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Press Release

FIRST SPONSOR ACHIEVED A RECORD PROFIT BEFORE TAX OF S\$91.0 MILLION FOR FY2015 WHICH REPRESENTS A YEAR ON YEAR INCREASE OF 124.5%

THE BOARD OF FIRST SPONSOR HAS PROPOSED A FINAL TAX-EXEMPT (ONE-TIER) DIVIDEND OF 1 SINGAPORE CENT PER SHARE BRINGING THE TOTAL DIVIDENDS FOR FY2015 TO 1.7 SINGAPORE CENTS PER SHARE

Singapore, 3 February 2016 – Singapore Exchange (SGX) Mainboard-listed First Sponsor Group Limited (“**First Sponsor**” or the “**Company**”, and together with its subsidiaries, the “**Group**”), a property developer in the People’s Republic of China (the “**PRC**”), owner of commercial properties in the PRC and the Netherlands, and provider of property financing services in the PRC, today announced the Group’s unaudited financial results for 4Q2015 and FY2015.

Financial Highlights

In S\$000	4Q2015	4Q2014	Change %	FY2015	FY2014	Change %
Revenue	100,297	84,461	18.7%	214,963	153,211	40.3%
Profit before tax	40,938	30,225	35.4%	90,971	40,520	124.5%
Attributable profit ¹	31,914	19,257	65.7%	67,362	21,704	210.4%
Adjusted profit before tax	40,938	30,225	35.4%	90,409²	48,725³	85.5%
Adjusted attributable profit	31,914	19,257	65.7%	66,800²	29,909³	123.3%

- The Group delivered a record profit for FY2015. Revenue and net profit attributable to the equity holders of the Company are S\$215.0 million (FY2014: S\$153.2 million) and S\$67.4 million (FY2014: S\$21.7 million), which represents a year-on-year increase of 40.3% and 210.4% respectively.
- The Board has proposed a final tax-exempt (one-tier) dividend of 1 Singapore cent per share bringing the total dividends for FY2015 to 1.7 Singapore cents per share.

¹ Attributable profit refers to profit attributable to equity holders of the Company.

² Adjusted results exclude reversal of IPO expenses of S\$0.6m in FY2015.

³ Adjusted results exclude IPO expenses of S\$3.5m and share-based charge of S\$4.7m in FY2014.

The initial public offering of the Company's shares was sponsored by DBS Bank Ltd, who assumes no responsibility for the contents of this announcement.

Mr Neo Teck Pheng, Group Chief Executive Officer, said

“The last quarter of FY2015 is yet another eventful quarter for First Sponsor. The Group made its first office portfolio acquisition in the Netherlands amounting to some €205.6 million together with a group of co-investors. The acquisition was completed on 30 November 2015 via the Group’s purchase of a 33% interest in the shares of FSMC NL Property Group B.V. (“FSMC”). Through a wholly owned subsidiary of FSMC, an agreement was signed on 18 December 2015 with a reputable Dutch property developer to re-develop the Boompjes property in Rotterdam. This proposed redevelopment will mark the Group’s maiden entry into the Dutch property development market. Riding on the same momentum, the Group is pleased to report that another wholly owned subsidiary of FSMC has on 14 January 2016 contracted to dispose the bulk of the non-core properties that come with the portfolio acquisition at approximately 41% premium to cost. This disposal is expected to be completed in 1Q2016.

Also notable for this quarter, the Group won the land tender for East River Plot Two of the Star of East River project. The ongoing Millennium Waterfront project in Chengdu and the Star of East River project in Dongguan which will commence construction in FY2016 will be our primary focus on the property development front for FY2016.

On the property financing business front, this has continued to grow and contributed S\$41.4 million or 45.5% of the Group’s profit before tax for FY2015 with total loan principal outstanding of S\$213.2 million (RMB980 million) as at 31 December 2015. The Group has encountered problematic loans in December 2015 and January 2016, its first experience since the inception of this business four years ago. These problematic loans will put to test our property financing business strategy of collecting loan principal and interest as our first course of action, and dealing with or repossessing the property loan collaterals as our next course of action. The loans have a loan-to-value ratio of 51% and 54% and the Group holds the first legal mortgage to the properties pledged as loan collateral, in addition to the various corporate and personal guarantees. The property loan collaterals include prime office units in Beijing, Shanghai, Guangzhou and Chengdu and luxurious residential apartments in Chengdu. The Group is confident that it will be able to recover its outstanding loan principal and accrued interest. Hence, no provision for the outstanding balances is deemed necessary as at 31 December 2015.

The Group has successfully diversified into the Netherlands property market in FY2015 and is still eager to expand its footprint in the property market of the Netherlands and other regions. Henceforth, we will stay alert to new business opportunities while remaining cautious of the increasing economic uncertainty of the global economy.”

Please refer to the Group’s unaudited financial results announcement for 4Q2015/FY2015 and the investor presentation slides dated 3 February 2016 for a detailed review of the Group’s performance and prospects.

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About First Sponsor Group Limited

First Sponsor Group Limited ("**First Sponsor**", and together with its subsidiaries, the "**Group**"), a property developer in the People's Republic of China (the "PRC"), owner of commercial properties in the PRC and the Netherlands, and a provider of property financing services in 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.