



# FIRST SPONSOR GROUP LIMITED

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## Press Release

**FIRST SPONSOR ACHIEVED MAJOR TURNAROUND FROM A LOSS BEFORE TAX OF S\$8.8 MILLION IN 1Q2014 TO A PROFIT BEFORE TAX OF S\$14.9 MILLION IN 1Q2015**

**THE GROUP HAS CONTRACTED TO A SECOND ACQUISITION IN AMSTERDAM WITHIN THREE MONTHS OF ITS ENTRY INTO THE NETHERLANDS BY LEVERAGING AGAIN ON THE BUSINESS NETWORK OF THE TAI TAK GROUP**

*Singapore, 28 April 2015* – Singapore Exchange (SGX) Mainboard-listed First Sponsor Group Limited (“**First Sponsor**”, and together with its subsidiaries, the “**Group**”), a developer and owner of residential and commercial properties primarily in the People’s Republic of China (the “**PRC**”) and a provider of property financing services in the PRC, today announced the Group’s unaudited financial results for 1Q2015.

## Financial Highlights

<b>In S\$'000</b>	<b>1Q2015</b>	<b>1Q2014</b>	<b>Change %</b>
Revenue	12,650	7,420	70.5
Profit/(loss) before tax	14,901	(8,810)	nm
Profit/(loss) attributable to equity holders of the Company	10,730	(9,175)	nm
<b>Adjusted profit/(loss) before tax<sup>1</sup></b>	<b>14,339</b>	<b>(3,954)</b>	<b>nm</b>
<b>Adjusted profit/(loss) attributable to equity holders of the Company<sup>1</sup></b>	<b>10,168</b>	<b>(4,319)</b>	<b>nm</b>

- Major turnaround in 1Q2015 largely underpinned by the continued growth in the property financing business, with a nearly two-fold increase in revenue from S\$3.0 million in 1Q2014 to S\$8.7 million in 1Q2015.
- The Group has completed the acquisition of a fully leased office building known as Zuiderhof I in the South Axis of Amsterdam on 18 February 2015 at an expected net rental yield of 7.5%. The property contributed S\$0.7 million or 64.6% towards the Group’s gross profit from its property holding business in 1Q2015.

<sup>1</sup> Adjusted results exclude reversal of IPO expenses of S\$0.6 million in 1Q2015, and IPO expenses of S\$0.2 million and share-based charge of S\$4.7 million in 1Q2014.

- Healthy balance sheet backed by S\$666.7 million of cash, monetary loan receivables, and unutilised committed credit facilities as at 31 March 2015. This enables the Group to seize any new business opportunities in the Netherlands and the PRC as and when they arise.

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**Mr Neo Teck Pheng, Group Chief Executive Officer, said**

“The property financing business had experienced significant growth since its inception in January 2012. In 1Q2015, this business accounts for more than half of the Group’s reported revenue, with a high flow through to the bottom line. The encouraging performance from the property financing business is the single most significant contributor to the Group’s major turnaround in 1Q2015 vis-à-vis 1Q2014.

In connection with the Millennium Waterfront project in Chengdu, the Group launched its initial pre-sale of Plot A in March 2015. As at 31 March 2015, the Group has recognised cumulative profit on the sale of 24.4% of the total number of residential units sold up to this date. This project will be the primary profit driver for the Group in FY2015 on the property development front.

Capitalising on the acquisition momentum of the Group’s first investment property in the Netherlands, we had since entered into a sale and purchase agreement with a German institutional real estate fund on 27 April 2015 to acquire the Holiday Inn/Holiday Inn Express hotels with 509 ancillary car park lots in Amsterdam Southeast for a net purchase consideration of EUR 54.6 million, inclusive of estimated transaction costs, at an expected net rental yield of 7.2%. This property portfolio which has a good long term redevelopment potential has been leased to two independent parties on a long term basis too. The Group’s expansion into the Dutch investment property market is expected to boost recurring income from its quality property holding assets and diversify the Group’s income base.

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Please refer to the Group’s unaudited financial results announcement for 1Q2015 and the investor presentation slides dated 28 April 2015 for a detailed review of the Group’s performance and prospects. Please refer to the announcement of acquisition issued by First Sponsor on 28 April 2015 for further details of the abovementioned acquisition.

For media enquiries, please contact:

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## **About First Sponsor Group Limited**

First Sponsor Group Limited ("**First Sponsor**", and together with its subsidiaries, the "**Group**"), a developer and owner of residential and commercial properties primarily in the People's Republic of China (the "PRC") and a provider of property financing services in the PRC, was listed on the Mainboard of Singapore Exchange Securities Trading Limited on 22 July 2014. The Group is supported by both its established key controlling shareholders, the Hong Leong group of companies, through its shareholding interests in Millennium & Copthorne Hotels plc ("M&C UK"), and Tai Tak Estates Sendirian Berhad, a private company with a long operating history, which was incorporated in Singapore in 1954.

*The initial public offering of the Company's shares was sponsored by DBS Bank Ltd, who assumes no responsibility for the contents of this announcement.*