

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

DISPOSAL OF A WHOLLY-OWNED SUBSIDIARY

1. INTRODUCTION

The Board of Directors (the "**Board**") of First Sponsor Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") wishes to announce that First Sponsor (Guangdong) Group Limited, an indirect wholly-owned subsidiary of the Company, has on 3 July 2017 disposed of its entire equity interest in Guangdong Idea Valley Advertisement Limited ("**GIVAL**") to Dongguan Zexin Trading Co., Ltd. (东莞市泽新贸易有限公司) (the "**Disposal**").

GIVAL is a company incorporated in the People's Republic of China and its principal business is in property investment. It mainly owns 145 commercial units and 11 service apartments in the Humen International Cloth Centre located in Humen Town, Dongguan, Guangdong Province, People's Republic of China.

Upon completion of the Disposal on 3 July 2017, GIVAL ceased to be an indirect wholly-owned subsidiary of the Company. As such, this announcement is made pursuant to Rule 704 (18)(c) of the Listing Manual.

2. CONSIDERATION

The consideration ("**Consideration**") for the Disposal is approximately RMB14.1 million (equivalent to approximately S\$2.9 million) and was fully satisfied in cash. The Consideration was derived on a willing buyer, willing seller basis after taking into account the net asset value of GIVAL at 31 May 2017.

3. RATIONALE

The Disposal is being undertaken by the Group as the investment property held by GIVAL is a non-core property and does not match the Group's long term property investment objective. The Group intends to apply the net proceeds towards its working capital.

4. RELATIVE FIGURES UNDER CHAPTER 10 OF THE LISTING MANUAL

As each of the relative figures for the Disposal computed on the applicable bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**Listing Manual**") is less than 5.0%, the Disposal constitutes a non-disclosable transaction for purposes of Chapter 10 of the Listing Manual.

5. **FINANCIAL EFFECTS OF THE ACQUISITION**

The Disposal is not expected to have a material impact on the Group's consolidated net tangible assets or earnings per share for the financial year ending 31 December 2017.

6. **DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the Directors or (to the best of the knowledge of the Directors) controlling shareholders of the Company has any interest, direct or indirect, in the above transaction, save for their shareholdings in the Company.

BY ORDER OF THE BOARD

Neo Teck Pheng
Group Chief Executive Officer and Executive Director
3 July 2017