



**FIRST SPONSOR GROUP LIMITED
AND SUBSIDIARY COMPANIES**

**SGX APPENDIX 7.2 ANNOUNCEMENT
FOR THE HALF YEAR ENDED
30 JUNE 2024**

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FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT

For the half year ended 30 June 2024

		Group (Unaudited) Half year ended 30 June	
	Note	2024 S\$'000	2023 S\$'000
Revenue	4	172,873	135,889
Cost of sales		(101,061)	(70,467)
Gross profit		<u>71,812</u>	<u>65,422</u>
Administrative expenses		(24,277)	(25,944)
Selling expenses		(9,668)	(8,766)
Other income/(expenses) (net)		8,910	(3,170)
Other gains/(losses) (net)	5	304	(5)
Results from operating activities		<u>47,081</u>	<u>27,537</u>
Finance income		26,019	22,668
Finance costs		(47,155)	(34,294)
Net finance costs		<u>(21,136)</u>	<u>(11,626)</u>
Share of after-tax profit/(loss) of associates and joint ventures (net)		6,487	(3,364)
Profit before tax	6	32,432	12,547
Tax expense	7	(17,484)	(4,731)
Profit for the period		<u>14,948</u>	<u>7,816</u>
Attributable to:			
Equity holders of the Company		11,924	10,605
Non-controlling interests		3,024	(2,789)
Profit for the period		<u>14,948</u>	<u>7,816</u>
Earnings per share (cents)			
- Basic		1.07	1.15
- Diluted		<u>0.92</u>	<u>0.93</u>

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the half year ended 30 June 2024

	Group (Unaudited) Half year ended 30 June	
	2024 S\$'000	2023 S\$'000
Profit for the period	14,948	7,816
Other comprehensive income		
Items that are or may be reclassified subsequently to profit or loss:		
Share of translation differences on financial statements of foreign associates and joint ventures, net of tax	5,656	(37,283)
Translation differences on financial statements of foreign subsidiaries, net of tax	497	(7,545)
Total other comprehensive income for the period, net of tax	6,153	(44,828)
Total comprehensive income for the period	<u>21,101</u>	<u>(37,012)</u>
Total comprehensive income attributable to:		
Equity holders of the Company	24,391	(29,580)
Non-controlling interests	(3,290)	(7,432)
Total comprehensive income for the period	<u>21,101</u>	<u>(37,012)</u>

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

As at 30 June 2024

	Note	Group		Company	
		As at 30 June 2024 S\$'000 (Unaudited)	As at 31 December 2023 S\$'000 (Audited)	As at 30 June 2024 S\$'000 (Unaudited)	As at 31 December 2023 S\$'000 (Audited)
Non-current assets					
Property, plant and equipment		597,250	603,837	967	1,126
Investment properties		204,211	169,858	–	–
Goodwill		23,193	23,315	–	–
Subsidiaries		–	–	1,818,434	1,759,602
Interests in associates and joint ventures		1,287,821	1,256,002	9,680	9,680
Derivative assets		45,775	57,016	45,775	57,016
Other investments		87,579	27,115	–	–
Deferred tax assets		21,495	30,336	–	–
Trade and other receivables		373,771	366,957	–	–
		<u>2,641,095</u>	<u>2,534,436</u>	<u>1,874,856</u>	<u>1,827,424</u>
Current assets					
Development properties		1,257,632	1,168,686	–	–
Inventories		1,515	1,550	–	–
Trade and other receivables		662,672	650,197	1,287,714	1,202,602
Derivative assets		35,049	70,090	35,049	70,090
Other investments		–	39,963	–	–
Cash and cash equivalents		208,615	177,799	79,577	45,976
		<u>2,165,483</u>	<u>2,108,285</u>	<u>1,402,340</u>	<u>1,318,668</u>
Total assets		<u>4,806,578</u>	<u>4,642,721</u>	<u>3,277,196</u>	<u>3,146,092</u>
Equity					
Share capital		146,358	144,176	146,358	144,176
Share premium		524,769	506,058	524,981	506,270
Reserves		1,312,426	1,322,899	1,008,861	1,056,994
Equity attributable to owners of the Company		<u>1,983,553</u>	<u>1,973,133</u>	<u>1,680,200</u>	<u>1,707,440</u>
Non-controlling interests		<u>113,570</u>	<u>115,356</u>	<u>–</u>	<u>–</u>
Total equity		<u>2,097,123</u>	<u>2,088,489</u>	<u>1,680,200</u>	<u>1,707,440</u>
Non-current liabilities					
Loans and borrowings	10	1,022,608	999,848	841,860	870,049
Derivative liabilities		1,407	2,870	1,407	2,870
Other payables		15,661	21,212	–	–
Lease liabilities		95,431	97,228	7	69
Deferred tax liabilities		59,490	58,108	–	–
		<u>1,194,597</u>	<u>1,179,266</u>	<u>843,274</u>	<u>872,988</u>

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (CONT'D)

As at 30 June 2024

	Note	Group		Company	
		As at 30 June 2024 S\$'000 (Unaudited)	As at 31 December 2023 S\$'000 (Audited)	As at 30 June 2024 S\$'000 (Unaudited)	As at 31 December 2023 S\$'000 (Audited)
Current liabilities					
Loans and borrowings	10	399,901	250,705	421,901	250,705
Current tax payable		18,901	19,329	4,042	4,085
Trade and other payables		1,055,309	1,032,807	322,306	304,393
Contract liabilities		31,877	61,357	–	–
Receipts in advance		357	1,306	–	–
Lease liabilities		3,176	3,128	136	147
Derivative liabilities		5,337	6,334	5,337	6,334
		<u>1,514,858</u>	<u>1,374,966</u>	<u>753,722</u>	<u>565,664</u>
Total liabilities		<u>2,709,455</u>	<u>2,554,232</u>	<u>1,596,996</u>	<u>1,438,652</u>
Total equity and liabilities		<u>4,806,578</u>	<u>4,642,721</u>	<u>3,277,196</u>	<u>3,146,092</u>

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the half year ended 30 June 2024

		Group (Unaudited) Half year ended 30 June	
	Note	2024 S\$'000	2023 S\$'000
Cash flows from operating activities			
Profit for the period		14,948	7,816
Adjustments for:			
Depreciation of property, plant and equipment	4.1, 6	9,583	9,691
Fair value loss/(gain) on:			
- derivative assets/liabilities (net)	4.1, 6	43,822	39,607
- investment properties (net)	4.1, 6	(10,633)	–
- other investments (net)	4.1, 6	2,302	1,747
Finance income	4.1	(26,019)	(22,668)
Finance costs	4.1	47,155	34,294
(Gain)/loss on disposal of:			
- other investments	5	(217)	–
- an investment property	5	(94)	–
- an associate	5	–*	–
- property, plant and equipment	5	–	(–)*
Impairment loss/(reversal of impairment loss) on third party trade receivables (net)	4.1, 6	138	(36)
Property, plant and equipment written off	4.1, 5	7	5
Write-down of development properties	4.1, 6	1,349	–
Share of after-tax (profit)/loss of associates and joint ventures (net)	4.1	(6,487)	3,364
Tax expense	7	17,484	4,731
		93,338	78,551
Changes in:			
Contract liabilities		(29,761)	24,542
Development properties		(106,001)	(91,764)
Inventories		28	(162)
Loans and borrowings		8,605	(52,686)
Other investments		40,181	53,196
Trade and other receivables		(15,799)	(73,991)
Trade and other payables		5,592	(115,574)
Cash used in operations		(3,817)	(177,888)
Interest received		3,974	2,694
Interest paid		(3,763)	(5,375)
Tax paid		(7,269)	(46,775)
Net cash used in operating activities		(10,875)	(227,344)
Cash flows from investing activities			
Advances to associates (net)		(5)	(97)
Advances to joint ventures (net)		(12,484)	(4,145)
Return of capital from an associate		10	–
Return of capital from a joint venture		1,315	–
Deposit received for disposal of a joint venture		–	9,625

* Amount less than S\$1,000

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

For the half year ended 30 June 2024

		Group (Unaudited) Half year ended 30 June	
	Note	2024 S\$'000	2023 S\$'000
Cash flows from investing activities (cont'd)			
Interest received		24,004	19,526
Loan to a non-controlling interest of a subsidiary		(1,504)	(9,235)
Payment for acquisition of other investments		(63,019)	(505)
Payment for additions to property, plant and equipment		(5,220)	(24,622)
Payment for additions to an investment property		–	(15)
Payment for investments in associates and joint ventures		(20,998)	(112,799)
Proceeds from disposal of property, plant and equipment		–	–*
Net cash used in investing activities		<u>(77,901)</u>	<u>(122,267)</u>
Cash flows from financing activities			
Advances from associates (net)		–	14,469
Advances from joint ventures (net)		844	47,273
Advances from/(repayment to) non-controlling interests of subsidiaries (net)		1,811	(6,577)
Capital contributions by non-controlling interests		1,504	2,500
Dividends paid to the owners of the Company	8	(34,864)	(24,947)
Interest paid		(44,086)	(27,946)
Issuance of ordinary shares		20,893	29
Payment of lease liabilities		(3,236)	(2,993)
Payment of transaction costs related to borrowings		(3,861)	(2,736)
Loan to a non-controlling interest of a subsidiary		(73)	–
Repayment of advances by an affiliate of a non-controlling interest of a subsidiary		–	7,219
Proceeds from bank borrowings		1,304,492	1,271,574
Repayment of bank borrowings		(1,124,041)	(1,017,570)
Net cash from financing activities		<u>119,383</u>	<u>260,295</u>
Net increase/(decrease) in cash and cash equivalents		30,607	(89,316)
Cash and cash equivalents at the beginning of the period		177,799	270,263
Effect of exchange rate changes on balances held in foreign currencies		209	(3,818)
Cash and cash equivalents at the end of the period		<u>208,615</u>	<u>177,129</u>

* Amount less than S\$1,000

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

For the half year ended 30 June 2024

	Share capital S\$'000	Share premium S\$'000	Statutory reserve S\$'000	Capital reserve S\$'000	Distributable reserve S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total attributable to equity holders of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Group (Unaudited)										
At 1 January 2024	144,176	506,058	53,117	245	655,029	(113,310)	727,818	1,973,133	115,356	2,088,489
Total comprehensive income for the period										
Profit for the period	–	–	–	–	–	–	11,924	11,924	3,024	14,948
Other comprehensive income										
Share of translation differences on financial statements of foreign associates and joint ventures, net of tax	–	–	–	–	–	5,656	–	5,656	–	5,656
Translation differences on financial statements of foreign subsidiaries, net of tax	–	–	–	–	–	6,811	–	6,811	(6,314)	497
Total other comprehensive income	–	–	–	–	–	12,467	–	12,467	(6,314)	6,153
Total comprehensive income for the period	–	–	–	–	–	12,467	11,924	24,391	(3,290)	21,101

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

For the half year ended 30 June 2024

	Note	Share capital S\$'000	Share premium S\$'000	Statutory reserve S\$'000	Capital reserve S\$'000	Distributable reserve S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total attributable to equity holders of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Transaction with owners, recognised directly in equity											
Contributions by and distributions to owners											
Dividends paid to the owners of the Company	8	–	–	–	–	–	–	(34,864)	(34,864)	–	(34,864)
Issuance of new shares pursuant to exercise of warrants		2,182	18,711	–	–	–	–	–	20,893	–	20,893
Total contributions by and distributions to owners		2,182	18,711	–	–	–	–	(34,864)	(13,971)	–	(13,971)
Changes in ownership interests in subsidiaries											
Capital contribution by non-controlling interests		–	–	–	–	–	–	–	–	1,504	1,504
Total changes in ownership interests in subsidiaries		–	–	–	–	–	–	–	–	1,504	1,504
Total transactions with owners of the Company		2,182	18,711	–	–	–	–	(34,864)	(13,971)	1,504	(12,467)
At 30 June 2024		146,358	524,769	53,117	245	655,029	(100,843)	704,878	1,983,553	113,570	2,097,123

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

For the half year ended 30 June 2024

	Share capital S\$'000	Share premium S\$'000	Statutory reserve S\$'000	Capital reserve S\$'000	Distributable reserve S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total attributable to equity holders of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Group (Unaudited)										
At 1 January 2023	118,802	296,772	59,204	245	655,029	(64,103)	744,316	1,810,265	115,722	1,925,987
Total comprehensive income for the period										
Profit for the period	–	–	–	–	–	–	10,605	10,605	(2,789)	7,816
Other comprehensive income										
Share of translation differences on financial statements of foreign associates and joint ventures, net of tax	–	–	–	–	–	(37,283)	–	(37,283)	–	(37,283)
Translation differences on financial statements of foreign subsidiaries, net of tax	–	–	–	–	–	(2,902)	–	(2,902)	(4,643)	(7,545)
Total other comprehensive income	–	–	–	–	–	(40,185)	–	(40,185)	(4,643)	(44,828)
Total comprehensive income for the period	–	–	–	–	–	(40,185)	10,605	(29,580)	(7,432)	(37,012)

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

For the half year ended 30 June 2024

	Note	Share capital S\$'000	Share premium S\$'000	Statutory reserve S\$'000	Capital reserve S\$'000	Distributable reserve S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total attributable to equity holders of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Transaction with owners, recognised directly in equity											
Contributions by and distributions to owners											
Dividends paid to the owners of the Company	8	–	–	–	–	–	–	(24,947)	(24,947)	–	(24,947)
Issuance of new shares pursuant to exercise of warrants		4	25	–	–	–	–	–	29	–	29
Total contributions by and distributions to owners		4	25	–	–	–	–	(24,947)	(24,918)	–	(24,918)
Changes in ownership interests in subsidiaries											
Capital contribution by non-controlling interests		–	–	–	–	–	–	–	–	2,500	2,500
Total changes in ownership interests in subsidiaries		–	–	–	–	–	–	–	–	2,500	2,500
Total transactions with owners of the Company		4	25	–	–	–	–	(24,947)	(24,918)	2,500	(22,418)
At 30 June 2023		118,806	296,797	59,204	245	655,029	(104,288)	729,974	1,755,767	110,790	1,866,557

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

For the half year ended 30 June 2024

	Share capital S\$'000	Share premium S\$'000	Capital reserve S\$'000	Distributable reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
The Company (Unaudited)						
At 1 January 2024	144,176	506,270	(5,988)	655,029	407,953	1,707,440
Total comprehensive income for the period						
Loss for the period	–	–	–	–	(13,259)	(13,259)
Total comprehensive income for the period	–	–	–	–	(13,259)	(13,259)
Transaction with owners, recognised directly in equity						
Contribution by and distributions to owners						
Dividends paid to the owners of the Company	–	–	–	–	(34,874)	(34,874)
Issuance of new shares pursuant to exercise of warrants	2,182	18,711	–	–	–	20,893
Total contributions by and distributions to owners	2,182	18,711	–	–	(34,874)	(13,981)
Total transactions with owners of the Company	2,182	18,711	–	–	(34,874)	(13,981)
At 30 June 2024	146,358	524,981	(5,988)	655,029	359,820	1,680,200

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

For the half year ended 30 June 2024

	Share capital S\$'000	Share premium S\$'000	Capital reserve S\$'000	Distributable reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
The Company (Unaudited)						
At 1 January 2023	118,802	296,984	(5,988)	655,029	457,670	1,522,497
Total comprehensive income for the period						
Loss for the period	–	–	–	–	(15,092)	(15,092)
Total comprehensive income for the period	–	–	–	–	(15,092)	(15,092)
Transaction with owners, recognised directly in equity						
Contribution by and distributions to owners						
Dividends paid to the owners of the Company	–	–	–	–	(24,953)	(24,953)
Issuance of new shares pursuant to exercise of warrants	4	25	–	–	–	29
Total contributions by and distributions to owners	4	25	–	–	(24,953)	(24,924)
Total transactions with owners of the Company	4	25	–	–	(24,953)	(24,924)
At 30 June 2023	118,806	297,009	(5,988)	655,029	417,625	1,482,481

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

SELECTED NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS For the half year ended 30 June 2024

1. Corporate and group information

First Sponsor Group Limited (“the “Company”) is incorporated in the Cayman Islands and has its registered office at P.O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.

The principal activities of the Company are those relating to investment holding. The principal activities of the subsidiaries are those relating to investment holding, property development and sales, property investment, hotel ownership and operations and provision of property financing services.

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”), and the Group’s interests in equity-accounted investees.

2. Basis of preparation

The condensed interim consolidated financial statements for the six months ended 30 June 2024 have been prepared in accordance with IAS 34 *Interim Financial Reporting*. The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with IFRSs, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim consolidated financial statements are presented in Singapore dollar (S\$) which is the Company’s functional currency and all values are rounded to the nearest thousand (S\$’000), except when otherwise indicated.

2.1 New and amended standards adopted by the Group

The Group has applied various new accounting standards and interpretations of accounting standards for the first time for the annual period beginning on 1 January 2024. The application of these standards and interpretations did not have a material effect on the condensed interim consolidated financial statements.

2.2 Use of judgements and estimates

In preparing the condensed interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. Given the rising interest rate, inflationary cost pressures and geopolitical tension have caused and will likely to cause significant disruptions to economic activities, the uncertainties associated with accounting estimates and assumptions may also be increased accordingly. The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

2.3. Fair value measurement for investment properties

The Group engaged independent real estate valuation experts to assess the fair value of the Group's investment properties as at the end of each financial year. Such fair values are determined by the real estate valuation experts using recognised valuation techniques.

The valuation of the investment properties is generally derived based on the discounted cash flow, income capitalisation and market comparable methods. The discounted cash flow method takes into consideration the estimated net rent (using the current and projected average rental rates and occupancy) and a discount rate applicable to the nature, location and type of asset. The income capitalisation approach takes into consideration the estimated net rent and a yield rate applicable to the nature, location and type of asset in question. The market comparable method takes into consideration the sales of similar properties that have been transacted in the open market adjusted for location, age, size and other factors, if applicable.

For valuations performed by external valuation experts, the appropriateness of the valuation methodologies and assumptions adopted are reviewed along with the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant non-observable inputs, external valuation experts are requested to calibrate the valuation models and inputs to actual market transactions that are relevant to the valuation if such information is reasonably available.

Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate.

The fair values of the Group's investment properties as at 30 June 2024 were based on the independent valuations as at 31 December 2023 and taking into account capitalised expenditure, leasing costs and straight-line rent incentives recognised during the six-month period, except for the fair values of investment properties reclassified from development properties on 30 June 2024 which were based on a valuation performed by an external valuer on that date.

Management has assessed that the inputs and assumptions used by the valuers in the valuation techniques for their valuation as at 31 December 2023, such as exit yields, capitalisation rate, market rate, average sales price and discount rate, remain appropriate and reflect the current market conditions of the People's Republic of China ("PRC") and the Netherlands as at 30 June 2024. An external valuation of the Group's investment properties will be performed as at the end of the financial year, in line with IFRS 13 *Fair Value Measurement* guidance.

The uncertainty over the pace and extent of any interest rate cut in the European Union has increased the volatility to property markets in the Netherlands, resulting in increased uncertainty of the assumptions adopted in the valuation process. Consequently, these ongoing developments may cause unexpected volatility in the future fair value of investment properties subsequent to 30 June 2024.

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period, except for its hotel operations which are subject to domestic and international economic conditions and seasonality factors. In addition, the varying pace of recovery from the Covid-19 pandemic on travel and tourism industries in the countries in which the Group operates its hotel operations could materially affect the Group's hotel operations, financial conditions and results of operations.

4. Segment and revenue information

The Group is organised into the following main business segments:

- Property development – development and/or purchase of properties for sale
- Property investment – development and/or purchase of investment properties (including hotels) for rental income
- Property financing – provision of interest-bearing loans to associates, joint ventures and third parties, subscription of debt securities, and vendor financing arrangements
- Hotel operations – hotels and hotspring owner

These operating segments are reported in a manner consistent with internal reporting provided to the Group CEO and Group CFO who are responsible for allocating resources and assessing performance of the operating segments.

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

4.1 Reportable segments

	Property development S\$'000	Property investment S\$'000	Property financing S\$'000	Hotel operations S\$'000	Total reportable segments S\$'000	Unallocated S\$'000	Consolidated S\$'000
Half year ended 30 June 2024							
Segment revenue	53,435	11,355	29,621	89,973	184,384	5,908	190,292
Elimination of inter-segment revenue	(506)	(4,595)	(6,650)	(972)	(12,723)	(4,696)	(17,419)
External revenue	52,929	6,760	22,971	89,001	171,661	1,212	172,873
Profit/(loss) from operating activities	8,806	15,916	22,165	6,724	53,611	(6,530)	47,081
Finance income	19,095	144	39	6,127	25,405	614	26,019
Finance costs	(28,364)	(136)	(10)	(15,581)	(44,091)	(3,064)	(47,155)
Share of after-tax (loss)/profit of associates and joint ventures (net)	6,180	305	–	–	6,485	2	6,487
Segment profit/(loss) before tax	5,717	16,229	22,194	(2,730)	41,410	(8,978)	32,432
Other material non-cash items (debit)/credit:							
Depreciation	(629)	(162)	(39)	(8,483)	(9,313)	(270)	(9,583)
Fair value (loss)/gain (net) on:							
- other investments	–	(2,048)	–	–	(2,048)	(254)	(2,302)
- investment properties	–	10,633	–	–	10,633	–	10,633
- derivative assets/liabilities	(35,335)	(5,919)	(2,194)	(374)	(43,822)	–	(43,822)
Impairment loss on third party trade receivables (net)	(278)	–	–	140	(138)	–	(138)
Property, plant and equipment written off	–	–	–	(7)	(7)	–	(7)
Write-down of development properties	(1,349)	–	–	–	(1,349)	–	(1,349)

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

4.1 Reportable segments (cont'd)

	Property development S\$'000	Property investment S\$'000	Property financing S\$'000	Hotel operations S\$'000	Total reportable segments S\$'000	Unallocated S\$'000	Consolidated S\$'000
As at 30 June 2024							
Assets							
Segment assets	1,781,769	296,260	610,257	721,412	3,409,698	109,059	3,518,757
Interests in associates and joint ventures	1,215,531	62,870	345	3	1,278,749	9,072	1,287,821
	<u>2,997,300</u>	<u>359,130</u>	<u>610,602</u>	<u>721,415</u>	<u>4,688,447</u>	<u>118,131</u>	<u>4,806,578</u>
Liabilities							
Segment liabilities	<u>(1,879,236)</u>	<u>(131,140)</u>	<u>(363,925)</u>	<u>(309,227)</u>	<u>(2,683,528)</u>	<u>(25,927)</u>	<u>(2,709,455)</u>
Other segment information:							
Capital expenditure*	<u>46</u>	<u>–</u>	<u>–</u>	<u>5,174</u>	<u>5,220</u>	<u>–</u>	<u>5,220</u>

* Relates to property, plant and equipment, and investment properties where applicable.

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

4.1 Reportable segments

	Property development S\$'000	Property investment S\$'000	Property financing S\$'000	Hotel operations S\$'000	Total reportable segments S\$'000	Unallocated S\$'000	Consolidated S\$'000
Half year ended 30 June 2023							
Segment revenue	19,677	11,622	30,307	83,807	145,413	5,506	150,919
Elimination of inter-segment revenue	(967)	(3,921)	(5,075)	(481)	(10,444)	(4,586)	(15,030)
External revenue	18,710	7,701	25,232	83,326	134,969	920	135,889
Profit/(loss) from operating activities	12,082	5,517	12,139	2,894	32,632	(5,095)	27,537
Finance income	18,315	23	858	3,376	22,572	96	22,668
Finance costs	(21,760)	(769)	(4)	(7,784)	(30,317)	(3,977)	(34,294)
Share of after-tax (loss)/profit of associates and joint ventures (net)	(3,679)	318	–	–	(3,361)	(3)	(3,364)
Segment profit/(loss) before tax	4,958	5,089	12,993	(1,514)	21,526	(8,979)	12,547
Other material non-cash items (debit)/credit:							
Depreciation	(656)	(66)	(2)	(8,708)	(9,432)	(259)	(9,691)
Fair value loss (net) on:							
- other investments	–	–	–	–	–	(1,747)	(1,747)
- derivative assets/liabilities	(2,643)	(2,490)	(19,891)	(14,583)	(39,607)	–	(39,607)
Reversal of impairment loss on third party trade receivables (net)	–	–	–	36	36	–	36
Property, plant and equipment written off	–	–	–	(5)	(5)	–	(5)

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

4.1 Reportable segments (cont'd)

	Property development S\$'000	Property investment S\$'000	Property financing S\$'000	Hotel operations S\$'000	Total reportable segments S\$'000	Unallocated S\$'000	Consolidated S\$'000
As at 30 June 2023							
Assets							
Segment assets	1,602,000	209,069	716,263	701,908	3,229,240	52,525	3,281,765
Interests in associates and joint ventures	1,157,288	26,032	–	–	1,183,320	9,048	1,192,368
	<u>2,759,288</u>	<u>235,101</u>	<u>716,263</u>	<u>701,908</u>	<u>4,412,560</u>	<u>61,573</u>	<u>4,474,133</u>
Liabilities							
Segment liabilities	<u>(1,683,840)</u>	<u>(57,386)</u>	<u>(500,521)</u>	<u>(350,894)</u>	<u>(2,592,641)</u>	<u>(14,935)</u>	<u>(2,607,576)</u>
Other segment information:							
Capital expenditure*	<u>94</u>	<u>15</u>	<u>9</u>	<u>25,913</u>	<u>26,031</u>	<u>48</u>	<u>26,079</u>

* Relates to property, plant and equipment, and investment properties where applicable.

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

4.2 Disaggregation of revenue

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments.

	Property development Half year ended 30 June		Property financing Half year ended 30 June		Hotel operations Half year ended 30 June		Total* Half year ended 30 June	
	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Primary geographical markets								
PRC	52,674	15,723	11,472	13,037	8,710	9,822	72,856	38,582
Europe	252	2,984	9,069	10,554	80,291	73,504	89,612	87,042
Others	3	3	2,430	1,641	–	–	2,433	1,644
Total revenue	52,929	18,710	22,971	25,232	89,001	83,326	164,901	127,268
Timing of revenue recognition								
At a point in time	52,929	18,710	–	–	89,001	83,326	141,930	102,036
Over time	–	–	22,971	25,232	–	–	22,971	25,232
	52,929	18,710	22,971	25,232	89,001	83,326	164,901	127,268

Revenue contribution from a single region is disclosed separately when it exceeds 10% of the Group's revenue.

* This excludes rental income from investment properties.

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

5. Other gains/(losses) (net)

Other gains/(losses) (net) comprise:

	Note	Group Half year ended 30 June	
		2024 S\$'000	2023 S\$'000
Gain/(loss) on disposal of:			
- other investments		217	–
- an investment property		94	–
- an associate		(–)*	–
- property, plant and equipment		–	–*
Property, plant and equipment written off		(7)	(5)
		<u>304</u>	<u>(5)</u>

* Amount less than S\$1,000.

6. Profit before tax

Profit before tax is after (debiting)/crediting the following:

	Group Half year ended 30 June	
	2024 S\$'000	2023 S\$'000
Depreciation of property, plant and equipment	(9,583)	(9,691)
Exchange gain (net)	47,989	42,165
Fair value (loss)/gain (net) on:		
- derivative assets/liabilities	(43,822)	(39,607)
- investment properties	10,633	–
- other investments	(2,302)	(1,747)
(Impairment loss)/reversal of impairment loss on third party trade receivables (net)	(138)	36
Interest expense on lease liabilities	(1,857)	(1,912)
Write-down of development properties	(1,349)	–
Government grants – wage-related*	842	55
Government grants – non wage-related#	28	(273)

* These relate mainly to various Covid-19 wage support schemes available to the Group entities and have been deducted from the payroll costs recorded in the profit or loss account.

The debit balance in the prior period have arisen as the previously estimated government grants were higher than the final audited amounts.

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

7. Taxation

The Group calculates the income tax expense for the period using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group Half year ended 30 June	
	2024 S\$'000	2023 S\$'000
Current tax expense/(credit)	436	(3,656)
Deferred tax expense relating to origination and reversal of temporary differences	10,621	7,593
Land appreciation tax expense	6,286	767
Withholding tax	141	27
	<u>17,484</u>	<u>4,731</u>

The Company is established under the laws of the Cayman Islands and is not subject to income tax in that jurisdiction. The Company is a Singapore tax resident from the Year of Assessment 2015 onwards. The Group's operations are mainly in the PRC and the Netherlands. Pursuant to the PRC and Dutch Corporate Income Tax Law, the statutory tax rates applicable to the Group's subsidiaries in the PRC is 25.0%, whereas the statutory tax rate applicable to the Group's subsidiaries in the Netherlands is 19.0% for the first taxable bracket up to €200,000 and 25.8% for the taxable income beyond that amount.

Withholding tax arising from the distribution of dividends

Pursuant to the tax law in the Netherlands, a 15% withholding tax is in principle levied on dividends declared to foreign investors by the foreign investment enterprises established in the Netherlands.

A 10% withholding tax is levied on dividends declared to foreign investors by the foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between the PRC and the jurisdiction of the foreign investors. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in the PRC in respect of earnings generated from 1 January 2008.

PRC Land Appreciation Tax ("LAT")

LAT is levied on properties developed by the Group for sale in the PRC, at prevailing progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of the sale of properties less deductible expenditures including lease charges of land use rights, borrowing costs and relevant development expenditures. However, the implementation and settlement of LAT varies amongst different tax jurisdictions in the various cities of the PRC and certain projects of the Group have not finalised their LAT calculations and payments with the local tax authorities. The final outcome could be different from the amounts that were initially recorded, and any differences will impact the LAT expenses and the related provision in the period in which the differences realise. Accordingly, judgement is required in determining the amount of land appreciation and the related LAT provision.

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

8. Dividends

The condensed interim consolidated financial statements for the half year ended 30 June 2024 have not recognised the interim dividends declared after the end of the reporting period as a liability. The dividends will be accounted for in shareholders' equity as an appropriation of "Retained earnings" in the period ending 31 December 2024. Refer to Note 11 "Other Information Required by Listing Rule Appendix 7.2" for more details.

During the half year ended 30 June 2024, final tax exempt (one-tier) ordinary dividend of 3.10 cents per share totaling S\$34.9 million was paid in respect of the financial year ended 31 December 2023.

During the half year ended 30 June 2023, final tax exempt (one-tier) ordinary dividend of 2.70 cents per share totaling S\$24.9 million was paid in respect of the financial year ended 31 December 2022.

9. Fair value measurement

The Group classifies financial assets and financial liabilities measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities **(Level 1)**;
- Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) **(Level 2)**; and
- Inputs for the asset or liability which are not based on observable market data (unobservable inputs) **(Level 3)**.

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
As at 30 June 2024				
Financial assets measured at fair value through profit or loss				
Derivative assets	–	80,824	–	80,824
Other investments				
- Equity securities	87,579	–	–	87,579
	<u>87,579</u>	<u>80,824</u>	<u>–</u>	<u>168,403</u>
Financial liabilities measured at fair value through profit or loss				
Derivative liabilities	–	(6,744)	–	(6,744)
As at 31 December 2023				
Financial assets measured at fair value through profit or loss				
Derivative assets	–	127,106	–	127,106
Other investments				
- Equity securities	27,115	–	–	27,115
- Debt securities	–	–	39,963	39,963
	<u>27,115</u>	<u>127,106</u>	<u>39,963</u>	<u>194,184</u>
Financial liabilities measured at fair value through profit or loss				
Derivative liabilities	–	(9,204)	–	(9,204)

The carrying amounts of the Group's financial instruments measured at cost or amortised cost are not materially different from their fair values as at 30 June 2024 and 31 December 2023.

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

10. Loans and borrowings

The Group's net borrowings refer to aggregate borrowings from banks and financial institutions and fixed rate medium term notes ("notes") issued by the Company, after deducting cash and cash equivalents. The unamortised balance of transaction costs has not been deducted from the gross borrowings.

	Group	
	As at 30 June 2024 S\$'000	As at 31 December 2023 S\$'000
Secured bank loans		
Repayable:		
- After 1 year but within 5 years	180,748	151,799
Unsecured bank loans		
Repayable:		
- Within one year	321,925	250,705
- After 1 year but within 5 years	841,860	770,091
Total	1,344,533	1,172,595
Unsecured notes		
Repayable:		
- Within one year	77,976	-
- After 1 year but within 5 years	-	77,958
Total	77,976	77,958
Total Borrowings	1,422,509	1,250,553
Gross borrowings	1,431,400	1,258,226
Less: Cash and cash equivalents	(208,615)	(177,799)
Net borrowings	1,222,785	1,080,427

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

- 1(a) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of Shares	Share Capital (S\$'000)
Balance at 1 January 2024	1,109,522,582	144,176
Issuance of new shares from exercise of warrants	16,072,607	2,182
Balance at 30 June 2024	1,125,595,189	146,358

The total number of issued ordinary shares of US\$0.10 each, excluding treasury shares as at 30 June 2024 and 30 June 2023 was 1,125,595,189 and 924,183,837 respectively.

As at 30 June 2024 and 30 June 2023, a subsidiary of the Company held 307,682 ordinary shares, representing 0.03% of the Company's total number of issued ordinary shares on the two dates.

As at 30 June 2024, the unexercised warrants are as follows:

	Number	Exercise Period	Exercise Price
Warrants (2019)	Nil (30 June 2023: 184,952,816)	31 May 2019 to 30 May 2024	S\$1.30
Warrants (2020)	188,340,096 (30 June 2023: 217,028,384)	24 March 2021 to 21 March 2029	S\$1.08

As at 30 June 2024, a total of 180,568,094 Warrants (2019) have been exercised at the exercise price of S\$1.30 for each new ordinary share. The remaining 12,229,752 unexercised Warrants (2019) expired on 30 May 2024 and were delisted from the Official List of the Singapore Exchange Securities Trading Limited on 31 May 2024.

As at 30 June 2024, the maximum number of ordinary shares that may be issued upon the exercise of all warrants was 188,340,096 (30 June 2023: 401,981,200), which would increase the total number of issued ordinary shares to 1,313,935,285 (30 June 2023: 1,326,165,037).

As at 30 June 2024, a subsidiary of the Company held Nil Warrants (2019) (30 June 2023: 30,768) and 76,920 Warrants (2020) (30 June 2023: 76,920).

The Company did not hold any treasury shares as at 30 June 2024 and 30 June 2023.

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

- 1(b) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued ordinary shares excluding treasury shares as at 30 June 2024 and 31 December 2023 was 1,125,595,189 and 1,109,522,582 respectively.

- 1(c) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There were no sales, transfers, cancellation and/or use of treasury shares during the half year ended 30 June 2024.

- 1(d) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

There were no sales, transfers, cancellation and/or use of subsidiary holdings during the half year ended 30 June 2024.

- 2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have neither been audited nor reviewed by our auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the financial year ended 31 December 2023.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group adopted various new standards, amendments to standards and interpretations that are effective for the financial period beginning on 1 January 2024.

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	6 months ended 30 June	
	2024	2023
Earnings per share (cents)		
- basic	1.07	1.15
- diluted	0.92	0.93
Profit attributable to ordinary shareholders (S\$'000)	11,924	10,605
Weighted average number of ordinary shares in issue:		
- basic	1,114,821,792 ¹	923,863,930 ¹
- diluted	1,303,161,888 ¹	1,140,892,314 ¹

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the: —
(a) current financial period reported on; and
(b) immediately preceding financial year.

	The Group		The Company	
	As at 30 June 2024	As at 31 December 2023	As at 30 June 2024	As at 31 December 2023
Net asset value per ordinary share (cents)	176.27	177.89	149.27	153.89
Number of issued ordinary shares (excluding treasury shares)	1,125,287,507 ¹	1,109,214,900 ¹	1,125,595,189	1,109,522,582

¹ Excludes 307,682 shares in the Company held by a subsidiary which are accounted for as treasury shares in the consolidated financial statements of the Group in accordance with IAS 32 *Financial Instruments: Presentation*.

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

Group performance

Revenue and cost of sales

The breakdown of our revenue (net of value added tax) for the period under review is as follows:

	6 months ended 30 June	
	2024 S\$'000	2023 S\$'000
Revenue from sale of properties*	52,929	18,710
Rental income from investment properties*	7,972	8,621
Revenue from hotel operations	89,001	83,326
Revenue from property financing	22,971	25,232
Total	<u>172,873</u>	<u>135,889</u>

* includes service fee earned from the Group's associates and joint ventures.

Revenue of the Group increased by S\$37.0 million or 27.2%, from S\$135.9 million for the six months ended 30 June 2023 ("1H2023") to S\$172.9 million for the six months ended 30 June 2024 ("1H2024"). This increase in revenue was due mainly to the increase in revenue from sale of properties and hotel operations of S\$34.2 million and S\$5.7 million respectively. The increase was partially offset by the decrease in rental income from investment properties of S\$0.6 million and a decrease in revenue from property financing of S\$2.3 million.

Revenue from sale of properties increased by S\$34.2 million or 182.9% to S\$52.9 million in 1H2024 due mainly to the higher volume of units handed over in 1H2024 compared to 1H2023. Specifically, Primus Bay commenced the first time handover of 103 sold residential units in 6 blocks and Plot E1 of Millennium Waterfront commenced the handover of 30 sold SOHO units in 1H2024.

Revenue from hotel operations increased by S\$5.7 million or 6.8% to S\$89.0 million in 1H2024. S\$4.8 million of this increase is contributed by Bilderberg Hotel De Keizerskroon and Bilderberg Europa Hotel Scheveningen which recorded a 148.9% growth in their combined revenue over 1H2023 as they faced business interruption in 1H2023 due to major renovations.

Revenue from property financing decreased by S\$2.3 million or 9.0% to S\$23.0 million in 1H2024. The decrease was due mainly to the lower PRC property financing revenue and European property financing revenue arising from the absence of PRC consultancy fee income in 1H2024 and a lower average interest rate in 1H2024 on the European property financing loan book respectively, partially offset by the higher property financing revenue recognised from the higher average Australian property financing loan book in 1H2024.

Cost of sales mainly comprise land costs, development expenditure and cost adjustments (if any), borrowing costs, depreciation charge and other related expenditure. Cost of sales increased by S\$30.6 million or 43.4% from S\$70.5 million in 1H2023 to S\$101.1 million in 1H2024.

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

The Group's gross profit increased by S\$6.4 million or 9.8% from S\$65.4 million in 1H2023 to S\$71.8 million in 1H2024. This increase was due mainly to higher gross profit generated from sale of properties, property financing and hotel operations of S\$2.9 million, S\$0.7 million and S\$3.4 million respectively. The increase was offset by the lower gross profit generated from the rental of investment properties of S\$0.6 million.

Gross profit margin of the Group reduced from 48.1% in 1H2023 to 41.5% in 1H2024. This was due mainly to the change in sales mix. In particular, the less profitable hotel segment contributed more to the Group's performance in 1H2024, whilst the performance in 1H2023 was contributed mainly by the higher yielding property financing segment.

Administrative expenses

Administrative expenses mainly comprise staff costs, depreciation charge in relation to non-hotel assets, professional fees, and other expenses such as office, telecommunications and travelling expenses, stamp duties and other indirect PRC taxes.

Administrative expenses decreased by S\$1.7 million or 6.4% to S\$24.3 million in 1H2024. The decrease was due mainly to lower professional fees and indirect taxes amounting to S\$1.2 million in aggregate incurred during the period.

Selling expenses

Selling expenses increased by S\$0.9 million or 10.3% from S\$8.8 million in 1H2023 to S\$9.7 million in 1H2024. The increase was due mainly to higher commission paid for the sale of properties, partially offset by lower advertisement expenses incurred during the current period.

Other income/(expenses) (net)

In 1H2024, the Group recorded other income of S\$8.9 million which comprised mainly net fair value gain amounting to S\$10.6 million arising from the reclassification of the retail podium of Plot E1 of Millennium Waterfront from development properties to investment properties, net foreign exchange gain of S\$48.0 million and dividend income from equity securities of S\$0.6 million. The above is partially offset by net fair value loss on financial derivatives and equity securities of S\$43.8 million and S\$2.3 million respectively, hotel management fees of S\$3.1 million, and a write-down of retained retail units of Plot E1 amounting to S\$1.3 million.

In 1H2023, the Group recorded other expenses of S\$3.2 million which comprised mainly net fair value loss on financial derivatives of S\$39.6 million, hotel management fees of S\$3.0 million and fair value loss on equity securities of S\$1.7 million, partially offset by net foreign exchange gain of S\$42.2 million.

Other gains/(losses) (net)

Other gains of S\$0.3 million in 1H2024 comprised mainly gain on disposal of secured junior convertible bonds in respect of Oasis Mansion of S\$0.2 million and gain on disposal of one SOHO unit in Chengdu Cityspring classified as investment property amounting to S\$0.1 million.

Net finance costs

Net finance costs of S\$21.1 million recorded in 1H2024 increased by S\$9.5 million or 81.8% from S\$11.6 million in 1H2023. This was due mainly to the higher interest rate environment and higher average borrowings obtained to fund the Group's operations. The net finance cost comprises S\$1.9 million (1H2023: S\$1.9 million) of finance expense in respect of lease liabilities recorded under IFRS 16.

FIRST SPONSOR GROUP LIMITED AND SUBSIDIARY COMPANIES

Share of after-tax results of associates and joint ventures

Share of after-tax results of associates and joint ventures improved from a share of after-tax loss (net) of S\$3.4 million in 1H2023 to a share of after-tax profit (net) of S\$6.5 million in 1H2024. This is due mainly to the 17.3%-held Time Zone project which contributed an attributable profit of S\$6.4 million in 1H2024 from the handover of 2 more residential blocks in 1H2024, compared to an attributable loss of S\$2.3 million in 1H2023.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Non-current assets

Property, plant and equipment decreased by S\$6.5 million or 1.1%, from S\$603.8 million as at 31 December 2023 to S\$597.3 million as at 30 June 2024. The decrease was due mainly to depreciation charge of S\$9.6 million for the period, partially offset by S\$5.2 million hotel capex, S\$4.5 million (€3.1 million) of which was incurred mainly for the installation of solar panels and roof renovations.

Investment properties increased by S\$34.3 million or 20.2%, from S\$169.9 million as at 31 December 2023 to S\$204.2 million as at 30 June 2024. The increase was due mainly to the reclassification of Plot E1 retail podium of Millennium Waterfront from development properties to investment properties upon completion and is stated at fair value amounting to S\$36.0 million (RMB192.5 million) as at 30 June 2024 based on an external valuation. The increase was partially offset by the disposal of one SOHO unit in Chengdu Cityspring in January 2024 amounting to S\$1.3 million (RMB7.1 million).

Interests in associates and joint ventures increased by S\$31.8 million or 2.5%, from S\$1,256.0 million as at 31 December 2023 to S\$1,287.8 million as at 30 June 2024. The increase was attributable mainly to the additional equity injection by the Group amounting to S\$11.9 million (RMB63.7 million) to fund its pro-rata share of development costs of the 46.6%-held Dalingshan Exquisite Bay project and additional equity funding amounting to S\$9.1 million (A\$10.2 million) to fund the 39.9%-held developer trust in relation to the City Tattersalls project in Sydney. In addition, the share of after-tax profit from associates and joint ventures amounting to S\$6.5 million as well as the effect of the appreciation of RMB against S\$ during 1H2024, also contributed to the increase in interests in associates and joint ventures. This was partially offset by a S\$1.3 million (€0.9 million) reduction in the Group's interest in the 50%-held Le Méridien Frankfurt joint venture arising from return of capital by the joint venture in 1H2024.

Net derivative assets decreased by S\$43.8 million or 37.2% from S\$117.9 million as at 31 December 2023 to S\$74.1 million as at 30 June 2024. S\$55.5 million of the decrease is attributable to outstanding derivative instruments as at 31 December 2023 that matured during 1H2024. This is partially offset by the net fair value gain of S\$11.7 million on the outstanding derivative instruments as at 30 June 2024.

Non-current other investments increased by S\$60.5 million or 223.0%, from S\$27.1 million as at 31 December 2023 to S\$87.6 million as at 30 June 2024. The increase was due mainly to the S\$62.5 million (€42.9 million) block share acquisition of NSI N.V. ("NSI") announced on 10 May 2024 bringing the Group's cumulative interest in NSI to 13.52% of the total issued and outstanding shares on that date. The increase was partially offset by net fair value loss on the equity securities held during the period amounting to S\$2.3 million.

Non-current trade and other receivables increased by S\$6.8 million or 1.9%, from S\$367.0 million as at 31 December 2023 to S\$373.8 million as at 30 June 2024. The increase was due mainly to the disbursement of property financing loans to third parties amounting to S\$8.8 million (A\$9.7 million) in aggregate, offset by a net repayment of loan and interest amounting to S\$1.9 million (€1.3 million) by FSMC NL Property Group B.V. ("FSMC"), an indirect 33%-owned associate.

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Current assets

Development properties increased by S\$88.9 million or 7.6%, from S\$1,168.7 million as at 31 December 2023 to S\$1,257.6 million as at 30 June 2024. This is due mainly to the ongoing development of the various projects in the PRC comprising The Brilliance, Primus Bay, Plot E1 of the Millennium Waterfront, as well as the Dreeftoren project in Amsterdam. In addition, the Group also acquired 49 more residential units and 122 carpark lots of Oasis Mansion in Dongguan from its 48.2%-owned associate during the period. The increase in development properties is partially offset by de-recognition due to the handover of residential units in Primus Bay and Plot E1 SOHO units of Millennium Waterfront, both for the first time in the current period, and the reclassification of Plot E1 retail podium to investment properties as mentioned above.

Current trade and other receivables increased by S\$12.5 million or 1.9%, from S\$650.2 million as at 31 December 2023 to S\$662.7 million as at 30 June 2024. The increase was due mainly to the following:

- (i) increase in prepayments, specifically S\$5.1 million (€3.5 million) of which was paid to the façade contractor of the Dreeftoren project to secure its performance;
- (ii) increase in interest receivable of S\$3.5 million (€2.4 million) from FSMC;
- (iii) additional advances to the 46.6%-held Exquisite Bay joint venture, 50%-held Kingsman Residence joint venture and 18.0%-held Fenggang joint venture amounting to S\$2.7 million (RMB14.3 million) in aggregate; and
- (iv) additional interest-free loan to a non-controlling interest of a subsidiary amounting to S\$1.5 million (RMB8.1 million).

Current other investments of S\$40.0 million related to the secured junior convertible bonds in respect of the Oasis Mansion project was disposed in February 2024.

Non-current liabilities

Non-current liabilities excluding loans and borrowings decreased by S\$7.4 million or 4.1%, from S\$179.4 million as at 31 December 2023 to S\$172.0 million as at 30 June 2024. This was due mainly to the decrease in lease liabilities of S\$1.8 million due to the repayment of leases and a reclassification of deferred consideration amounting to S\$4.7 million (RMB25.0 million) to current liabilities as it became due within the next twelve months. The deferred consideration is in relation to the Group's acquisition of the 95% equity interest in an entity which indirectly owns the development site for the Primus Bay project.

Current liabilities

Trade and other payables increased by S\$22.5 million or 2.2% from S\$1,032.8 million as at 31 December 2023 to S\$1,055.3 million as at 30 June 2024. The increase was due mainly to the increase in trade payables by S\$42.3 million relating mainly to the development projects in the PRC and the Netherlands and the S\$4.7 million deferred consideration reclassified from non-current liabilities as mentioned above.

The above-mentioned increase was offset by the settlement of advances owing to a 49.9%-held associate amounting to S\$10.5 million (RMB56.0 million), repayment of advances owing to the 36%-held Central Mansion joint venture and 44.1%-held Wan Li joint venture amounting to S\$9.4 million (RMB50.5 million) in aggregate, and utilisation of deposit amounting to S\$2.5 million (RMB13.1 million) upon completion of the sale of one SOHO unit in Chengdu Cityspring.

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Contract liabilities decreased by S\$29.5 million or 48.0%, from S\$61.4 million as at 31 December 2023 to S\$31.9 million as at 30 June 2024. S\$35.5 million (RMB190.2 million) of the decrease was due to the first time revenue recognition for the Primus Bay project upon the handover of sold residential units in 6 blocks of the project during the current period. The decrease was partially offset by cash receipts from the presale of residential units of The Brilliance amounting to S\$8.2 million (RMB44.0 million).

Loans and borrowings

Total borrowings increased by S\$171.9 million or 13.8%, from S\$1,250.6 million as at 31 December 2023 to S\$1,422.5 million as at 30 June 2024. This increase included a drawdown of loan amounting to S\$62.5 million (€42.9 million) to fund the block share acquisition of NSI in May 2024 and the additional development loans of \$33.0 million (RMB176.6 million) for The Brilliance.

Foreign currency risk management

The Group is exposed to volatility of the €, Australian Dollar (“A\$”) and RMB in connection with its operations in Europe, Australia and the PRC, respectively. Any depreciation in these foreign currencies against S\$ will adversely affect the Group’s earnings, net assets, value of any dividends it pays to its shareholders in S\$ or require the Group to use more foreign currency to service the same amount of any S\$ denominated debt. Fluctuations in exchange rates are affected by, amongst others, changes in political and economic conditions and the PRC’s foreign exchange regime and policy.

The Group manages its currency exposure to RMB with borrowings denominated in RMB or offshore Chinese Yuan (“CNH”), and/or financial derivatives whereby the end result is to achieve a corresponding RMB liability. As at 30 June 2024, the Group has hedged approximately 97.4% (31 December 2023: 80.9%) of its RMB-denominated net assets.

Since the Group’s entry to the Dutch and German property markets in February 2015 and January 2018 respectively, the Group has managed its currency exposure to € by financing all its Dutch and German acquisitions with a combination of €-denominated borrowings and/or financial derivatives whereby the end result is to achieve a corresponding € liability.

Since the Group’s subscription of units in a 39.9%-owned project development trust to redevelop the CTC project in Sydney in January 2020, the Group has managed its currency exposure to A\$ by financing its Australian investment with a combination of A\$-denominated borrowings and/or financial derivatives whereby the end result is similarly to achieve a corresponding A\$ liability.

The Group has sufficiently hedged its €, A\$ and RMB cost base, but it will continue to monitor and manage its foreign exchange exposure, taking into account the associated costs of foreign currency-denominated borrowings and/or financial derivatives, and will take appropriate actions, as necessary. There is no assurance as to the effectiveness and success of any hedging measures that the Group might or might not take.

In addition, the Group does not practise hedge accounting. The derivative instruments described above are measured at fair value based on valuations provided by the respective counterparty banks, with changes in fair value recognised in the income statement. The fair values of the derivative instruments are dependent on various factors such as the forward foreign exchange rates, discount rates and yield curves. As such, the Group’s income statement would fluctuate from time to time as adjustments are made to the fair value of the financial derivatives. A significant loss in the fair value of the derivative instruments would reduce the profit of the Group. In addition, should there be any material adverse change in the fair value of the derivative instruments when the foreign currency appreciates against S\$, in the case of derivative instruments with the end result of achieving a corresponding foreign currency liability, the counterparty banks for such contracts may require the Group to provide additional financial security, earmark credit facilities for settlement of the derivative instruments, and/or close out

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or liquidate the derivative instruments at prevailing prices, resulting in a net financial liability owing by the Group to the banks, which may have a material adverse impact on the Group's financial position and prospects. Conversely, under such a scenario, the Group should expect to record a foreign exchange gain in its income statement on the translation of its foreign currency denominated loan receivables which would have appreciated in value in S\$ terms. This would partially mitigate the negative impact of fair value loss on the derivative instruments. To the extent that the Group's internal funding structure is not done via foreign currency denominated loan receivables, but with equity, the appreciation of the foreign currency against S\$ would be recorded as a translation gain which is part of reserves in its shareholders' equity.

As at 30 June 2024, the Group had financial derivative contracts outstanding with an aggregate notional amount of S\$3,498.2 million (comprising €919.6 million, RMB10,814.4 million and A\$159.1 million), with remaining tenures ranging from less than one month to approximately 3 years.

As at 30 June 2024, the outstanding financial derivatives as valued by the counterparty banks amounted to S\$74.1 million in aggregate, comprising S\$80.8 million of derivative assets net of S\$6.7 million of derivative liabilities. Compared to the net derivative assets amounting to S\$117.9 million as at 31 December 2023, this has resulted in a net fair value loss on the financial derivatives amounting to S\$43.8 million recorded in the income statement for 1H2024. For the same period, the Group recorded a net foreign exchange gain of S\$48.0 million in the income statement. This is due mainly to the impact of the stronger CNH against S\$ from 31 December 2023 to 30 June 2024.

As at 30 June 2024, the Group recorded a cumulative net translation loss of S\$100.8 million as part of reserves in its shareholders' equity. This arose mainly from the translation of the net assets and income and expenses of the Group's foreign operations in the PRC to S\$ at the exchange rates prevailing at the end of the reporting period.

Statement of cash flows of the Group

Net cash used in operating activities amounted to S\$10.9 million in 1H2024 due mainly to the (i) disbursement of A\$ denominated property financing loans amounting to S\$8.6 million, (ii) payment of interest and income tax amounting to S\$11.0 million in aggregate, and (iii) prepayments of S\$5.1 million (€3.5 million) paid to the façade contractor of the Dreeftoren project to secure its performance. This was partially offset by (v) interest received of S\$4.0 million and (vi) net drawdown of bank borrowings of S\$8.6 million.

Net cash used in investing activities amounted to S\$77.9 million in 1H2024. This comprises the (i) block share acquisition of NSI N.V. from a third party in May 2024 amounting to S\$62.5 million (€42.9 million), (ii) additional equity injection made by the Group to the 46.6%-held Dalingshan Exquisite Bay project company and the 39.9%-held developer trust to fund the City Tattersalls project in Sydney amounting to S\$21.0 million in aggregate, (iii) advances to the various PRC joint ventures amounting to S\$12.3 million (RMB65.8 million) in aggregate, (iv) a loan to the non-controlling interest of a subsidiary amounting to S\$1.5 million (RMB8.1 million), and (v) payment for capital expenditure of S\$5.2 million for 1H2024. These cash outflows were partially offset by interest received of S\$24.0 million.

Net cash from financing activities amounted to S\$119.4 million in 1H2024. This was due mainly to the (i) proceeds from the issuance of ordinary shares pursuant to the exercise of Warrants (2019) and Warrants (2020) amounting to S\$20.9 million, (ii) advances from non-controlling interests of subsidiaries amounting to S\$1.8 million, (iii) equity contribution from non-controlling interest of a subsidiary amounting to S\$1.5 million, (iv) net proceeds from bank borrowings of S\$180.5 million. These inflows were partially offset by the (v) payment of FY2023 final dividends to the shareholders of the Company amounting to S\$34.9 million, (vi) interest paid and transaction costs related to borrowings amounting to S\$47.9 million in aggregate, and (vii) payment of lease liabilities of S\$3.2 million.

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Note:

The figures stated in our statement of financial position have been translated based on the exchange rates at the end of each reporting period; and the figures in our income statement, statement of comprehensive income and statement of cash flows have been translated based on the average exchange rate for the relevant period.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement for the current financial period has been previously disclosed to the shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Industry Outlook

People's Republic of China (PRC)

Based on the official data released by the National Bureau of Statistics of China, 2Q2024 GDP grew by 0.7% relative to the previous quarter, compared to a 1.5% expansion in 1Q2024. Year-on-year, 2Q2024 GDP grew 4.7%, missing a growth forecast of 5.1% in a Reuters poll, marking its slowest growth since 1Q2023 and was a drop from 1Q2024 GDP growth of 5.3%. The 2Q2024 GDP growth was dragged by weak consumption, with retail sales expanding just 2% in June 2024 compared to the year before, the slowest growth since December 2022. Imports also fell by 2.3% year-on-year in June 2024, missing expectations for slight growth, while exports were up 8.6% in June 2024 from a year earlier. The property sector continues to weaken as property investments fell 10.1% year-on-year in 1H2024. Furthermore, the years-long property crisis deepened in June 2024 as new home prices fell at the fastest pace year-on-year in nine years, hitting consumer confidence and constraining debt laden local governments' ability to generate fresh funds through land sales. Beijing has set a 2024 GDP growth target of around 5%, which some analysts believe is ambitious.

Overall, home prices fell again in June 2024, with new home prices in 70 cities, excluding state-subsidised housing, dropping 0.67% from May 2024, the most since October 2014. Values of resale homes declined 0.85% in June 2024, compared to a 1% decrease the month before. Year-on-year, new home prices in June 2024 fell 4.9% on average, while resale market values dropped 7.9%. According to the China Index Academy, the volume of new home sales in 100 cities for the first six months of 2024 fell 40% year-on-year, decreased by 20% in June 2024 compared to June 2023 and by 10% compared to May 2024. According to Bloomberg Economics, the PRC has approximately 60 million unsold apartments, which might take more than four years to sell without government aid, dragging down selling prices. According to China Real Estate Information Corporation (CRIC), the four tier-one cities will also take approximately 27 months to sell its supply of new homes as at April 2024. As a result, in May 2024, the People's Bank of China (PBOC) announced a RMB300 billion facility to fund bank loans for the state companies to buy up completed but unsold housing stock. The PBOC also urged cities to reduce minimum down payments and mortgage rates to entice buyers. However, many economists are still doubtful that these measures are sufficient to end the rout.

The Netherlands

According to the second estimate conducted by Statistics Netherlands (CBS), GDP decreased by 0.5% in 1Q2024 relative to 4Q2023, mainly due to the decline in the manufacturing sector resulting in a decrease in export goods. Year-on-year, 1Q2024 GDP shrunk by 0.6%. According to CBS, the inflation rate in the Netherlands stood at 3.2% in June 2024, an increase from 2.7% in May 2024. This is slightly higher than the average inflation rate of 2.5% in the Euro Zone in June 2024. The European Central Bank (ECB) expects inflation would average 2.5% in 2024,

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2.2% in 2025 and 1.9% in 2026. In June 2024, the ECB cut interest rates by a quarter point, to 3.75% for deposit facility, 4.25% for main refinancing operations and 4.5% for the marginal lending facility. According to CNBC, money markets see a high likelihood of another two interest rate cuts of 25 basis points each for the rest of 2024.

According to The Netherlands' Cadastre, the total number of dwellings bought and sold recorded during the month of May 2024 stood at 17,591, an increase of 16.5% compared to May 2023. From January to May 2024, a total of 77,721 dwellings changed ownership, an increase of approximately 14% year-on-year. In May 2024, the average transaction price for an owner-occupied dwelling was € 445,430, and prices were on average 1.8% higher than the previous peak in July 2022. The price index for existing owner-occupied dwellings has also increased by 1.1% in May 2024 compared to April 2024, and 8.6% more expensive than in the previous year. Even though prices have increased, due to low supply, 77% of all bids in June 2024 were above the asking price and homes for sale spent less time on the market, from an average of 75 days in January 2024 to 43 days in June 2024.

Australia

According to the figures from the Australia Bureau of Statistics (ABS), 1Q2024 GDP grew only 0.1% relative to the last quarter, down from a 0.3% growth in 4Q2023. On a year-on-year basis, growth was 1.1% relative to March 2023. According to Treasurer Jim Chalmers, the slowdown in growth was expected due to high interest rates, persistent inflation and global economic uncertainty. The Treasurer forecasts that Australia will stay out of recession with growth expected to increase towards the end of the year. Australia has low unemployment and real-wage growth. As a result, inflation rate was higher than expected, rising to 3.6% in the year to April 2024. Therefore, the Reserve Bank of Australia (RBA) held interest rates at 4.35% for five straight meetings, following 13 consecutive rate rises since 2022.

For 1Q2024, rents for residential properties increased 7.8% annually according to ABS, the biggest jump since March 2009. According to The Business Times, Australian home prices rose in June 2024 for the 17th straight month by 0.7% from May 2024, which increased 0.8% from the month before. Year-on-year, prices in June 2024 were up 8% compared to June 2023. Overall, Australian dwelling values increased by 0.7% across major cities, with Sydney's dwelling values increasing by 0.5% in June 2024, bringing the median price to A\$1.2 million. Since the onset of Covid-19, the national home value index has advanced by 36.8% despite RBA's aggressive rate hikes, with Sydney home prices seeing an increase of 28.2% during the same period. The high interest rates and shortage of supply, coupled with the growing population, have caused a housing crisis in major parts of Australia, particularly in Sydney where buyers are being priced out of the market given an average home costs 13 times their annual income. CNBC reported on the sharp rise in construction costs, whilst labour and material shortages have also slowed the delivery of new builds, affecting the supply of new housing in the market.

Company Outlook

Property Development

Despite the significant easing of property-related measures, the PRC property market remains weak as property investments continue to fall. As a result, pre-sales for the Group's PRC property development projects remained muted in 1H2024. However, as most of these projects are at an advanced stage of construction with some of them commencing handover during the course of FY2024, the cashflow burden on the Group is manageable. While most of the Group's partners in these projects are feeling financially strained due to their PRC property market concentration, the Group is hopeful of a market turnaround in the future. The Group continues to rally its partners to jointly adopt a longer-term perspective on the sales or pre-sales of the residential units without significantly compromising on selling prices.

In the Netherlands, the redevelopment work on the Dreeftoren project has been progressing since the resumption of work in January 2024, following the suspension of work due to the

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bankruptcy of the façade contractor in late September 2023. The Group is also closely monitoring the financial condition of the various contractors for the project. Unfortunately, an unforeseen technical challenge arose during the preparation of the three-storey base of the residential tower to support and accommodate the prefabricated concrete walls for the high-rise tower above, and the Group is assessing the impact of this technical challenge, including the impact on the current expected completion dates of 2Q2025 and 2Q2026 for the office and residential tower respectively.

After receiving support from the Amsterdam municipality for the proposed residential mix of 55% mid-rent and 45% free-sector apartments for the Meerparc redevelopment, the Group has entered into detailed discussions with the municipality to finalise the agreements pertaining to the overall proposed program for the 50,000 sqm (GFA) mixed-use redeveloped property consisting of 60% residential and 40% office space. However, the recent enactment of a new national law on affordable housing rent, effective 1 July 2024, introduces changes that deviate from Amsterdam's previously adopted local regulations. The Group is currently in discussions with the Amsterdam municipality project team to better understand the impact on the project and consequently expects setbacks to the planning process and application for the building permit, extending it into 2025, with construction estimated to commence in early 2026.

Foundation replacement work has commenced for the Prins Hendrikkade property in Amsterdam and is projected to be completed by the end of 2024. Following this, and subject to the approval of the building permit, renovation works is expected to commence thereafter, with completion targeted for 3Q2025. The project is currently in its detailed design phase for its new build, with contractor tendering expected to commence in 3Q2024 to select construction firms.

Moving to Australia, construction of the 39.9%-owned CTC project in Sydney is progressing as planned. The main contractor, Richard Crookes Construction Pty Limited has reported that the works as at 16 July 2024 are approximately 31% completed based on working days for the contract works.

Furthermore, the 90.5%-owned entity of the Group, which will own the 110-room hotel component, has on 12 July 2024 entered into, amongst others, an agreement with the City Tattersalls Club ("CTC") to effectively acquire the largely 6-storey City Tattersalls Club space ("CTC Club Space"). Upon acquisition of the CTC Club Space, the Group intends to use part of it to further enhance the capacity and facilities of the hotel component. The consideration amounts to approximately A\$24.7 million which translates into a purchase consideration of less than A\$4,000 psm for the 6,400 sqm of CTC Club Space. A\$14 million is payable to CTC on completion of acquisition, with A\$4 million deferred until certain tax indemnities given by CTC is over. The remaining A\$6.7 million is payable to the Group's 39.9%-owned developer trust during the course of the construction. Completion of the acquisition is conditional upon regulatory approval.

Property Holding

Performance for the Group's European property portfolio remained strong, with total operating income of €25.3 million in 1H2024, 21.4% higher than the €20.8 million recorded in 1H2023. This healthy increase was due mainly to the newly acquired Allianz Tower Rotterdam in September 2023 as well as strong contributions from the Utrecht Centraal Station hotels and two of the hotels in the Dutch Bilderberg hotel portfolio, namely Bilderberg Hotel De Keizerskroon and the Bilderberg Europa Hotel Scheveningen, both of which were closed for major renovation for a large part of 1H2023, partially offset by the loss of income due to the lease terminations of most of the tenants in Meerparc Amsterdam at the end of 2023 in anticipation of its redevelopment. Looking ahead, the Group is expecting a strong completion pipeline of property holding projects which will further enhance the Group's recurring income, including the Puccini Milan hotel and Prins Hendrikkade Amsterdam redevelopments in FY2025, the ongoing Dreeftoren Amsterdam office and residential development in FY2025 and FY2026 respectively, the hotel component of the CTC project in FY2027 and the Meerparc Amsterdam redevelopment in FY2028.

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As a further testament to the Group's commitment to the Dutch commercial property holding business, the Group, on 10 May 2024, acquired 2,145,960 shares of NSI N.V. ("NSI") from a third party, representing 10.6% of NSI's total issued shares. Taking into account the 579,147 shares held by another wholly-owned subsidiary, the Group has an approximately 13.5% equity interest in NSI as at 10 May 2024. NSI is listed on Euronext Amsterdam, the regulated market of Euronext Amsterdam N.V. As reported in NSI's financial results for the half-year ended 30 June 2024, NSI has a property portfolio of 45 office properties across the Netherlands with a market value of approximately €1,008 million, with approximately 55% of its portfolio value situated in Amsterdam. NSI's 1H2024 results were published on 17 July 2024 and can be found at the following link (<https://nsi.nl/news/nsi-publishes-2024-half-year-results/>).

The Group's hospitality assets continued to see recovery in its performance with total income of the operating hotel portfolio increasing in 1H2024 compared to the same period last year, largely due to the hotel portfolio's occupancy rising by 4.5% to 65.9%. The boost in occupancy can be attributed to the good performance of the two Utrecht Hotels and the reopening of the abovementioned two Bilderberg hotels following extensive renovations. In addition, the Group managed to mitigate the rise in labour costs by achieving a reduction in energy expenses. This led to a 34.1% increase in earnings before interest, tax, depreciation, and amortisation ("EBITDA") of €11.3 million in 1H2024 (1H2023: €8.4 million).

In line with the slowing performance of the PRC economy, the performance of the Group's PRC hotels weakened as well, with the Chengdu Wenjiang hotels recording a lower EBITDA of RMB7.9 million in 1H2024 (1H2023: RMB10.9 million). This was due mainly to those hotels recording lower occupancy and average daily rates as a result of a decrease in demand from the event and meeting segment.

Property Financing

The Group remains cautious and conservative in managing its PRC property financing exposure in view of the continued weakness in the property investment market. Consequently, the Group has seen its PRC property financing loan book shrink by approximately 5% from 31 December 2023 to RMB1.0 billion as at 30 June 2024.

The PRC property financing loan book is expected to further decrease in 2H2024 due to loan maturity and the Group's continuous cautious approach in disbursing new loans amidst the prevailing conditions of the PRC property market.

Outlook

With the substantial unutilised committed credit facilities available which includes a new S\$100 million 3-year revolving credit facility obtained in July 2024, and the potential equity infusion should the outstanding warrants expiring in March 2029 be exercised, the Group is in a good financial position to not only navigate through the economic challenges arising from the difficult market conditions, but to also capitalise on any favourable business opportunities that may arise.

11. Dividend information

If a decision regarding dividend has been made:—

- (a) **Current Financial Period Reported On**
Any dividend declared for the current financial period reported on?

Yes.

Name of dividend	Interim tax-exempt (one-tier) dividend
Dividend Type	Cash
Dividend Amount	1.1 Singapore cents per ordinary share

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- (b) **Corresponding Period of the Immediately Preceding Financial Year**
Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of dividend	Interim tax-exempt (one-tier) dividend
Dividend Type	Cash
Dividend Amount	1.1 Singapore cents per ordinary share

- (c) **Date payable**

17 September 2024.

- (d) **Record date**

5 September 2024.

12. **If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

Not applicable.

13. **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group does not have a shareholders' general mandate for IPTs.

14. **Confirmation that the issuer has procured undertakings from all of its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Company confirms that it has procured undertakings from all of its directors and executive officers in the format set out in Appendix 7.7 under Rule 720 (1) of the Listing Manual.

BY ORDER OF THE BOARD
FIRST SPONSOR GROUP LIMITED

Neo Teck Pheng
Group Chief Executive Officer and Executive Director
25 July 2024

FIRST SPONSOR GROUP LIMITED

(Registration No. 195714)

CONFIRMATION BY THE BOARD

The Directors of the Company hereby confirm, to the best of their knowledge that, nothing has come to the attention of the Board of Directors which may render the Group's unaudited financial results for the six months ended 30 June 2024 to be false or misleading in any material respect.

On behalf of the Board of Directors

Ho Han Leong Calvin
Non-Executive Chairman

Neo Teck Pheng
Group Chief Executive Officer
and Executive Director

25 July 2024