

## GENERAL ANNOUNCEMENT::ANNOUNCEMENTS BY ASSOCIATED COMPANY, FIRST SPONSOR GROUP LIMITED

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### Issuer & Securities

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#### Issuer/ Manager

CITY DEVELOPMENTS LIMITED

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#### Securities

CITY DEVELOPMENTS LIMITED - SG1R89002252 - C09

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#### Stapled Security

No

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### Announcement Details

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#### Announcement Title

General Announcement

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#### Date & Time of Broadcast

28-Apr-2020 12:17:25

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#### Status

New

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#### Announcement Sub Title

Announcements by Associated Company, First Sponsor Group Limited

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#### Announcement Reference

SG200428OTHRHKT3

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#### Submitted By (Co./ Ind. Name)

Enid Ling Peek Fong

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#### Designation

Company Secretary

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#### Description (Please provide a detailed description of the event in the box below)

First Sponsor Group Limited ("FSGL"), an associated company, has on 28 April 2020 released the following announcements:-

1. Notice of Record Date for Proposed Final Dividend;
2. Notice of Annual General Meeting and Letter to Shareholders, including Proxy Form; and
3. Voluntary Interim Update for first quarter ended 31 March 2020.

For details, please refer to the announcements released by FSGL on the SGX website [www.sgx.com](http://www.sgx.com)

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**CASH DIVIDEND/ DISTRIBUTION::MANDATORY**

## Issuer &amp; Securities

## Issuer/ Manager

FIRST SPONSOR GROUP LIMITED

## Security

FIRST SPONSOR GROUP LIMITED - KYG3488W1078 - ADN

## Announcement Details

## Announcement Title

Mandatory Cash Dividend/ Distribution

## Date &amp; Time of Broadcast

28-Apr-2020 07:32:01

## Status

New

## Corporate Action Reference

SG200428DVCA1JBO

## Submitted By (Co./ Ind. Name)

Neo Teck Pheng

## Designation

Group Chief Executive Officer and Executive Director

## Dividend/ Distribution Number

Applicable

## Value

11

## Dividend/ Distribution Type

Final

## Financial Year End

31/12/2019

## Declared Dividend/ Distribution Rate (Per Share/ Unit)

SGD 0.016

## Event Narrative

| Narrative Type  | Narrative Text                                      |
|-----------------|---|
| Additional Text | Please refer to the attached Notice of Record Date. |

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## Event Dates

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### Record Date and Time

27/05/2020 17:00:00

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### Ex Date

26/05/2020

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## Dividend Details

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### Payment Type

Tax Exempted (1-tier)

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### Gross Rate (Per Share)

SGD 0.016

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### Net Rate (Per Share)

SGD 0.016

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### Pay Date

03/06/2020

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### Gross Rate Status

Actual Rate

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## Attachments

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[FSGL - Notice of Record Date.pdf](#)

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Total size =17K MB

Applicable for REITs/ Business Trusts/ Stapled Securities



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

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## **NOTICE OF RECORD DATE FOR PROPOSED FINAL DIVIDEND**

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**NOTICE IS HEREBY GIVEN** that the Share Transfer Books and Register of Members of First Sponsor Group Limited ("**Company**") will be closed at **5.00 p.m.** on **27 May 2020** for the purpose of determining shareholders' entitlements to the proposed final tax-exempt (one-tier) dividend of 1.6 Singapore cents per ordinary share ("**Share**") for the financial year ended 31 December 2019 ("**Final Dividend**"), subject to shareholders' approval of the Final Dividend at the annual general meeting of the Company to be convened on 20 May 2020 ("**AGM**").

Shareholders who are Depositors (as defined in the Securities and Futures Act (Chapter 289)) and whose securities accounts with The Central Depository (Pte) Limited are credited with Shares as at 5.00 p.m. on 27 May 2020 will be entitled to the Final Dividend.

In respect of shareholders who are not Depositors, duly completed and stamped registrable transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services (a business division of Tricor Singapore Pte. Ltd.), at 80 Robinson Road, #02-00 Singapore 068898, up to 5.00 p.m. on 27 May 2020 will be registered to determine shareholders' entitlements to the Final Dividend.

The proposed Final Dividend, if approved by the shareholders at the AGM, will be paid on or about 3 June 2020.

BY ORDER OF THE BOARD  
FIRST SPONSOR GROUP LIMITED

Neo Teck Pheng  
Group Chief Executive Officer and Executive Director  
28 April 2020

**ANNUAL GENERAL MEETING::VOLUNTARY**

## Issuer &amp; Securities

## Issuer/ Manager

FIRST SPONSOR GROUP LIMITED

## Security

FIRST SPONSOR GROUP LIMITED - KYG3488W1078 - ADN

## Announcement Details

## Announcement Title

Annual General Meeting

## Date &amp; Time of Broadcast

28-Apr-2020 07:35:53

## Status

New

## Announcement Reference

SG200428MEETQGOB

## Submitted By (Co./ Ind. Name)

Neo Teck Pheng

## Designation

Group Chief Executive Officer and Executive Director

## Financial Year End

31/12/2019

## Event Narrative

| Narrative Type  | Narrative Text  |
|-----------------|---|
| Additional Text | Please refer to the attached<br>(I) Notice of Annual General Meeting ("AGM")<br>(ii) Letter to Shareholders<br>(iii) Proxy Form |

## Event Dates

## Meeting Date and Time

20/05/2020 10:30:00

## Response Deadline Date

17/05/2020 10:30:00

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## Event Venue(s)

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### Place

| Venue(s)      | Venue details   |
|---------------|---|
| Meeting Venue | 63 Market Street, #06-03 Bank of Singapore Centre, Singapore 048942<br>Other than complying with the quorum requirement as set out in the attached Notice of AGM, the AGM will be conducted solely via the AGM Live Webcast and the AGM Audio Conference. |

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### Attachments

[FSGL - Notice of AGM.pdf](#)

[FSGL - Letter to Shareholders.pdf](#)

[FSGL - Proxy Form.pdf](#)

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Total size =150K MB

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**FIRST SPONSOR GROUP LIMITED**  
(Incorporated in the Cayman Islands)  
(Company Registration Number: AT-195714)

**NOTICE OF ANNUAL GENERAL MEETING**

**IMPORTANT NOTES FOR MEMBERS**

This Notice of Annual General Meeting takes into account the latest measures to-date to deal with the COVID-19 situation announced and/or implemented in Singapore which affect the holding or conduct of general meetings (“**Enhanced Measures**”).

Specifically:

- (1) the guidance for issuers on safe distancing measures when conducting general meetings set out in the joint statement issued on 31 March 2020 by the Accounting and Corporate Regulatory Authority of Singapore (“**ACRA**”), the Monetary Authority of Singapore (“**MAS**”) and the Singapore Exchange Regulation (“**SGX RegCo**”);
- (2) the implementation of the circuit breaker measures (enhanced safe distancing measures and closure of workplace premises) announced by the Singapore Government on 3 April 2020 to minimise the further spread of COVID-19;
- (3) the COVID-19 (Temporary Measures) Act 2020 (“**Act**”) passed by the Singapore Parliament on 7 April 2020 which, among other things, allows the Minister to prescribe alternative arrangements for meetings;
- (4) the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 made on 13 April 2020 by the Minister for Law pursuant to the Act, which sets out, among other things, the alternative arrangements to personal attendance in respect of various classes of meetings; and
- (5) the additional guidance which contains a checklist to guide listed and non-listed entities on the conduct of general meetings when the elevated safe distancing measures are in place as set out in the joint statement issued on 13 April 2020 by ACRA, MAS and SGX RegCo.

Owing to the above developments, the Company is putting into place certain temporary measures for this year’s Annual General Meeting in order to comply with the Enhanced Measures:

- (1) A physical meeting will be held at 63 Market Street, #06-03 Bank of Singapore Centre, Singapore 048942, and not more than 6 persons (comprising not more than 2 Directors and/or senior management of the Company, the IT and other service providers) will be present at such physical location. The Company will ensure that it has the requisite quorum for the purposes of the Annual General Meeting through the attendance of not more than 2 Directors and/or senior management of the Company who hold shares;
- (2) A live webcast of the Annual General Meeting (“**AGM Live Webcast**”) will be provided for members who wish to observe the Annual General Meeting proceedings by audio and video means remotely, without physically attending in person. Members who wish to observe the Annual General Meeting proceedings by audio only means may do so remotely, without physically attending in person, via telephone conference (“**AGM Audio Conference**”). **Members who wish to cast their votes at the Annual General Meeting must submit their Proxy Forms appointing the “Chairman of the Annual General Meeting” as their proxy and specifically directing how their votes at the Annual General Meeting are to be cast;** and
- (3) Members who wish to raise questions relating to the resolutions set out in the Notice of Annual General Meeting must submit these questions to the Company prior to the Annual General Meeting.

**A. AGM LIVE WEBCAST/AGM AUDIO CONFERENCE**

- (1) To participate in the AGM Live Webcast or the AGM Audio Conference, members are required to pre-register (the “**Registration**”) through the investor relations (“**IR**”) webpage under the sub-menu “Register for 2020 AGM Webcast/Audio Conference” on the Company’s website at [http://firstsponsorgroup.listedcompany.com/agm\\_egm.html](http://firstsponsorgroup.listedcompany.com/agm_egm.html) by 10.30 a.m. on 15 May 2020 (“**Cut-off Date**”) to enable the Company to verify their status as members.
- (2) After successful verification, authenticated members will receive an e-mail invitation by 3.00 p.m. 19 May 2020. The e-mail invitation will be sent to the e-mail address submitted during the online Registration which will contain a unique link or login ID and password, to access the AGM Live Webcast or a telephone number and participant code to access the AGM Audio Conference. If a unique link is given, no login ID and password will be required for the AGM Live Webcast but members are only allowed to access the AGM Live Webcast using the pre-registered e-mail address.
- (3) Members must not forward the unique link or login ID and password, or the telephone number/participant code to other persons who are not members and who are not permitted to attend the Annual General Meeting proceedings. This is also to avoid any technical disruptions or overload to the AGM Live Webcast or AGM Audio Conference.
- (4) Members who have registered by the Cut-off Date but do not receive an e-mail invitation by 3.00 p.m. 19 May 2020 should contact the Company’s IR team via e-mail at [ir@1st-sponsor.com.sg](mailto:ir@1st-sponsor.com.sg).

**DUE TO THE ENHANCED MEASURES, THE COMPANY WILL NOT ACCEPT ANY PHYSICAL ATTENDANCE BY MEMBERS. ANY MEMBER SEEKING TO ATTEND THE ANNUAL GENERAL MEETING PHYSICALLY IN PERSON WILL BE TURNED AWAY.**

**B. SUBMISSION OF PROXY FORMS TO VOTE**

**MEMBERS WHO WISH TO CAST THEIR VOTES MUST DO SO BY SUBMITTING PROXY FORMS AND APPOINTING THE “CHAIRMAN OF THE ANNUAL GENERAL MEETING” AS THEIR PROXY. THIS IS THE ONLY MEANS OF VOTING AT THE ANNUAL GENERAL MEETING UNDER THE CIRCUMSTANCES.**

Please refer to paragraph 2 under the section titled “Notes” below for further information.

**C. SUBMISSION OF QUESTIONS**

Members who have any questions in relation to the resolutions should send them in advance, by the Cut-off Date, via any of the following:

- (1) annexing the questions to their Proxy Forms;
- (2) submitting their questions in the text box provided during the AGM Live Webcast/AGM Audio Conference Registration process; or
- (3) e-mailing your questions with your full name and relevant shareholder’s information (e.g. CDP Securities Account No.) to [ir@1st-sponsor.com.sg](mailto:ir@1st-sponsor.com.sg).

The Company will address substantial and relevant questions during the Annual General Meeting proceedings and the AGM Live Webcast/AGM Audio Conference, and subsequent to the Annual General Meeting, will also publish such questions from members and responses from the Company on the Company’s website and on SGXNet within one month after the Annual General Meeting.

These are temporary measures which the Company is implementing for this year’s Annual General Meeting in order to comply with the Enhanced Measures. As there may be new measures (including requirements for the holding or conduct of meetings) to deal with the evolving COVID-19 situation in Singapore, the Company may have to change the Annual General Meeting arrangements at short notice. The Company will announce any changes to the holding or conduct of the Annual General Meeting via the SGXNet and its corporate website, [http://firstsponsorgroup.listedcompany.com/agm\\_egm.html](http://firstsponsorgroup.listedcompany.com/agm_egm.html). Members are advised to check the SGXNet and the Company’s corporate website regularly for updates on the Annual General Meeting.



**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of First Sponsor Group Limited (“**Company**”) will be held at 63 Market Street, #06-03 Bank of Singapore Centre, Singapore 048942 on Wednesday, 20 May 2020 at 10.30 a.m. to transact the following businesses:

**AS ORDINARY BUSINESS**

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2019, the Directors’ Statement and the Auditors’ Report thereon. **(Resolution 1)**
2. To declare a final tax-exempt (one-tier) dividend of 1.6 Singapore cents per ordinary share in the capital of the Company (“**Share**”) for the financial year ended 31 December 2019. **(Resolution 2)**
3. To approve the Directors’ fees of S\$378,000 for the financial year ending 31 December 2020 (payable quarterly in arrears) (2019: S\$339,370). **(Resolution 3)**
4. To re-elect the following Directors who are retiring pursuant to Article 86(1) of the Company’s Articles of Association and who, being eligible, offer themselves for re-election:
  - (i) Mr Ho Han Leong Calvin (See Explanatory Note 1) **(Resolution 4)**
  - (ii) Mr Neo Teck Pheng (See Explanatory Note 2) **(Resolution 5)**
  - (ii) Mr Wee Guan Oei Desmond (See Explanatory Note 3) **(Resolution 6)**
5. To appoint Ernst & Young LLP as Auditor of the Company in place of the retiring Auditor, KPMG LLP, for the financial year ending 31 December 2020 and to authorise the Directors to fix its remuneration. (See Explanatory Note 4) **(Resolution 7)**

**AS SPECIAL BUSINESS**

To consider and, if thought fit, to pass with or without modifications the following as an ordinary resolution:

6. **AUTHORITY TO ISSUE SHARES**

That, authority be and is hereby given to the Directors of the Company to:

- (a)
  - (i) issue Shares whether by way of bonus, rights or otherwise; and/or
  - (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, options, debentures or other instruments convertible into Shares; and/or
  - (iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issue,at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
- (b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

- (i) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares) or such other limit as may be prescribed by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) at the time of passing of this Resolution;
- (ii) the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro-rata basis to shareholders of the Company shall not exceed twenty per cent. (20%) of the total number of issued Shares (excluding treasury shares) or such other limit as may be prescribed by the SGX-ST at the time of passing of this Resolution;
- (iii) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraphs (i) and (ii) above, the total number of issued Shares (excluding treasury shares) shall be based on the total number of issued Shares (excluding treasury shares) at the time of passing of this Resolution after adjusting for any new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time of passing of this Resolution and any subsequent bonus issue, consolidation or subdivision of the Shares; and
- (iv) unless revoked or varied by the Company in general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting is required by law to be held, whichever is earlier.  
(See Explanatory Note 5) **(Resolution 8)**

7. To transact any other business which may be properly transacted at an Annual General Meeting.

BY ORDER OF THE BOARD  
Goh Siew Geok  
Company Secretary

28 April 2020  
Singapore

#### **RECORD DATE AND PAYMENT DATE FOR FINAL DIVIDEND**

Subject to the approval of shareholders for the final dividend being obtained at the Annual General Meeting, the Register of Members and Share Transfer Books of the Company will be closed on 27 May 2020 at 5.00 p.m. to determine shareholders’ entitlements to the proposed dividend.

Duly completed transfers of shares received by the Company’s Share Registrar, Tricor Barbinder Share Registration Services (a business division of Tricor Singapore Pte. Ltd.) at 80 Robinson Road, #02-00 Singapore 068898, up to 5.00 p.m. on 27 May 2020 will be registered to determine shareholders’ entitlements to the proposed dividend. Subject as aforesaid, shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with shares of the Company as at 5.00 p.m. on 27 May 2020 will be entitled to the proposed dividend.

The proposed dividend, if approved by the shareholders at the Annual General Meeting, will be paid on 3 June 2020.

#### Explanatory Notes:

1. **Resolution 4** – Mr Ho Han Leong Calvin will, upon re-election as Director of the Company, continue to serve as Non-Executive Chairman of the Board, member of the Audit and Risk Committee and member of the Remuneration Committee. Mr Ho Han Khoon, the alternate Director to Mr Ho Han Leong Calvin, will continue in office if Mr Ho Han Leong Calvin is re-elected.
2. **Resolution 5** – Mr Neo Teck Pheng will, upon re-election as Director of the Company, continue to serve as member of the Nominating Committee. He is the Group Chief Executive Officer and an executive Director.
3. **Resolution 6** – Mr Wee Guan Oei Desmond will, upon re-election as Director of the Company, continue to serve as Chairman of the Remuneration Committee. He is considered an independent director.
4. **Resolution 7** – is to approve the appointment of Ernst & Young LLP as the Auditor of the Company in place of the retiring Auditor, KPMG LLP, and to authorise the Directors to fix its remuneration. Information on Ernst & Yong LLP, the rationale of the proposed change of Auditor, the confirmations pursuant to Rule 1203(5) of the Listing Manual of the SGX-ST, the Audit and Risk Committee's statement in support of the proposed change of Auditor pursuant to Resolution 7 and the Directors' recommendation are set out in the Company's Letter to Shareholders dated 28 April 2020.
5. **Resolution 8** – is to empower the Directors of the Company to issue Shares and/or Instruments. The aggregate number of Shares to be issued pursuant to Resolution 8 (including Shares to be issued in pursuance of Instruments made or granted) shall not exceed fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares), with a sub-limit of twenty per cent. (20%) for Shares issued other than on a pro-rata basis (including Shares to be issued in pursuance of Instruments made or granted pursuant to Resolution 8) to shareholders. For the purpose of determining the aggregate number of Shares that may be issued, the percentage of the total number of issued Shares (excluding treasury shares) will be based on the total number of issued Shares (excluding treasury shares) at the time of the passing of Resolution 8, after adjusting for (i) new Shares arising from the conversion or exercise of any convertible securities; (ii) new Shares arising from the exercise of share options or vesting of share awards; and (iii) any subsequent bonus issue, consolidation or subdivision of Shares. Adjustments in accordance with (i) or (ii) are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of Resolution 8. The authority conferred by Resolution 8 will continue in force until the next Annual General Meeting is held or is required by law to be held, whichever is earlier, unless previously varied or revoked by the Company in a general meeting.

#### Notes:

##### 1. POLL

All the resolutions proposed at the Annual General Meeting will be voted on by way of poll.

##### 2. SUBMISSION OF PROXY FORMS TO VOTE

Members are strongly encouraged to exercise their voting rights by submitting their Proxy Forms and, if doing so, must appoint the "Chairman of the Annual General Meeting" to act as their proxy and must specifically direct how their votes at the Annual General Meeting are to be cast.

The Proxy Form, duly completed and signed, must be submitted:

- (i) (if accompanied by a power of attorney, if any, under which it is signed or a certified copy thereof) to the office of the Company's Share Registrar and Share Transfer Office either by hand at 80 Robinson Road, #11-02 Singapore 068898 or by post to 80 Robinson Road, #02-00 Singapore 068898; or
- (ii) (if not accompanied by a power of attorney) by e-mail to [sg.is.proxy@sg.tricorglobal.com](mailto:sg.is.proxy@sg.tricorglobal.com),

not less than seventy-two (72) hours before the time appointed for the Annual General Meeting.

Persons who would have been able to be appointed as proxies by relevant intermediaries (e.g. SRS investors) who wish to appoint the "Chairman of the Annual General Meeting" as their proxy should approach their relevant intermediaries (e.g. SRS Operators) to submit their votes at least seven working days before the Annual General Meeting. Such persons shall also be entitled to participate in the AGM Live Webcast or the AGM Audio Conference and to submit questions in relation to the resolutions. "Relevant intermediary" has the meaning ascribed to it in section 181 of the Singapore Companies Act, Chapter 50.

##### 3. PERSONAL DATA PRIVACY

Where a member of the Company submits (a) an application to pre-register to participate in the Annual General Meeting via the AGM Live Webcast/AGM Audio Conference, (b) questions relating to the resolutions to be tabled for approval at the Annual General Meeting, and/or (c) a Proxy Form to vote at the Annual General Meeting and/or any adjournment thereof, the member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purposes of (a) processing the member's application to pre-register to participate in the Annual General Meeting via the AGM Live Webcast/AGM Audio Conference and providing the member with any technical assistance where possible, (b) addressing any selected questions submitted by the member and following up with the member where necessary, (c) the processing and administration by the Company (or its agents or service providers) of the proxy appointed for the Annual General Meeting (including any adjournment thereof), and (d) the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, "Purposes"), and (ii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's action or omission.

#### **4. MEASURES TO MINIMISE RISK OF COVID-19 TRANSMISSION**

##### **Minimum physical attendance**

Under the articles of association of the Company, two members present in person or by proxy are required to form a quorum for a general meeting. To comply with such requirement, the Company will limit physical attendance by members at the venue of the AGM to two members who are director(s) and/or senior management of the Company. No other members will be admitted to the venue of the Annual General Meeting.

##### **Participation in the Annual General Meeting via the AGM Live Webcast/AGM Audio Conference and submission of questions**

Other than complying with the quorum requirement as stated above, the Annual General Meeting will be conducted solely via the AGM Live Webcast/AGM Audio Conference. All members who wish to participate in the Annual General Meeting must comply with the requirements for participation in the Annual General Meeting via the AGM Live Webcast/AGM Audio Conference.

Members who intend to pre-register to participate in the Annual General Meeting via the AGM Live Webcast/AGM Audio Conference and wish to raise questions relating to the resolutions must submit these questions to the Company by the Cut-off Date. The Board of Directors of the Company will endeavour to address substantial and relevant questions (as determined by the Board of Directors of the Company in its sole opinion) submitted by such members.

In view of the evolving COVID-19 situation, the Company reserves the right to take such further precautionary measures as may be appropriate up to the date of the Annual General Meeting, including any precautionary measures as may be required or recommended by the government agencies, in order to minimise the risk of COVID-19 transmission. The Company seeks the understanding and cooperation of all members to minimise the risk of COVID-19 transmission.

Electronic copies of the Company's Annual Report dated 6 April 2020, the Company's Letter to Shareholders dated 28 April 2020 and the Proxy Form are available on the SGXNet and on the Company's corporate website.

# LETTER TO SHAREHOLDERS

## FIRST SPONSOR GROUP LIMITED

(Incorporated in the Cayman Islands)  
(Company Registration Number: AT-195714)

### Directors:

Ho Han Leong Calvin (Non-Executive Chairman)  
Ho Han Khoon (Alternate Director to Ho Han Leong Calvin)  
Kingston Kwek Eik Huih (Non-Executive Director)  
Neo Teck Pheng (Group Chief Executive Officer and Executive Director)  
Ting Ping Ee, Joan Maria (Non-Executive Independent Director)  
Yee Chia Hsing (Non-Executive Lead Independent Director)  
Wee Guan Oei Desmond (Non-Executive Independent Director)

### Registered Office:

P.O. Box 31119  
Grand Pavilion  
Hibiscus Way  
802 West Bay Road  
Grand Cayman  
KY1-1205  
Cayman Islands

28 April 2020

**To: The Shareholders of First Sponsor Group Limited (“Company”)**

Dear Sir/Madam

### THE PROPOSED CHANGE OF AUDITOR FROM KPMG LLP TO ERNST & YOUNG LLP

#### 1. INTRODUCTION

1.1 **Notice of AGM.** We refer to:

- (a) the Notice of Annual General Meeting of the Company dated 28 April 2020 (“**Notice**”) convening the Annual General Meeting of the Company to be held on 20 May 2020 (“**2020 AGM**”); and
- (b) Resolution 7, being the Ordinary Resolution relating to the proposed change of auditors of the Company (“**Auditor**”) from KPMG LLP to Ernst & Young LLP, as proposed in the Notice.

1.2 **Letter to Shareholders.** The purpose of this Letter is to provide shareholders of the Company (“**Shareholders**”) with information relating to the proposed change of Auditor.

1.3 **SGX-ST.** The Singapore Exchange Securities Trading Limited (“**SGX-ST**”) takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Letter.

1.4 **Advice to Shareholders.** If a Shareholder is in any doubt as to the course of action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

#### 2. THE PROPOSED CHANGE OF AUDITOR

2.1 **Background.** Resolution 7 proposed in the Notice is to appoint Ernst & Young LLP as the Auditor of the Company in place of the retiring Auditor, KPMG LLP, and to authorise the Directors of the Company (“**Directors**”) to fix its remuneration.

2.2 **Rationale.** The Audit and Risk Committee of the Company (“**ARC**”) reviews the independence and objectivity of the external Auditor annually. KPMG LLP has served as external Auditor of the Company for more than 11 years since December 2008 and has provided the Company with sound professional audit services since its appointment. Nevertheless, as part of ongoing good corporate governance initiatives, the ARC is of the view that it would be timely to effect a change of external Auditor with effect from the financial year ending 31 December 2020, so as to enable the Company

to benefit from fresh perspectives and views of another professional audit firm and further enhance the value of the audit. The ARC had invited and evaluated competitive proposals including fee proposals from the Big Four audit firms and the ARC, after such evaluation, determined the fee proposal from Ernst & Young LLP to be competitive.

The ARC also took into consideration the Audit Quality Indicators Disclosure Framework issued by the Singapore Accounting and Corporate Regulatory Authority (“**ACRA**”) and the criteria for the evaluation and selection of the external auditors contained in the Guidebook for Audit Committees in Singapore and the Audit Committee Guide issued by the Singapore Institute of Directors, including factors such as the adequacy of the resources and experiences of the audit firm to be selected and the audit engagement partner to be assigned to the audit, audit approach, transition plan, the audit firm’s other engagements, the size and complexity of the Company and its subsidiaries (“**Group**”) as well as the number and experience of supervisory and professional staff to be assigned. After evaluation, the ARC recommended that Ernst & Young LLP be selected for the proposed appointment. The Directors have taken into account the ARC’s recommendation, including the factors considered in its evaluation, and are satisfied that Ernst & Young LLP will be able to meet the audit requirements of the Group under Rule 712 of the Listing Manual of the SGX-ST (“**Listing Manual**”).

In accordance with the requirements of Rule 715 of the Listing Manual, Ernst & Young LLP will be engaged to audit the accounts of the Company, its Singapore-incorporated subsidiaries and significant foreign-incorporated subsidiaries. The Company does not have any significant Singapore-incorporated associated companies and is not expected to have any significant foreign-incorporated associated companies for the financial year ending 31 December 2020, as defined under Rule 718 of the Listing Manual.

The scope of audit services to be provided by Ernst & Young LLP will be comparable to those provided by KPMG LLP.

2.3 **Information on Ernst & Young LLP.** Ernst & Young LLP, registered with ACRA, is one of the largest professional service firms in Singapore today, and has a wide-ranging clientele base consisting of multinational companies, private companies and public sector organisations. In Singapore, Ernst & Young LLP has a history of 129 years, with 192 partners and 3,576 people offering assurance, tax, transaction and advisory services. The Singapore firm is part of an integrated Asia-Pacific Area, which comprises more than 61,000 people in 24 countries and over 80 offices.

The audit engagement partner who will be in charge of the audit is Mr Max Loh Khum Whai (“**Mr Loh**”). He will be supported by a team of between 5 to 7 members. Mr Loh has more than 30 years of audit experience including relevant experience in auditing listed companies in the real estate and hospitality sectors. Mr Loh is Ernst & Young LLP’s managing partner for Singapore and Brunei.

The ARC has considered whether Mr Loh has been subject to the Practice Monitoring Program reviewed by ACRA and noted that there has been no adverse feedback from previous exercises.

For more information on Ernst & Young LLP, please visit <http://www.ey.com/sg/en>.

The appointment of Ernst & Young LLP will take effect upon the obtaining of Shareholders’ approval at the 2020 AGM for the proposed change of Auditor of the Company. If approved, Ernst & Young LLP will hold office until the conclusion of the next AGM.

2.4 **Confirmations.** In accordance with the requirements of Rule 1203(5) of the Listing Manual:

- (a) the outgoing Auditor, KPMG LLP, has confirmed that it is not aware of any professional reasons why the new Auditor, Ernst & Young LLP, should not accept appointment as Auditor of the Company;
- (b) the Company confirms that there were no disagreements with the outgoing Auditor, KPMG LLP, on accounting treatments within the last 12 months;

- (c) the Company confirms that, other than as set out above, it is not aware of any circumstances connected with the proposed change of Auditor that should be brought to the attention of Shareholders; and
- (d) the Company confirms that it is or will be in compliance with Rule 712 and Rule 715 of the Listing Manual in relation to the appointment of Ernst & Young LLP as the Auditor of the Company.

### **3. ARC'S STATEMENT**

The ARC has reviewed and deliberated on the proposed change of Auditor, and after taking into consideration the suitability of Ernst & Young LLP, the Group's audit requirements and the requirements of the Listing Manual, recommends the appointment of Ernst & Young LLP as Auditor of the Company in place of the retiring Auditor, KPMG LLP.

### **4. DIRECTORS' RECOMMENDATION**

The Directors are of the opinion that the proposed appointment of Ernst & Young LLP as Auditor of the Company in place of the retiring Auditor, KPMG LLP, is in the best interests of the Company. They accordingly recommend that Shareholders vote in favour of Resolution 7 relating to the appointment of Ernst & Young LLP as Auditor of the Company in place of the retiring Auditor, KPMG LLP, to be proposed at the 2020 AGM.

### **5. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the proposed change of Auditor, and the Company and its subsidiaries which are relevant to the proposed change of Auditor, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in this Letter has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Letter in its proper form and context.

### **6. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the office of the Company's Share Registrar and Share Transfer Agent, Tricor Barbinder Share Registration Services (a business division of Tricor Singapore Pte. Ltd.) ("**Tricor**"), at 80 Robinson Road, #11-02 Singapore 068898 during normal business hours from the date of this Letter up to and including the date of the 2020 AGM:

- (a) the letter from KPMG LLP, giving notice that they would not be seeking re-appointment as Auditor of the Company at the 2020 AGM; and
- (b) Ernst & Young LLP's formal letter of consent to act as Auditor of the Company, subject to the approval of Shareholders at the 2020 AGM.

Shareholders who wish to inspect the above documents should call Tricor at +65 6236 3550 / 3555 to make an appointment so that the relevant arrangements can be made in view of the COVID-19 control measures.

Yours faithfully,  
For and on behalf of the Board of  
**FIRST SPONSOR GROUP LIMITED**

Neo Teck Pheng  
Group Chief Executive Officer and Executive Director

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# FIRST SPONSOR GROUP LIMITED

(Incorporated in the Cayman Islands)  
(Company Registration Number: AT-195714)

## PROXY FORM ANNUAL GENERAL MEETING

\*I/We \_\_\_\_\_ (Name), \_\_\_\_\_ (\*NRIC/Passport/Co. Reg No.)

of \_\_\_\_\_ (Address)

being \*a member/members of First Sponsor Group Limited (“**Company**”), hereby appoint the Chairman of the annual general meeting of the Company (“**AGM**”) as \*my/our proxy to attend, speak and vote for \*me/us on \*my/our behalf at the AGM to be held at 63 Market Street, #06-03 Bank of Singapore Centre, Singapore 048942, on Wednesday, 20 May 2020 at 10.30 a.m. and at any adjournment thereof.

Voting will be conducted by poll. Please indicate how you wish to exercise your votes by ticking the appropriate box next to the resolution. Alternatively, please indicate the number of votes “For”, “Against” or “Abstain”.

| No.                      | Resolutions   | For <sup>3</sup> | Against <sup>3</sup> | Abstain <sup>3</sup> |
|--------------------------|---|------------------|----------------------|----------------------|
| <b>Ordinary Business</b> |   |                  |                      |                      |
| 1.                       | To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2019 and the Directors’ Statement and the Auditors’ Report thereon |                  |                      |                      |
| 2.                       | To declare a final tax-exempt (one-tier) dividend of 1.6 Singapore cents per ordinary share in the capital of the Company (“ <b>Share</b> ”)                      |                  |                      |                      |
| 3.                       | To approve the Directors’ fees of S\$378,000 for the financial year ending 31 December 2020 (payable quarterly in arrears) (2019: S\$339,370)                     |                  |                      |                      |
| 4.                       | To re-elect Mr Ho Han Leong Calvin as a Director  |                  |                      |                      |
| 5.                       | To re-elect Mr Neo Teck Pheng as a Director   |                  |                      |                      |
| 6.                       | To re-elect Mr Wee Guan Oei Desmond as a Director   |                  |                      |                      |
| 7.                       | To appoint Ernst & Young LLP as the new Auditor and to authorise the Directors to fix its remuneration  |                  |                      |                      |
| <b>Special Business</b>  |   |                  |                      |                      |
| 8.                       | To approve the proposed share issue mandate   |                  |                      |                      |

\* Delete accordingly

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2020

|                          |
|--------------------------|
| Total No. of Shares held |
|                          |

\_\_\_\_\_  
Signature(s) of individual member /  
Common Seal of corporate member

## **IMPORTANT: PLEASE READ NOTES BELOW**

### **Notes:**

- Members are strongly encouraged to exercise their voting rights by submitting their Proxy Forms and, if doing so, must appoint the “Chairman of the AGM” to act as their proxy and must specifically direct how their votes at the AGM are to be cast.
- The Proxy Form must be duly completed, signed and submitted:
  - (if accompanied by a power of attorney, if any, under which it is signed or a certified copy thereof) to the office of the Company’s Share Registrar and Share Transfer Office either by hand at 80 Robinson Road, #11-02 Singapore 068898 or by post to 80 Robinson Road, #02-00 Singapore 068898; or
  - (if not accompanied by a power of attorney) by e-mail to [sg.is.proxy@sg.tricorglobal.com](mailto:sg.is.proxy@sg.tricorglobal.com),  
not less than seventy-two (72) hours before the time appointed for the AGM.
- IMPORTANT: IF YOU WISH TO EXERCISE ALL YOUR VOTES FOR THE RESOLUTION, TICK THE APPROPRIATE BOX MARKED “FOR”. IF YOU WISH TO EXERCISE ALL YOUR VOTES AGAINST THE RESOLUTION, TICK THE APPROPRIATE BOX MARKED “AGAINST”. IF YOU WISH TO ABSTAIN FROM VOTING, TICK THE APPROPRIATE BOX MARKED “ABSTAIN”. ALTERNATIVELY, PLEASE INDICATE THE NUMBER OF VOTES “FOR”, “AGAINST” OR “ABSTAIN”.** If this Proxy Form is deposited without any indication as to how the proxy is to vote, the proxy may vote or abstain from voting at his discretion on any of the resolutions and on any other matter arising at the AGM and at any adjournment thereof.
- If the appointor is a corporation, the Proxy Form must be executed under its seal or under the hand of its officer or attorney duly authorised in writing.

### **GENERAL**

Completion and return of this Proxy Form will not prevent the member from attending the live webcast of the AGM (“**AGM Live Webcast**”) or the audio conference of the AGM (“**AGM Audio Conference**”) if the member wishes to do so.

The Company shall be entitled to reject any Proxy Form which is incomplete, improperly completed or illegible. It is the member(s)’ responsibility to ensure that this Proxy Form is properly completed in all respects. Any decision to reject this Proxy Form on the grounds that it is incomplete, improperly completed or illegible will be final and binding and neither the Company nor Tricor Barbinder Share Registration Services accepts any responsibility for the consequences of such a decision.

### **PERSONAL DATA PROTECTION ACT CONSENT**

By submitting the Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 28 April 2020.

### **MEASURES TO MINIMISE RISK OF COVID-19 TRANSMISSION**

#### **Minimum physical attendance**

Under the articles of association of the Company, two members present in person or by proxy are required to form a quorum for a general meeting. To comply with such requirement, the Company will limit physical attendance by members at the venue of the AGM to two members who are director(s) and/or senior management of the Company. No other members will be admitted to the venue of the AGM.

#### **Participation in the AGM via the AGM Live Webcast/AGM Audio Conference and submission of questions**

Other than complying with the quorum requirement as stated above, the AGM will be conducted solely via the AGM Live Webcast and the AGM Audio Conference. All members who wish to participate in the AGM must comply with the requirements for participation in the AGM via the AGM Live Webcast or the AGM Audio Conference.

Members who intend to pre-register to participate in the AGM via the AGM Live Webcast or the AGM Audio Conference and wish to raise questions relating to the resolutions must submit these questions to the Company by 10.30 a.m. on 15 May 2020. The Board of Directors of the Company will endeavour to address substantial questions (as determined by the Board of Directors of the Company in its sole opinion) submitted by such members.

In view of the evolving COVID-19 situation, the Company reserves the right to take such further precautionary measures as may be appropriate up to the date of the AGM, including any precautionary measures as may be required or recommended by the government agencies, in order to minimise the risk of COVID-19 transmission. The Company seeks the understanding and cooperation of all members to minimise the risk of COVID-19 transmission.

Electronic copies of the Company’s Annual Report dated 6 April 2020, the Company’s Letter to Shareholders dated 28 April 2020 and the Proxy Form are available on the SGXNet and on the Company’s corporate website.

**FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::FIRST QUARTER RESULTS****Issuer & Securities****Issuer/ Manager**

FIRST SPONSOR GROUP LIMITED

**Securities**

FIRST SPONSOR GROUP LIMITED - KYG3488W1078 - ADN

**Stapled Security**

No

**Announcement Details****Announcement Title**

Financial Statements and Related Announcement

**Date & Time of Broadcast**

28-Apr-2020 07:37:35

**Status**

New

**Announcement Sub Title**

First Quarter Results

**Announcement Reference**

SG200428OTHRYSNV

**Submitted By (Co./ Ind. Name)**

Neo Teck Pheng

**Designation**

Group Chief Executive Officer and Executive Director

**Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)**

Please see attached presentation slides for FSGL's Voluntary Interim Update for 1Q2020.

**Additional Details****For Financial Period Ended**

31/03/2020

**Attachments**[FSGL - Voluntary Interim Update 1Q2020.pdf](#)

Total size =2805K MB



**First Sponsor Group Limited  
1Q2020 Voluntary Interim Update  
28 April 2020**

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## Section 1

## Key Message

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## Key Message

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1. Net profit for the Group was S\$24.9 million for 1Q2020, a 4.8% quarter on quarter growth. This is the 21st quarterly growth out of the 24 quarters of results reporting since the Group's IPO in July 2014.
2. During the quarter, the Group successfully issued 5-year S\$100.0 million medium term notes at a coupon rate of 3.29% per annum. In April 2020, the Group completed the refinancing of committed revolving credit facilities with two banks of an aggregate amount equivalent to S\$193.3 million, with a higher gearing loan covenant which further extended the Group's debt maturity profile. These committed bank lines with a less restrictive loan covenant will, together with the Group's strong balance sheet, help the Group to weather this period of uncertainty brought about by the Covid-19 pandemic and to capitalise on good business opportunities when they arise.
3. Due to the implementation of the Covid-19 circuit breaker and safe distancing measures in Singapore, the Company's 2020 Annual General Meeting ("AGM") will be convened on 20 May 2020. The proposed final tax-exempt (one-tier) dividend of 1.6 Singapore cents per ordinary share for FY2019 will be tabled for approval by the shareholders at the AGM.

## Key Message

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4. The Dongguan property market performed well after normal business activities resumed in late February 2020. The Star of East River project sold close to 600 SOHO units since the beginning of 2020 and there was similar strong demand for the Emerald of the Orient project which sold 100%\* of its last residential block of 272 units since its pre-sale launch in March 2020 at an approximately 10% premium over the average sales price of the other five residential blocks. The Pinnacle launched the pre-sale of its first two residential blocks comprising 150 units on 18 April 2020 and has since sold more than 96%. The next two residential blocks of 138 units are expected to be launched for pre-sale in May 2020.
5. The building permit for the new residential tower adjacent to the Dreeftoren Amsterdam office has become irrevocable after the objection from a neighbouring property owner to its proposed development was withdrawn in March 2020. However, given the current uncertain economic outlook, the Group will monitor market demand and construction costs before making any commitment in relation to the entire residential and office development project.

*\*As of 27 April 2020 and computed by excluding the 92 units to be retained by the Group for 5 years as per the land tender conditions.*



## Key Message

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6. After taking into account, among other things, the recommendations of the respective third party hotel managers, the operations of 13 out of the 16 hotels owned and operated by the Group, comprising Holiday Inn Express Wenjiang Chengdu Hotel, Bilderberg Bellevue Hotel Dresden in Germany and the 11 hotels in the Dutch Bilderberg hotel portfolio, were temporarily suspended from 26 January 2020, 23 March 2020 and 3 April 2020 respectively. Crowne Plaza Chengdu Wenjiang Hotel, Hilton Rotterdam and Hampton by Hilton Utrecht Centraal Station remain open with low occupancy rates. The Group will apply to the Dutch and German authorities under the relevant wage subsidy programs to mitigate the operating losses of its Dutch and German hospitality operations respectively.
7. The Group has received requests from some tenants of its European property portfolio for rental concessions. Different business plans have been adopted to help certain tenants depending on previous business conduct and circumstances.

## Key Message

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8. On the PRC property financing (“PF”) front, in connection with the economic difficulties resulting from the Covid-19 pandemic, the Group consented to the short term deferral of interest payments by two borrower groups and will closely monitor their loan conduct. For the European PF loans, the 33%-owned FSMC group has elected to defer its interest payments on certain loans extended by the Group with effect from 2Q2020 as per the terms of the loan agreements given that FSMC, which owns 95% of the Dutch Bilderberg hotel portfolio, has temporarily suspended the operations of its hotels on 3 April 2020.
9. As the global equities market has corrected sharply due to the Covid-19 pandemic, the Group sees value buying opportunities and has therefore invested in selected quoted real estate securities in markets it is familiar with. The Group believes that there is value in these securities in the long term.
10. Owing to the unprecedented challenges posed by, and the uncertainty of the magnitude and duration of, the Covid-19 pandemic, the full extent of its impact on the financial performance of the Group for the next few quarters, especially in relation to its hospitality operations, cannot be determined at this juncture. However, the Group is cautiously optimistic that the Covid-19 crisis may also create new deal opportunities, whether during or in the aftermath of the crisis. The Group may raise additional cash by tapping the debt and equity capital markets so as to enable it to take advantage of such opportunities when they arise.

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## Section 2

# Financial Updates 1Q2020

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## 2.1 Statement of Profit or Loss - Highlights

| Statement of Profit or Loss - Highlights  |        |        |          |
|---|--------|--------|----------|
| In S\$'000                                | 1Q2020 | 1Q2019 | Change % |
| <b>Revenue</b>                            | 45,823 | 45,340 | 1.1%     |
| <b>Gross profit</b>                       | 33,731 | 32,362 | 4.2%     |
| <b>Profit before tax</b>                  | 28,788 | 32,073 | (10.2%)  |
| <b>Attributable profit <sup>(1)</sup></b> | 24,943 | 23,804 | 4.8%     |
| <b>Basic EPS (cents)</b>                  | 2.94   | 3.43   | (14.2%)  |
| <b>Diluted EPS (cents) <sup>(2)</sup></b> | 2.26   | 2.99   | (24.4%)  |
| <b>Interest cover <sup>(3)</sup></b>      | 16.0x  | 13.6x  | n.a.     |

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

(2) Dilutive effect arising from assumed conversion of all perpetual convertible capital securities and exercise of all warrants.

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

## 2.2 Statement of Profit or Loss – Revenue



### Property Development

The decrease was due mainly to no handover of residential and commercial units of the Chengdu Millennium Waterfront project in 1Q2020 as compared to 1Q2019, partially offset by higher number of carpark lots being handed over for both Chengdu Millennium Waterfront project and Chengdu Cityspring project.

### Property Holding

The decrease was due mainly to lower contribution from investment properties arising from the deconsolidation of the Zuiderhof I property, and lower hotel revenue due to the impact of the Covid-19 pandemic on the Chengdu Wenjiang hotels, the adjoining hotspring and the Hilton Rotterdam hotel. The decrease was partially offset by the contribution from the Bilderberg Bellevue Hotel Dresden (acquired in late March 2019) and Hampton by Hilton Utrecht Centraal Station hotel (which commenced operations in June 2019).

### Property Financing

The increase was due mainly to a one-off establishment fee from the provision of a A\$370 million construction facility to fund the redevelopment of the City Tattersalls Club in Sydney.

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## Section 3

# Business Updates 1Q2020 – Property Development

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## 3.1 Property Development – Star of East River Project, Dongguan

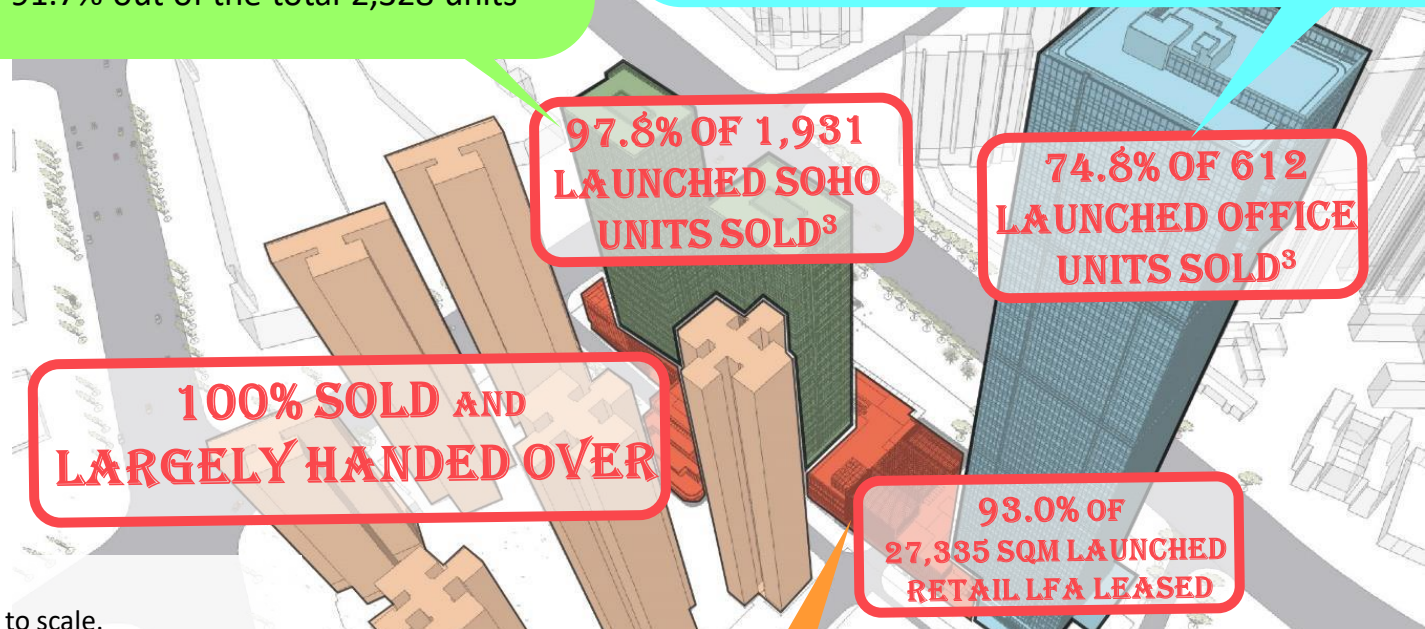
### SOHO Blocks

- Two blocks of 2,328 SOHO units (75,000 sqm)
- 97.8%\* sold<sup>3</sup> out of 62,303 sqm saleable GFA launched for sale
- One block was handed over in March 2020, with the other block expected to be handed over in 2021

\* As of 27 April 2020, 91.7% out of the total 2,328 units available were sold

### Office Block

- 250m high office tower block with 778 office units (102,000 sqm)
- 74.8% sold<sup>3</sup> out of 76,594 sqm saleable GFA launched for sale
- Expected start of handover in late 2020/early 2021



#### Notes:

1. This diagram is not drawn to scale.
2. Based on artist's impression which may not be fully representative of the actual development.
3. As at 31 March 2020 and includes sales under option agreements or sale and purchase agreements, as the case may be.

### Commercial Podium

- approx. 31,000 sqm lettable floor area ("LFA") of retail mall, of which 27,335 sqm has commenced operations since September 2019.
- Due to the impact of the Covid-19 pandemic, several tenants have made requests for concessions in relation to their obligations under the lease contracts.

## 3.2 Property Development – Emerald of the Orient, Dongguan

### Others

To be built for the municipal as per the land tender conditions

### Not Sold

222 units (24,605 sqm) to be kept for a minimum holding period of 5 years as per land tender conditions

### Not Sold

31 villas (4,452 sqm) to be kept for a minimum holding period of 5 years as per land tender conditions

### Saleable High-rise Residential Apartments

- Six blocks of 854 residential units (95,639 sqm) available for sale are substantially sold
- 79.1%\* sold<sup>3</sup> for the last block with 180 units (19,254 sqm) launched for pre-sale on 20 March 2020 at an approx. 10% premium over the average sales price of the other five residential blocks
- Sold apartments are expected to be handed over from late 2020/early 2021

\*As of 27 April 2020, 100% were sold

### Saleable Residential Villa Cluster

All 137 saleable villas are fully sold, and expected to be handed over from late 2020/early 2021



1. This diagram is not drawn to scale.
2. Based on artist's impression which may not be fully representative of the actual development.
3. As at 31 March 2020 and includes sales under option agreements or sale and purchase agreements, as the case may be. % sold excludes units to be kept for minimum holding period of 5 years after the housing title certificates have been obtained.



### 3.3 Property Development – The Pinnacle, Dongguan



Show-flat within sales office

The project is expected to be handed over in phases from 2021.

#### Residential Blocks

- Eight blocks of 607 residential units (63,500 sqm)
- Two blocks comprising 150 units have been launched for pre-sale on 18 April 2020 and have since sold more than 96%
- The next two blocks of 138 units are expected to be launched for pre-sale in May 2020.



#### SOHO Cluster

- Comprises 226 SOHO units (8,900 sqm)
- Expected to be launched for pre-sale in 3Q2020

#### Ground Level Retail:

Approx. 3,000 sqm of retail space located at ground level of residential and SOHO blocks

Based on artist's impression which may not be fully representative of the actual development.  
This diagram is not drawn to scale.

## 3.4 Property Development – Skyline Garden, Dongguan

Artist's impression

### Residential Blocks

Five blocks of 1,163 residential units (134,000 sqm)

Development of the project is on track and pre-sale of the residential component is expected to commence from late 2020.



### SOHO Blocks

- Seven blocks of 1,715 SOHO units (71,300 sqm) and 4,400 sqm of commercial space
- All SOHO units and commercial space are to be kept for a minimum holding period of 2 years as per land tender conditions

SOHO Blocks

- A mixed use development site adjacent to the project was sold via a public land tender in Oct 2019 at the maximum tender price cap of approximately RMB18,500 psm ppr, a 28% premium over the project's land cost. In addition, the winning bidder has to build and return 5% of the residential GFA to the Dongguan municipal as part of the competitive bid terms.
- A similar development site in close proximity to the project was recently sold via a public tender in Mar 2020 at the maximum tender price cap of approximately RMB18,500 psm ppr, a 28% premium over the project's land cost. The winning bidder has to build and return 10% of the residential GFA to the Dongguan municipal.

### 3.5 Property Development – Plot F, Chengdu Millennium Waterfront

- After normal business activities resumed in late February 2020, pre-sales of the SOHO units of Plot F progressed steadily with 61.4% of the 807 SOHO loft units sold since its pre-sale launch in August 2019. This excludes the 156 units or 19% of the project which was sold to a bulk buyer in mid-January 2020 under instalment payment terms.
- The bulk buyer has paid RMB2.0m to-date in accordance to the agreed payment schedule.
- The development is expected to be handed over in phases from early 2021.



- Comprises 15 floors of 807 SOHO loft units (49,350 sqm), 5 floors of over 25,000 sqm of saleable retail and commercial space
- % of 46,547 sqm saleable SOHO GFA launched for sale sold<sup>1</sup>: 80.4%

- As of 31 March 2020, 3,731 carpark lots in Plots A to D of the Millennium Waterfront project, which are carried at nil cost on the Group's balance sheet, remain unsold. The Group is currently studying the feasibility of a bulk sale of carpark lots for some or all of the four plots.

1. As at 31 March 2020 and includes sales under option agreements or sale and purchase agreements, as the case may be.

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## Section 4

# Business Updates 1Q2020 – Property Holding

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## 4.1 Property Holding – Chengdu Wenjiang hotels and Bilderberg Bellevue Hotel Dresden



### Crowne Plaza Chengdu Wenjiang and Holiday Inn Express Chengdu Wenjiang Hotspring Hotel, PRC

- The hotels recorded an EBITDA loss of RMB4.4m for 1Q2020. In late January 2020, the Holiday Inn hotel and the adjoining hotspring suspended their operations as a precautionary measure to curb the spread of Covid-19.
- The Crowne Plaza hotel saw an increase in demand in April 2020 with average occupancy of 32.0% for the first half of April 2020. As demand for the hotel appears to have improved in the first half of April and the Covid-19 situation in Chengdu seems to be under control, the Group is considering the re-commencement of operations of the Holiday Inn hotel and its adjoining hotspring in late 2Q2020.



### Bilderberg Bellevue Hotel Dresden, Germany

- The 340-room hotel recorded an EBITDA loss of €0.3m for the quarter due to the Covid-19 pandemic. Hotel operations were temporarily suspended from 23 March 2020 as part of the Group's cost containment strategy.
- The room refurbishment capital expenditure program for the hotel has been substantially completed during 1Q2020. The renovation plan for the conference rooms has been put on hold in light of the current situation.

## 4.2 Property Holding – Hilton Rotterdam and Hampton by Hilton Utrecht Centraal Station



### Hilton Rotterdam, the Netherlands

- Despite the Covid-19 outbreak, the hotel managed to achieve a breakeven at the EBITDA level for 1Q2020. The hotel continued its operations with minimum staffing which helped to defray cost. The Group will continue to assess the situation and does not rule out suspending the hotel operations if necessary.



### Hampton by Hilton Utrecht Centraal Station, the Netherlands

- The Hampton hotel achieved an EBITDA of €0.2m for 1Q2020. It also continued its hotel operations to date which helped to defray cost. The Group will continue to assess the situation and does not rule out suspending the hotel operations if necessary.
- The 144-room Crowne Plaza hotel, located in the same building as the Hampton hotel, is substantially completed. The Group will monitor the situation to decide on an appropriate time to commence hotel operations.

## 4.3 Property Holding – Bilderberg Hotel Portfolio in The Netherlands



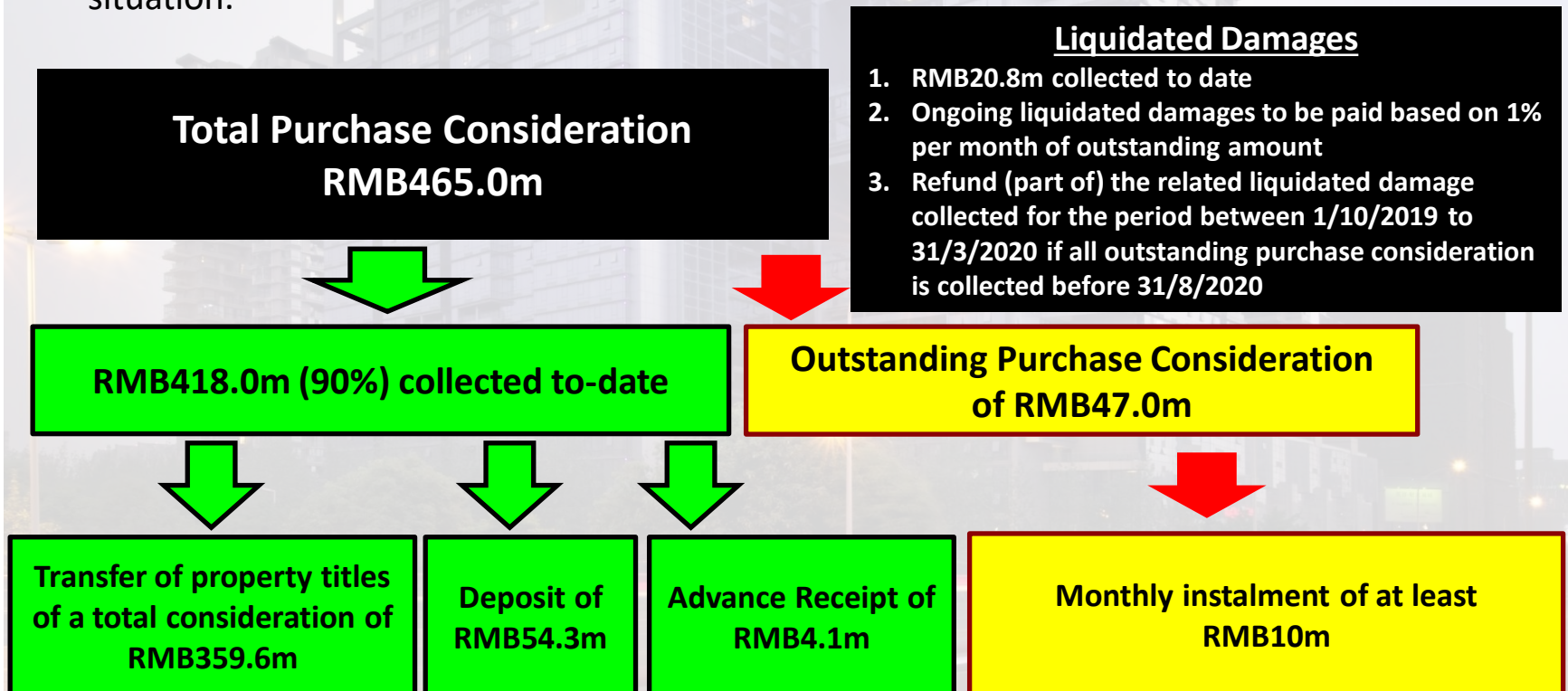
| <i>Bilderberg Hotel Portfolio</i> (1) | 1Q2020 | 1Q2019 | Change  |
|---------------------------------------|--------|--------|---------|
| Occupancy                             | 47.5%  | 56.2%  | (8.7%)  |
| ADR                                   | € 93   | € 96   | (2.6%)  |
| RevPar                                | € 44   | € 54   | (17.6%) |
| TRevPar                               | € 88   | € 105  | (16.1%) |

(1) The trading results of Bilderberg Hotel Portfolio comprises 11 owned hotels and one leased hotel.

- The performance of the Dutch Bilderberg hotel portfolio was severely impacted by the Covid-19 pandemic outbreak and recorded an EBITDA loss of €1.2m for 1Q2020. Hotel operations of all 11 owned properties have been suspended since 3 April 2020.
- The Group and FSMC will apply to the Dutch and German authorities under the relevant wage subsidy programs to mitigate the operating losses of its Dutch and German hospitality operations. The EBITDA figures reported have not considered the effect of these wage subsidies.

## 4.4 Property Holding – Update on Sale of Certain Parts of Chengdu Cityspring

- In February 2020, the buyer wrote to the Group to terminate the sale and purchase agreement, alleging that the Covid-19 outbreak, which made it difficult for the buyer to sell the properties, constituted a “force majeure” event. The buyer requested for a refund of its deposit and to unwind the purchase of those properties from the Group that it has not sold. However, the buyer has since re-commenced sales of the properties and has not pursued such claim. In addition, the buyer has not paid the liquidated damages for 1Q2020.
- The Group has also written to the buyer to refute their claim and will closely monitor the situation.



<sup>1</sup> Reference is made to the announcements dated 30-May-18, 12-Jul-18, 25-Sept-18, 23-Nov-18, 28-Jan-19, 22-May-19 and 26-Aug-19.



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## Section 5

# Business Updates 1Q2020 – Property Financing

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## 5.1 Property Financing - Overview of Financial Performance

|                         | Average<br>PRC PF loan book<br>for the quarter ended | PRC PF loan book<br>as at  |
|-------------------------|--|----------------------------|
| <b>31 March 2020</b>    | RMB2,616.9m<br>(S\$518.4m)                           | RMB2,640.0m<br>(S\$537.5m) |
| <b>31 December 2019</b> | RMB2,112.3m<br>(S\$417.4m)                           | RMB2,360.0m<br>(S\$456.7m) |

- On the PRC PF front, in connection with the economic difficulties resulting from the Covid-19 pandemic, the Group consented to the short term deferral of interest payments to a borrower with a RMB580m loan and another related borrower group with two cross collateralized loans amounting to RMB330m.
- The RMB580m loan is secured on a Guangzhou city hotel with a 44% LTV. The borrower was allowed to defer 50% of the monthly interest payments for a few months from 2Q2020 on the condition that the borrower contributes additional equity to a bank account jointly controlled by the borrower and the Group.
- The RMB330m loans are secured on a residential villa (RMB50m @ 46% LTV) and a 5-floor retail mall (RMB280m @ 55%) in Shanghai. The related borrower group was given consent to defer payment of the April 2020 interest.

## 5.1 Property Financing - Overview of Financial Performance

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- For the European PF loans, the 33%-owned FSMC group has elected to defer its interest payments on certain loans amounting to €178.7 million (S\$282.0 million) extended by the Group with effect from 2Q2020 as per the terms of the loan agreements given that FSMC, which owns 95% of the Dutch Bilderberg hotel portfolio, has temporarily suspended the operations of its hotels on 3 April 2020. The interest deferment of approximately S\$4.6 million each quarter will allow FSMC to better support the operations of the Bilderberg Hotel Portfolio during this period of uncertainty.
- The Group will closely monitor the performance of its PF loan portfolio, especially with regard to the two PRC loans.

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# Thank You

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For enquiries, please contact:

Mr Zhang Jiarong

Senior Vice President – Financial Planning & Analysis

First Sponsor Group Limited

Email: [ir@1st-sponsor.com.sg](mailto:ir@1st-sponsor.com.sg)

# Disclaimer

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