



# FIRST SPONSOR GROUP LIMITED

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## Press Release

### FIRST SPONSOR RECORDS MORE THAN 4.5 TIMES GROWTH IN NET PROFIT EXCLUDING ONE OFF DONGGUAN DISPOSAL GAIN IN 2016

### FINAL TAX-EXEMPT (ONE-TIER) DIVIDEND OF 1.2 SINGAPORE CENTS PER SHARE, ADDING UP TO A TOTAL OF 2.2 SINGAPORE CENTS PER SHARE FOR FY2017 REPRESENTING 10% INCREASE FROM 2016

*Singapore, 8 February 2018* – Singapore Exchange (SGX) mainboard-listed First Sponsor Group Limited (“**First Sponsor**” or the “**Company**”, and together with its subsidiaries and associated companies, the “**Group**”), a mixed property developer in the Netherlands and the People’s Republic of China (the “**PRC**”), and owner of commercial properties and provider of property financing services in the Netherlands, Germany and the PRC, today announced the Group’s unaudited financial results for 4Q2017 and FY2017.

### Financial Highlights

In S\$'000	4Q2017	4Q2016 (restated)	Change %	FY2017	FY2016 (restated)	Change %
Revenue	180,279	23,711	660.3%	384,392	199,051	93.1%
Profit attributable to equity holders of the Company	42,660	72,915	(41.5%)	88,283	113,089	(21.9%)
Net profit excluding Dongguan disposal gain in FY2016	42,660	(24,407)	n.m.	88,283	15,767	459.9%

- The Group has made four acquisitions amounting to approximately S\$349.2 million in the Netherlands, Germany and the PRC during the past two months.
- As of 31 December 2017, the Group has successfully recovered RMB365.4 million out of the total RMB470.0 million defaulted loan principal (78% recovery) for Case 2. A cumulative net interest income of RMB152.6 million (S\$31.2 million) has been recognised. Such cumulative interest income earned on the Case 2 defaulted loans to-date is already more than sufficient to cover the outstanding loan principal of approximately RMB104.6 million.

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

“As the economic outlook for Europe continues to improve, First Sponsor has seized the opportunity to further expand its business presence in the region, including making its first foray into the German real estate market via the Le Meridien Frankfurt acquisition, together with its two key controlling shareholders, namely City Developments Limited and Tai Tak Estates Sendirian Berhad. The Group had acquired an office building and 19 hotels with over 2,200 rooms in the past seven months. With the various acquisitions made, the Group has enlarged its recurrent income base.

The Bilderberg Portfolio acquired in August 2017 continued to perform well with its FY2017 EBITDA exhibiting a 15.5% year on year growth.

On the PRC property financing business, the Group has successfully recovered approximately RMB365 million or 78% of the RMB470 million defaulted loan principal for Case 2 and recognised net cumulative interest of RMB152.6 million (S\$31.2 million). The Group is happy to report that the cumulative interest income earned on the Case 2 defaulted loans is more than sufficient to cover the outstanding loan principal. The Group remains positive on the recovery of all remaining outstanding defaulted loan principals.

The Company will be embarking on an equity fund raising exercise to further strengthen its balance sheet so that the Group can capitalise on any available expansion opportunity. In this connection, the Company will do a renounceable 1-for-4 rights issue of 3.98% perpetual convertible capital securities to raise net cash proceeds of approximately S\$161.5 million.

In order to reward our shareholders for their continual support and consistent with the good results of the Group, a 1-for-10 bonus issue is to be carried out. In addition, the directors recommend a final tax-exempt (one-tier) dividend of 1.2 Singapore cents per share, bringing the dividends for 2017 to a total of 2.2 Singapore cents per share or a 10% increase from 2016.

- End -

Please refer to the Group’s unaudited financial results announcement for 4Q2017/FY2017 and the investor presentation slides dated 8 February 2018 for a detailed review of the Group’s performance and prospects.

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 and associated companies, the "**Group**"), a mixed property developer in the Netherlands and the People's Republic of China (the "PRC"), and owner of commercial properties and provider of property financing services in the Netherlands, Germany and 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.

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Please visit [www.1st-sponsor.com.sg](http://www.1st-sponsor.com.sg) for the Group's SGX announcements, financial statements, investor presentations and press releases.