

First Property Group plc (FPO.L)

AIM listed co-investing fund manager

- Market cap: £33m (at 30p per share)
- Excellent investment track record: >20% p.a. growth in net assets (including dividends paid) since 2006.

32 St. James's Street
London
SW1A 1HD
www.fprop.com



For the year ended 31 March 2021



Fund Management Division (FPAM)

- AUM: £527m;
- 12 funds;
- 68 properties;
- Invested across the UK, Poland and Romania
- Fee income: £2.90m annualised (EXCLUDING performance fees and the profit share from Fprop Offices LP);
- FCA regulated and AIFMD approved (full scope).

Group Properties Division

7 directly owned properties

- 5 in Poland, 2 in Romania;
- Market value: £41.6m;
- Debt: £35.1m (£27.4m post year-end);
- Net equity: £6.5m (£14.2m post year-end)

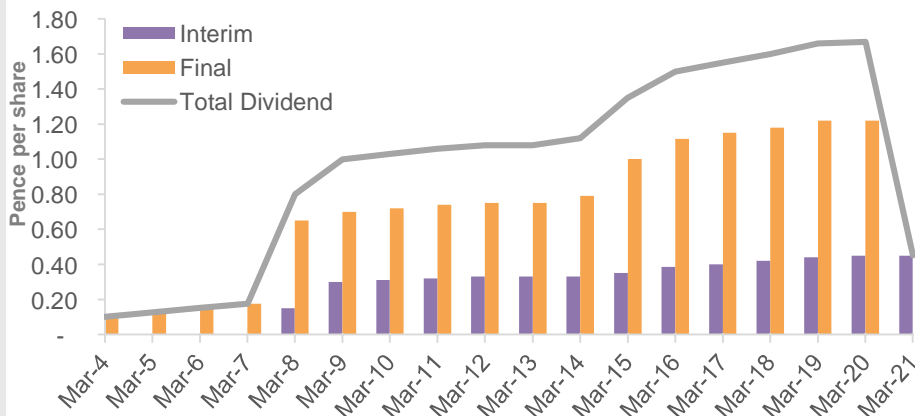
Associates and Investments

- Non-controlling interests in 10 of the 12 funds managed by FPAM;
- Market value: £27.5m.

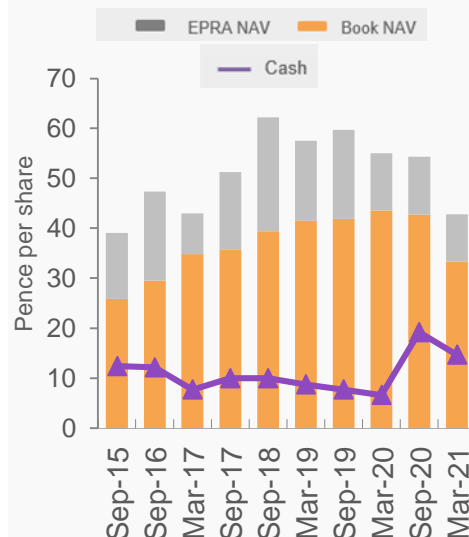
Growth Drivers

- From letting vacant space in Gdynia and in CH8;
- From investing group cash (>£16m);
- From new fund management mandates (all fund management clients have had good experiences);
- Operationally geared – can take on new business without material increases in overheads.

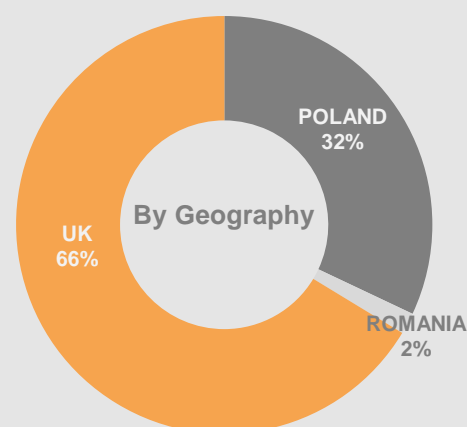
Dividend Growth



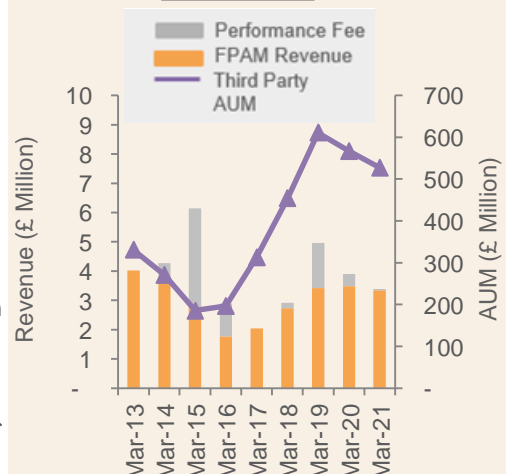
NAV Per Share



AUM by Geography



Growth in AUM



IMPORTANT NOTICE: This document is for information purposes only and is not intended as an offer or solicitation to purchase, subscribe for or dispose of any investment. Past performance is not necessarily a guide to future performance. Please remember the value of your investment can go down as well as up and you may get back less than you invested. Information obtained from external sources is believed to be reliable but its accuracy or completeness cannot be guaranteed. Any opinions expressed are made as at the date of publication but are subject to change without notice.

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Investment Philosophy

We typically target high yielding property:

- Rental **income** mitigates illiquidity of property;
- In the long run **income** largely determines total returns;
- **Income** better protects capital value and dampens its volatility;
- High **income** better enables leverage.

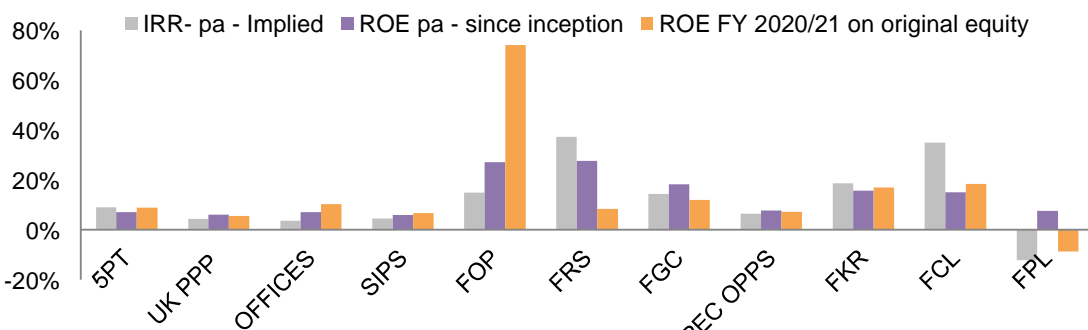
We take an active approach to property management. We think from first principles and are flexible in the light of market changes:

- 2001:** Switched from development to investment following interest rate cuts post 9/11 – which enabled development type returns to be earned from investment;
- 2005:** Largely exited UK commercial property market following disappearance of gap between commercial property yields and interest payable;
- 2008:** Reversed AM policy in Poland of waiting until lease expiry to renew;
- 2009:** Returned to UK after commercial property values plunged by c50%;
- 2013:** Recommended development activity in UK following relaxation of planning regime and boosting of residential demand with “Help to Buy”;
- 2016:** Switched investment focus to larger “institutional” property following Bifurcation of UK commercial property market post-Brexit vote.
- 2020:** Entered COVID 19 crisis with >£20million in cash following the sale of the Group’s largest directly owned property, Chałubińskiego8 (CH8), Warsaw.

IPD® Measured Fund



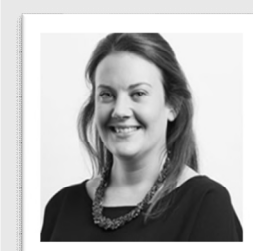
FPAM funds rank **No.1** vs MSCI’s CEE Benchmark for the fourteen years from the commencement of its operations in Poland in 2005 to December 2019. In addition, FPAM’s UKPPP was awarded best “Small Specialist Fund” by MSCI at its UK Property Investment Awards 2017. FPAM was also one of ten fund managers, out of a pool of 95, to be awarded a Data Quality Award by MSCI.



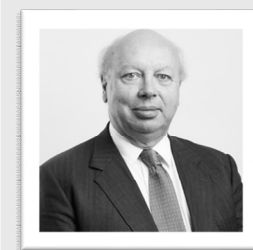
- Implied IRR's: assumed sale price = NAVs as at 31 March 2021;
- Average ROE's since inception: calculated using average pre-tax income per FY / original equity employed;
- ROE's for 2020/21: calculated using annualised pre-tax income for FY period / by original equity employed.



Ben Habib, MA (Cantab)
Group CEO & FPAM CIO



Laura James, ACA
Interim Group Finance
Director



Alasdair Locke, MA, (Oxon)
Chairman (non executive)



Peter Moon, MA, BSc (Econ)
Independent NED

Fprop plc is LSE (AIM) listed
FPAM is authorised & regulated by the FCA & is AIFMD approved