FIRST SPONSOR GROUP LIMITED
(Incorporated in the Cayman Islands)
(Registration No. 195714)

UPDATE ON LEGAL PROCEEDINGS IN RELATION TO THE GROUP'S RESIDENTIAL UNITS IN THE HUMEN OASIS MANSION PROJECT

First Sponsor Group Limited ("**Company**", and together with its subsidiaries, "**Group**") refers to its announcement on 24 February 2026 regarding the legal proceedings in relation to the Group's residential units in the Humen Oasis Mansion Project (the "**24 February 2026 Announcement**") and its audited consolidated financial statements for the financial year ended 31 December 2025 in the Company's Annual Report 2025.

Unless otherwise defined or as the context otherwise requires, all capitalised terms used in this announcement shall have the meanings given to them in the 24 February 2026 Announcement.

The Company wishes to update that the Subsidiaries have, on 20 July 2026, received unfavourable judgments ("**Judgments**") from the Dongguan No. 2 People's Court ("**Court**") in respect of the legal proceedings commenced by the Bank against the Subsidiaries in relation to the Residential Units.

In the Judgments, the Court held that the Subsidiaries and the project company of the Humen Oasis Mansion Project ("**ProjectCo**") had engaged in malicious collusion in respect of the sale and purchase of the Residential Units, and declared that the sale and purchase agreements in respect of the Residential Units are invalid. The Court further ordered that the Subsidiaries and the ProjectCo shall, within 30 days of the effective date of the Judgments, apply to the relevant real estate registration authority in the People's Republic of China to restore the ownership registration of the Residential Units under the ProjectCo's name. While the Court has not provided any specific directions regarding the reversal of the aggregate consideration of approximately RMB292.1 million (approximately S$55.7 million[1]) paid by the Subsidiaries to the ProjectCo for the purchase of the Residential Units, in light of the ProjectCo's current financial condition, the Group's preliminary assessment is that it is unlikely to recover any meaningful portion of the consideration amount from the ProjectCo.

The Group is currently reviewing the Judgments in consultation with its advisors and will determine the appropriate course of action, which may include filing an appeal against the Judgments.

The Residential Units were classified as development properties of the Group with a carrying value of approximately RMB168.2 million (approximately S$32.1 million[1]) as at 30 June 2026. VAT recoverable in respect of the Residential Units amounted to approximately RMB24.1 million (approximately S$4.6 million[1]). Following the abovementioned development, the Group intends to make an impairment in respect of the Residential Units amounting to approximately S$36.7 million in the Company's unaudited condensed interim consolidated financial statements for the half year ended 30 June 2026 ("**1H2026**"). In this regard, the Company also wishes to draw attention to its earlier announcement on 15 July 2026[2] regarding the expected net loss for 1H2026, which has not yet taken into account the abovementioned development.

The Company will make further announcements in compliance with the Listing Manual of the Singapore Exchange Securities Trading Limited as and when there are any material developments.

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1 Based on an exchange rate of RMB1: S$0.1908.
2 Refer to the Company's announcement dated 15 July 2026 ('Profit Guidance on Unaudited Financial Results for the half year ended 30 June 2026').

Shareholders and potential investors of the Company are advised to exercise caution when investing or dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bankers, solicitors, accountants, tax advisers or other professional advisers.

BY ORDER OF THE BOARD
Neo Teck Pheng
Group Chief Executive Officer and Executive Director

21 July 2026