

General Announcement::Announcement by First Sponsor Group Limited, an associate of Millennium & Copthorne Hotels plc
Issuer & Securities

Issuer/ Manager	CITY DEVELOPMENTS LIMITED
Securities	CITY DEVELOPMENTS LIMITED - SG1R89002252 - C09
Stapled Security	No

Announcement Details

Announcement Title	General Announcement
Date & Time of Broadcast	26-Oct-2015 17:40:07
Status	New
Announcement Sub Title	Announcement by First Sponsor Group Limited, an associate of Millennium & Copthorne Hotels plc
Announcement Reference	SG151026OTHR4ISH
Submitted By (Co./ Ind. Name)	Enid Ling Peek Fong
Designation	Company Secretary
Description (Please provide a detailed description of the event in the box below)	<p>First Sponsor Group Limited ("FSGL"), an associate of Millennium & Copthorne Hotels plc, has on 23 October 2015 issued an announcement relating to the Unaudited Third Quarter and Nine-Month Financial Statements for the period ended 30 September 2015 together with a press release and investor presentation slides.</p> <p>For details, please refer to the announcement posted by FSGL on the SGX website www.sgx.com.</p>



Financial Statements and Related Announcement::Third Quarter Results

Issuer & Securities

Issuer/ Manager	FIRST SPONSOR GROUP LIMITED
Securities	FIRST SPONSOR GROUP LIMITED - KYG3488W1078 - ADN
Stapled Security	No

Announcement Details

Announcement Title	Financial Statements and Related Announcement
Date & Time of Broadcast	23-Oct-2015 19:02:54
Status	New
Announcement Sub Title	Third Quarter Results
Announcement Reference	SG151023OTHRCOLM
Submitted By (Co./ Ind. Name)	Neo Teck Pheng
Designation	Group Chief Executive Officer
Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)	Please see attached.

Additional Details

For Financial Period Ended	30/09/2015
Attachments	<p>Q3 15 SGX Announcement.pdf</p> <p>FSGL - Investor Presentation 3Q2015_Final_.pdf</p> <p>Press Release 3Q2015_Final_.pdf</p> <p>Total size =3021K</p>

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

UNAUDITED THIRD QUARTER AND NINE-MONTH FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2015

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

1(a) An income statement and statement of comprehensive income, for the group, together with comparative statements for the corresponding period of the immediately preceding financial year.

	The Group Third quarter ended 30 September		Incr / (Decr) %	The Group 9-month period ended 30 September		Incr / (Decr) %
	2015 S\$'000	2014 S\$'000		2015 S\$'000	2014 S\$'000	
Revenue	72,038	54,722	31.6	114,666	68,750	66.8
Cost of sales	(45,051)	(36,522)	23.4	(61,222)	(41,313)	48.2
Gross profit	26,987	18,200	48.3	53,444	27,437	94.8
Administrative expenses	(4,728)	(4,125)	14.6	(13,380)	(13,726)	(2.5)
Selling expenses	(1,668)	(1,153)	44.7	(5,968)	(3,484)	71.3
Other (expenses)/income	(2,286)	1,132	(301.9)	2,040	(9,087)	n.m.
Other (losses)/gains	(1)	896	(100.1)	276	896	(69.2)
Results from operating activities	18,304	14,950	22.4	36,412	2,036	1688.4
Finance income	5,509	4,306	27.9	16,631	9,597	73.3
Finance costs	(1,184)	(510)	132.2	(3,010)	(1,338)	125.0
Net finance income	4,325	3,796	13.9	13,621	8,259	64.9
Profit before income tax	22,629	18,746	20.7	50,033	10,295	386.0
Income tax expense	(5,434)	(3,877)	40.2	(13,984)	(7,848)	78.2
Profit for the period	17,195	14,869	15.6	36,049	2,447	1373.2
Attributable to:						
Equity holders of the Company	17,094	14,869	15.0	35,448	2,447	1348.6
Non-controlling interests	101	-	n.m.	601	-	n.m.
Profit for the period	17,195	14,869	15.6	36,049	2,447	1373.2
Earnings per share (cents)						
- basic	2.90	2.56	13.3	6.01	0.52	1055.8
- diluted	2.90	2.56	13.3	6.01	0.52	1055.8

n.m.: not meaningful

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.

Consolidated Statement of Comprehensive Income

	The Group Third quarter ended 30 September		The Group 9-month period ended 30 September	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Profit for the period	17,195	14,869	36,049	2,447
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss:				
Realisation of foreign currency translation differences arising from liquidation of a subsidiary	(121)	-	(465)	-
Translation differences on financial statements of foreign subsidiaries, net of tax	33,164	28,505	48,291	2,618
Translation differences on monetary items forming part of net investment in foreign subsidiaries, net of tax	2,012	1,901	2,929	(430)
Other comprehensive income for the period, net of tax	35,055	30,406	50,755	2,188
Total comprehensive income for the period	52,250	45,275	86,804	4,635
Total comprehensive income attributable to:				
Equity holders of the Company	51,847	45,275	86,084	4,635
Non-controlling interests	403	-	720	-
Total comprehensive income for the period	52,250	45,275	86,804	4,635

Notes to the Group's Income Statement:

Profit before income tax includes the following:

	The Group Third quarter ended 30 September		The Group 9-month period ended 30 September	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Other (losses)/gains comprise:				
Gain/(loss) on disposal of:				
- lease prepayments	-	1,132	-	1,132
- property, plant and equipment (net)	(2)	(236)	(2)	(236)
Property, plant and equipment written off	-	-	(8)	-
Gain on liquidation of a subsidiary	1	-	286	-
	<u>(1)</u>	<u>896</u>	<u>276</u>	<u>896</u>
Profit before income tax includes the following expenses/(income):				
Amortisation of lease prepayments	-	4	-	25
Depreciation of property, plant and equipment	401	335	1,229	926
Exchange (gain)/loss (net)	(2,438)	(571)	(3,907)	35
Hotel base stocks written off	-	46	-	46
Impairment losses recognised/(reversed) on property, plant and equipment	-	15	-	(20)
IPO expenses	-	-	(562)	3,500
Operating lease expense	101	80	299	231
Net investment return from a PRC government linked entity	(545)	-	(5,125)	-
Service fees paid and payable to a former immediate holding company	-	-	-	5,705
Share-based charge	-	-	-	4,705
	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,705</u>

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	The Group		The Company	
	As at 30 September 2015 S\$'000	As at 31 December 2014 S\$'000	As at 30 September 2015 S\$'000	As at 31 December 2014 S\$'000
Non-current assets				
Property, plant and equipment	139,897	116,517	-	-
Investment properties	253,650	80,979	-	-
Interest in subsidiaries	-	-	881,329	863,829
Amount due from a subsidiary	-	-	133,110	-
Other receivables	125,021	118,671	-	-
Deferred tax assets	8,796	8,951	-	-
	<u>527,364</u>	<u>325,118</u>	<u>1,014,439</u>	<u>863,829</u>
Current assets				
Development properties	668,173	559,522	-	-
Inventories	518	458	-	-
Amounts due from subsidiaries	-	-	83,537	31,560
Trade and other receivables	335,132	276,105	786	7,845
Cash and cash equivalents	120,298	131,797	988	2,432
	<u>1,124,121</u>	<u>967,882</u>	<u>85,311</u>	<u>41,837</u>
Total assets	<u>1,651,485</u>	<u>1,293,000</u>	<u>1,099,750</u>	<u>905,666</u>
Equity attributable to equity holders of the Company				
Share capital	736,404	736,404	736,404	736,404
Reserves	239,710	158,070	33,398	(5,850)
	<u>976,114</u>	<u>894,474</u>	<u>769,802</u>	<u>730,554</u>
Non-controlling interests	5,979	-	-	-
Total equity	<u>982,093</u>	<u>894,474</u>	<u>769,802</u>	<u>730,554</u>
Non-current liabilities				
Loans and borrowings	233,009	83,003	200,636	83,003
Derivative liability	4,888	-	4,888	-
Deferred tax liabilities	12,972	13,036	-	-
	<u>250,869</u>	<u>96,039</u>	<u>205,524</u>	<u>83,003</u>
Current liabilities				
Amounts due to subsidiaries	-	-	79,171	91,175
Trade and other payables	108,201	80,707	2,495	934
Receipts in advance	242,674	200,158	-	-
Loans and borrowings	42,758	-	42,758	-
Current tax payables	24,890	21,622	-	-
	<u>418,523</u>	<u>302,487</u>	<u>124,424</u>	<u>92,109</u>
Total liabilities	<u>669,392</u>	<u>398,526</u>	<u>329,948</u>	<u>175,112</u>
Total equity and liabilities	<u>1,651,485</u>	<u>1,293,000</u>	<u>1,099,750</u>	<u>905,666</u>

1(b)(ii) Aggregate amount of the Group's borrowings and debt securities.

The Group's net borrowings refer to aggregate borrowings from banks and financial institutions, after deducting cash and cash equivalents. Unamortised balance of transaction costs have not been deducted from the gross borrowings.

	The Group	
	As at 30 September 2015 S\$'000	As at 31 December 2014 S\$'000
Unsecured		
- repayable within one year	42,758	-
- repayable after one year	200,530	83,003
Total	<u>243,288</u>	<u>83,003</u>
Secured		
- repayable within one year	-	-
- repayable after one year	32,479	-
Total	<u>32,479</u>	<u>-</u>
Gross borrowings	279,256	84,600
Less: cash and cash equivalents as shown in the statement of financial position	<u>(120,298)</u>	<u>(131,797)</u>
Net borrowings / (Net cash and cash equivalents)	<u>158,958</u>	<u>(47,197)</u>

Details of any collateral

Secured borrowing is secured by a mortgage on a subsidiary's investment property, assignment of its bank accounts, lease receivables and insurance proceeds (where applicable).

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group Third quarter ended 30 September		The Group 9-month period ended 30 September	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Cash flows from operating activities				
Profit for the period	17,195	14,869	36,049	2,447
Adjustments for:				
Amortisation of lease prepayments	-	4	-	25
Depreciation of property, plant and equipment	401	335	1,229	926
Fair value loss on a cross-currency swap	3,870	-	4,888	-
Finance income	(5,509)	(4,306)	(16,631)	(9,597)
Finance expenses	1,184	510	3,010	1,338
Loss/(gain) on disposal of:				
- property, plant and equipment	2	236	2	236
- lease prepayments	-	(1,132)	-	(1,132)
Property, plant and equipment written off	-	-	8	-
Gain on liquidation of a subsidiary	(1)	-	(286)	-
Recognition/(reversal) of impairment loss on property, plant and equipment	-	15	-	(20)
Share-based charge	-	-	-	4,705
Income tax expense	5,434	3,877	13,984	7,848
	<u>22,576</u>	<u>14,408</u>	<u>42,253</u>	<u>6,776</u>
Change in working capital:				
Development properties	(10,322)	10,440	(76,018)	(205,870)
Inventories	(2)	(20)	(36)	(493)
Trade and other receivables	(13,609)	(16,743)	(88,709)	(116,804)
Trade and other payables	(29)	2,139	54,883	78,135
Cash (used in)/ generated from operations	<u>(1,386)</u>	<u>10,224</u>	<u>(67,627)</u>	<u>(238,256)</u>
Interest received	9,463	5,669	25,174	13,365
Income tax paid	<u>(1,788)</u>	<u>(3,779)</u>	<u>(11,774)</u>	<u>(16,547)</u>
Net cash generated from/ (used in) operating activities	<u>6,289</u>	<u>12,114</u>	<u>(54,227)</u>	<u>(241,438)</u>

	The Group		The Group	
	Third quarter ended		9-month period ended	
	30 September		30 September	
	2015	2014	2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from investing activities				
Receipt of investment return from a PRC government linked entity	-	-	3,567	-
Repayment of advances/loans by third parties	15,653	-	15,653	28,971
Advances/loans to third parties	-	(14,645)	-	(116,945)
Acquisition of a subsidiary	281	(212)	(73,963)	(212)
Interest received	10,864	2,734	19,777	12,521
Proceeds from disposal of:				
- lease prepayments	-	4,115	-	4,115
- subsidiaries	-	(10)	-	9,563
- property, plant and equipment	8	-	8	-
Payment for additions to:				
- property, plant and equipment	(6,083)	(8,631)	(18,352)	(19,218)
- investment properties	(1,033)	-	(83,870)	-
Net cash generated from/ (used in) investing activities	19,690	(16,649)	(137,180)	(81,205)
Cash flows from financing activities				
Proceeds from issue of shares	-	59,700	-	119,350
Dividends paid to the owners of the Company	-	-	(4,483)	-
Loan from former immediate holding company	-	-	-	1,562
Interest paid	(568)	(569)	(1,943)	(751)
Payment of transaction costs related to borrowings	(174)	(189)	(1,232)	(6,324)
Proceeds from issue of medium term notes	-	-	50,000	-
Proceeds from bank borrowings	51,580	7,600	277,099	330,100
Repayment of bank borrowings	(50,988)	(150,200)	(137,135)	(249,500)
Net cash (used in)/ generated from financing activities	(150)	(83,658)	182,306	194,437
Net increase/(decrease) in cash and cash equivalents	25,829	(88,193)	(9,101)	(128,206)
Cash and cash equivalents at beginning of the period	98,988	261,599	131,797	311,154
Effect of exchange rate changes on balances held in foreign currencies	(4,519)	5,719	(2,398)	(3,823)
Cash and cash equivalents at end of the period	120,298	179,125	120,298	179,125

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital S\$'000	Share premium S\$'000	Statutory reserve S\$'000	Capital reserve S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total attributable to equity holders of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
The Group									
At 1 January 2015	736,404	9,570	14,835	(1,497)	83,891	51,271	894,474	-	894,474
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	35,448	35,448	601	36,049
Realisation of foreign currency translation differences arising from liquidation of a subsidiary	-	-	-	-	(465)	-	(465)	-	(465)
Translation differences on financial statements of foreign subsidiaries, net of tax	-	-	-	-	48,172	-	48,172	119	48,291
Translation differences on monetary items forming part of net investment in foreign subsidiaries, net of tax	-	-	-	-	2,929	-	2,929	-	2,929
Total comprehensive income for the period	-	-	-	-	50,636	35,448	86,084	720	86,804
Transaction with owners, recognised directly in equity									
Contributions by and distributions to owners									
Dividends paid to the owners of the Company	-	-	-	-	-	(4,483)	(4,483)	-	(4,483)
Reversal of share issue expenses	-	39	-	-	-	-	39	-	39
Transfer to statutory reserves	-	-	727	-	-	(727)	-	-	-
Total contributions by and distributions to owners	-	39	727	-	-	(5,210)	(4,444)	-	(4,444)
Changes in ownership interests in subsidiaries									
Acquisition of a subsidiary with non-controlling interests	-	-	-	-	-	-	-	5,259	5,259
Liquidation of a subsidiary	-	-	(851)	1,722	-	(871)	-	-	-
Total changes in ownership interests in subsidiaries	-	-	(851)	1,722	-	(871)	-	5,259	5,259
Total transactions with owners of the Company	-	39	(124)	1,722	-	(6,081)	(4,444)	5,259	815
At 30 September 2015	736,404	9,609	14,711	225	134,527	80,638	976,114	5,979	982,093

	Share capital S\$'000	Share premium S\$'000	Reserve for own shares S\$'000	Statutory reserve S\$'000	Capital reserve S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
The Group								
At 1 January 2014	363,317	-	(3,717)	10,190	(1,563)	58,146	29,507	455,880
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	-	2,447	2,447
Translation differences on financial statements of foreign subsidiaries, net of tax	-	-	-	-	-	2,618	-	2,618
Translation differences on monetary items forming part of net investment in foreign subsidiaries, net of tax	-	-	-	-	-	(430)	-	(430)
Total comprehensive income for the period	-	-	-	-	-	2,188	2,447	4,635
Transaction with owners, recognised directly in equity								
Contributions by and distributions to owners								
Issue of ordinary shares	373,087	11,370	-	-	-	-	-	384,457
Share issue expenses	-	(1,800)	-	-	-	-	-	(1,800)
Issue of treasury shares	-	-	3,717	-	66	-	-	3,783
Share based payment transaction	-	-	-	-	-	-	4,705	4,705
Transfer to statutory reserves	-	-	-	1,165	-	-	(1,165)	-
Total contributions by and distributions to owners	373,087	9,570	3,717	1,165	66	-	3,540	391,145
Total transactions with owners of the Company	373,087	9,570	3,717	1,165	66	-	3,540	391,145
At 30 September 2014	736,404	9,570	-	11,355	(1,497)	60,334	35,494	851,660

	Share capital S\$'000	Share premium S\$'000	Reserve for own shares S\$'000	Capital reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
The Company						
At 1 January 2015	736,404	9,821	-	245	(15,916)	730,554
Total comprehensive income for the period						
Profit for the period	-	-	-	-	43,731	43,731
Total comprehensive income for the period	-	-	-	-	43,731	43,731
Transaction with owners, recognised directly in equity						
Contributions by and distributions to owners						
Dividends paid to the owners of the Company	-	-	-	-	(4,483)	(4,483)
Total contributions by and distributions to owners	-	-	-	-	(4,483)	(4,483)
Total transactions with owners of the Company	-	-	-	-	(4,483)	(4,483)
At 30 September 2015	736,404	9,821	-	245	23,332	769,802
At 1 January 2014	363,317	-	(3,717)	179	(41,581)	318,198
Total comprehensive income for the period						
Profit for the period	-	-	-	-	6,236	6,236
Total comprehensive income for the period	-	-	-	-	6,236	6,236
Transaction with owners, recognised directly in equity						
Contributions by and distributions to owners						
Issue of ordinary shares	373,087	11,370	-	-	-	384,457
Share issue expenses	-	(1,800)	-	-	-	(1,800)
Issue of treasury shares	-	-	3,717	66	-	3,783
Share based payment transaction	-	-	-	-	4,705	4,705
Total contributions by and distributions to owners	373,087	9,570	3,717	66	4,705	391,145
Total transactions with owners of the Company	373,087	9,570	3,717	66	4,705	391,145
At 30 September 2014	736,404	9,570	-	245	(30,640)	715,579

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There was no change in the Company's issued share capital during the three months ended 30 September 2015. As at 30 September 2015 and 31 December 2014, the issued and fully paid up share capital of the Company was US\$589,814,949 comprising 589,814,949 ordinary shares of US\$1 each.

There were also no outstanding convertible instruments and treasury shares as at 30 September 2015 and 30 September 2014.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued ordinary shares (excluding treasury shares) as at 30 September 2015 and 31 December 2014 is 589,814,949.

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the three months ended 30 September 2015.

- 2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have neither been audited nor reviewed by our auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 December 2014.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group adopted various new standards, amendments to standards and interpretations that are effective for the financial period beginning on 1 January 2015. The adoption of these IFRSs did not result in any significant impact on the financial statements of the Group.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Third quarter ended 30 September		9-month period ended 30 September	
	2015	2014	2015	2014
Basic and diluted earnings per share (cents)	2.90	2.56	6.01	0.52
a) Profit/(loss) attributable to equity holders of the Company (S\$'000)	17,094	14,869	35,448	2,447
b) Weighted average number of ordinary shares in issue: - basic and diluted	589,814,949	579,817,123	589,814,949	472,145,918

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:—

- (a) current financial period reported on; and
(b) immediately preceding financial year.

	The Group		The Company	
	As at 30 September 2015	As at 31 December 2014	As at 30 September 2015	As at 31 December 2014
Net asset value per ordinary share (cents) based on 589,814,949 issued ordinary shares (excluding treasury shares) as at 30 September 2015 and 31 December 2014	165.49	151.65	130.52	123.86

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:—

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

Group performance

Revenue and cost of sales

Revenue of the Group mainly comprises revenue arising from the sale of properties, rental income from investment properties, revenue from hotel operations and interest income from the provision of property financing services. The breakdown of our revenue (net of business tax) for the period under review is as follows:

	Third quarter ended 30 September		9-month period ended 30 September	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Revenue from the sale of properties	57,956	48,035	79,099	52,545
Rental income from investment properties	3,620	428	6,977	1,223
Hotel operations	1,096	591	2,522	1,371
Revenue from property financing	9,366	5,668	26,068	13,611
Total	<u>72,038</u>	<u>54,722</u>	<u>114,666</u>	<u>68,750</u>

3Q 2015 vs 3Q 2014

Revenue of the Group in 3Q 2015 increased by 31.6% or S\$17.3 million, from S\$54.7 million in 3Q 2014 to S\$72.0 million in 3Q 2015. The increase is mainly due to higher revenue from the sale of properties, rental income from investment properties, hotel operations and revenue from property financing of S\$9.9 million, S\$3.2 million, S\$0.5 million and S\$3.7 million respectively.

Revenue from the sale of properties is recognised when the construction of the properties has been completed and ready for delivery to the purchasers pursuant to the sale and purchase agreements and collectability of related receivables is reasonably assured. Revenue from the sale of properties in 3Q 2015 is mainly driven by the recognition of revenue from the sale of residential and commercial units of the Millennium Waterfront project whilst none was recognised in 3Q 2014 since the presold units were only handed over to the purchasers from December 2014.

Revenue from the sale of properties in 3Q 2014 is mainly contributed by the relinquishment of the Chengdu Wenjiang Interest of S\$45.2 million. In March 2014, the Group entered into an agreement to relinquish its land use right to a parcel of land in Wenjiang District, Chengdu, Sichuan Province, PRC, ("the Chengdu Wenjiang Factory Land"), the building thereon, ("Chengdu Wenjiang Factory"), and the related assets on site (collectively, the "Chengdu Wenjiang Interest") to Chengdu Wenjiang Land Reserve Centre in the PRC for an aggregate consideration of S\$49.3 million (RMB241.1 million). Upon termination of the lease of the Chengdu Wenjiang Factory Land and Chengdu Wenjiang Factory with the third-party lessee in July 2014, the Group recognised S\$45.2 million (RMB220.9 million) revenue from the relinquishment and the balance of the relinquishment consideration of S\$4.1 million (RMB20.2 million) was recognised as part of other gains from the disposal of the lease prepayments and property, plant and equipment associated with the Chengdu Wenjiang Factory Land relinquished.

Rental income from investment properties increased by 745.8% or S\$3.2 million, from S\$0.4 million in 3Q 2014 to S\$3.6 million in 3Q 2015. The increase is mainly due to contributions from Zuiderhof I, an office building acquired in February 2015 and Arena Towers, consisting of two Holiday Inn hotels acquired in June 2015. Both Zuiderhof I and Arena Towers are located in Amsterdam, the Netherlands.

Revenue from property financing increased by 65.2% or S\$3.7 million, from S\$5.7 million in 3Q 2014 to S\$9.4 million in 3Q 2015. This is mainly due to the increase in interest income generated from secured entrusted loans to third parties due to a larger average loan portfolio of S\$216.5 million for 3Q 2015 as compared to S\$133.7 million for 3Q 2014.

Revenue from hotel operations increased by 85.4% or S\$0.5 million, from S\$0.6 million in 3Q 2014 to S\$1.1 million in 3Q 2015. The increase is mainly due to improved performance from M Hotel Chengdu as it enters into its second full year of operations.

Cost of sales mainly comprises land costs, development expenditure, borrowing costs, hotel-related depreciation charge, repair and maintenance expenditure related to investment properties, and other related expenditure. Cost of sales increased by 23.4% or S\$8.5 million, from S\$36.5 million in 3Q 2014 to S\$45.0 million in 3Q 2015. The increase in cost of sales is in line with the increase in revenue from the sale of properties and rental income from investment properties in 3Q 2015.

Our gross profit increased by 48.3% or S\$8.8 million, from S\$18.2 million in 3Q 2014 to S\$27.0 million in 3Q 2015. The increase was due to the higher gross profit generated from property financing, rental income from investment properties, the sale of properties and hotel operations of S\$3.7 million, S\$2.9 million, S\$1.9 million and S\$0.3 million respectively.

The Group's gross profit margin has increased from 33.3% for 3Q 2014 to 37.5% for 3Q 2015. This is mainly due to the change in sales mix, whereby 34.7% of the Group's gross profit for 3Q 2015 was from the property financing segment which contributed 100.0% gross profit margin compared to 31.1% for 3Q 2014. In addition, the Group's acquisition of investment properties in the Netherlands led to a higher contribution by the property investment segment, which constituted 13.0% of the Group's gross profit for 3Q 2015 (3Q 2014: 3.5%).

Administrative expenses

Our administrative expenses mainly comprise staff costs, rental expenses, depreciation charge in relation to non-hotel assets, professional fees, and other expenses such as office, telecommunications and travelling expenses, stamp duties and other indirect PRC taxes.

These expenses increased by 14.6% or S\$0.6 million to S\$4.7 million in 3Q 2015, mainly attributable to higher staff costs, as well as increase in headcount for M Hotel Chengdu and the property development operations in Chengdu and Dongguan.

Selling expenses

Our selling expenses mainly comprise staff costs of our sales and marketing staff, advertising and promotion expenses, sales commissions paid to external sales agents and other expenses. These expenses increased by 44.7% or S\$0.5 million to S\$1.7 million in 3Q 2015 mainly due to higher marketing costs to promote the Millennium Waterfront project and higher sales commissions incurred.

Other (expenses)/income

In 3Q 2015, the Group recorded S\$2.3 million of other expenses, mainly comprising fair value loss on cross-currency swap of S\$3.9 million and cost adjustments on M Hotel Chengdu and investment properties of S\$0.8 million offset by S\$0.5 million net investment return from a PRC government linked entity and net foreign exchange gain of S\$2.4 million.

The other income of S\$1.1 million recorded in 3Q 2014 mainly consisted of a S\$0.7 million credit in respect of cost adjustments relating to M Hotel Chengdu and net foreign exchange gain of S\$0.6 million.

Income tax expense

Income tax expense increased by S\$1.6 million in 3Q 2015 in line with the increase in profit from operating activities. The effective tax rate of the Group for 3Q 2015 was 24.0%.

YTD September 2015 vs YTD September 2014

Revenue of the Group for the 9 months ended 30 September 2015 ("YTD September 2015"), increased by 66.8% or S\$45.9 million, from S\$68.8 million in the 9 months ended September 2014 ("YTD September 2014") to S\$114.7 million in YTD September 2015. The increase is mainly due to higher revenue from the sale of properties, rental income from investment properties, hotel operations and revenue from property financing of S\$26.5 million, S\$5.8 million, S\$1.1 million and S\$12.5 million respectively.

Revenue from the sale of properties increased by 50.5% or S\$26.5 million which is mainly due to higher revenue recognised on the Millennium Waterfront project of S\$76.2 million in YTD September 2015 (none in YTD September 2014) as compared to revenue contributed from the relinquishment of the

Chengdu Wenjiang Interest of S\$45.2 million in YTD September 2014. However, Chengdu Cityspring project recognised lower revenue of S\$2.9 million in YTD September 2015 compared to S\$7.0 million in YTD September 2014.

Rental income from investment properties increased by 470.5% or S\$5.8 million, from S\$1.2 million in YTD September 2014 to S\$7.0 million in YTD September 2015. The increase is mainly due to rental income contributed by Zuiderhof I and Arena Towers which were acquired in February 2015 and June 2015 respectively.

Revenue from property financing increased by 91.5% or S\$12.5 million, from S\$13.6 million in YTD September 2014 to S\$26.1 million in YTD September 2015. This is mainly due to a larger average entrusted loan portfolio of S\$202.5 million for YTD September 2015 as compared to S\$106.0 million for YTD September 2014.

Revenue from hotel operations increased by 84.0% or S\$1.1 million, from S\$1.4 million in YTD September 2014 to S\$2.5 million in YTD September 2015. The increase is mainly due to improved performance from M Hotel Chengdu as it enters into its second full year of operations.

Cost of sales increased by 48.2% or S\$19.9 million, from S\$41.3 million in YTD September 2014 to S\$61.2 million in YTD September 2015. The increase in cost of sales is in line with the increase in Revenue from the sale of properties, rental income from investment properties and hotel operations in YTD September 2015.

Our gross profit increased by 94.8% or S\$26.0 million, from S\$27.4 million in YTD September 2014 to S\$53.4 million in YTD September 2015. The increase was due to the higher gross profit generated from property financing, the sale of properties, rental income from investment properties and hotel operations of S\$12.5 million, S\$7.3 million, S\$5.5 million and S\$0.7 million respectively.

The Group's gross profit margin has increased from 39.9% for YTD September 2014 to 46.6% for YTD September 2015. This is mainly due to the higher contribution of net rental income from the higher yielding investment properties arising from the Group's acquisition of investment properties in the Netherlands. This property investment segment constituted 12.4% of the Group's gross profit for YTD September 2015 (YTD September 2014: 4.2%).

Administrative expenses

Administrative expenses declined by 2.5% or S\$0.3 million, from S\$13.7 million in YTD September 2014 to S\$13.4 million in YTD September 2015. Staff costs increased by approximately S\$4.7 million in YTD September 2015 over YTD September 2014 mainly due to the Company's July 2014 acquisition of First Sponsor Management Pte. Ltd. (which employs the Group's employees based in Singapore), and increase in headcount for the property development operations in Chengdu and Dongguan and M Hotel Chengdu. This is offset by a share based charge of S\$4.7 million in connection with the Company's issuance of 22,850,000 ordinary shares to certain management staff and employees of the Group at par value incurred in March 2014 (none in YTD September 2015).

Selling expenses

Selling expenses increased by 71.3% or S\$2.5 million to S\$6.0 million in YTD September 2015. This was in line with the increase in sales activities of the Group including marketing costs to promote the Millennium Waterfront project and higher sales commissions accrued.

Other (expenses)/income

In YTD September 2015, the Group recorded other income of S\$2.0 million which mainly comprised net investment return from a PRC government linked entity of S\$5.1 million and net foreign exchange gain of S\$3.9 million, partially offset by fair value loss on a cross-currency swap of S\$4.9 million, cost adjustments on M Hotel Chengdu and investment properties of S\$1.6 million and bank charges of S\$0.3 million.

The other expenses of S\$9.1 million recorded in YTD September 2014 mainly comprised IPO expenses accrued of S\$3.5 million and service fees charged by a controlling shareholder of S\$5.7 million.

Income tax expense

The Group recorded total income tax expense of S\$14.0 million on profit before tax of S\$50.0 million in YTD September 2015, which included land appreciation tax of S\$0.5 million. After adjusting for the tax effect of non-deductible expenses of S\$2.7 million, tax effect on non-taxable income of S\$1.6 million, tax effect of land appreciation tax of S\$0.1 million, tax effect on deferred tax assets not recognised of S\$0.6 million as well as reversal of overprovision in respect of prior year of S\$0.6 million in YTD September 2015, the effective tax rate of the Group would be approximately 25.0% for the current period.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Non-current assets

Property, plant and equipment increased by S\$23.4 million, from S\$116.5 million as at 31 December 2014 to S\$139.9 million as at 30 September 2015. S\$21.5 million of the increase is attributable to additions to construction in progress for the Millennium Waterfront Hotel in Chengdu.

Investment properties more than tripled in balance, from S\$81.0 million as at 31 December 2014 to S\$253.7 million as at 30 September 2015. The significant increase is mainly due to the investment properties acquired in the Netherlands which constituted S\$168.6 million as at 30 September 2015.

Current assets

Development properties increased by S\$108.7 million, from S\$559.5 million as at 31 December 2014 to S\$668.2 million as at 30 September 2015, mainly due to increase in the development costs for ongoing PRC development projects, namely the Millennium Waterfront project in Chengdu and the Star of East River project in Dongguan, partially offset by profit recognition on the sales of the Millennium Waterfront and Chengdu Cityspring projects.

Trade and other receivables increased by S\$59.0 million, from S\$276.1 million as at 31 December 2014 to S\$335.1 million as at 30 September 2015. S\$52.2 million of the increase is due to the net disbursement of short term entrusted loans to third parties, bringing the total property financing loan portfolio as at 30 September 2015 to S\$222.5 million (RMB996.0 million).

Current liabilities

Receipts in advance increased by S\$42.5 million, from S\$200.2 million as at 31 December 2014 to S\$242.7 million as at 30 September 2015, mainly due to the Millennium Waterfront project.

Loans and borrowings

The Group's gross borrowings increased by S\$194.7 million, from S\$84.6 million as at 31 December 2014 to S\$279.3 million as at 30 September 2015. This was largely due to the financing of the acquisition of the investment properties in the Netherlands entirely via debt of S\$165.6 million, including an issuance of S\$50.0 million Series 1 medium term notes (for three years at a fixed coupon of 4.0% per annum) on 4 June 2015 under the S\$1.0 billion Multicurrency Debt Issuance Programme established in May 2015. This Singapore Dollar (S\$) debt was swapped into euros debt at a lower fixed coupon of 2.28% per annum. The balance of the increase in gross borrowings was mainly due to the financing of the development of the Millennium Waterfront project and the Star of East River project.

Foreign currency risk management

The Group is exposed to the volatility of Renminbi (RMB) due to its operations in the PRC. Therefore, any depreciation in RMB against S\$ will adversely affect the Group's earnings, net assets, value of any dividends we pay to our shareholders in S\$ or require us to use more RMB funds to service the same amount of any S\$ debt.

With the Group's entry to the property market in the Netherlands, whilst the Group tries to fully hedge its currency exposure by financing all its Dutch acquisitions with euro-denominated borrowings and non-euro-denominated borrowings swapped to euros, the Group's earnings is still exposed to the volatility of euro against S\$ to the extent that these are unhedged.

As at 30 September 2015, the Group has a cumulative translation gain of S\$134.5 million recorded as part of the reserves in its shareholders' equity. This has mainly arisen from the translation of the net assets and income and expenses of the Group's foreign operations in the PRC to S\$ at the exchange rates prevailing at the end of each reporting period. The Group has been benefitting from favorable exchange rate movements between RMB and S\$ so far despite the recent devaluation of RMB against US Dollar (US\$).

We do not currently have a formal hedging policy with respect to our foreign exchange exposure and have not used any financial hedging instruments to actively manage our foreign exchange risk. We will continue to monitor our foreign exchange exposure and may employ hedging instruments to manage our foreign exchange exposure should the need arise. The cost of such hedging instruments may fluctuate significantly over time and can outweigh the potential benefit from the reduced exposure to currency volatility. There is no assurance as to the effectiveness and success of any hedging action that we might or might not take.

Statement of cash flows of the Group

3Q 2015

Net cash generated from operating activities of S\$6.3 million in 3Q 2015 was mainly due to interest received of S\$9.5 million (primarily from the property financing business). This had been offset by the payment of income tax of S\$1.8 million and the payment of construction costs for the Millennium Waterfront project and Star of East River project.

Net cash generated from investing activities of S\$19.7 million in 3Q 2015 was mainly due to repayment of Chengdu Wenjiang government loan principal of S\$15.7 million (RMB72.0 million) and interest received of S\$10.9 million (primarily in respect of the loans to Chengdu Wenjiang government), partially offset by additions of property, plant and equipment of S\$6.1 million mainly relating to Millennium Waterfront Hotel.

Net cash used in financing activities amounted to S\$0.2 million in 3Q 2015 mainly due to the net drawdown of bank borrowings of S\$0.6 million, partially offset by payment of interest and transaction costs related to borrowings of S\$0.6 million and S\$0.2 million respectively.

YTD September 2015

Net cash used in operating activities of S\$54.2 million in YTD September 2015 was mainly due to the payment of income tax of S\$11.8 million and payment of construction costs for the Millennium Waterfront project and Star of East River project. This was partially offset by receipts in advance attributable to the Millennium Waterfront project of S\$30.6 million and interest received of S\$25.2 million (primarily from the property financing business).

Net cash used in investing activities amounting to S\$137.2 million in YTD September 2015 consists of approximately S\$74.0 million (net of cash acquired from the acquisition of S\$1.9 million) and S\$83.3 million paid in connection with the acquisition of Zuiderhof I and Arena Towers in Amsterdam respectively, and additions of property, plant and equipment of S\$18.4 million. This was partially offset by interest received of S\$19.8 million (primarily in respect of the loans to Chengdu Wenjiang government), repayment of Chengdu Wenjiang government loan principal of S\$15.7 million (RMB72.0 million) and investment return received from a PRC government linked entity of S\$3.6 million.

Net cash generated from financing activities amounted to S\$182.3 million in YTD September 2015 mainly due to the proceeds from the issue of S\$ denominated medium term notes of S\$50.0 million and net drawdown of bank borrowings of S\$140.0 million, partially offset by payment of interest, transaction costs related to borrowings and dividends to the owners of the Company of S\$1.9 million, S\$1.2 million and S\$4.5 million respectively.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement for the current financial period has been previously disclosed to shareholders.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Industry Outlook

People's Republic of China

In its attempt to reform the PRC economy towards a market-oriented direction, The People's Bank of China ("PBOC") surprised markets with the devaluation of RMB against US\$ in August 2015. The move came in tandem with multiple reductions in interest rates and reserve requirement ratio ("RRR"). The RMB devaluation is expected to help the PRC's export activities and ease concerns over an economic downturn for the world's second largest economy.

Home prices in China are up for the fourth straight month in August 2015¹, reflecting sentiments on recovery for the PRC property sector. On a nationwide basis, prices rose 1.7% year on year in August, marking the first increase since September 2014. The trend reversal is likely to be attributable to the series of government support measures implemented since November 2014, including a series of interest rate cuts, lowering of downpayment requirements and loosening of rules for foreigners to buy real estate.

China has also revised certain capital requirements for wholly foreign owned enterprises ("WFOE") with the removal of the requirement for WFOE to pay up their registered capital in full before tapping on local loans. This is a positive development for foreign real estate developers in their treasury and funding management.

The Netherlands

Economic indicators² reveal that the Dutch economy in September 2015 had performed better than forecasted. Investments grew significantly in July with tangible fixed asset investment to be 10% higher than in July 2014. Dutch consumer spending on goods and services was up by 1.3% in July 2015 compared to the same month last year. These positive economic indicators are signs of a growing Dutch economy which augurs well for the outlook of the Group's property investments in the Netherlands.

Company Outlook

Property Development

Three additional blocks of Plot B residential units were handed over in 3Q 2015. In addition, the Group also commenced handover of the Plot B carpark lots in 3Q 2015. Plot C residential blocks which were launched for pre-sales since January 2014 are expected to be handed over from December 2015 onwards.

For the Star of East River project, the Group has recently concluded the signing of a long-term lease with a reputable local cinema operator as one of the anchor tenants for the retail mall component. The Group continues to work towards the tender for East River Plot Two of the Star of East River project (constituting approximately 25% of the total site area).

Property Holding

The Group's two investment properties in the Netherlands, Zuiderhof I and Arena Towers, have significantly contributed to the increase in gross profit for the property holding business segment in 3Q 2015. Encouraged by the successful execution of the Netherlands expansion plan, the Group continues to look for new business opportunities in the Netherlands to grow its recurrent income base.

¹ According to the data released by the National Statistics Bureau (NBS) in September 2015

² According to the Statistics Netherlands (CBS) report released in September 2015

Property Financing

The property financing business has continued to grow with a revenue increase from S\$5.7 million in 3Q 2014 to S\$9.4 million in 3Q 2015. The property financing loan portfolio stands at RMB996.0 million (S\$222.5 million) as at 30 September 2015. While the loan book of this business segment has increased significantly, the Group continues to manage and grow its property financing business on a prudent basis. All servicing on the loans continue to be current and there is no instance of loan default since the Group started this business in January 2012.

11. If a decision regarding dividend has been made:—

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No dividend was declared for the corresponding period of the immediately preceding financial year.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared (recommended), a statement to that effect.

Not applicable.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a shareholders' general mandate for IPTs.

BY ORDER OF THE BOARD
Neo Teck Pheng
Group Chief Executive Officer
23 October 2015

FIRST SPONSOR GROUP LIMITED

(Registration No. AT-195714)

CONFIRMATION BY THE BOARD

The Directors of the Company hereby confirm, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the Group's unaudited financial results for the third quarter and the 9-month period ended 30 September 2015 to be false or misleading in any material respect.

On behalf of the Board of Directors

Ho Han Leong Calvin
Chairman

Neo Teck Pheng
Group Chief Executive Officer

23 October 2015



First Sponsor Group Limited

Investor Presentation

23 October 2015

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

Disclaimer

This document may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other developments or companies, shifts in customer demands, customers and partners, expected levels of occupancy rate, property rental income, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.

We had on 10 July 2014 issued a prospectus which was lodged for registration by the Monetary Authority of Singapore (the “Prospectus”). The results contained in this document should be reviewed in conjunction with the Prospectus.

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Section 1

Key Message

Key Message

- 1. 3Q2015 recorded a 31.6% increase in revenue and 20.7% increase in profit before tax, continuing the positive trend for the 4th quarter running since 4Q2014 with the Group delivering (at least) double digit growth each quarter consistently.**
- 2. The Group has experienced growth in all of its three core businesses, with its YTD September profit before tax of S\$50.0m already exceeding that of FY2014 by 23.5% or S\$9.5m.**
- 3. Handover of residential units of the Millennium Waterfront project is progressing smoothly. 3 additional blocks of Plot B residential units were handed over in 3Q2015. Plot C residential blocks which were launched for pre-sales since January 2014 are expected to be handed over from December 2015 onwards.**
- 4. The Group's recurrent income base is boosted by the growth in the property holding and property financing business segments with a 461.3% and 65.2% increase in gross profit respectively in 3Q2015, contributing an aggregate S\$6.9m of the S\$8.8m increase in quarter-on-quarter gross profit. The former is largely a result of the successful execution of the Netherlands expansion plan whereas the latter is supported by a growing loan book.**

Key Message

5. **Healthy financial position as at 30 September 2015 bolstered by S\$660.5m of cash, monetary loan receivables and unutilised committed credit facilities. With a notable low gearing ratio of 16.7% and conservative interest cover of over 40 times, the Group is ready to gear up for its continuing expansion in the Netherlands and the PRC.**

Section 2

Financial Highlights

2.1 Statement of Profit or Loss - Highlights

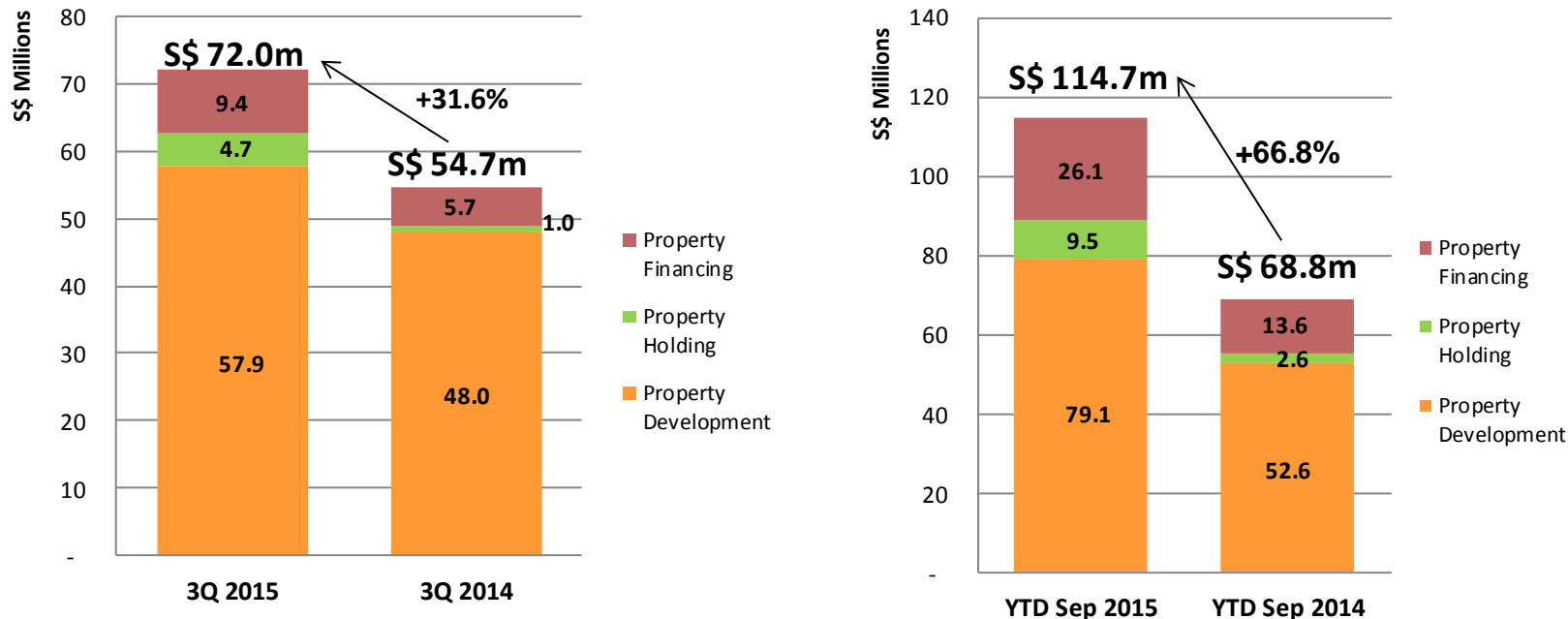
Statement of Profit or Loss - Highlights						
In S\$'000	3Q2015	3Q2014	Change %	YTD Sep 2015	YTD Sep 2014	Change %
Revenue	72,038	54,722	31.6%	114,666	68,750	66.8%
Gross profit	26,987	18,200	48.3%	53,444	27,437	94.8%
Profit before income tax	22,629	18,746	20.7%	50,033	10,295	386.0%
Profit attributable to equity holders of the Company	17,094	14,869	15.0%	35,448	2,447	1348.6%
Basic EPS (cents)	2.90	2.56	13.3%	6.01	0.52	1055.8%
Adjusted profit before income tax	22,629	18,746	20.7%	49,471 ⁽¹⁾	18,500 ⁽²⁾	167.4%
Adjusted profit attributable to equity holders of the Company	17,094	14,869	15.0%	34,886 ⁽¹⁾	10,652 ⁽²⁾	227.5%

(1) Adjusted results exclude reversal of IPO expenses of S\$0.6m in YTD Sep 2015.

(2) Adjusted results exclude IPO expenses of S\$3.5m and share-based charge of S\$4.7m in YTD Sep 2014.

2.2 Statement of Profit or Loss – Revenue

Revenue



Property Development

- The increase in 3Q2015 is mainly due to the further revenue recognition from Plot B of the Millennium Waterfront project, comprising mainly the handover of 3 non-riverfront residential blocks in Plot B. The revenue in 3Q2014 is mainly attributable to the S\$45.2m one-time revenue from the relinquishment of Chengdu Wenjiang Factory Land and Chengdu Wenjiang Factory.

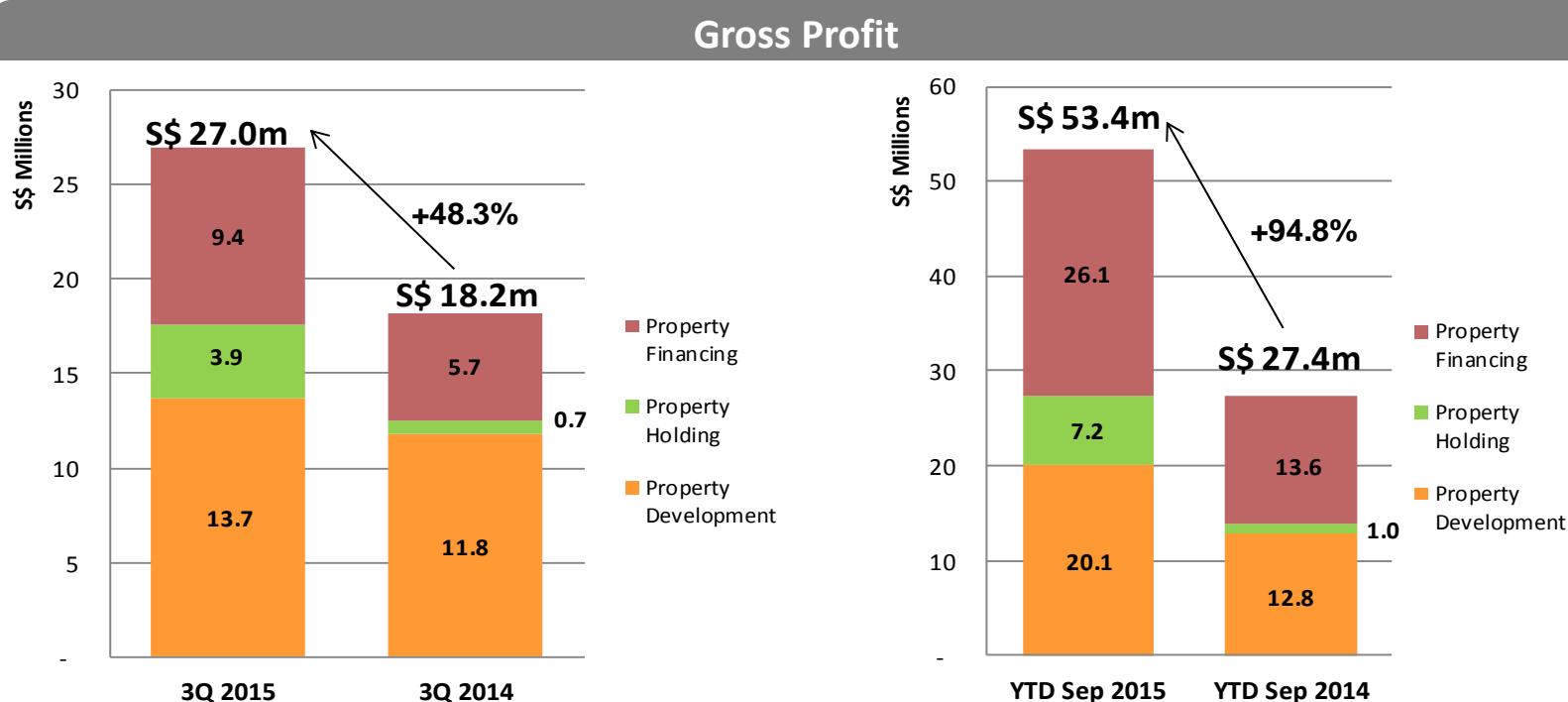
Property Holding (includes hotel operations)

- The increase in 3Q2015 is mainly due to rental revenue contribution of S\$1.7m and S\$1.6m from Zuiderhof I (acquired in February 2015) and Arena Towers (acquired in June 2015) respectively.

Property Financing

- 3Q2015 recorded higher property financing revenue due to a larger entrusted loan portfolio.

2.3 Statement of Profit or Loss – Gross Profit



Property Development

- Gross profit achieved of S\$13.7m in 3Q2015 is mainly due to revenue recognition from the Millennium Waterfront project, comprising the handover of 3 non-riverfront residential blocks in Plot B. The gross profit in 3Q2014 is mainly contributed by the relinquishment of Chengdu Wenjiang Factory Land and Chengdu Wenjiang Factory with no significant project handover.

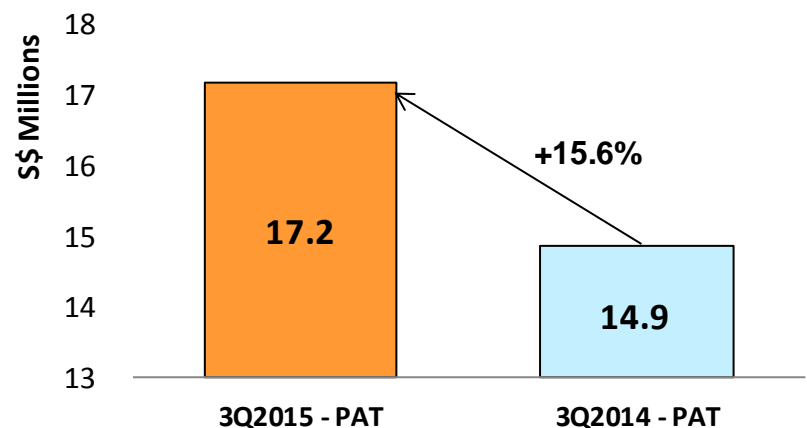
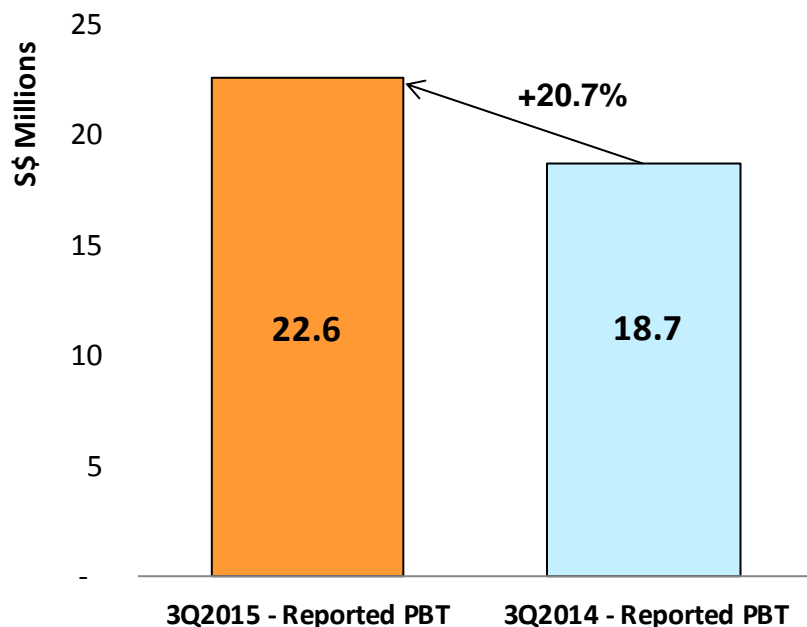
Property Holding (includes hotel operations)

- The increase in gross profit of S\$3.2m in 3Q2015 is mainly attributable to the gross profit contribution of S\$1.4m and S\$1.5m from Zuiderhof I and Arena Towers respectively.

Property Financing

- Higher gross profit from the property financing business recorded in 3Q2015 due to a larger entrusted loan portfolio.

2.4 Statement of Profit or Loss – 3Q2015 vs 3Q2014



The significant increase in profit before tax is mainly due to:

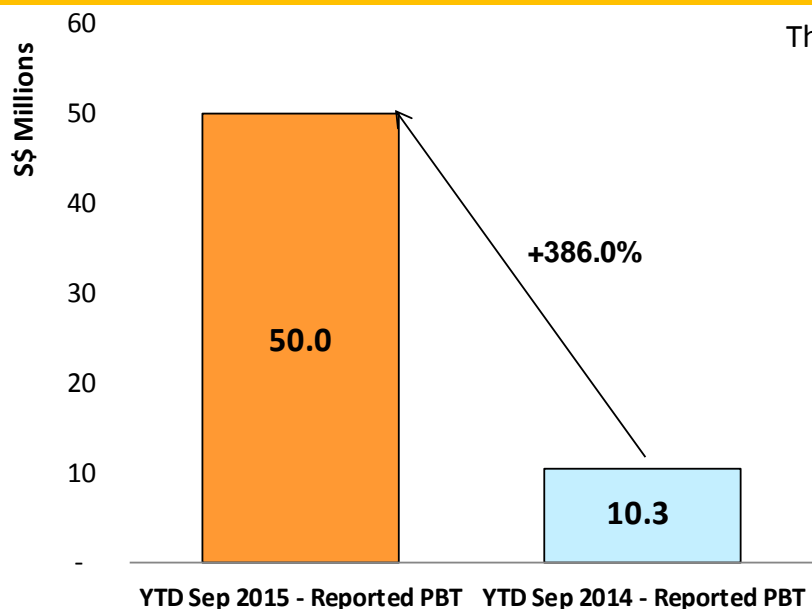
- Higher gross profit contribution from all three business segments of the Group with an aggregate increase in gross profit of S\$8.8m.
- Net increase in foreign exchange gain of S\$1.9m.

The increase was partially offset by:

- Fair value loss on cross-currency swap of S\$3.9m.
- Increase in administrative and selling expenses of a total of S\$1.1m.
- One time gain on disposal of lease prepayments and PPE in relation to the relinquishment of Chengdu Wenjiang Factory Land and Chengdu Wenjiang Factory of S\$0.9m in 3Q2014. No such gain is recorded in 3Q2015.
- Cost adjustments relating to M Hotel Chengdu and investment properties of S\$0.8m.

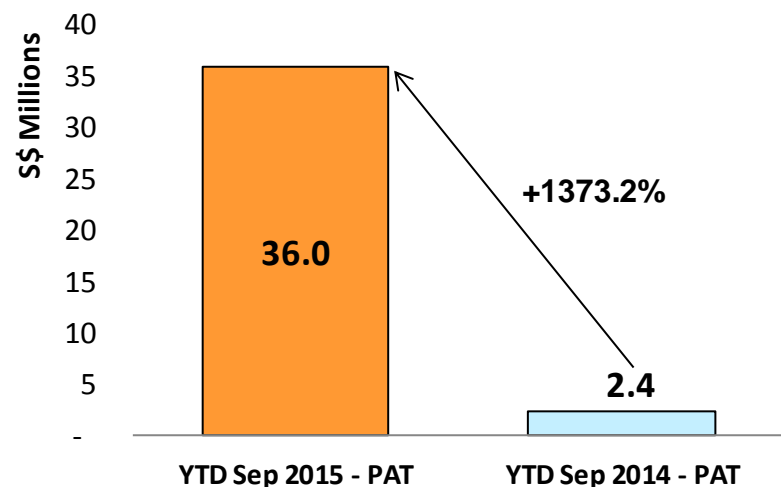
The reported effective tax rate is 24.0% for 3Q2015.

2.5 Statement of Profit or Loss – YTD Sep 2015 vs YTD Sep 2014



The significant increase in the profit before tax is mainly due to:

- Higher gross profit contribution from all three business segments of the Group with an aggregate increase in gross profit of S\$26.0m.
- Additional interest income arising from loans to the Chengdu Wenjiang Government of S\$8.1m which were disbursed from late 1Q2014 onwards.
- One time share-based charge of S\$4.7m and one time IPO expenses of S\$3.5m incurred in YTD Sep 2014.
- Net investment return of S\$5.1m recognised as part of other income in YTD 30 Sep 2015 in connection with the termination of the Zhongtang agreements.
- Net increase in foreign exchange gain of S\$3.9m.



The increase in the pre-tax profit was partially offset by:

- Fair value loss on cross-currency swap of S\$4.9m.
- Higher selling expenses of S\$2.5m and higher finance costs of S\$1.7m.
- Lower other gains of S\$0.6m.
- Cost adjustments relating to M Hotel Chengdu and investment properties of S\$1.6m.

The reported effective tax rate is 27.9% for YTD Sep 2015.

2.6 Statement of Financial Position - Highlights

Statement of Financial Position - Highlights			
In S\$'000	30-Sep-15	30-Jun-15	Change %
Total assets	1,651,485	1,574,237	4.9%
Total cash	120,298	98,988	21.5%
Receipts in advance	242,674	256,178	(5.3%)
Total debt	275,767 ⁽¹⁾	270,607 ⁽²⁾	1.9%
Net asset value (NAV)⁽³⁾	976,114	924,267	5.6%
NAV per share (cents)	165.49	156.70	5.6%
Gearing ratio⁽⁴⁾	16.7%	18.9%	(2.2%)
Interest cover ratio⁽⁵⁾	41.5	42.3	(1.9%)

(1) Comprises gross borrowings of S\$279.3m net of unamortised upfront fee of S\$3.5m.

(2) Comprises gross borrowings of S\$273.7m net of unamortised upfront fee of S\$3.1m.

(3) NAV excluding non-controlling interests.

(4) Computed as net debt ÷ total equity including non-controlling interests.

Net debt = gross borrowings + derivative liability – cash and cash equivalents

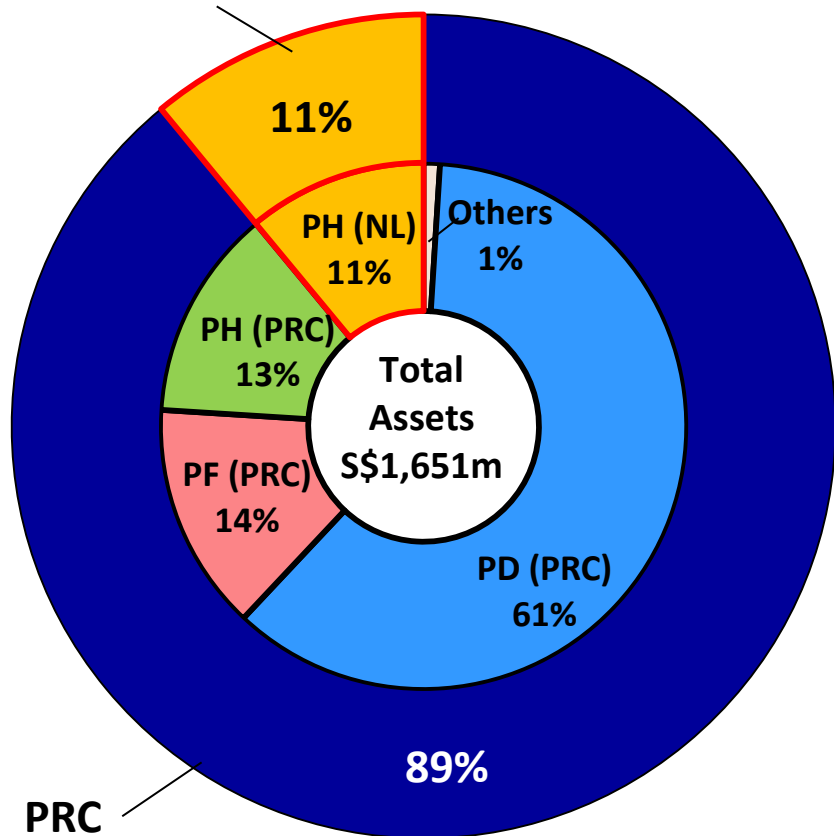
(5) Interest cover = PBT (excluding accounting interest due to /from financial institutions) / net interest expense

2.7 Statement of Financial Position - Total Assets

Total Assets – by business and geographic segments

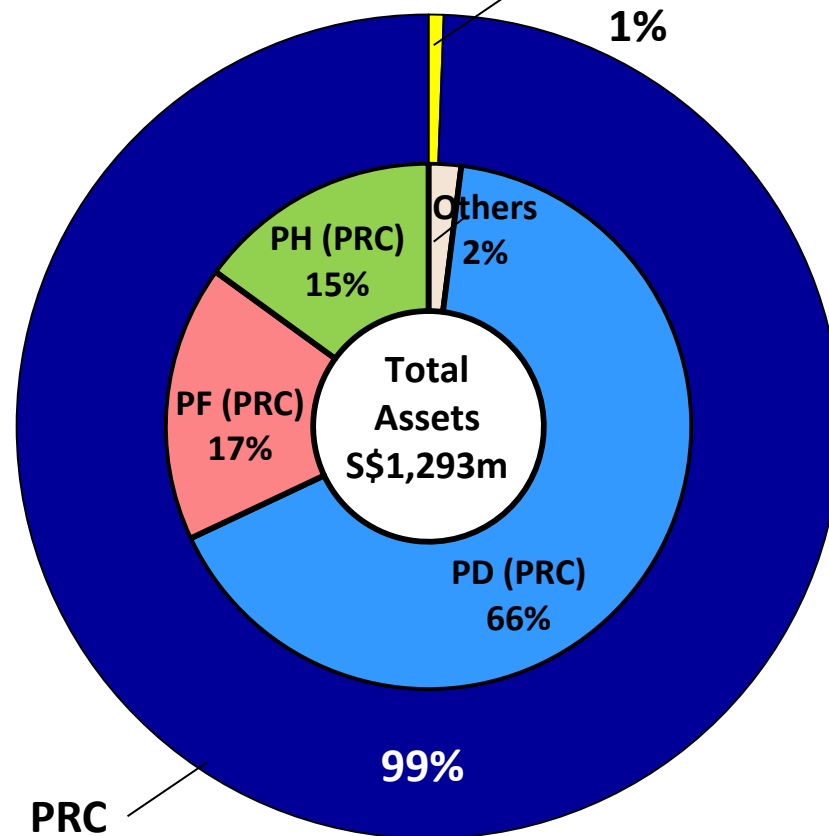
As at 30 September 2015

The Netherlands



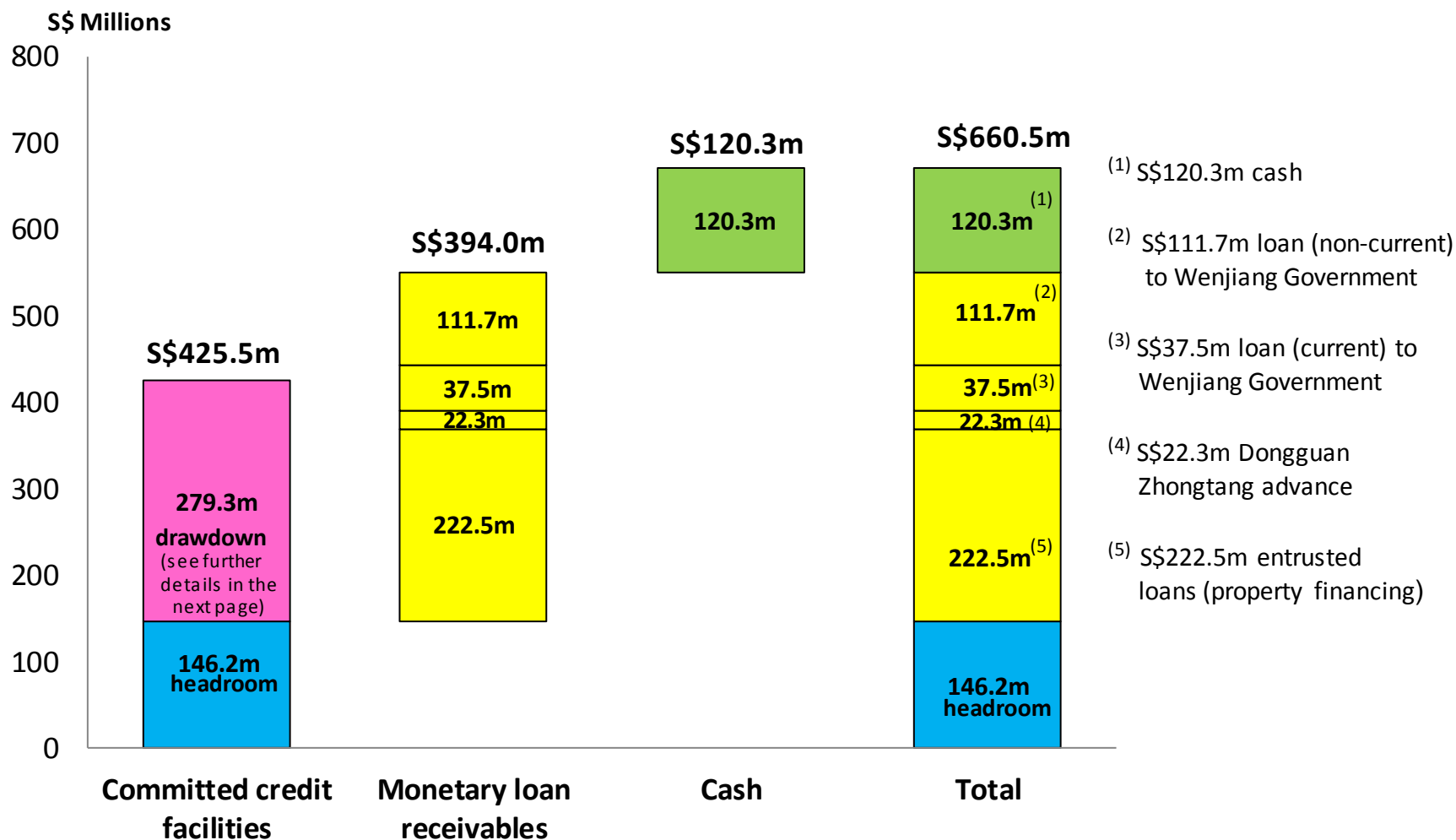
As at 31 December 2014

Others



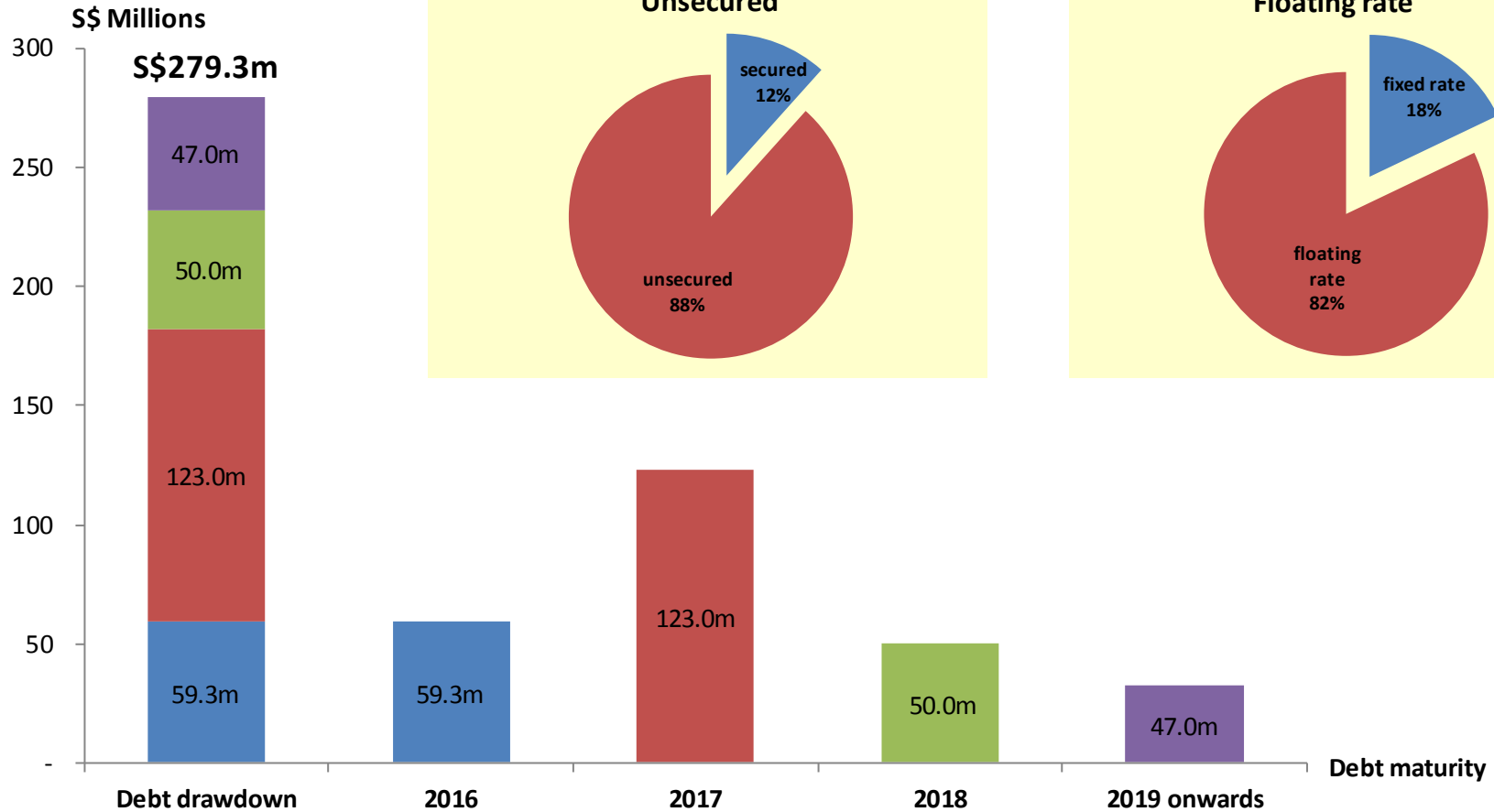
The Group has diversified geographically and rebalanced its asset allocation in its three core business segments subsequent to the property acquisition of Zuiderhof I and Arena Towers in 1Q2015 and 2Q2015 respectively.

2.8 Liquidity Management as at 30 September 2015



- Healthy balance sheet backed by S\$660.5m of cash, monetary loan receivables, and unutilised committed credit facilities as at 30 September 2015. The Group also has a S\$1 billion Multicurrency Debt Issuance Programme to tap on for any future funding needs.

2.9 Debt maturity and composition as at 30 September 2015



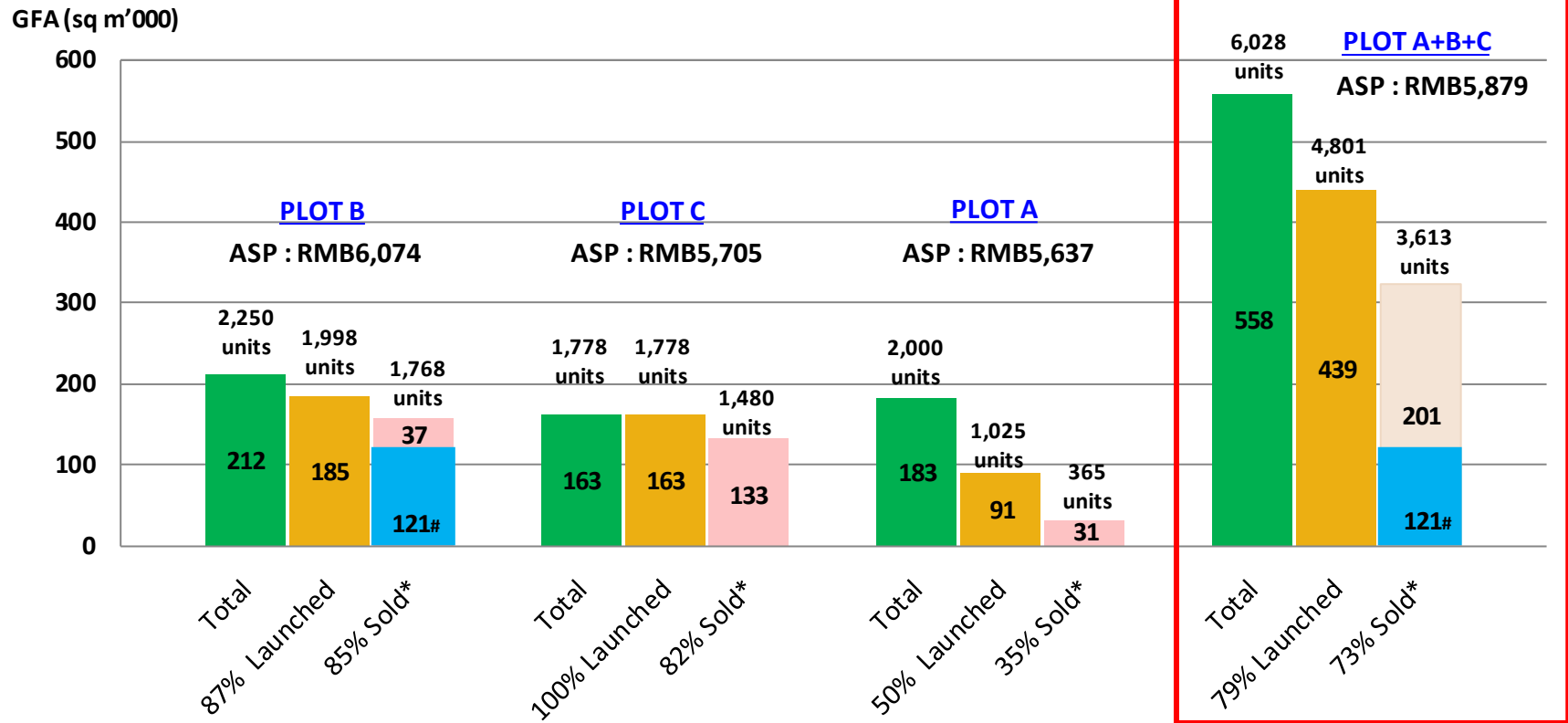
Section 3

Key Business Review 3Q2015 – Property Development

3.1 Property Development – Millennium Waterfront project

- Launched 3 additional Plot A residential blocks for sale in September 2015.
- 73% cumulative pre-sale rate for the residential units launched.

Plots A, B and C Residential Pre-sale Performance as at 30 Sept 2015



* Includes sales under option agreements or sale and purchase agreements, as the case may be.

1,345 residential units (GFA: 120,632 sq m) with a gross sales value of S\$152.8m have been cumulatively recognised since December 2014.

3.1 Property Development – Millennium Waterfront project

- Since December 2014, 10 out of 15 residential blocks of Plot B have been handed over.
- First time handover of Plot B car park lots in 3Q2015.
- Expected handover of Plot C residential units from December 2015 onwards.



Plot B riverfront residential blocks



Aerial view of Plot A blocks under construction



Plot C residential blocks

3.1 Property Development – Millennium Waterfront project



Notes:

- This diagram is not drawn to scale.
- Based on artist's impression which may not be fully representative of the actual development.
- As at 30 September 2015 and includes sales under option agreements or sale and purchase agreements, as the case may be.

3.2 Property Development – Star of East River project

- Site preparation works are in progress for the Star of East River project.
- The Group has recently concluded the signing of a long-term lease with a reputable local cinema operator as one of the anchor tenants for the retail mall component.
- The Group continues to work towards the tender for East River Plot Two (constituting approximately 25% of the total site area).



Section 4

Key Business Review 3Q2015 – Property Holding

4.1 Property Holding – M Hotel and Millennium Waterfront Hotel, Chengdu

M Hotel Chengdu

	YTD 30 Sept 2015	YTD 30 Sept 2014	Increase/(decrease)
Occupancy	43.1%	24.4%	18.7%
ADR	RMB377	RMB412	(RMB35)
RevPar	RMB163	RMB101	RMB62

- The hotel's performance continues to improve as it enters into the second full year of operations.
- The Group is monitoring the Chengdu market conditions for the leasing or sale of the space originally intended for Phase III (21,875 sq m) of the M Hotel Chengdu expansion plan on a strata title basis.

Millennium Waterfront Chengdu Hotel

- Construction is currently progressing as planned.



4.2 Property Holding – Netherlands Portfolio



Property	Zuiderhof I	Arena Towers
Description	Office and ancillary car parks	2 hotels and ancillary car parks
Location	South Axis, Amsterdam	Amsterdam Southeast
Land Tenure	Perpetual leasehold (ground lease paid to May 2050)	Perpetual leasehold (ground lease paid to August 2053)
Net Lettable Floor Area	12,538 sq m	17,396 sq m
Number of car park lots	111	509
Purchase Price	€51.5m	€54.6m
Occupancy	100%	100%
Number of Tenant(s)	1	2
Weighted Average Lease Term (WALT)	3.8 years	23.2 years
Expected stabilised net rental yield	7.5%	7.2%
Acquisition Completion Date	18 February 2015	17 June 2015

Section 5

Key Business Review 3Q2015 – Property Financing

5.1 Property Financing - Overview of Financial Performance

	Revenue (S\$' m) ⁽¹⁾	As a % of Group Revenue	Profit before tax (S\$' m) ⁽²⁾	As a % of Group Profit before tax
3Q2015	9.4	13.0%	11.0	48.5%
3Q2014	5.7	10.4%	6.1	32.3%
YTD Sep 2015	26.1	22.7%	30.5	61.0%
YTD Sep 2014	13.6	19.8%	15.7	152.9%

	Third Party Loan Balance as at	Average Third Party Loan Balance for the year to date ended
30 September 2015	RMB996.0m (S\$222.5m)	RMB931.4m (S\$202.5m)
30 September 2014	RMB575.0m (S\$119.3m)	RMB518.6m (S\$106.0m)

To-date, we have not experienced any loan default and interest servicing on all loans has been current.

Loan book as at 30 September 2015

The Group's entrusted loan balance was RMB996.0m with interest rates ranging from 17.0% to 18.0% per annum. Each counterparty LTV ratio ranges between 28.4% to 55.7%.

(1) Comprises mainly interest income from entrusted loans to third parties.

(2) PBT is higher than revenue as interest income generated from surplus funds is higher than expenses incurred for the period.

Thank You



FIRST SPONSOR GROUP LIMITED

Co Reg. No: AT-195714 | Business Address: 63 Market Street, #06-03 Bank of Singapore Centre, Singapore 048942

Press Release

FIRST SPONSOR ACHIEVED A 31.6% INCREASE IN REVENUE AND 20.7% INCREASE IN PROFIT BEFORE TAX IN 3Q2015

Singapore, 23 October 2015 – Singapore Exchange (SGX) Mainboard-listed 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 provider of property financing services in the PRC, today announced the Group’s unaudited financial results for 3Q2015.

Financial Highlights

In S\$000	3Q2015	3Q2014	Change %	YTD Sep 2015	YTD Sep 2014	Change %
Revenue	72,038	54,722	31.6%	114,666	68,750	66.8%
Profit before tax	22,629	18,746	20.7%	50,033	10,295	386.0%
Profit attributable to equity holders of the Company	17,094	14,869	15.0%	35,448	2,447	1348.6%

Adjusted profit before tax	22,629	18,746	20.7%	49,471¹	18,500²	167.4%
Adjusted profit attributable to equity holders of the Company	17,094	14,869	15.0%	34,886¹	10,652²	227.5%

- The Group recorded a 31.6% increase in revenue and 20.7% increase in profit before tax, continuing the positive trend for the 4th quarter running since 4Q2014 with the Group delivering (at least) double digit growth each quarter consistently.
- The Group’s recurrent income base is boosted by the growth in the property holding and property financing business segments with a 461.3% and 65.2% increase in gross profit respectively in 3Q2015, contributing an aggregate S\$6.9m of the S\$8.8m increase in quarter-on-quarter gross profit.

¹ Adjusted results exclude reversal of IPO expenses of S\$0.6m in YTD Sep 2015.

² Adjusted results exclude IPO expenses of S\$3.5m and share-based charge of S\$4.7m in YTD Sep 2014.

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.

- Healthy financial position as at 30 September 2015 bolstered by S\$660.5m of cash, monetary loan receivables and unutilised committed credit facilities. With a notable low gearing ratio of 16.7% and conservative interest cover of over 40 times, the Group is ready to gear up for its continuing expansion in the Netherlands and the PRC.

Mr Neo Teck Pheng, Group Chief Executive Officer, said

“The PRC’s unexpected devaluation of the Renminbi (RMB) against the US Dollar in August has taken the market by surprise. This, coupled with the recent US Federal Reserve’s decision not to raise interest rates, have resulted in the huge volatility seen in the global equity markets in the last quarter including that of the PRC and Singapore equity markets.

With regards to the financial impact of the recent RMB devaluation on the Group’s earnings, it is noteworthy that the RMB has in fact appreciated against the Singapore Dollar (S\$) since the beginning of the year 2015. The Group has recognised a significant translation forex gain of S\$48.3m in the Group’s YTD September 2015 statement of comprehensive income due to the aforesaid forex fluctuations.

On the property development business segment, the Millennium Waterfront project in Chengdu has been the primary revenue contributor for this quarter and also for the coming quarters. Plot C residential blocks which were launched for pre-sales since January 2014 are expected to be handed over from December 2015 onwards. For the Star of East River project, the Group has recently concluded the signing of a long-term lease with a reputable local cinema operator as one of the anchor tenants for the retail mall component. The Group continues to work towards the tender for East River Plot Two of the Star of East River project.

Our strategy to enhance the Group’s recurring income base has started to take shape. Both the property holding and property financing business segments have grown significantly, broadening our recurrent income base which resulted in less volatility in our earnings. The two Dutch property acquisitions in the first half of the year and the significant growth in the average property financing loan book are the key contributing factors to the good performance of the two business segments.

We would like to reiterate our appreciation for the support from our key controlling shareholders which has been instrumental in the successful implementation of the Netherlands expansion strategy.

Please refer to the Group’s unaudited financial results announcement for 3Q2015 and the investor presentation slides dated 23 October 2015 for a detailed review of the Group’s performance and prospects.

For media enquiries, please contact:

Mr Zhang Jiarong
Assistant Vice President – Financial Planning & Analysis
First Sponsor Group Limited
Tel: (65) 6436 4920 Fax: (65) 6438 3170

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.