

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

Issuer & Securities

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

Announcement Details

<b>Announcement Title</b>	General Announcement
<b>Date &amp; Time of Broadcast</b>	26-Nov-2018 12:11:04
<b>Status</b>	New
<b>Announcement Sub Title</b>	Announcement by First Sponsor Group Limited, an associate of Millennium & Copthorne Hotels plc
<b>Announcement Reference</b>	SG181126OTHRQ8AF
<b>Submitted By (Co./ Ind. Name)</b>	Enid Ling Peek Fong
<b>Designation</b>	Company Secretary
<b>Description (Please provide a detailed description of the event in the box below)</b>	<p>First Sponsor Group Limited ("FSGL"), an associate of Millennium &amp; Copthorne Hotels plc, has on 23 November 2018 released an announcement relating to Disposal of certain parts of Chengdu Cityspring, a mixed-used residential and commercial project in the People's Republic of China - Third Supplemental Agreement.</p> <p>For details, please refer to the announcement released by FSGL on the SGX website <a href="http://www.sgx.com">www.sgx.com</a>.</p>

## Asset Acquisitions and Disposals::DISPOSAL OF PROPERTY - THIRD SUPPLEMENTAL AGREEMENT

## Issuer &amp; Securities

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

## Announcement Details

<b>Announcement Title</b>	Asset Acquisitions and Disposals
<b>Date &amp; Time of Broadcast</b>	23-Nov-2018 18:20:33
<b>Status</b>	New
<b>Announcement Sub Title</b>	DISPOSAL OF PROPERTY - THIRD SUPPLEMENTAL AGREEMENT
<b>Announcement Reference</b>	SG181123OTHR2LRY
<b>Submitted By (Co./ Ind. Name)</b>	Neo Teck Pheng
<b>Designation</b>	Group Chief Executive Officer and Executive Director
<b>Description (Please provide a detailed description of the event in the box below)</b>	Please see attached.
<b>Attachments</b>	<a href="#">FSGL - SGX Annc - M Hotel Chengdu Third Supplemental Agt.pdf</a> Total size =260K

# FIRST SPONSOR GROUP LIMITED

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

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## DISPOSAL OF PROPERTY – THIRD SUPPLEMENTAL AGREEMENT

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### 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 and 25 September 2018 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, the Purchaser and Ningbo Meishan Bonded Port Area Nanshe Yachun Investment Management Partnership (Limited Partnership) (宁波梅山保税港区南舍雅春投资管理合伙企业(有限合伙)) (“**Second Tranche Designated Entity**”) have today entered into a third supplemental agreement to the S&P Agreement (“**Third Supplemental Agreement**”) to amend certain terms of the S&P Agreement.
- 1.3 The Second Tranche Designated Entity is a joint venture vehicle in which the Purchaser has a majority interest.

### 2. THIRD SUPPLEMENTAL AGREEMENT

- 2.1 Pursuant to the S&P Agreement, the Purchaser is obliged to pay:

- (a) by 24 November 2018, the Second Instalment of approximately RMB152.1 million<sup>1</sup> (approximately S\$30.1 million), out of which RMB15.1 million (approximately S\$3.0 million) shall be paid by utilising part of the Replacement Deposit; and
- (b) by 27 May 2019, the Final Instalment of approximately RMB106.4 million (approximately S\$21.0 million), out of which RMB13.4 million (approximately S\$2.7 million) shall be paid by utilising the remaining amount of the Replacement Deposit.

Under the Second Supplemental Agreement, the Relevant Amount of approximately RMB11.9 million (approximately S\$2.4 million) received from the M Hotel Designated Purchaser before 7 January 2019 shall be (i) treated as advance payment of part of the Final Instalment if the Second Instalment is paid in full by the Purchaser by 24 November 2018 or (ii) used to set off the Second Instalment or any outstanding amount under the Second Instalment if it is not paid in full by the Purchaser by 24 November 2018 and any Relevant Amount remaining after the set off shall be treated as advance payment of part of the Final Instalment.

- 2.2 Pursuant to the Third Supplemental Agreement, the terms of payment of the Second Instalment and the Final Instalment shall be amended as follows:
- (a) within 2 business days of the execution of the Third Supplemental Agreement, the Purchaser and/or the Second Tranche Designated Entity shall pay to the Vendor RMB5.0 million (approximately S\$1.0 million) as deposit (“**RMB5M Deposit**”);
- (b) the Purchaser and/or the Second Tranche Designated Entity shall pay the Second Instalment to the Vendor as follows:

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<sup>1</sup> Unless otherwise stated, the exchange rate of RMB1: S\$0.1976315 is used in this announcement.

- (i) by 28 December 2018, not less than RMB20.0 million (approximately S\$4.0 million);
  - (ii) on 30 January 2019, 28 February 2019, 29 March 2019 and 30 April 2019, not less than RMB5.0 million each, amounting to an aggregate of not less than RMB20.0 million; and
  - (iii) by 27 May 2019, the remaining RMB112.1 million (approximately S\$22.1 million); and
- (c) the Purchaser and/or the Second Tranche Designated Entity shall pay the Final Instalment to the Vendor on 27 May 2019 out of which RMB45.4 million (approximately S\$9.0 million) shall be paid as follows:
- (i) approximately RMB11.9 million shall be paid by utilising the Relevant Amount received from the M Hotel Designated Purchaser;
  - (ii) RMB28.5 million (approximately S\$5.6 million) shall be paid by utilising the full amount of the Replacement Deposit; and
  - (iii) RMB5.0 million shall be paid by utilising the RMB5M Deposit,
- (the Relevant Amount, the Replacement Deposit and the RMB5M Deposit shall collectively be referred to as “**Total Deposit**”).

The Vendor has received the RMB5M Deposit today.

- 2.3 The Purchaser shall be liable to pay liquidated damages to the Vendor for the period from 24 November 2018 up to the date on which the Vendor receives full payment of the Second Instalment as follows:
- (a) the Purchaser shall be liable to pay liquidated damages on the amount of RMB118.5 million (approximately S\$23.4 million) (which is the Second Instalment less the Replacement Deposit and the RMB5M Deposit); and
  - (b) If the M Hotel Designated Purchaser pays the RMB81.9 million before 7 January 2019, the Purchaser shall be liable to pay liquidated damages on the amount of RMB106.6 million (approximately S\$21.1 million) (which is the Second Instalment less the Total Deposit) less any amounts paid by the Purchaser and/or the Second Tranche Designated Entity under the Second Instalment, if any.

Pursuant to the Third Supplemental Agreement, the liquidated damages on overdue amounts under the Second Instalment shall be decreased from 0.05% per day to 1% per month.

- 2.4 Upon receipt by the Vendor of the full amount of the Total Deposit and additional cash of an aggregate amount of no less than RMB20.0 million, the Vendor shall co-operate to transfer title to such part of the Property agreed to be transferred upon payment of the Second Instalment (“**Second Tranche Property**”), the consideration for which shall not be more than the amount of additional cash paid, to the Second Tranche Designated Entity.
- 2.5 Upon full payment of the Second Instalment, the Vendor shall co-operate to transfer title to the remaining part of the Second Tranche Property to the Second Tranche Designated Entity.
- 2.6 Except as specifically provided under the Second Supplemental Agreement, the Vendor shall be entitled to terminate the S&P Agreement (as amended by the Supplemental Agreement, the Second Supplemental Agreement and the Third Supplemental Agreement) (“**Amended S&P Agreement**”) and to forfeit the Total Deposit in the following events:
- (a) in the event any part of the Consideration remains unpaid for more than 30 days after the relevant due date; or

- (b) in the event of any other breach by the Purchaser which renders the performance of the Amended S&P Agreement impossible and such breach is not remedied within 30 days after receipt of written notice from the Vendor.
- 2.7 Except as specifically provided under the Second Supplemental Agreement, the Purchaser shall be entitled to terminate the Amended S&P Agreement and to payment of an amount equal to twice the Total Deposit in the following events:
  - (a) in the event that the Vendor fails to provide the relevant documentation required under the Amended S&P Agreement and such failure is not remedied within 30 days after receipt of written notice from the Purchaser; or
  - (b) in the event of any other breach by the Vendor which renders the performance of the Amended S&P Agreement impossible and such breach is not remedied within 30 days after receipt of written notice from the Purchaser.
- 2.8 Save for the above, there are no other material changes to the terms and conditions of the S&P Agreement (as amended by the Supplemental Agreement and the Second Supplemental 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 Third Supplemental Agreement.

### **4. DOCUMENT AVAILABLE FOR INSPECTION**

A copy of the Third 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 three (3) months from the date of this announcement.

BY ORDER OF THE BOARD  
FIRST SPONSOR GROUP LIMITED

Neo Teck Pheng  
Group Chief Executive Officer and  
Executive Director

23 November 2018