in all respects with the then existing Shares, except in any such case for any right excluded by mandatory provisions of applicable law and save for any dividends, rights, allocations or other distributions, the record date for which falls prior to the relevant conversion date of the Series 3 Convertible Securities, subject to the Terms and Conditions, but will rank junior to the claims of a Securityholder in the event of the winding-up. Hence, in a winding-up, you who have exercised your Conversion Right and received Conversion Shares will, as a holder of Shares, be ranked lower than a Securityholder in respect of your Conversion Shares, and be subject to a higher risk of loss of investment if you choose to exercise your Conversion Right instead of holding Series 3 Convertible Securities prior to the winding-up.

You have limited remedies for non-payment under the Terms and Conditions. There is no assurance that the Company will have sufficient cash flow to meet payments under the Series 3 Convertible Securities. In addition, any scheduled Distribution will not be considered due if the Company elects to defer that Distribution pursuant to the Terms and Conditions. Notwithstanding any of the provisions relating to non-payment defaults, the right to institute proceedings for winding-up of the Company is limited to circumstances where payment has become due in accordance with the Terms and Conditions and the Company fails to make the payment when due. The only remedy against the Company available to you for recovery of amounts in respect of the Series 3 Convertible Securities following the occurrence of a payment default after any sum becomes due in respect of the Series 3 Convertible Securities will be instituting winding-up proceedings and/or proving and/or claiming in winding-up in respect of any of the Company's payment obligations arising from the Series 3 Convertible Securities.

Singapore Taxation Risk. It is not clear whether the Series 3 Tranche 2 Convertible Securities will be regarded as "debt securities" by the Inland Revenue Authority of Singapore, or whether the Distributions made under the Series 3 Tranche 2 Convertible Securities will be regarded as interest payable on indebtedness for the purposes of the Income Tax Act 1947 of Singapore, or whether the tax concessions available for "qualifying debt securities" under the qualifying debt securities scheme would apply to the Series 3 Tranche 2 Convertible Securities. There is no assurance that the Series 3 Tranche 2 Convertible Securities will enjoy or will continue to enjoy the tax concessions should the relevant tax laws be amended or revoked at any time.

You may be requested by the Trustee to provide an indemnity and/or security and/or pre-funding to its satisfaction. In certain circumstances (including the giving of a notice to the Company or taking action pursuant to the Terms and Conditions), the Trustee may, at its discretion, request Securityholders to provide an indemnity and/or security and/or pre-funding to its satisfaction before taking proceedings to enforce repayment and taking action on behalf of Securityholders to convene meetings. The Trustee shall not be obliged to take any such action if not indemnified and/or secured and/or pre-funded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or pre-funding can be a lengthy process and may impact the timing as to when such actions can be taken, or at all. The Trustee may not be able to take action, notwithstanding the provision of an indemnity and/or security and/or pre-funding to it, in breach of the terms of the Trust Deed and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations. In such event, to the extent permitted by the agreements (including the Terms and Conditions and the Trust Deed) and the applicable law, it will be for the Securityholders to take such action directly.

You have no rights as Shareholder until you acquire Conversion Shares upon conversion of your Series 3 Convertible Securities. Unless and until you acquire Conversion Shares upon conversion of your Series 3 Convertible Securities, you will have no rights as a Shareholder (including voting rights and rights to receive dividends or distributions) with respect to the Conversion Shares.

MARKET AND CREDIT RISKS

The market value of the Series 3 Convertible Securities and Conversion Shares may fluctuate. Trading prices of the Series 3 Convertible Securities and the Conversion Shares may be influenced by numerous factors, including (i) the market for similar securities, (ii) the respective operating results and/or financial condition of the Group, (iii) (in the case of the Series 3 Convertible Securities) the trading price of the Shares, and (iv) political, economic, financial, regulatory and any other factors that can affect the equity and debt capital markets, the industry and the Group.

An investment in the Series 3 Convertible Securities is subject to interest rate risk. The Series 3 Convertible Securities are a form of fixed distribution security and may therefore see their price fluctuate due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in the price of the Series 3 Convertible Securities.

The Rights Issue may cause the market value of the Shares to immediately decrease. The initial Conversion Price of S\$1.08 for each Series 3 Convertible Security represents a premium of approximately 13.09% over the volume weighted average price of S\$0.955 per Share for Shares traded on 30 July 2026, being the last full Market Day prior to the date of the First Announcement. For the avoidance of doubt, there were no Shares traded on the Mainboard of the SGX-ST on 31 July 2026 and 3 August 2026. The initial Conversion Price represents a premium of approximately 8.00% over the volume weighted average price of S\$1.00 per Share for Shares traded on 22 September 2026, being the Latest Practicable Date. However, there is no assurance that the Conversion Price will be at a discount or premium to or over the prevailing market price of the Shares at the time of conversion. The discount or premium represented by the Conversion Price to or over the prevailing market price of the Shares, as the case may be, at such time, coupled with the potential increase in the number of Shares upon the conversion of Series 3 Convertible Securities, may result in an immediate decrease in the market value of the Shares. The Conversion Price does not bear a direct relationship to the book value of the Group's assets, past operations, cash flow, earnings, financial condition or other established criteria for value. Hence, the Conversion Price may not be an indication of any underlying value of the Shares.

LIQUIDITY RISKS

There is no assurance that a market will develop to provide liquidity for the Series 3 Convertible Securities. Although the Series 3 Tranche 2 Convertible Securities will be consolidated and form the same series with the Series 3 Tranche 1 Convertible Securities which are listed and quoted on the SGX-ST and the AIP has been obtained from the SGX-ST for the listing of and quotation for the Series 3 Tranche 2 Convertible Securities on the SGX-ST, no assurance can be given that an active trading market for the Series 3 Convertible Securities will develop or as to the liquidity or sustainability of any such market and your ability to sell your Series 3 Convertible Securities or the price at which you will be able to sell your Series 3 Convertible Securities.

OTHER PERTINENT RISKS

The Terms and Conditions and the provisions of the Trust Deed may be modified. The Trust Deed contains provisions for calling meetings of Securityholders to consider matters affecting their interests generally, including the modification to the Terms and Conditions or any provision of the Trust Deed. These provisions permit defined majorities to bind all Securityholders, including Securityholders who did not attend and vote at the relevant meeting and Securityholders who voted in a manner contrary to the majority.

DEFINITIONS

1H	:	The six-month financial period ended 30 June.
CDL	:	City Developments Limited.
Controlling Shareholder	:	A person who (a) holds directly or indirectly 15.0% or more of the total voting rights in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or (b) in fact exercises control over the Company.
Conversion Right	:	The right of a Securityholder to convert his Series 3 Convertible Securities into Conversion Shares in accordance with the Terms and Conditions.
Distribution Rate	:	The rate of distribution applicable to the Series 3 Convertible Securities shall be 4.85% per annum and shall be calculated on the principal amount of S\$1.08 for each Series 3 Convertible Security.
First Announcement	:	The announcement dated 3 August 2026 made by the Company in relation to the Rights Issue.
FY	:	Financial year ended 31 December.

Group	: The Company, its subsidiaries, associated companies and joint ventures. However, for the purposes of the Sections titled “Disclosure Requirements under the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018” and “Additional Disclosure Requirements for the Rights Issue under Appendix 8.2 of the Listing Manual” and Appendices B, C, D, E and I of the Offer Information Statement, the “Group” shall mean the Company and its subsidiaries, unless the context otherwise requires.
Issue Size	: Up to S\$332,606,649.60 in aggregate principal amount of Series 3 Tranche 2 Convertible Securities.
Latest Practicable Date	: Tuesday, 22 September 2026.
LPS	: Loss per Share.
Parity Obligation	: Any instrument or security (other than shares) issued, entered into or guaranteed by the Company (a) which ranks or is expressed to rank, by its terms or by operation of law, pari passu with the Series 3 Convertible Securities and (b) the terms of which provide that the making of payments thereon or distributions in respect thereof are fully at the discretion of the Company and/or, in the case of an instrument or security guaranteed by the Company, the issuer thereof.
Securityholder	: A person in whose name a Series 3 Convertible Security is registered, except that where the registered holder is CDP, the term “Securityholder” shall, in relation to such Series 3 Convertible Security, mean each person who is for the time being shown in the records of CDP as the holder of a particular principal amount of such Series 3 Convertible Securities.
Series 3 Convertible Securities	: Up to S\$576,589,789.80 in aggregate principal amount of 4.85 per cent. subordinated perpetual convertible capital securities comprising the Series 3 Tranche 1 Convertible Securities and the Series 3 Tranche 2 Convertible Securities.
SGX-ST	: Singapore Exchange Securities Trading Limited.
Shareholders	: Registered holders of Shares in the Register of Members of the Company except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with those Shares.
Shares	: Ordinary shares with a par value of US\$0.10 each in the capital of the Company.
Tai Tak	: Tai Tak Estates Sendirian Berhad.
Terms and Conditions	: The terms and conditions of the Series 3 Tranche 2 Convertible Securities to be set out in the Trust Deed.
Trust Deed	: The trust deed dated 30 September 2024 made between (a) the Company and (b) the Trustee constituting the Series 3 Tranche 1 Convertible Securities, as amended and restated by a deed of amendment and restatement to be entered into between the same parties to reflect the issuance of the Series 3 Tranche 2 Convertible Securities (and as further amended, restated or supplemented from time to time).

CONTACT INFORMATION

If you have any questions, please contact:

- The Company: 19 Lorong Telok, Singapore 049031, Tel: (65) 6436 4920
- United Overseas Bank Limited: 80 Raffles Place, UOB Plaza, Singapore 048624, Tel: 1800 222 2121

If you have questions in relation to applications through Accepted Electronic Services, please contact:

- The Central Depository (Pte) Limited at (65) 6535 7511, Monday to Friday between 8.30 a.m. and 5.00 p.m.

For more information, please refer to <https://www.sgx.com/cdpfaqs>.