First Sponsor Group Limited
Investor Presentation
25 April 2019

Backyard of Westin Bellevue Dresden Hotel, Germany

Contents

Section 1 Key Message

Key Message

1. The Group achieved a net profit of S$23.8 million in 1Q2019, a 39.0% quarter on quarter growth. This is the 17th quarterly growth out of 20 quarters of results reporting since the Group's IPO in July 2014.

2. The Emerald of the Orient development project in Dongguan has done well, having sold all the 137 residential villas which were launched for sale since December 2018. The Group has an effective stake of 20.4% in the project which also has (i) 854 residential apartments to be launched for sale during the second half of 2019; and (ii) 31 residential villas and 222 residential apartments for lease for a period up to the expiry of 5 years after the housing title certificates have been obtained, after which they would be available for sale as per the land tender conditions.

3. The Group has entered into a framework agreement in March 2019 for the potential acquisition of a 100% equity interest in a Hong Kong-incorporated company with a wholly-owned PRC subsidiary which owns three adjacent plots of mixed use development land in Chang'an, Dongguan. The Group intends to designate a third party to be one of the purchasers, subject to the Group retaining a controlling stake on completion of the acquisition. Up to approximately 76,570 sqm of GFA, comprising approximately 66,000 sqm (86%) of residential GFA and approximately 10,570 sqm (14%) of commercial GFA, can be developed on the site. If the acquisition is successful, the Group will take the lead in the management of the development project and work towards the pre-sale launch of Phase 1 as soon as possible.

Key Message

4. The newly developed Oliphant Amsterdam office with 21,136 sqm of net lettable area is currently 61% leased with a WALT of 12.0 years. The Group is in advanced discussions with various potential tenants to lease the bulk of the remaining spaces within FY2019. The Group is considering the sale of the Oliphant office property to its associated company, FSMC, to generate development profit while retaining a meaningful stake for future capital appreciation and recurrent income.

5. The development of two Utrecht hotels, namely a 142-room Crowne Plaza hotel and a 193-room Hampton by Hilton hotel, is expected to be completed within FY2019. These hotels, which will be managed by the Group, are strategically located adjacent to the approximately 85,700 sqm large scale shopping mall Hoog Catharijne which is situated next to the Utrecht Central Station. The Group will also explore the sale of the hotels to FSMC in due course, thereby generating further profit while still maintaining a meaningful stake for future capital gain and recurrent income.

6. On 29 March 2019, the Group completed the acquisition of a 94.9% equity stake in the 340-room Westin Bellevue Dresden Hotel, Germany based on a commercial property value of approximately €49.5 million (S$75.7 million) including estimated acquisition cost. The Group aims to undertake a major capital expenditure program to upgrade the hotel during the course of this year. This acquisition has further expanded the recurrent income base of the Group's property holding business segment in Germany following the acquisition of a 50% equity interest in the Le Méridien Frankfurt last year.

Key Message

7. The Group started off the year with a record RMB2.8 billion of PRC loan book. Consequently, the property financing business achieved a strong showing for this quarter, recording a gross profit of S$21.8 million which is a 87% quarter on quarter increase over 1Q2018's S$11.6 million (excluding one-off penalty interest). While RMB1.1 billion of the PRC loan book has been repaid in March and April 2019, the Group aims to maintain a healthy PRC loan book with a few potential deals in the pipeline.

8. The Company will be undertaking (i) a 1-for-7 rights issue of 3.98% perpetual convertible capital securities ("Series-2 PCCS") with free detachable warrants ("Warrants") ("Rights Issue") and (ii) a 1-for-10 bonus issue of Warrants ("Bonus "Issue"). Each Series-2 PCCS shall be in the denomination of S$1.30 and shall be convertible to one ordinary share in the Company ("Share"), and each Warrant issued pursuant to the Rights Issue or the Bonus Issue shall carry the right to subscribe for one Share at the exercise price of S$1.30 per Share. The Company expects to raise up to approximately S$147.9 million in gross cash proceeds from the subscription of the Series-2 PCCS under the Rights Issue and intends to redeem all the outstanding Series-1 PCCS on a date falling after the completion of the Rights Issue and Bonus Issue. The exercise of the Warrants may raise gross proceeds of up to approximately S$251.4 million. The Rights Issue which is the second equity fund raising exercise of the Group after its IPO in July 2014 is expected to close in June 2019 and will further strengthen the Group's balance sheet so as to arm the Group with the necessary financial resources to capitalise on any expansion opportunity.

Section 2 Financial Highlights

2.1 Statement of Profit or Loss - Highlights

Statement of Profit or Loss - Highlights			
In S$'000	**1Q2019**	**1Q2018**	**Change %**
Revenue	45,340	47,804	(5.2%)
Gross profit	32,362	30,656	5.6%
Profit before tax	32,073	21,894	46.5%
Attributable profit (1)	23,804	17,122	39.0%
Basic EPS (cents) (2)	3.43	2.64	29.9%
Diluted EPS (cents) (2)	2.99	2.64	13.3%
Interest cover (3)	13.6x	n.m (4)	n.a.

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

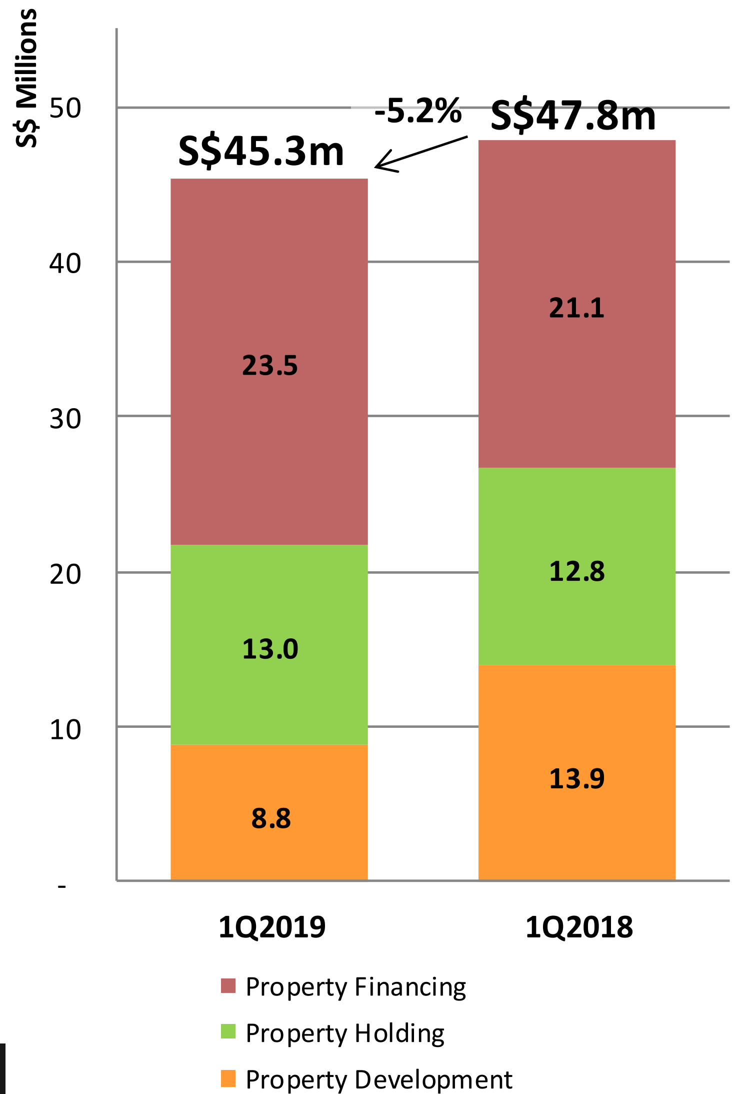
(2) The prior period comparatives have been restated for the effect of the bonus shares issued in April 2018.

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

(4) The Group has net interest income from financial institutions.

2.2 Statement of Profit or Loss – Revenue

Revenue



Property Development

The decrease in 1Q2019 was due mainly to revenue recognised from the sales of fewer residential units partially offset by higher sales of commercial units and car park lots of the Millennium Waterfront project in 1Q2019 (residential: 1 unit; commercial: 10 units; car park: 180 lots) as compared to 1Q2018 (residential: 62 units; commercial: 2 units; car park: 150 lots).

Property Holding

The increase in 1Q2019 was due largely to revenue contribution from the Hilton Rotterdam hotel which was leased by the Group since February 2018 and higher revenue contributions from the Crowne Plaza Chengdu Wenjiang and Holiday Inn Express Chengdu Wenjiang Hotspring hotels, as well as the hotspring operations. This was partially offset by absence of a one-off service income recorded in 1Q2018 and absence of contribution from M Hotel Chengdu which ceased operations in July 2018.

Property Financing

The increase in 1Q2019 was due to the increased interest income from a larger average loan portfolio partially offset by the recognition of a one off net penalty interest income of S$7.7m in 1Q2018.

2.3 Statement of Profit or Loss – Gross Profit

Gross Profit

Property Development

The decrease was consistent with the decline in revenue recognised in 1Q2019.

Property Holding

The increase was due mainly to the full quarter income contribution from the Hilton Rotterdam hotel which was leased by the Group since February 2018 and higher gross profit contributions from the Crowne Plaza Chengdu Wenjiang and Holiday Inn Express Chengdu Wenjiang Hotspring hotels. This was partially offset by absence of a one-off service income recorded in 1Q2018 and absence of contribution from M Hotel Chengdu which ceased operations in July 2018.

Property Financing

The increase in gross profit was due mainly to the increase in revenue contribution from the business segment.

2.4 European Property Portfolio Performance

In S$'000	1Q2019	1Q2018	Change %
Dutch office income	**6,073**	**5,558**	**9.3%** (3)
European hotel income	**3,126**	**3,743**	**(16.5%)**
- Operating hotels (1)	304	900	(66.2%)(4)
- Leased hotels (2)	2,822	2,843	(0.7%) (5)
Total	**9,199**	**9,301**	**(1.1%)**

(1) Includes the Bilderberg Portfolio and Hilton Rotterdam hotel.

(2) Includes the Le Méridien Frankfurt hotel and Arena Towers Amsterdam (Holiday Inn/Holiday Inn Express).

(3) Due mainly to income contribution from the Munthof Amsterdam which has completed its redevelopment in January 2019, and higher rent contribution arising from higher occupancy of the Mondriaan Tower Amsterdam. The development of Oliphant Amsterdam has been completed and is expected to contribute to the income of the Group's European property portfolio from 2H2019.

(4) Due mainly to the disposal of 5 hotels in the Bilderberg hotel portfolio and the softening of the Dutch hospitality market during the quarter, which was partly attributable to the increase in VAT rate from 6% to 9% for hotel rooms and F&B business since 1 January 2019.

(5) Due to the weakening of EUR against S$.

Excluding Dreeftoren Amsterdam and Oliphant Amsterdam, the Dutch office portfolio and European leased hotels (LFA: 125,688 sqm, occupancy of 90%) have a WALT of approximately 9.4 years.

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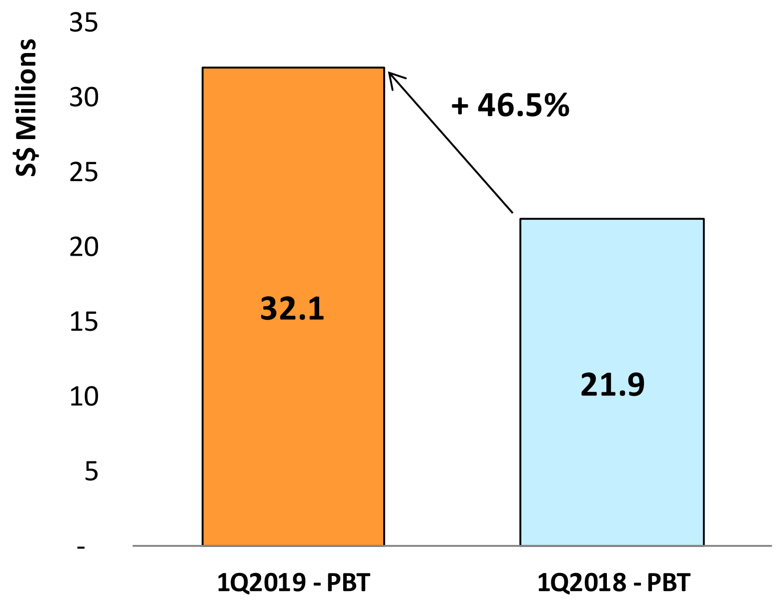
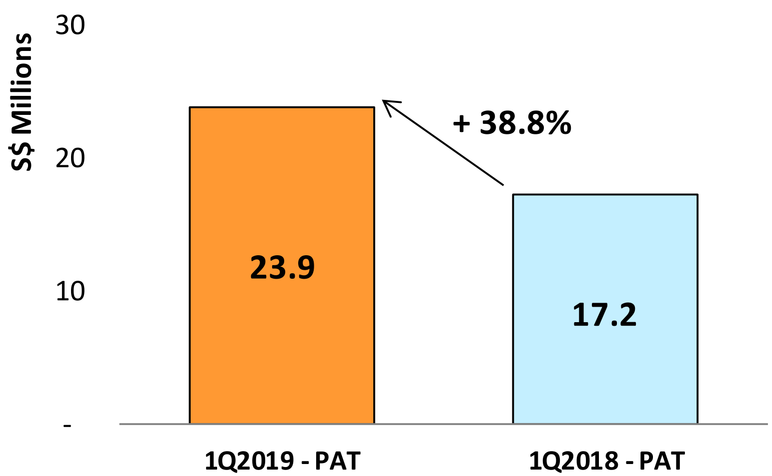
2.5 Statement of Profit or Loss – 1Q2019 vs 1Q2018



The increase in profit before tax was due mainly to:

- Higher share of after-tax profit from associates and joint ventures including first time profit recognition from the Star of East River project [S$8.4m increase]
- Higher gross profit contribution from the property financing and property holding business segments. [S$3.0m increase]
- Higher fair value gain (net) on cross-currency swaps net of foreign exchange loss [S$2.7m increase]



The increase was partially offset by:

- Lower gross profit contribution from the property development business segment [S$1.3m decrease]
- Higher administrative expenses for the quarter [S$3.4m increase]

The adjusted effective tax rate was 24.4% for 1Q2019.

2.7 Statement of Financial Position – Highlights

Statement of Financial Position - Highlights			
In S$'000	**31-Mar-19**	**31-Dec-18**	**Change %**
Total assets	2,669,682	2,381,813	12.1%
Cash and structured deposits [(1)]	326,204	164,973	97.7%
Contract liabilities	161,196	161,279	(0.1%)
Total debt [(2)]	795,572	686,728	15.8%
Net asset value (NAV)[(3)]	1,342,130	1,311,781	2.3%
NAV per share (cents)	205.38	202.21	1.6%
Adjusted NAV per share (cents)[(4)]	168.62	164.81	2.3%
Gearing ratio [(5)]	0.35x	0.40x	n.a.

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

(2) Comprises gross borrowings of S$804.3m and S$695.7m net of unamortised upfront fee of S$8.7m and S$9.0m for 31 March 2019 and 31 December 2018 respectively.

(3) NAV includes perpetual convertible capital securities (“Series-1 PCCS”) of S$156.1m (Dec 2018: S$161.3m) and translation reserve of S$21.4m (Dec 2018: S$12.9m), and excludes non-controlling interests.

(4) Represents NAV per share adjusted for the full conversion of Series-1 PCCS to ordinary shares.

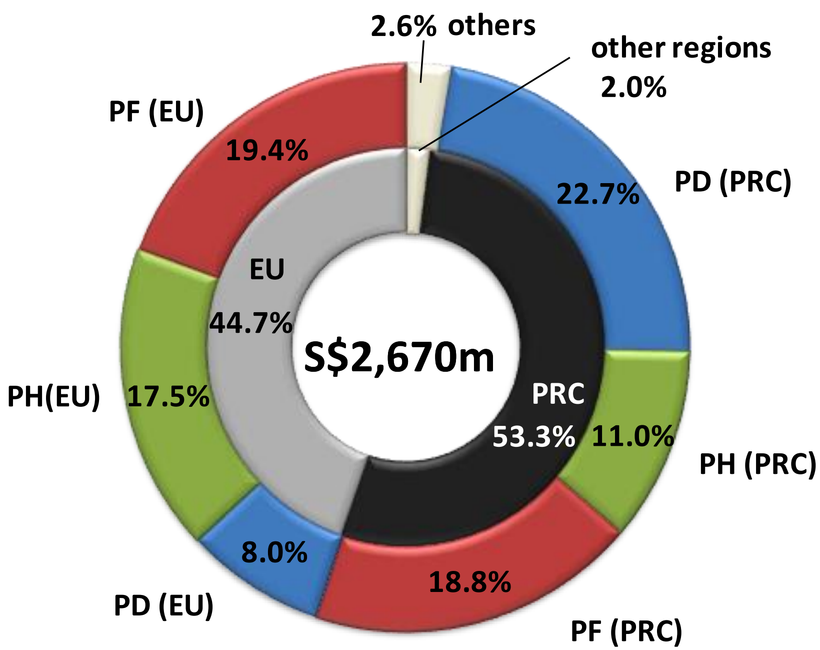
(5) Computed as net debt ÷ total equity including non-controlling interests.
Net debt = gross borrowings – cash and structured deposits.

2.8 Statement of Financial Position - Total Assets

Total Assets – by business and geographic segments

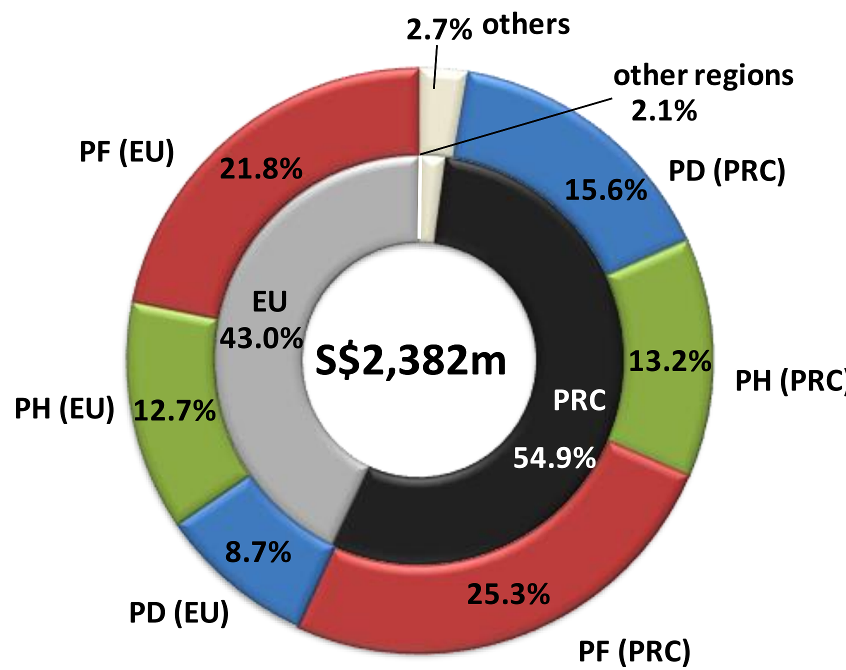
As at 31 March 2019

Total assets: S$2,670m



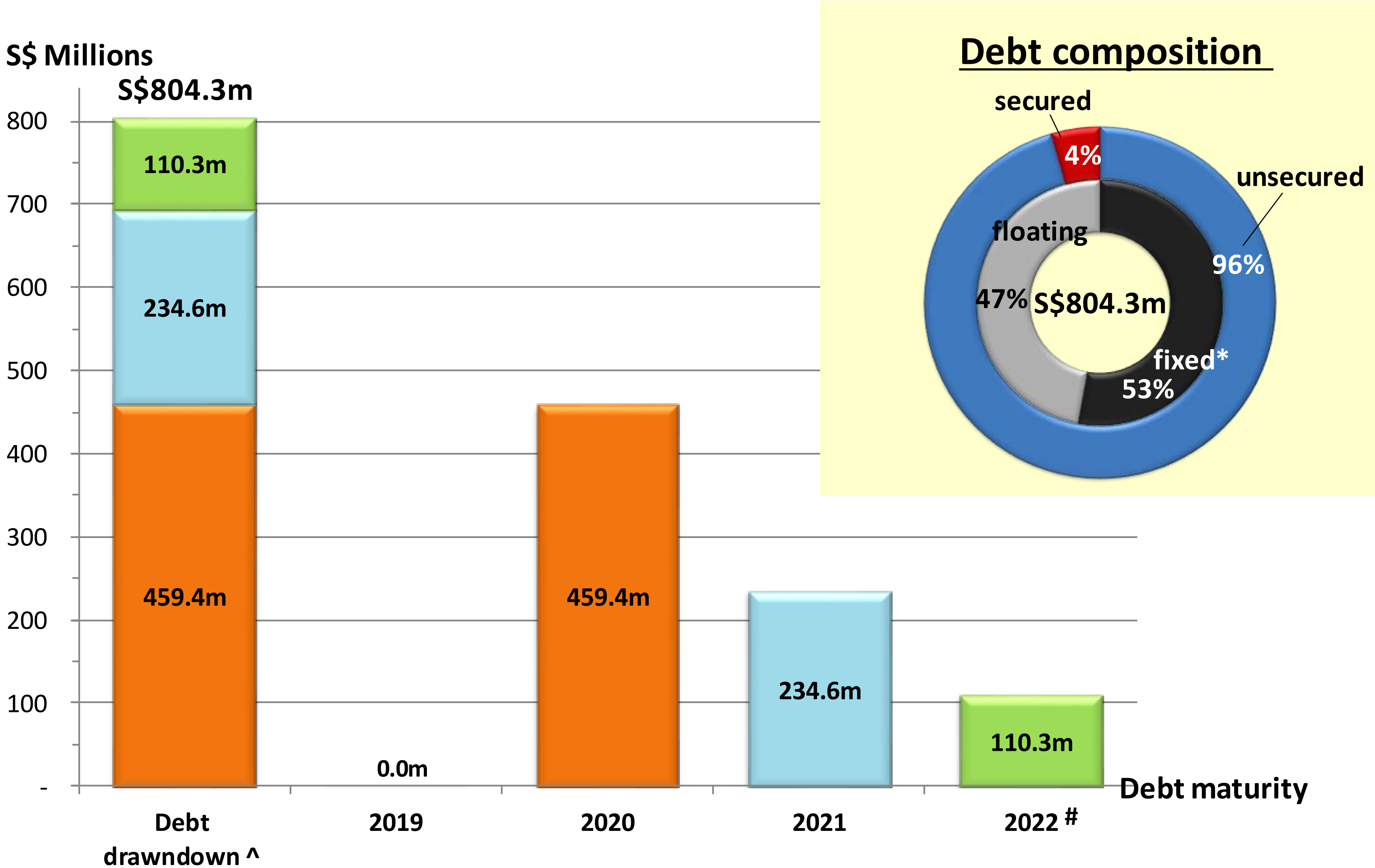
As at 31 December 2018

Total assets: S$2,382m



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

2.9 Debt Maturity and Composition as at 31 March 2019



* Done via cross currency swaps.

^ Available remaining headroom of S$249.9m comprises mainly committed credit facilities.

\# During the quarter, Group successfully extended a committed unsecured credit facility and concurrently increased the facility by another S$25.0m.

Section 3 Key Business Review 1Q2019 – Property Development

3.1 Property Development – Millennium Waterfront Project, Chengdu

Plot A
- 2,000 residential units, 118 commercial units and 1,722 car park lots
- 80.1% of commercial sold[3]
- 94 commercial units handed over as at 31 March 2019

Plot C
- 1,778 residential units, 91 commercial units and 1,508 car park lots
- 80.4% of commercial sold[3]
- 70 commercial units handed over as at 31 March 2019

Plot B
- 2,250 residential units, 96 commercial units, 1,905 car park lots and a three-storey commercial building
- 94.8% of commercial sold[3]
- 89 commercial units and a three-storey commercial building handed over as at 31 March 2019

Plot D
- 1,274 residential units, 66 commercial units, 1,295 car park lots and two commercial blocks
- 95.3% of commercial sold[3]
- 409 residential and 9 commercial units handed over as at 31 March 2019

Plot G
- Commenced operations of Crowne Plaza Chengdu Wenjiang and Holiday Inn Express Chengdu Wenjiang Hotspring hotels on 28 December 2016 and ancillary hotspring facility on 27 October 2017

Plots E&F
- Expected to comprise elderly care living quarters, a hospital and ancillary commercial facilities
- Commenced construction in 3Q2018 with primary focus initially on Plot F

Notes:
1. This diagram is not drawn to scale.
2. Based on artist's impression which may not be fully representative of the actual development.
3. As at 31 March 2019 and includes sales under option agreements or sale and purchase agreements, as the case may be.

3.2 Property Development – Star of East River Project, Dongguan

Residential Blocks

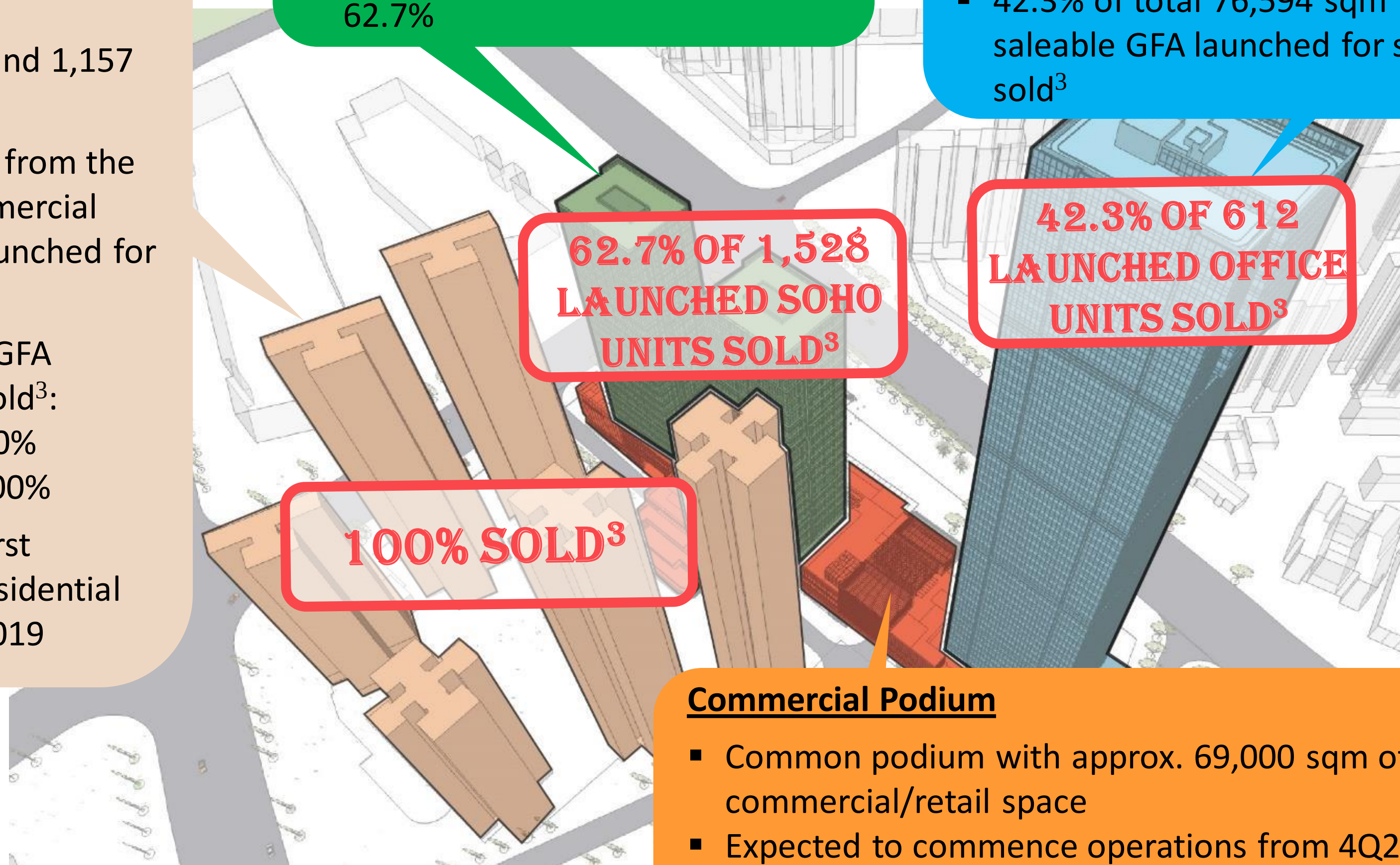
- Six blocks of 1,221 residential units, 1,961 sqm of commercial space and 1,157 car park lots
- All residential units from the six blocks and commercial space have been launched for sale
- % of total saleable GFA launched for sale sold[3]:
  - Residential : 100%
  - Commercial : 100%
- Commenced the first handover of two residential blocks in January 2019

SOHO Blocks

- Two blocks of 2,328 SOHO units
- % of total 49,364 sqm saleable GFA launched for sale sold[3]: 62.7%

Office Block

- 250m high office tower block with approx. 107,000 sqm of office space
- 42.3% of total 76,594 sqm saleable GFA launched for sale sold[3]



Commercial Podium

- Common podium with approx. 69,000 sqm of commercial/retail space
- Expected to commence operations from 4Q2019
- 51.7% of total 31,000 sqm lettable floor area is pre-leased as at 31 March 2019

Notes:
1. This diagram is not drawn to scale.
2. Based on artist's impression which may not be fully representative of the actual development.
3. As at 31 March 2019 and includes sales under option agreements or sale and purchase agreements, as the case may be.

3.3 Property Development – Emerald of the Orient, Dongguan

High-rise Residential Blocks

- Six blocks of 1,076 residential units, including 222 units to be kept for a minimum holding period of 5 years as per land tender conditions, and approx. 2,300 car park lots
- Expected to be launched for sale in phases from mid 2019

Residential Villa Cluster

- 168 residential villas, including 31 villas to be kept for a minimum holding period of 5 years as per land tender conditions
- 100% of the 137 villas launched sold

Others:

- Approx. 89,500 sqm to be built for the municipal comprising office, residential, kindergarten and other general amenities as per the land tender conditions

1. This diagram is not drawn to scale.
2. Based on artist's impression which may not be fully representative of the actual development.
3. Includes sales under option agreements or sale and purchase agreements, as the case may be.
   % sold excludes units to be kept for minimum holding period of 5 years after the housing title certificates have been obtained.

3.4 Property Development – New Development Project in Chang'an, Dongguan

- Riding on the prospective development of the Guangdong-Hong Kong-Macao Greater Bay Area which comprises 11 cities including Dongguan and Shenzhen, the Group has entered into a framework agreement in March 2019 for the potential acquisition of a 100% equity interest in a Hong Kong-incorporated company with a wholly-owned PRC subsidiary which own three adjacent plots of mixed use development land in Chang'an, Dongguan.

- Up to approximately 76,570 sqm of GFA, comprising approximately 66,000 sqm (86%) of residential GFA and approximately 10,570 sqm (14%) of commercial GFA, can be developed on the site. If the acquisition is successful, the Group will take the lead in the management of the development project and work towards the pre-sale launch of Phase 1 as soon as possible.

- The site is situated close to the Chang'an city hall and will be easily accessible to intercity train services (under planning) and highways which connect to Shenzhen city within a 30-minute drive.

3.6 Property Development – Oliphant, Amsterdam Southeast

- The newly developed Oliphant Amsterdam office with 21,136 sqm of net lettable area is currently 61% leased with a WALT of 12.0 years. The Group is in advanced discussions with various potential tenants to lease the bulk of the remaining spaces within FY2019.

- The Group is considering the sale of the Oliphant office property to its associated company, FSMC, to generate development profit while retaining a meaningful stake for future capital appreciation and recurrent income.

3.7 Property Development – Utrecht Hotels

- The development of two Utrecht hotels, namely a 142-room Crowne Plaza hotel and a 193-room Hampton by Hilton hotel, is expected to be completed within FY2019.

- These hotels, which will be managed by the Group, are strategically located adjacent to the approximately 85,700 sqm large scale shopping mall Hoog Catharijne which is situated next to the Utrecht Central Station.

- The Group will also explore the sale of the hotels to FSMC in due course, thereby generating further profit while still maintaining a meaningful stake for future capital gain and recurrent income.

Section 4 Key Business Review 1Q2019 – Property Holding

4.1 Property Holding – Wenjiang Hotels and Hilton Rotterdam Hotel

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

- The Wenjiang hotels continue to display strong growth in both occupancy and room rates with quarter on quarter increase of 12% in RevPar and 84% in GOP.

Hilton Rotterdam

- The Hilton Rotterdam hotel registered a 16% quarter on quarter decrease in GOP resulting from an overall softening of the Dutch hospitality market during the quarter, which was partly attributable to the increase in VAT rate from 6% to 9% for hotel rooms and F&B business since 1 January 2019.

4.2 Property Holding – Bilderberg Hotel Portfolio in The Netherlands

Bilderberg Hotel Portfolio [(1)]	1Q2019	1Q2018 (restated)	Change
Occupancy	56.2%	58.2%	(2.0%)
ADR	€ 96	€ 99	(3.1%)
RevPar	€ 54	€ 57	(6.5%)
TrevPar	€ 105	€ 111	(5.4%)

(1) The trading results of Bilderberg Hotel Portfolio which comprises 11 owned hotels and one leased hotel. The prior period comparatives have been restated to conform with such presentation.

- The Bilderberg Hotel Portfolio traded downwards arising from an overall softening of the Dutch hospitality market during the quarter, which was partly attributable to the increase in VAT rate from 6% to 9% for hotel rooms and F&B business since 1 January 2019.

Section 5 Key Business Review 1Q2019 – Property Financing

5.1 Property Financing - Overview of Financial Performance

In S$'000	1Q2019	1Q2018	Change %
Secured PRC PF loans to third parties			
- interest	11,212	1,210	826.6%
- penalty interest	-	7,673	n.m.
Unsecured PF loans to the Group's members			
- European associates and JV [1]	8,338	7,974	4.6%
- Star of East River Project Co [2]	3,102	3,760	(17.5%)
- Dongguan East Sun Limited [3]	-	383	n.m.
Others	855	73	n.m.
Total Revenue from PF	**23,507**	**21,073**	**11.6%**
Share of interest income from secured Australian PF loan by Group's members to 3rd parties [1],[4]	298	-	n.m.

(1) Relates to non-PRC property financing business
(2) Repaid in March 2019
(3) Repaid in October 2018
(4) Income recognised through share of joint venture's profit

5.2 Property Financing - PRC PF Loan Book

	Average PRC PF loan book [1] for the quarter ended	PRC PF loan book [1] as at
31 March 2019	RMB2,803.3m (S$562.6m)	RMB2,390.0m [2] (S$480.6m)
31 December 2018	RMB1,943.2m (S$396.2m)	RMB2,790.0m (S$556.0m)

(1) Includes the defaulted loan cases.
(2) Includes a RMB500 million loan which was repaid on 2 April 2019.

- While RMB1.1 billion of the PRC loan book has been repaid in March and April 2019, the Group aims to maintain a healthy PRC loan book with a few potential deals in the pipeline.

Thank You

Disclaimer

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