

Press Release

THE GROUP REPORTED A NET PROFIT OF S\$81.1 MILLION FOR 2H2024, A VERY SUBSTANTIAL INCREASE FROM THE S\$1.9 MILLION REPORTED FOR 2H2023

THE GROUP SEIZED UPON TWO UNIQUE ACQUISITION OPPORTUNITIES IN FY2024: (1) CUMULATIVE ACQUISITIONS IN SHARES OF NSI N.V., RESULTING IN THE GROUP BEING THE LARGEST SHAREHOLDER; AND (2) ACQUISITION OF THE COMMERCIAL SPACE OF THE SYDNEY HOUSE

Singapore, 25 February 2025 – 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 (“2H2024”) and full year (“FY2024”) ended 31 December 2024.

Financial Highlights

In S\$’000	2H2024	2H2023	Change %	FY2024	FY2023	Change %
Revenue	144,686	147,039	(1.6)%	317,559	282,928	12.2%
Profit attributable to equity holders of the Company	81,093	1,917	n.m.	93,017	12,522	642.8%

- Net profit for the Group was S\$93.0 million for FY2024, approximately 7.4 times of that achieved for FY2023.
- The recurrent operating income of the European property holding portfolio was €52.6 million for FY2024, a 12.6% increase from FY2023’s €46.7 million. This will be further enhanced by a strong pipeline of projects which are currently under development.
- The Group is in a good financial position to navigate through the economic challenges arising from the difficult market conditions, especially in the PRC, and to also capitalise on any favourable business opportunities that may arise.

Mr Neo Teck Pheng, Group Chief Executive Officer, said

“The Group reported a net profit of S\$81.1 million for 2H2024, a very substantial increase from the S\$1.9 million reported for 2H2023. The increase in net profit was due mainly to the (i) maiden profit contribution from NSI N.V. (“**NSI**”), a Dutch commercial property company listed on Euronext Amsterdam, as an associated company of the Group; (ii) higher fair value gain and net gain on settlement from the Group’s financial derivative portfolio, offset by higher foreign exchange loss; and (iii) higher fair value gain from the Group’s investment properties, but partially offset by write-down of some of the PRC development projects and impairment of goodwill on acquisition of the Dutch Bilderberg hotels. The net profit for FY2024 amounted to S\$93.0 million, which is approximately 7.4 times of that achieved for FY2023. In the first two months of 2025, the market saw a 25bp rate cut each from the European Central Bank and the Reserve Bank of Australia. Any further interest rate cut in the regions that the Group operates in, namely the EU, the PRC and Australia, would have a positive impact to the Group in the form of lower financing cost as well as possibly better valuations arising from the lower discount rate.

The Board has recommended a final tax-exempt (one-tier) cash dividend of 3.55 Singapore cents per share for FY2024. If approved, the total dividend declared for FY2024 will be 4.65 Singapore cents per share, representing a 10.7% growth from FY2023. This reflects the Board’s confidence in the long-term prospects of the Group.

In FY2024, the Group seized upon two unique acquisition opportunities in two key regions that it operates in; namely, the Netherlands and Australia. The first opportunity was the cumulative acquisitions of equity interest in NSI, resulting in the Group being NSI’s largest shareholder with an approximately 22.0% equity stake in its total issued share capital as at 31 December 2024. The second opportunity was the acquisition of the commercial space of the Sydney House (previously known as Sydney Pitt Street Central project), which has enabled the Group to not only own and maximise the full commercial potential of this partially heritage-listed property primely located in the heart of the Sydney CBD, but to also utilise part of the commercial space to enhance the capacity and facilities of Sydney House Hotel, the hotel component of the project.

Facing the prolonged challenging market conditions in the PRC, pre-sales of the PRC property development projects did not have any meaningful improvement in 4Q2024, despite the easing of property-related measures and pro-market fiscal and monetary policies introduced by the PRC government in 2H2024. The market is expecting more pro-market policies in 2025 to stimulate a recovery. The Group is cautiously optimistic of an eventual turnaround and continues to rally its partners to jointly adopt a longer-term perspective on the sales cycle without significantly compromising on selling prices. All of the PRC property development projects under construction are at an advanced stage of development with completion expected to be within 2025. Some of these projects have already achieved partial completion and commenced handover.

The European property holding portfolio generated €27.3 million of operating income in 2H2024, a 5.6% increase from the same period last year. This was due mainly to the full period contribution from the Allianz Tower Rotterdam, which was acquired in September 2023, and stronger contributions from the Utrecht Centraal hotels and the Dutch Bilderberg hotels. The performance uplift for the Dutch Bilderberg hotels can be largely attributed to the reopening

of the Bilderberg Europa Hotel Scheveningen and Bilderberg Hotel De Keizerskroon, both of which underwent extensive renovations in 2023. This brought total operating income for FY2024 to €52.6 million, a 12.6% increase from FY2023's €46.7 million.

Furthermore, January 2025 saw the Group sign a 10-year lease extension for approximately 10,000 sqm of office space (comprising approximately 80% of the existing lettable space) at the 33%-owned Zuiderhof I property in the Amsterdam CBD with its existing sole tenant, Van Doorne N.V. ("Van Doorne"). Van Doorne has occupied the property even before the acquisition of the property by the Group in February 2015. The new lease is expected to commence in August 2026 following a major renovation and refurbishment of the property, which aims to achieve a BREEAM In-Use Excellent rating upon completion. The Group is expected to take up most of the remaining space as its European headquarters.

Looking ahead, there is a strong pipeline of projects which, when completed, may further enhance the Group's recurring income. Both the Puccini Milan hotel and Prins Hendrikkade Amsterdam are expected to complete their redevelopments in FY2025, whilst the Dreeftoren Amsterdam office and residential developments are expected to be completed in 3Q2025 and 4Q2026 respectively, with both to become operational in FY2026, followed by the Sydney House Hotel/Galleria in FY2027 and the Meerparc Amsterdam redevelopment in FY2028.

The Group, in late December 2024, commenced legal action against a borrower in the Shanghai court to recover an outstanding loan principal of RMB375.8 million. The borrower has breached the loan amortisation plan which was agreed upon with the Group in September 2024. The legal action taken included the placement of preservation orders on the collateralised properties located in the prime Shanghai Pudong New Area, with a valuation of approximately RMB1.4 billion, and certain bank accounts. Considering the outstanding loan principal against the valuation of the properties which have been placed on "first caveat" by the Group, the "claim-to-preservation value" ratio is at a comfortable level of 27%. The first hearing has been scheduled to take place in March 2025.

Lastly, the Group has to-date, substantially hedged all its foreign currency exposure, namely the Euro, CNH and Australian dollar, arising from its overseas assets through a combination of (i) foreign currency debts, and (ii) financial derivatives that create corresponding foreign currency liabilities. Arising from the various geopolitical and economic risks which could have a significant impact on foreign currencies, the Board will continue to closely monitor the Group's foreign currency hedging strategy and adjust it from time to time as appropriate. This includes assessing the implications of the possibility of cash outflows arising from mark-to-market losses of the outstanding financial derivatives and/or upon the maturity of such financial derivatives when they are not in-the-money, and the associated adverse accounting impact caused by any unanticipated adverse turn in financial market conditions e.g., a sudden depreciation in S\$.

With the successful issuance of perpetual convertible capital securities in September 2024, the substantial unutilised committed credit facilities available and the potential equity infusion from the exercise of outstanding warrants, the Group is in a good financial position to navigate through the economic challenges arising from the difficult market conditions, especially in the PRC, and to also capitalise on any favourable business opportunities that may arise."

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Please refer to the Group's unaudited financial results announcement for 2H2024 and the investor presentation slides dated 25 February 2025 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.

Please visit www.1st-sponsor.com.sg for the Group's SGX announcements, financial statements, investor presentations and press releases.