

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

ANNOUNCEMENT PURSUANT TO RULE 706A OF THE SGX-ST LISTING MANUAL

Pursuant to Rule 706A of the SGX-ST Listing Manual, First Sponsor Group Limited (“**Company**”, and collectively with its subsidiaries, “**Group**”) wishes to announce the following transactions that occurred during the third quarter ended 30 September 2020:

A. Incorporation of a subsidiary

FS Dongguan No. 8 Investment Consultancy Co., Ltd. (“**FSDG 8**”), an indirect wholly-owned subsidiary of the Company, has incorporated the following wholly-owned subsidiary:

Name of company	: FS Dongguan No. 11 Investment Consultancy Co., Ltd. (“ FSDG 11 ”) (东莞市首铸十一号投资咨询有限公司)
Date of incorporation	: 18 August 2020
Country of incorporation	: People’s Republic of China (“ PRC ”)
Registered capital	: RMB3 million
Principal activity	: Investment holding

As at the date of this announcement, FSDG 8 has not made any capital contribution to FSDG 11.

B. Decrease in equity interest in a subsidiary

On 12 August 2020, First Sponsor (Guangdong) Group Limited (“**FSGD**”), an indirect wholly-owned subsidiary of the Company, contributed RMB237.66 million in cash to the registered capital of its PRC-incorporated subsidiary, FS Dongguan No. 6 Investment Consultancy Co., Ltd. (“**FSDG 6**”). On the same day, an unrelated third party contributed RMB228.34 million in cash to the registered capital of FSDG 6. Following the capital contributions, the Group’s equity interest in FSDG 6 decreased from 100% to 51%.

C. Increase in equity interest in an associated company and acquisition of new associated company

On 28 July 2020, FSDG 6 contributed RMB49.47 million in cash to the registered capital of Dongguan Shou Ye Investment Consultancy Co., Ltd. (“**DGSY**”). Following the capital contribution:

- (a) the Group’s equity interest in DGSY increased from 49% to 97% and DGSY became a subsidiary of the Group; and
- (b) Dongguan China Railway Poly Industrial Development Co., Ltd (“**DGCRP**”) (东莞国铁保利实业发展有限公司), which is 35%-owned by DGSY, became an associated company of the Group. However, there is no significant change in the Group’s effective equity interest in DGCRP, which remains at approximately 17.3%, due to the decrease in the Group’s equity interest in FSDG 6.

DGCRP is a PRC-incorporated company with a registered capital of RMB190 million. The principal activities of DGCRP are property development, property investment, hotel management and property management. As at the date of this announcement, DGSY has not made any capital contribution to DGCRP.

None of the above transactions is expected to have a material impact on the consolidated earnings per share or the consolidated net tangible assets per share of the Group for the current financial year.

BY ORDER OF THE BOARD

Neo Teck Pheng

Group Chief Executive Officer and Executive Director

23 October 2020