

FIRST SPONSOR GROUP LIMITED

(Incorporated in the Cayman Islands)
(Company Registration No.: AT-195714)

DISPOSAL OF PROPERTY – SEVENTH SUPPLEMENTAL AGREEMENT

1. INTRODUCTION

- 1.1 The board of directors (“**Board**”) of First Sponsor Group Limited (“**Company**”) refers to the Company’s announcements dated 30 May 2018, 12 July 2018, 25 September 2018, 23 November 2018, 28 January 2019, 22 May 2019, 26 August 2019 and 18 May 2020 in relation to the proposed disposal of certain parts of Chengdu Cityspring (collectively “**Previous Announcements**”).

Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings ascribed to them in the Previous Announcements.

- 1.2 The Board wishes to announce that the Vendor and the Purchaser Group have on 23 June 2020 entered into a seventh supplemental agreement to the S&P Agreement (“**Seventh Supplemental Agreement**”) to amend certain terms of the Amended S&P Agreement.

2. SEVENTH SUPPLEMENTAL AGREEMENT

- 2.1 As at the date of this announcement, title in respect of 292 out of the 318 basement car park lots remains with the Group (“**Remaining CP Spaces**”). The Consideration for the Remaining CP Spaces amounts to RMB20.44 million (approximately S\$4.03 million¹).

- 2.2 Pursuant to the Seventh Supplemental Agreement, the Vendor and the Purchaser Group have agreed as follows:

(a) Discount on Consideration for the Remaining CP Spaces

The Consideration for the Remaining CP Spaces shall be reduced by RMB3.5 million (approximately S\$0.69 million) to RMB16.94 million (approximately S\$3.34 million) (“**Remaining CP Consideration**”) to take into account certain differences in dimensions of some of these Remaining CP Spaces. Part of the Enlarged Deposit shall be used to pay the Remaining CP Consideration.

(b) Sale and purchase of additional basement car park lots

The Purchaser Group shall purchase an additional 268 basement car park spaces at Chengdu Cityspring (“**Additional CP Spaces**”) from the Vendor for a total consideration of approximately RMB9.50 million (approximately S\$1.87 million) (“**Additional CP Consideration**”). The Additional CP Consideration was arrived at after taking into account certain differences in dimensions of some of these Additional CP Spaces. Part of the Enlarged Deposit shall be used to pay the Additional CP Consideration.

(c) Direct sales to third party buyers

The Vendor shall enter into Commercial Housing Sale Contracts with third parties (“**3P CP Buyers**”) as may be designated by the Purchaser Group for the sale to 3P CP Buyers of any of the Remaining CP Spaces and Additional CP Spaces

¹ Unless otherwise stated, the exchange rate of RMB1: S\$0.19718 is used in this announcement.

(collectively, "**CP Spaces**"). Payment of the consideration for such CP Spaces by 3P CP Buyers to the Vendor shall constitute payment of an equivalent amount of the Remaining CP Consideration or, as the case may be, the Additional CP Consideration (collectively, "**CP Consideration**"). Correspondingly, the proportion of the Enlarged Deposit that may be used by the Purchaser Group to pay the CP Consideration shall be reduced accordingly.

(d) Transfer of title to the CP Spaces

The Purchaser Group undertakes to procure, with the assistance of the Vendor, the transfer of title to the CP Spaces to the Purchaser Group and/or any of its designated parties within 4 months from the date of the Seventh Supplemental Agreement. In the event that the Purchaser Group fails to transfer such title within such 4 months period:

- (i) the parties shall not proceed with the sale and purchase of the Additional CP Spaces;
- (ii) direct sales of any of the Additional CP Spaces to 3P CP Buyers made within the 4 months period shall be treated as sales by the Group and the Group shall pay a fee of RMB3,000 (approximately S\$592) for each Additional CP Space sold to a 3P CP Buyer. Such fee payable by the Group shall be set off against the outstanding Consideration;
- (iii) the Enlarged Deposit shall not be used to pay the Remaining CP Consideration; and
- (iv) the failure by the Purchaser Group to pay any part of the Consideration due during the period from June to September 2020 shall not be treated as a breach of the Amended S&P Agreement by the Purchaser Group. However, the Purchaser Group shall make good the payment of such unpaid Consideration together with any other amounts due in October 2020 by the end of October 2020.

(e) Covid-19-related provisions

In the event the Purchaser Group is required by the PRC authorities to close its sales office in Chengdu due to a second wave of a Covid-19 outbreak, a similar deferment of its obligations under the Amended S&P Agreement to that set out in the Supplemental Letter shall apply, except that the deferment shall be for such period that the sales office is required to be closed. The Purchaser Group shall not purport to terminate the Amended S&P Agreement or request/claim to be entitled to any further deferment of the performance of its obligations or exemption of liability under the Amended S&P Agreement, based on any ground related to Covid-19.

2.3 Save for the above, there are no other material changes to the terms and conditions of the Amended S&P Agreement.

3. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed in the Previous Announcements, none of the directors or, to the best of the knowledge of the directors, none of the controlling shareholders of the Company, has any interest, direct or indirect (other than through their shareholdings in the Company, if any), in the Seventh Supplemental Agreement.

4. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the Seventh Supplemental Agreement is available for inspection during normal business hours at the Company's business address at 63 Market Street, #06-03, Bank of Singapore Centre, Singapore 048942 for a period of 3 months from the date of this announcement.

In view of the safe management measures due to Covid-19, shareholders who wish to inspect a copy of the Seventh Supplemental Agreement should e-mail Investor Relations at ir@1st-sponsor.com.sg to make an appointment.

BY ORDER OF THE BOARD
FIRST SPONSOR GROUP LIMITED

Neo Teck Pheng
Group Chief Executive Officer and
Executive Director

23 June 2020