



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 COLLABORATES WITH CHINA VANKE TO DEVELOP THE STAR OF EAST RIVER PROJECT IN DONGGUAN CITY, GUANGDONG PROVINCE, PRC

Singapore, 22 August 2016 – Singapore Exchange (SGX) Mainboard-listed First Sponsor Group Limited (“First Sponsor” or the “Company”, and together with its subsidiaries, the “Group”), is pleased to announce that the Group has on 19 August 2016 entered into a share subscription agreement and assignment agreement with a wholly-owned subsidiary of China Vanke Co., Ltd (“Vanke”) and Regent Land Investment Holdings Limited (together “Investors”) to collaborate in the development of the Group’s Star of East River project (“Project”) in Dongguan city, Guangdong province, PRC.

The joint venture will allow the Company to tap on the extensive experience and business network of Vanke, one of the largest property developers in the PRC, to enhance the value of the Project, and share the development risk of the Project with the Investors.

Based on the recently announced 2Q2016 financials, the Group’s estimated net gain from the transaction is approximately S\$95.3 million and the estimated net proceeds will amount to approximately S\$243.4 million. The proceeds can be redeployed by the Group in search of other opportunities to expand the Group’s three key property related businesses and to further finance the property development operations of the Project, if necessary.

By retaining a significant 30% stake in the Project, the Company continues to be able to participate in any potential upside in the value of the Project.

Mr Neo Teck Pheng, Group Chief Executive Officer, said, “First Sponsor is excited with the great opportunity to collaborate with Vanke, one of the most established leading real estate developers in the PRC. We hope to learn from Vanke, and by tapping on Vanke’s extensive experience and expertise, the full potential return of the Project can be unlocked for the benefit of all investors.”

The above transaction is expected to be completed in October 2016. Please refer to the SGX announcement for the details of this transaction.

- End -

About First Sponsor Group Limited (www.1st-sponsor.com.sg)

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.

About Vanke (www.vanke.com)

Vanke is a leading real estate developer in the PRC with its main business being real estate development and property management service. It is listed on both The Stock Exchange of Hong Kong Limited and the Shenzhen Stock Exchange with a recent market capitalisation of approximately S\$56 billion. As at the end of 2015, the Vanke group has been involved in property development in 64 cities in the PRC. Its sales amount in 2015 amounted to RMB261.47 billion with a year-on-year growth of 20.7%. The Vanke group also delivers property management service business. As at the end of 2015, its property management service business had almost one thousand property service projects in 64 large and medium-sized cities in the PRC, covering a contractual property management area of more than 210 million square meters.

For media enquiries, please contact:

Mr Zhang Jiarong
Vice President – Financial Planning & Analysis
First Sponsor Group Limited
Email: ir@1st-sponsor.com.sg
Tel: (65) 6436 4920 Fax: (65) 6438 3170

Please visit www.1st-sponsor.com.sg for the Group’s financial statements, investor presentations and press releases.