



FIRST SPONSOR GROUP LIMITED

(Incorporated in the Cayman Islands)

(Registration No. AT-195714)

RESPONSE TO THE QUERY FROM THE SINGAPORE STOCK EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”) ON THE ANNUAL REPORT 2016 (“ANNUAL REPORT”)

The Board of Directors (the “**Board**”) of First Sponsor Group Limited (the “**Company**”) wishes to provide clarification in response to the following query raised by the SGX-ST on 12 May 2017 in respect of its Annual Report as follows:

SGX-ST’s Query

On page 32 of the Annual Report, the Company disclosed that there were no interested person transactions with the aggregate value of S\$100,000 and above and that the Company does not have a shareholders’ general mandate for interested person transactions. However, on page 136 of the Annual Report, we note that the Company had recorded an amount of S\$153,000 under service income received and receivable from affiliated corporations which the Company defines as a corporation in which a director of the Group has substantial financial interests or who is in a position to exercise significant influence; and/or which directly or indirectly, through one or more intermediaries is under the control of a common shareholder. Kindly please reconcile the disclosures on pages 32 and 136 of the Annual Report.

Company’s Response

The service income received and receivable from an affiliated corporation of S\$153,000 relates to project management fees charged to an entity which is wholly owned by a shareholder of the Company. The shareholder is also a director of several wholly owned subsidiaries of the Group. The disclosure was made under the requirements of IAS 24 *Related Party Disclosures*.

As the shareholder referred to above is not a director, chief executive officer, or controlling shareholder of the issuer (as defined in the listing manual of Singapore Exchange Securities Trading Limited), the provision of project management services by the Company does not constitute an interested person transaction.

BY ORDER OF THE BOARD

Neo Teck Pheng
Group Chief Executive Officer
16 May 2017