



FIRST SPONSOR GROUP LIMITED

Co Reg. No: AT-195714 | Business Address: 63 Market Street, #06-03 Bank of Singapore Centre, Singapore 048942

Press Release

FIRST SPONSOR ACHIEVED A 31.6% INCREASE IN REVENUE AND 20.7% INCREASE IN PROFIT BEFORE TAX IN 3Q2015

Singapore, 23 October 2015 – Singapore Exchange (SGX) Mainboard-listed First Sponsor Group Limited (“**First Sponsor**”, and together with its subsidiaries, the “**Group**”), a property developer in the People’s Republic of China (the “**PRC**”), owner of commercial properties in the PRC and the Netherlands, and provider of property financing services in the PRC, today announced the Group’s unaudited financial results for 3Q2015.

Financial Highlights

In S\$000	3Q2015	3Q2014	Change %	YTD Sep 2015	YTD Sep 2014	Change %
Revenue	72,038	54,722	31.6%	114,666	68,750	66.8%
Profit before tax	22,629	18,746	20.7%	50,033	10,295	386.0%
Profit attributable to equity holders of the Company	17,094	14,869	15.0%	35,448	2,447	1348.6%

Adjusted profit before tax	22,629	18,746	20.7%	49,471¹	18,500²	167.4%
Adjusted profit attributable to equity holders of the Company	17,094	14,869	15.0%	34,886¹	10,652²	227.5%

- The Group recorded a 31.6% increase in revenue and 20.7% increase in profit before tax, continuing the positive trend for the 4th quarter running since 4Q2014 with the Group delivering (at least) double digit growth each quarter consistently.
- The Group’s recurrent income base is boosted by the growth in the property holding and property financing business segments with a 461.3% and 65.2% increase in gross profit respectively in 3Q2015, contributing an aggregate S\$6.9m of the S\$8.8m increase in quarter-on-quarter gross profit.

¹ Adjusted results exclude reversal of IPO expenses of S\$0.6m in YTD Sep 2015.

² Adjusted results exclude IPO expenses of S\$3.5m and share-based charge of S\$4.7m in YTD Sep 2014.

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.

- Healthy financial position as at 30 September 2015 bolstered by S\$660.5m of cash, monetary loan receivables and unutilised committed credit facilities. With a notable low gearing ratio of 16.7% and conservative interest cover of over 40 times, the Group is ready to gear up for its continuing expansion in the Netherlands and the PRC.

Mr Neo Teck Pheng, Group Chief Executive Officer, said

“The PRC’s unexpected devaluation of the Renminbi (RMB) against the US Dollar in August has taken the market by surprise. This, coupled with the recent US Federal Reserve’s decision not to raise interest rates, have resulted in the huge volatility seen in the global equity markets in the last quarter including that of the PRC and Singapore equity markets.

With regards to the financial impact of the recent RMB devaluation on the Group’s earnings, it is noteworthy that the RMB has in fact appreciated against the Singapore Dollar (S\$) since the beginning of the year 2015. The Group has recognised a significant translation forex gain of S\$48.3m in the Group’s YTD September 2015 statement of comprehensive income due to the aforesaid forex fluctuations.

On the property development business segment, the Millennium Waterfront project in Chengdu has been the primary revenue contributor for this quarter and also for the coming quarters. Plot C residential blocks which were launched for pre-sales since January 2014 are expected to be handed over from December 2015 onwards. For the Star of East River project, the Group has recently concluded the signing of a long-term lease with a reputable local cinema operator as one of the anchor tenants for the retail mall component. The Group continues to work towards the tender for East River Plot Two of the Star of East River project.

Our strategy to enhance the Group’s recurring income base has started to take shape. Both the property holding and property financing business segments have grown significantly, broadening our recurrent income base which resulted in less volatility in our earnings. The two Dutch property acquisitions in the first half of the year and the significant growth in the average property financing loan book are the key contributing factors to the good performance of the two business segments.

We would like to reiterate our appreciation for the support from our key controlling shareholders which has been instrumental in the successful implementation of the Netherlands expansion strategy.

Please refer to the Group’s unaudited financial results announcement for 3Q2015 and the investor presentation slides dated 23 October 2015 for a detailed review of the Group’s performance and prospects.

For media enquiries, please contact:

Mr Zhang Jiarong
Assistant Vice President – Financial Planning & Analysis
First Sponsor Group Limited
Tel: (65) 6436 4920 Fax: (65) 6438 3170

About First Sponsor Group Limited

First Sponsor Group Limited ("**First Sponsor**", and together with its subsidiaries, the "**Group**"), a property developer in the People's Republic of China (the "PRC"), owner of commercial properties in the PRC and the Netherlands, 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.