

FIRST SPONSOR GROUP LIMITED

(Incorporated in the Cayman Islands)
(Company Registration No. : AT-195714)

DISPOSAL OF PROPERTY – SIXTH SUPPLEMENTAL AGREEMENT

1. INTRODUCTION

- 1.1 The board of directors ("**Board**") of First Sponsor Group Limited ("**Company**") refers to the Company's announcements dated 30 May 2018, 12 July 2018, 25 September 2018, 23 November 2018, 28 January 2019 and 22 May 2019 in relation to the proposed disposal of certain parts of Chengdu Cityspring (collectively "**Previous Announcements**").

Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings ascribed to them in the Previous Announcements.

- 1.2 The Board wishes to announce that the Vendor, the Purchaser and the Second Tranche Designated Entity have on 26 August 2019 entered into a sixth supplemental agreement to the S&P Agreement ("**Sixth Supplemental Agreement**") to amend certain terms of the Amended S&P Agreement.

2. SIXTH SUPPLEMENTAL AGREEMENT

- 2.1 Pursuant to the Fifth Supplemental Agreement:

- (a) The Purchaser and/or the Second Tranche Designated Entity (collectively, "**Purchaser Group**") are obliged to pay the remaining amount of the Consideration which, as at the date of this announcement, amounted to approximately RMB127.8 million (approximately S\$25.0 million¹) ("**Outstanding Consideration**") by way of Monthly Instalments of no less than RMB10.0 million (approximately S\$2.0 million) each; and
- (b) The Vendor shall co-operate to transfer title to such part of the Property to the Purchaser Group, the consideration for which shall not exceed the amount of the Monthly Instalment, upon the receipt of such Monthly Instalment. Upon full payment of the Outstanding Consideration, the Vendor shall co-operate to transfer title to any remaining parts of the Property to the Purchaser Group.

- 2.2 Pursuant to the Sixth Supplemental Agreement, the Vendor and the Purchaser Group have agreed as follows:

(a) 3P Buyers

- (i) The Vendor shall enter into Commercial Housing Sale Contracts with third parties ("**3P Buyers**") designated by the Purchaser Group for the sale to 3P Buyers of the remaining parts of the Property (excluding the basement car park lots) to which title has not been transferred to the Purchaser Group. Payment of the consideration for such parts of the Property ("**3P Consideration**") by 3P Buyers to the Vendor shall constitute payment of an equivalent amount of the Outstanding Consideration;
- (ii) The Purchaser Group shall guarantee the performance by 3P Buyers of their obligations under the Commercial Housing Sale Contracts (including the payment of the 3P Consideration). The Vendor shall notify the Purchaser

¹ Unless otherwise stated, the exchange rate of RMB1: S\$0.1957 is used in this announcement.

Group by 31 August 2020 of the aggregate amount of all outstanding 3P Consideration (including 3P Consideration which will become due and payable after 31 August 2020) and the Purchaser Group shall pay to the Vendor the aggregate amount of all outstanding 3P Consideration as a deposit ("**3P Deposit**") by 10 September 2020. The 3P Deposit or such part thereof shall be refunded by the Vendor to the Purchaser Group within 5 business days of receipt of the 3P Consideration or, as the case may be, such part thereof; and

- (iii) The Purchaser Group shall remain liable to pay the liquidated damages under the Amended S&P Agreement (including the Sixth Supplemental Agreement).

(b) Enlarged Deposit

As at the date of this announcement, the Vendor has received the Consideration in respect of 152 basement car park lots out of which title to 126 basement car park lots remains with the Vendor. Pursuant to the Sixth Supplemental Agreement, the Consideration in respect of the 126 basement car park lots which amounts to approximately RMB8.8 million (approximately S\$1.7 million) shall be treated as a deposit ("**Additional Deposit**" and together with the Total Deposit, "**Enlarged Deposit**").

The Vendor shall be entitled to terminate the Amended S&P Agreement (including the Sixth Supplemental Agreement) and/or to forfeit the Enlarged Deposit in the event:

- (i) any amount (including the 3P Deposit, the Additional Deposit, the Monthly Instalment and any liquidated damages) required to be paid by the Purchaser Group remains unpaid for more than 10 business days after the due date for payment; or
- (ii) any of the Purchaser Group and 3P Buyers breaches any term (other than a payment obligation and the obligation referred to in paragraph (c) below) under the Amended S&P Agreement (including the Sixth Supplemental Agreement) and such breach is not remedied within 10 business days of the Vendor's notification.

The termination of the Amended S&P Agreement (including the Sixth Supplemental Agreement) shall not affect the Vendor's right to liquidated damages accrued up to the termination date.

(c) Basement car park lots

Title to any of the remaining 292 basement car park lots² (including the 126 basement car park lots referred to in paragraph (b) above) which are not transferred to 3P Buyers shall be transferred to the Purchaser Group by 31 December 2020. If any of the basement car park lots cannot be transferred to the Purchaser Group due to the Purchaser Group not having title to the corresponding parts of the Property, the Vendor shall be entitled to retain the title to such basement car park lots and to forfeit such amount of the Enlarged Deposit which is equal to the Consideration in respect of such basement car park lots.

(d) Revised Monthly Instalments

The Outstanding Consideration as well as any liquidated damages (collectively, the "**Outstanding Payment**") shall be fully paid by 10 September 2020. Upon such payment, the Vendor shall refund to the Purchaser Group any remaining amount(s) under the Enlarged Deposit and/or the 3P Deposit.

² Out of the 318 basement car park lots, title in respect of 26 has been transferred.

Subject to any set off against the 3P Consideration, Enlarged Deposit and/or the refund referred to in paragraph (e) below, the Outstanding Consideration shall be paid by way of Monthly Instalments each of which shall, on average over the period commencing from the date of the Supplemental Agreement and up to 31 August 2020, be no less than RMB10.0 million (approximately S\$2.0 million).

(e) Refund of liquidated damages

The Purchaser Group shall, by way of set off against the final Monthly Instalment, be entitled to the refund of liquidated damages as follows:

- (i) If the Outstanding Payment is fully paid by 31 March 2020, the full amount of liquidated damages paid during the 6 months period from 1 October 2019 to 31 March 2020 ("**Relevant 6 Months Period**");
- (ii) If the Outstanding Payment is fully paid by 30 April 2020, 90% of liquidated damages paid during the Relevant 6 Months Period;
- (iii) If the Outstanding Payment is fully paid by 31 May 2020, 80% of liquidated damages paid during the Relevant 6 Months Period;
- (iv) If the Outstanding Payment is fully paid by 30 June 2020, 70% of liquidated damages paid during the Relevant 6 Months Period;
- (v) If the Outstanding Payment is fully paid by 31 July 2020, 60% of liquidated damages paid during the Relevant 6 Months Period; and
- (vi) If the Outstanding Payment is fully paid by 31 August 2020, 50% of liquidated damages paid during the Relevant 6 Months Period.

2.3 Save for the above, there are no other material changes to the terms and conditions of the Amended S&P Agreement.

3. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed in the Previous Announcements, none of the directors or, to the best of the knowledge of the directors, none of the controlling shareholders of the Company, has any interest, direct or indirect (other than through their shareholdings in the Company, if any), in the Sixth Supplemental Agreement.

4. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the Sixth Supplemental Agreement is available for inspection during normal business hours at the Company's business address at 63 Market Street, #06-03, Bank of Singapore Centre, Singapore 048942 for a period of 3 months from the date of this announcement.

BY ORDER OF THE BOARD
FIRST SPONSOR GROUP LIMITED

Neo Teck Pheng
Group Chief Executive Officer and
Executive Director

26 August 2019