

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

Minutes of the Annual General Meeting held at M Hotel Singapore, Banquet Suite, Level 10, 81 Anson Road, Singapore 079908 on Tuesday, 26 April 2016 at 3.00 p.m.

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**PRESENT**

**Directors**

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| Mr Ho Han Leong Calvin (CH)      | - Non-Independent Non-Executive Chairman                        |
| Mr Ho Han Khoon (HHK)            | - Alternate Director to Mr Ho Han Leong Calvin                  |
| Mr Lee Tse Sang Aloysius (AL)    | - Non-Independent Non-Executive Director                        |
| Mr Neo Teck Pheng (NTP)          | - Executive Director and Group Chief Executive Officer (“GCEO”) |
| Ms Ting Ping Ee, Joan Maria (JT) | - Non-Executive Independent Director                            |
| Mr Yee Chia Hsing (YCH)          | - Non-Executive and Lead Independent Director                   |
| Mr Hwang Han-Lung Basil (BH)     | - Non-Executive Independent Director                            |

**Shareholders** - As per attendance list

**Proxies** - As per attendance list

**In-Attendance** - As per attendance list

**CHAIRMAN**

CH presided as Chairman of the Annual General Meeting (“AGM” or Meeting) and welcomed all Shareholders present to the Meeting.

The Chairman informed the Meeting that the voting of the resolutions tabled to this Meeting shall be conducted by way of poll. It was noted that the electronic keypads have been provided to the Shareholders and proxies at the point of their registration.

**QUORUM**

The requisite quorum being present pursuant to the Company’s Amended and Restated Articles of Association (“Articles”), the Chairman called the Meeting to order at 3.00 p.m.

**NOTICE OF MEETING**

The Notice convening the Meeting, having been in the hands of Shareholders for the requisite period, with the concurrence of the Meeting, was taken as read. The Chairman informed the Shareholders present at the Meeting that he has been appointed as proxy by certain shareholders to vote on their behalf, in accordance with their instructions stated in their respective proxy forms.

**POLL VOTING**

The Scrutineer from Messrs. Moore Stephens LLP briefed the Shareholders and proxies on the procedures for conducting a poll. The Attendees was apprised that once the motion of each resolution has been proposed and seconded, the poll is opened for vote and the result for the said resolution will be displayed on the screen after the countdown timer ends.

**RESOLUTION 1 - DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS**

The Chairman proceeded with the first item on the agenda which was to receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2015.

The following motion was duly proposed by Ms Hong Chew Hooi (Shareholder) and seconded by Mr Goh Hor @ Goh Hor Vernon (Shareholder):

"That the Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2015 and the Auditors' Report contained therein be and are hereby received and adopted."

The Shareholders and proxies present were asked whether they have any questions which might be relevant to the motion.

After dealing with questions from the Shareholders, the motion was put to vote by poll via electronic manner. With the voting results as shown below, the Chairman announced that Ordinary Resolution 1 was carried.

Ordinary Resolution	Total number of Shares represented by votes for and against the relevant resolution	For		Against	
		Number of Shares	As a percentage of total number of votes for and against the resolution (%)	Number of Shares	As a percentage of total number of votes for and against the resolution (%)
1. Adoption of Audited Financial Statements for the financial year ended 31 December 2015 and the Directors' Statement and Auditors Report' thereon.	518,534,718	518,530,718	100.00%	4,000	0.00%

**RESOLUTION 2 – FINAL TAX-EXEMPT (ONE-TIER) DIVIDEND**

Mr Chua Ghim Hock (Shareholder) proposed and Mr Khoo Yiok Khoon Mervyn (Shareholder) seconded the following motion:

"That the declaration of a final tax-exempt (one-tier) dividend of 1.00 Singapore cent per ordinary share for the financial year ended 31 December 2015 be and is hereby approved."

The Shareholders and proxies present were asked whether they have any questions which might be relevant to the motion.

After dealing with questions from the Shareholders, the motion was put to vote by poll via electronic manner. With the voting results as shown below, the Chairman announced that Ordinary Resolution 2 was carried.

Ordinary Resolution	Total number of Shares represented by votes for and against the relevant resolution	For		Against	
		Number of Shares	As a percentage of total number of votes for and against the resolution (%)	Number of Shares	As a percentage of total number of votes for and against the resolution (%)
2. Approval of a final tax-exempt (one-tier) dividend of 1.00 Singapore cent per ordinary share for the financial year ended 31 December 2015.	518,474,718	518,466,218	100.00%	8,500	0.00%

**RESOLUTION 3 – DIRECTORS’ FEES FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2016**

Mr Khoo Yiok Khoon Mervyn (Shareholder) proposed and Ms Hong Chew Hooi (Shareholder) seconded:

“That the Directors’ fees of S\$194,000 for the financial year ending 31 December 2016 be and is hereby approved and will be paid quarterly in arrears.”

The Shareholders and proxies present were asked whether they have any questions which might be relevant to the motion.

After dealing with questions from the Shareholders, the motion was put to vote by poll via electronic manner. With the voting results as shown below, the Chairman announced that Ordinary Resolution 3 was carried.

Ordinary Resolution	Total number of Shares represented by votes for and against the relevant resolution	For		Against	
		Number of Shares	As a percentage of total number of votes for and against the resolution (%)	Number of Shares	As a percentage of total number of votes for and against the resolution (%)
3. Approval of Directors’ fees of S\$194,000 for the financial year ending 31 December 2016 (payable quarterly in arrears).	518,440,218	518,428,218	100.00%	12,000	0.00%

**RESOLUTION 4 – RE-ELECTION OF AL RETIRING PURSUANT TO ARTICLE 85(6) OF THE ARTICLES**

The Meeting was informed that AL who was due to retire pursuant to Article 85(6) of the Articles and being eligible had consented to stand for re-election.

That the following motion was duly proposed by Mr Chua Ghim Hock (Shareholder) and seconded by Mr Huang Heng Cheong (Shareholder):

“That AL be and is hereby re-elected as a Director of the Company.”

There was no question raised, the motion was put to vote by poll via electronic manner. With the voting results as shown below, the Chairman announced that Ordinary Resolution 4 was carried.

Ordinary Resolutions	Total number of Shares represented by votes for and against the relevant resolution	For		Against	
		Number of Shares	As a percentage of total number of votes for and against the resolution (%)	Number of Shares	As a percentage of total number of votes for and against the resolution (%)
4. Re-election of AL as a Director of the Company.	518,440,218	518,423,718	100.00%	16,500	0.00%

**RESOLUTION 5 - RE-APPOINTMENT OF AUDITORS**

Item 5 on the agenda was to re-appoint KPMG LLP as the Company’s Auditors for the financial year ending 31 December 2016 and to authorise the Directors to fix their remuneration.

Mr Ho Han Siong Christopher (Proxy for DBS Vickers Securities (Singapore) Pte. Ltd.) proposed and Ms Khor Hui Boon (Shareholder) seconded the following motion:

“That KPMG LLP who have consented for re-appointment as Auditors of the Company, be and is hereby re-appointed.”

There was no question raised, the motion was put to vote by poll via electronic manner. With the voting results as shown below, the Chairman announced that Ordinary Resolution 5 was carried.

Ordinary Resolution	Total number of Shares represented by votes for and against the relevant resolution	For		Against	
		Number of Shares	As a percentage of total number of votes for and against the resolution (%)	Number of Shares	As a percentage of total number of votes for and against the resolution (%)
5. Re-appointment of KPMG LLP as auditors for the	518,464,718	518,460,718	100.00%	4,000	0.00%

financial year ending 31 December 2016 and to authorise the Directors of the Company to fix their remuneration.						
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CH proceeded with the special businesses of the agenda.

### **RESOLUTION 6 - AUTHORITY TO ISSUE SHARES**

The following motion was duly proposed by Mr Huang Heng Cheong (Shareholder) and seconded by Ms Khor Hui Boon (Shareholder):

“That pursuant to the listing rules (“**Listing Rules**”) of the SGX Listing Manual, approval be and is hereby given to the Directors of the Company at any time to such persons and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, to:

- (a) (i) issue shares in the capital of the Company (“**Shares**”) whether by way of bonus, rights or otherwise; and/or
  - (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, options, debentures or other instruments convertible into Shares; and/or
  - (iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issue; and
- (b) (notwithstanding the authority conferred by this resolution (“**Resolution**”) may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

- (i) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not be more than 50% of the total number of issued shares (excluding treasury shares), in the capital of the Company or such other limit as may be prescribed by the SGX-ST as at the date the general mandate is passed;
- (ii) the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro-rata basis to existing shareholders shall not be more than twenty per cent (20%) of the total number of issued shares (excluding treasury shares) in the capital of the Company or such other limit as may be prescribed by the SGX-ST as at the date the general mandate is passed;
- (iii) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraphs (i) and (ii) above, the total number of issued shares (excluding treasury shares) shall be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company as at the date the general mandate is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or employee stock options or vesting of share awards which are outstanding or subsisting at the date the general mandate is passed

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and any subsequent bonus issue, consolidation or subdivision of the Company's shares; and

- (iv) unless earlier revoked or varied by the Company in general meeting, such authority shall continue in force until the next annual general meeting or the date by which the next annual general meeting is required by law to be held, whichever is earlier.”

There was no question raised, the motion was put to vote by poll via electronic manner. With the voting results as shown below, the Chairman announced that Ordinary Resolution 6 was carried.

Ordinary Resolution	Total number of Shares represented by votes for and against the relevant resolution	For		Against	
		Number of Shares	As a percentage of total number of votes for and against the resolution (%)	Number of Shares	As a percentage of total number of votes for and against the resolution (%)
6. Authority to issue new shares.	518,428,718	502,881,485	97.00%	15,547,233	3.00%

**QUESTIONS AND ANSWERS**

The questions asked by the Shareholders and/or proxies pertaining to the Annual Report and the corresponding responses from the Directors were set out in the Appendix A attached hereunto.

**CONCLUSION**

There being no other business, the Chairman declared the Meeting concluded at 4.03 p.m. and thanked everyone for their attendance.

Signed as a true record of the proceedings

Ho Han Leong Calvin  
Chairman

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**QUESTIONS (“Q”) AND ANSWERS (“A”) ARISING FROM THE COMPANY’S ANNUAL GENERAL MEETING (“AGM”) HELD ON 26 APRIL 2016**

Shareholder	Q:	<p>Please refer to page 4 of the annual report (“Annual Report”). The Pie Chart has shown that since the initial public offering (“<b>IPO</b>”) of the Company, the property financing and property holding businesses have recorded a strong growth. Going forward, is the Board looking:</p> <p>(a) at a 50:50 balance for the property development business, and property financing cum property holding businesses?</p> <p>(b) at allocating certain risks from the property development business, to the property financing cum property holding businesses since there is a slowdown in development in the People's Republic of China (“<b>PRC</b>”)?</p>
Mr Neo Teck Pheng, Group Chief Executive Officer (“ <b>GCEO</b> ”)	A:	<p>The Board ever discussed this strategic point as to whether the Group should have any specific asset allocation ratios for its various business segments. It decided that as the Company is a relatively young company, it should not have such a pre-set asset allocation model. As such, the Board will evaluate each opportunity as and when it arises. If there is a good property holding opportunity, the Board would review the capital level of the Group and seek for financing support, when the need arises. Property development is a very capital intensive business, especially in the PRC. Since 2015, the Group has also entered into the Netherlands market. In these two countries, land cost forms a relatively smaller portion of the total development costs as compared to Singapore. The Company is a relatively prudent company and will time the pace of its property development projects on a measured basis. The Group intends to focus on delivering on its existing property development projects in Chengdu and Dongguan. It does not intend to expand aggressively into new projects unless the existing development projects are substantially sold.</p>
Shareholder	Q:	<p>On page 7 of the Annual Report, it was shown that the sales for the Millennium Waterfront Project in Chengdu have dropped from the prior year. The Group has not yet fully recognised this sales revenue and this is the number that I cannot find from the Annual Report. I suspect the sales have slowed down, could you please explain this?</p>
GCEO	A:	<p>The revenue generated from property development for 2014 and 2015 is different, due largely to the relinquishment of Wenjiang candy factory in 2014, which was a one-off event, while the revenue for 2015 mainly came from the Millennium Waterfront Project. The receipt in advance for the Millennium Waterfront Project has dropped in 2015. This is because while the Group is recognising development sales revenue, new sales have slowed down, especially in late 2015. However, the Group has seen improvement in property development sales performance since early 2016 which reflects the positive policy changes introduced by the PRC Government.</p>
Shareholder	Q:	<p>So, will the Company continue with the project at the same pace?</p>
GCEO	A:	<p>Yes.</p>
Shareholder	Q:	<p>How did the Company decide to invest in the Netherlands? Can I have the background of the redevelopment project?</p>

GCEO	A:	<p>The Company raised about S\$60 million net proceeds from its IPO and was in a net cash position. At the same time, the Board sensed the slowdown in the PRC and had discussed at length how the Group should diversify its business risk. One of the Company's largest shareholders, Tai Tak Group ("<b>Tai Tak</b>") has industrial businesses in the Netherlands for some 20 years. Mr Calvin Ho, the Chairman of the Company and Tai Tak, invited Management to pay a visit to the Netherlands in late 2014 to assess the suitability of the Dutch market for investment.</p> <p>For the Rotterdam project, it involves the proposed development of approximately 360 high rise residential apartments from the current low rise office building. The Company has still to decide whether to pull down the office building or redevelop the existing property instead. The estimated capital expenditure for the project is below EUR70 million. Hence, this is a relatively smaller scale development project as compared to the Chengdu Millennium Waterfront project and Dongguan Star of East River ("<b>SoER</b>") project, as the total development costs for these projects are close to US\$1 billion and S\$1 billion respectively.</p>
Shareholder	Q:	Why is there a delay in the Chengdu Wenjiang Lake project?
GCEO	A:	<p>The Chengdu Wenjiang Lake project involves a proposed land acquisition exercise arranged with the local government via a land tender process. This potential investment was mentioned in the IPO prospectus. Since late 2014, the anti-corruption drive in the PRC has been in full force and this has somewhat resulted in a delay in decision making by the PRC officials. The land tender has been put on hold. As of today, the Group has yet to invest and spend any money in the said project but is still committed to it. This is why the Group does not have any other new plans in Chengdu as it has taken into account this potential investment pipeline. Management is still in discussion with the local officials on the above.</p>
Shareholder	Q:	What is the Board's intention to buy and dispose of the core and non-core properties in Netherlands?
GCEO	A:	<p>In 2015, the Group has completed 3 acquisitions in the Netherlands. The first and second acquisitions both involved a single property acquisition. The third acquisition was a portfolio acquisition, consisting of 16 properties bought from a Dutch insurance company listed on the Amsterdam Stock Exchange. All relevant announcements have been released through SGXNet. For the third acquisition, it was stated in the announcement then that the assets have been categorised as core properties, properties with redevelopment potential and non-core properties. Subsequently, the Group has successfully divested most of the non-core properties at a good profit.</p>
Shareholder	Q:	So the Company cannot pick and choose certain properties in the portfolio purchase?
Mr Ho Han Leong Calvin, Chairman of the Board	A:	Yes, the seller was divesting the entire portfolio in a competitive bid.



Shareholder	<p>Q: I have noticed a good growth for the property financing business. In fact, since IPO the business has been doing quite well. However, I am feeling uncomfortable with the loan defaults that the Company has reported, especially when both default cases occurred so close to each other, several years after the commencement of the business. Please share with us your risk management of this business segment. The interest rate for the property financing business looks high to me, i.e. 17% to 18% per annum. Are there more problematic loans that have yet to surface? Does the Management expect to see more of these loan defaults in the future? Do you make provision for all these problematic loans? I do not understand the risk management concept for property financing in the PRC because the interest rate looks very lucrative to me but what is the risk? I know you have secured them with assets. I hope to understand the above because the growth of this business is quite fast since IPO. I suspect that there might be more problematic loans. Just want to understand your view about this.</p>
GCEO	<p>A: The Group has been involved in this business for more than 4 years. The Group collects interest on the loans every month. Both loan defaults happen under different circumstances. The first case happened in December 2015 as the borrower has been arrested by the PRC public security bureau. The second borrower group informed us that they do not want to pay the Group anymore unless we agree to re-negotiate their financing terms. Both loans are secured with property collaterals. The Auditors of the Company did not see any need for the Group to make any provision and the Board is fairly confident that the principal is recoverable. If the Group can execute the business strategy well, property financing could be a profitable business as significant penalty interest can also be collected, i.e. 1.5 times of the prevailing loan interest. All the property collaterals are located in good locations in Shanghai, Beijing, Chengdu and Guangzhou where the property prices are good. The Group also has a low loan to value ratio on the loans.</p>
Shareholder	<p>Q: The Company started with property development and was listed in 2014. Please advise whether the Company has changed its strategy after IPO?</p>
GCEO	<p>A: I would not say that the Company has changed its strategy as the Group remains committed in the PRC. As mentioned by our valued shareholder just now, the property financing business of the Group is growing aggressively in the PRC. One year after IPO, the Group has expanded its business to the Netherlands and the diversification plan has been quite well executed.</p>
Shareholder	<p>Q: So, in a longer term, how should shareholders look at the Company?</p>
GCEO	<p>A: I would not think that the Group will be buying properties in many countries. The Company is a fairly small company. It is now in the Netherlands because one of the largest shareholders is there to support the Company. It has been in the PRC because it started from there. In the Company's quarterly announcement, the Company has stated that it is always on the lookout for other opportunities in other regions. Singapore and the PRC are in the same time zone but not for the Netherlands, which has different time zone. As such, it is quite tough for a small team to manage business in different countries due to different time zone. It was decided that the Group will focus on Northern Europe with the Netherlands as its base. The Group does not have any plan to go to America or Africa. For Asia, the Group will concentrate in the few existing cities in the PRC, i.e. Shanghai, Chengdu and Dongguan. For the property financing business which originated in Shanghai, the Group would look at the clients' business activities and follow the clients. But the business is always branched out from Shanghai. The Group does not see the need to go to other cities in the PRC</p>

		because developing network and connections in the PRC is very time consuming. Depending on the property cycle, maybe one day the Group will come back to Singapore, a home market where I can leverage on my past experience in Hong Leong Group Singapore.
Shareholder	Q:	How should I be looking at the Company? What sort of return should the shareholders be looking for in the long term?
GCEO	A:	The Board did not set an internal rate of return or return target because we are not a fund. There is no time pressure for management to exit our investments within a pre-set time horizon. It is a lot more dependent on the opportunity, because the Company is guided by two very strong long-term shareholders who are well established in Singapore. With this business culture and mindset, the controlling shareholders will guide the Group as it executes its business strategy accordingly.
Shareholder	Q:	So, what should the shareholders expect for the long term?
GCEO	A:	I would say that you have to be patient. The Company will however continue to expect to pay dividends so that this is what you can look forward to. This is not to say that we will pay a lot of dividends like REITs. The dividends declared for 2015 is closed to 1.5% of our share price. When the Company grows, the Board hopes that the Shareholders can make a capital gain also. In terms of appreciation of share price, I hesitate to give you a number because I do not control the market but I do know the Company is doing well.
Shareholder	Q:	You are actually a property development company and it is very strange to go into property financing. Property financing is actually more of a bank's expertise. I wonder are you an expert in this business, especially in the PRC?
GCEO	A:	Whilst I can understand your apprehension, I believe that the results do speak for themselves. In terms of property financing, the Group has done fairly well for the last 4 years with the segment delivering increasing profit contribution to the Group. Although what you can see now is the Group has 2 problematic loans but Management is fairly confident that the outcome will be alright.
Shareholder	Q:	Can you tell me the total amount of the loan defaults?
GCEO	A:	RMB640 million (equivalent to S\$140 million). The Company will be announcing its first quarter results tomorrow morning. You can refer to the results for the updates relating to the problematic loans. In response to the question pertaining to our expertise, I resigned from Hong Leong Group Singapore one day before the IPO of the Company. Previously, I worked in the Chairman office of Hong Leong Group Singapore and was involved in businesses such as property development, hotel investments, hotel operations and finance. Hence, you can see that all these businesses except for industrial business are in First Sponsor.
Shareholder	Q:	Is the property financing business of the Company opportunistic and sustainable?
GCEO	A:	The property financing business model works in view of the imperfect credit market in the PRC but not so for Singapore and the Netherlands.
Shareholder	Q:	So, would we see this business consuming capital of the Company in the long

		term?
GCEO	A:	At the moment, what Management can see is the reverse. The credit market in the PRC is very inefficient. Although the world's largest bank is in the PRC, PRC banks have to follow certain lending policies. The Group does not need to lend to any high risk parties and can lend to small and medium enterprises, to support their merger and acquisition activities. Most of our loans are not given to real estate developers who have cash flow problems. The Group's property financing loans are all secured on first legal mortgage on real estate assets including income generating properties or development land. Shareholders may refer to the quarterly results announcement to understand more about the property collaterals.
Shareholder	Q:	I am just concerned that since the Company is a property development company but doing lending business in the PRC. If the PRC Government decides to do something in future, how will the Company handle this change?
GCEO	A:	Just to share in Hong Leong Group Singapore where I came from, it also had different business segments including property development and investment under City Developments Limited and financing under Hong Leong Finance. Hong Leong Finance only lends on secured basis. In relation to the regulation challenge, the Group is not a licensed entity and hence not regulated by the People's Bank of China ("PBOC") directly, hence the reference to being a "shadow bank". It is important to note that the property financing business is carried out via an established system called "entrusted loan system". The Group lends via entrusted banks and all its loans including those in default are registered with the PBOC, except that these loans are registered in the name of the entrusted banks. In this case, the Group has taken legal action against the entrusted banks as defendants, with the real borrowers named as third parties. I do not expect, at least in the foreseeable future, to see a scale back of this business. There was no P2P three years ago but now you can see it in the PRC. In Singapore, P2P is growing fast and is also a kind of financing business. The market is trying to mix and match those who have excess money and those who need money. For First Sponsor, Management will carry out its own due diligence on its property financing clients.
Shareholder	Q:	For the property development business in the PRC, can you share with us about the developments in Dongguan?
GCEO	A:	For Dongguan, the Company used to have more real estate there but they have been largely divested of prior to the IPO. The key exposure after the IPO is the SoER project. The project comprised 2 pieces of land, with the second smaller piece of land just acquired in December last year. The Group has started land excavation works, with main construction expected to commence soon. Residential pre-sales is expected to be launched in early 2017. The Dongguan real estate market is very hot now, due to the spillover effect from Shenzhen which has seen its property prices increasing by as much as nearly 70%. Shenzhen buyers are reported to be investing in property from Huizhou to Dongguan. As such, Dongguan has enjoyed the flood of demand and its property price has increased by 20%. In the quarterly announcement released last quarter, it was mentioned that the inventory turnover for Dongguan's residential units was 4 to 5 months during the quarter under review. This is now less than 3 months. In fact, in Chang-an, as there is no more residential inventory, the locals are turning to invest in the office market instead.

Shareholder	Q:	Can you share your strategy as compared to the past? Since the market is hot, what would be your strategy? Will you be aggressively selling the units or be more cautious as compared to the past?
GCEO	A:	Actually, the Group did not actively look for more projects in Dongguan but is focusing to speed up on the construction of SoER, with the hope to capitalise on the current favourable market conditions to sell the residential units as soon as possible. Unfortunately, the Group cannot start the pre-sales as sales permit can only be obtained after the hard core construction is two third complete. For example, if the building is a 30-storey property, it needs to reach at least 20 storeys before the Group can start selling the properties. This takes a longer time compared to Chengdu, where sales permit can be obtained once the construction reaches ground level or first level depending on the location of the project.
Shareholder	Q:	The share price has dropped since IPO. Can anyone do anything about the share price?
Mr Calvin Ho	A:	As the Chairman of the Company, I would like to say something about this. I am a representative of Tai Tak and noted this from Chairman Kwek. Both of us have some cash some years ago and want to put them in fixed deposit but the rate of return seemed to be low. I have discussed with him about looking at opportunities outside of Singapore including the PRC. Chairman Kwek agreed and sent his representative to manage the projects with positive results. Since 8 years ago, the business has grown and the Group has finally decided to go for a listing on the stock exchange. For business, we never looked at the return on investment and never asked for dividends. The whole objective is we want to utilise our monies and make it work. We can opt to apply the money in Singapore or somewhere else, depending on the opportunities. If the PRC has an opportunity for us, we go for PRC. We sense that the PRC has slow down because of anti-corruption drive, so we went into the Netherlands. For the property financing business, we went in when there were opportunities. The Group did not set a specific target, it just ventured to wherever it can make money for the shareholders. Now the Group is in its second year of operations since IPO, it is considered a relatively young company. As a businessman, I intend to grasp the opportunity when it arises, and never ask for a return and timeframe. I told people who are supporting me that all these are done for the future generation and not for the present. The Company will continue to grow.
Shareholder	Q:	Unfortunately, as minority shareholders, if I look at the top 20 shareholding, the top 20 shareholders hold 95% of the shares, which implies only a 5% free float in the market. Hence, the fund managers are not interested to buy your shares, so there is no way for the share price to appreciate even few years down the road. So, the one thing that the minority shareholder can look forward to is a higher dividend payout which you are in the position to do it.
Mr Calvin Ho	A:	Fund managers will always expect a return within a fixed timeline. Dividends will continue to be declared by the Company as it continues to grow. However, unlike companies listed for more than 10 or 20 years which can afford to have a relatively well established dividend policy, the Company is young and still have long way to go and will need to continue to expand to grow its income stream. The dividend for the Company will progressively grow over time.
GCEO	A:	I would like to refer the shareholder to page 134 of the Annual Report, which indicates that the free float of the Company is slightly less than 15%. The list of top 20 shareholders does not reflect free float as this list captures nominee

		companies as well.
Shareholder	Q:	Free float of 15% is also relatively small.
GCEO	A:	After the Company has announced its results every quarter, the Group Chief Financial Officer and I do make it a point to meet with our larger investors, fund managers and analysts. Management is in the midst of creating its corporate website in order to further increase the profile of the Company. In terms of share price, the Company was listed in a very unique way. It achieved a 15% free float, with only 6% of investors in Singapore and the balance i.e. 9% comprising the minority shareholders of New Zealand listed Millennium & Copthorne New Zealand which received First Sponsor shares via a dividend in specie by a Hong Leong entity. This had led to First Sponsor's initial shareholder base comprising of many unaware New Zealanders holding shares in a Singapore listed company with businesses in the PRC. Based on the trading volume of the first 6 weeks after the Company's IPO on 22 July 2014, the trading volume was more than the trading volume of CDL and Hong Leong Finance as the New Zealander shareholders disposed of their interests via a bulk sale arrangement. Thereafter, the share price seemed to find a certain level in the range of S\$1.20 to S\$1.30 in early 2015. As there was a slowdown in the stock market, the share price of the Company had dropped further. The counter has a lot of panic sellers, but there are not a lot of realistic buyers as well. I hope that through more active engagement with shareholders and analysts, the Company can further attract potential shareholders' interest over time. At last year's AGM, I mentioned that the Company was one of the 25 Gems selected by RHB, a security house. This year, it has continued to be on the list of hidden gems again. We hope that someone will notice that the Company is an interesting company which is undervalued. To further add, I am also a shareholder and the share price is important to me.
Shareholder	Q:	On Ordinary Resolution 3, can you let me know the total directors' fees for the financial year ended 31 December 2015?
Ms Lee Sau Hun, Group Chief Financial Officer	A:	The fee paid for the financial year ended 31 December 2015 was S\$194,000. There is no increase proposed for the year 2016. Just like the case in FY2015, the Directors' fee for FY2016 is for 3 Directors only although the Company has 6 Directors, as 3 of the Directors have renounced their entitlements.