



Securities Investors Association (Singapore)
7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111
Tel: (65) 6227 2683 Email: admin@sias.org.sg
www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y0Y

Issuer: First Sponsor Group Limited

Stock code: ADN

Meeting details:

Date: 27 April 2026

Time: 2.30 p.m.

Venue: Copthorne King's Hotel, Level 2 Ballroom, 403 Havelock Road, Singapore 169632

Q1. The chairman’s statement provided a detailed overview of the group’s ongoing projects, including the projects in China. This level of clarity improves shareholders’ understanding of the group’s operational footprint, progress and challenges on the ground.

Based on Note 32 (Operating segments; page 180 of the annual report), approximately \$1.4 billion, or more than half of the group’s \$2.5 billion in non-current assets, is located in the PRC.

32. Operating segments (cont’d)

Geographical information

The Group’s main businesses are those relating to property development, property investment, property financing and hotel operations.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.

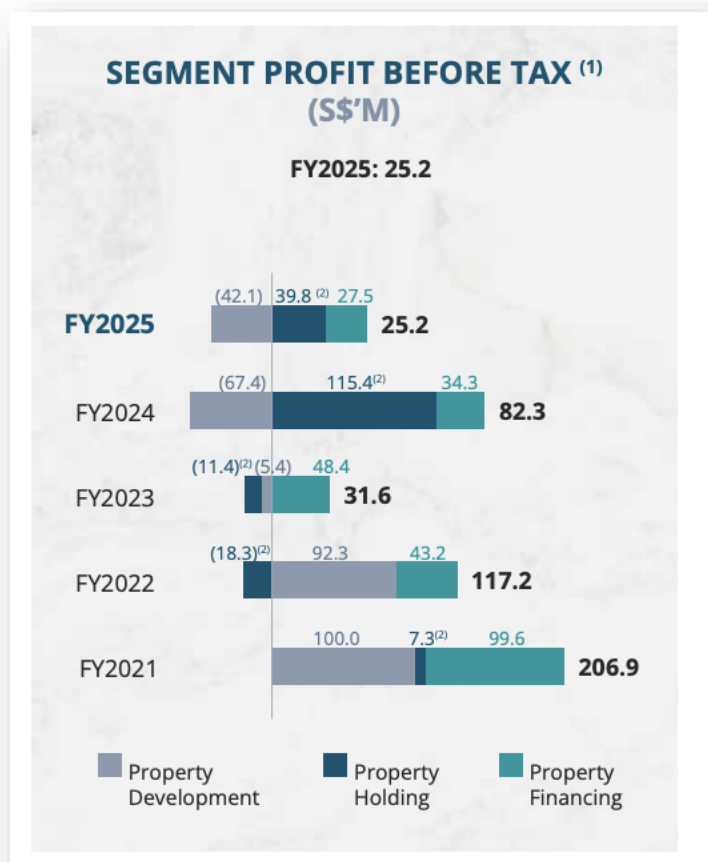
	2025 \$’000	2024 \$’000
Revenue		
PRC	80,692	115,472
Europe	203,988	195,691
Other countries	7,034	6,396
	291,714	317,559
Non-current assets*		
PRC	1,401,524	1,311,411
Europe	999,589	861,381
Other countries	102,837	88,126
	2,503,950	2,260,918

* Comprise goodwill, property, plant and equipment, investment properties and interests in associates and joint ventures.

(Source: company annual report)

- (i) What is management’s current assessment of China’s property sector, particularly the key conditions or catalysts required for a sustained recovery? To what extent does management believe that policy intervention is necessary, versus a more gradual market-driven normalisation?**

The property development segment has reported significant losses over the past three years, with segment profit before tax declining from \$(5.4) million in FY2023 to \$(67.4) million in FY2024, and remaining elevated at \$(42.1) million in FY2025.



(Source: company annual report)

- (ii) Can management provide a clear breakdown of the main reasons for the losses, including the impact of realised sales at below cost price, impairments and write-downs, financing costs, and other material factors? Are these losses confined to the development projects in China?**

The chairman has also indicated that, with construction largely completed, the group faces limited immediate cash flow pressure and can adopt a long-term approach to project sales.

- (iii) Can the board elaborate on the holding strategy for these assets, including the expected holding costs, risks of further value erosion, and the thresholds or triggers that would prompt a change in strategy? In this context, does the board intend to defer new investments in China property development until there is clearer evidence of market recovery?**

Q2. The group's financial performance was significantly affected by currency movements and related hedging activities. For the financial year ended 31 December 2025, a net loss of \$(78.8) million was recognised, primarily attributed to:

- net unrealised mark-to-market losses of S\$(56.1) million from financial derivatives outstanding at year end,
- net realised losses of S\$(20.0) million from financial derivatives that matured during FY2025, and
- impairment charges and fair value adjustments amounting to S\$(23) million in relation to PRC development projects and investment properties

These losses were largely offset at the balance sheet level by translation gains on net asset exposure, resulting in limited impact on shareholder funds. The chairman also noted that the group has substantially hedged its forex exposure through a combination of natural hedging and financial derivatives.

- (i) Is it the board's policy to take a neutral stance on all foreign exchange risk management across its key currencies, including the Euro, Chinese yuan, and Australian dollar? Are there circumstances where the board/management may take a directional view on currency movements?**
- (ii) Could management elaborate on the structure, scale, and complexity of the group's financial derivative positions? What governance framework is in place to oversee the use of derivatives, including board-level review, risk limits, and controls to ensure that hedging activities remain aligned with their intended purpose?**

Q3. The company announced the appointment of Mr Lim Wee Hann as independent director with effect from 16 March 2026. Mr Lim Wee Hann is a partner and co-head of the medical, healthcare & life sciences practice at Rajah & Tann Singapore LLP. The director's biography is set out on page 28 of the annual report.

CHANGE - ANNOUNCEMENT OF APPOINTMENT::APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

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

Appointment of Independent Non-Executive Director.

Additional Details

Date of appointment

16/03/2026

Name of person

Lim Wee Hann

Age

59

Country of principal residence

Singapore

The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)

The Board of Directors of First Sponsor Group Limited ("FSGL" or the "Company") has reviewed the qualifications and experience of Mr Lim Wee Hann ("Mr Lim") and upon the recommendation of the Nominating Committee, has approved the appointment of Mr Lim as Independent Non-Executive Director of the Company.

Whether appointment is executive, and if so, the area of responsibility

Non-Executive

Job title (e.g. Lead ID, AC Chairman, AC Member etc.)

Independent Non-Executive Director

Professional qualifications

- Bachelor of Law (Honours), National University of Singapore
- Member of the Law Society of Singapore
- Member of the Singapore Academy of Law
- Member of the Bar Council of Malaysia

(Source: <https://links.sgx.com/1.0.0/corporate-announcements/G6EMAH08013WBTF7/503f448d5c97b6866c444a6d766c8888247cc1679decc98a27eec06aa7f8a050>; emphasis added)

It is also noted Mr Wee Guan Oei Desmond, the lead independent director and chairman of the nominating committee, is also a partner at Rajah & Tann Singapore LLP. Mr Wee Guan Oei Desmond will be retiring at the forthcoming 2026 AGM after reaching the 9-year term limit for an independent director.

- (i) **Can the board explain the search and nomination process used to identify and shortlist director candidates, as required by the SGX announcement template? How many candidates were shortlisted and interviewed before the company appointed Mr Lim Wee Hann?**
- (ii) **Has the NC reviewed the current competency matrix of the board and identified any gaps in skills or competencies that need to be addressed in future director appointments?**



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