General Announcement::Announcements 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-Jul-2017 07:46:30
Status	New
Announcement Sub Title	Announcements by First Sponsor Group Limited, an associate of Millennium & Copthorne Hotels plc
Announcement Reference	SG170726OTHRZ23V
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)	First Sponsor Group Limited ("FSGL"), an associate of Millennium & Copthorne Hotels plc, has on 26 July 2017 released the following announcements:- 1. Unaudited Second Quarter and Half Year Financial Statements for the period ended 30 June 2017 together with a press release and investor presentation slides; and 2. Notice of Books Closure. For details, please refer to the announcements released by FSGL on the SGX website www.sgx.com.

Financial Statements and Related Announcement::Half Yearly 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	26-Jul-2017 06:58:00
Status	New
Announcement Sub Title	Half Yearly Results
Announcement Reference	SG170726OTHR8AGO
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	30/06/2017

Attachments	FSGL - 2Q2017 Results Announcement.pdf FSGL - 2Q2017 Investor Presentation.pdf 2Q2017 Press Release.pdf Total size =4675K

FIRST SPONSOR GROUP LIMITED

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

UNAUDITED SECOND QUARTER AND HALF YEAR FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2017

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 Second quarter ended 30 June 2017 S$'000	 2016 S$'000	Incr / (Decr) %	The Group Half year ended 30 June 2017 S$'000	 2016 S$'000	Incr / (Decr) %
Revenue	53,923	42,212	27.7	135,270	87,769	54.1
Cost of sales	(30,611)	(28,167)	8.7	(88,549)	(59,366)	49.2
Gross profit	23,312	14,045	66.0	46,721	28,403	64.5
Administrative expenses	(4,232)	(4,574)	(7.5)	(11,442)	(11,827)	(3.3)
Selling expenses	(1,309)	(1,784)	(26.6)	(4,123)	(4,508)	(8.5)
Other (expenses)/income	(6,057)	848	n.m.	(5,172)	(670)	671.9
Other losses	(46)	(50)	(8.0)	(46)	(54)	(14.8)
Results from operating activities	11,668	8,485	37.5	25,938	11,344	128.6
Finance income	4,648	6,522	(28.7)	11,200	14,561	(23.1)
Finance costs	(2,367)	(2,058)	15.0	(4,434)	(3,932)	12.8
Net finance income	2,281	4,464	(48.9)	6,766	10,629	(36.3)
Share of after-tax profit of associates	418	176	137.5	918	7,018	(86.9)
Profit before tax	14,367	13,125	9.5	33,622	28,991	16.0
Tax expense	(4,889)	(4,148)	17.9	(10,022)	(7,387)	35.7
Profit for the period	9,478	8,977	5.6	23,600	21,604	9.2
Attributable to:						
Equity holders of the Company	9,368	8,608	8.8	23,603	20,841	13.3
Non-controlling interests	110	369	(70.2)	(3)	763	n.m.
Profit for the period	9,478	8,977	5.6	23,600	21,604	9.2
Earnings per share (cents)						
- **basic**	1.59	1.46	8.8	4.00	3.53	13.3
- **diluted**	1.59	1.46	8.8	4.00	3.53	13.3

n.m.: not meaningful

Consolidated Statement of Comprehensive Income

	The Group Second quarter ended 30 June		The Group Half year ended 30 June	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
Profit for the period	9,478	8,977	23,600	21,604
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss:				
Share of translation differences on financial statements of foreign associates, net of tax	188	(566)	99	(608)
Translation differences on financial statements of foreign subsidiaries, net of tax	3,558	(31,083)	(19,568)	(66,207)
Translation differences on monetary items forming part of net investment in foreign subsidiaries, net of tax	473	(1,870)	(1,198)	(3,910)
Other comprehensive income for the period, net of tax	4,219	(33,519)	(20,667)	(70,725)
Total comprehensive income for the period	13,697	(24,542)	2,933	(49,121)
Total comprehensive income attributable to:				
Equity holders of the Company	13,459	(24,508)	3,386	(49,762)
Non-controlling interests	238	(34)	(453)	641
Total comprehensive income for the period	13,697	(24,542)	2,933	(49,121)

Notes to the Group's Income Statement:

Profit before tax includes the following:

	The Group Second quarter ended 30 June		The Group Half year ended 30 June	
	2017 S$'000	**2016 S$'000**	**2017 S$'000**	**2016 S$'000**
Other losses comprise:				
Property, plant and equipment written off	-	-	-	(4)
Loss on disposal of investment properties	(46)	(50)	(46)	(50)
Profit before income tax includes the following expenses/(income):				
Depreciation of property, plant and equipment	1,247	390	2,548	714
Exchange gain (net)	(4,123)	(57)	(1,813)	(217)
Impairment loss on investment properties	602	-	602	-
Impairment loss on trade receivables	13	-	13	-
Operating lease expenses	105	104	200	210
Net investment return from a PRC government linked entity	(189)	(463)	(403)	(943)

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 June 2017 S$'000	**As at 31 Dec 2016 S$'000**	**As at 30 June 2017 S$'000**	**As at 31 Dec 2016 S$'000**
Non-current assets				
Property, plant and equipment	227,359	234,537	405	367
Investment properties	232,285	231,197	-	-
Interests in subsidiaries	-	-	654,490	694,808
Interests in associates	55,065	55,055	-	-
Financial asset	27,219	-	-	-
Deferred tax assets	21,404	16,694	-	-
Other receivables	156,241	185,938	222,023	209,912
	719,573	723,421	876,918	905,087
Current assets				
Development properties	346,219	403,199	-	-
Inventories	193	80	-	-
Trade and other receivables	242,327	388,877	273,050	229,837
Cash and cash equivalents	379,663	280,567	42,528	99,896
	968,402	1,072,723	315,578	329,733
Total assets	1,687,975	1,796,144	1,192,496	1,234,820
Equity				
Share capital	736,404	736,404	736,404	736,404
Reserves	285,673	288,185	116,869	82,511
Equity attributable to owners of the Company	1,022,077	1,024,589	853,273	818,915
Non-controlling interests	4,655	5,108	-	-
Total equity	1,026,732	1,029,697	853,273	818,915
Non-current liabilities				
Loans and borrowings	229,939	347,186	198,269	316,166
Derivative liabilities	6,199	2,763	6,199	2,763
Deferred tax liabilities	6,695	6,446	-	-
	242,833	356,395	204,468	318,929
Current liabilities				
Trade and other payables	127,092	196,254	120,503	87,512
Receipts in advance	258,928	189,735	-	-
Loans and borrowings	11,037	9,452	11,037	9,452
Derivative liability	3,215	-	3,215	-
Current tax payables	18,138	14,611	-	12
	418,410	410,052	134,755	96,976
Total liabilities	661,243	766,447	339,223	415,905
Total equity and liabilities	1,687,975	1,796,144	1,192,496	1,234,820

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 June 2017 S$'000	**As at 31 Dec 2016 S$'000**
Unsecured		
- repayable within one year	11,037	9,452
- repayable after one year	198,269	316,166
Total	209,306	325,618
Secured		
- repayable within one year	-	-
- repayable after one year	31,670	31,020
Total	31,670	31,020
Grand total	**240,976**	**356,638**
Gross borrowings	247,424	361,894
Less: cash and cash equivalents as shown in the statement of financial position	(379,663)	(280,567)
Net (cash)/borrowings	(132,239)	81,327

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		The Group	
	Second quarter ended 30 June		Half year ended 30 June	
	2017	2016	2017	2016
	S$'000	S$'000	S$'000	S$'000
Cash flows from operating activities				
Profit for the period	9,478	8,977	23,600	21,604
Adjustments for:				
Depreciation of property, plant and equipment	1,247	390	2,548	714
Fair value loss/(gain) on derivative instruments	9,744	(878)	6,651	(2,169)
Finance income	(4,648)	(6,522)	(11,200)	(14,561)
Finance costs	2,367	2,058	4,434	3,932
Impairment loss on investment properties	602	-	602	-
Loss on disposal of investment properties	46	50	46	50
Impairment loss on trade receivables	13	-	13	-
Property, plant and equipment written off	-	-	-	4
Share of after-tax profit of associates	(418)	(176)	(918)	(7,018)
Tax expense	4,889	4,148	10,022	7,387
	23,320	8,047	35,798	9,943
Changes in:				
Development properties	12,234	6,404	49,795	11,695
Inventories	109	80	(115)	56
Trade and other receivables	(7,923)	(6,564)	(28,561)	42,137
Trade and other payables	(14,454)	(51,079)	(38,906)	(59,818)
Receipts in advance	56,690	11,996	73,823	(2,133)
Cash generated from/(used in) operations	69,976	(31,116)	91,834	1,880
Interest received	775	1,268	5,638	3,268
Tax paid	(9,923)	(7,608)	(10,951)	(11,474)
Net cash from/(used in) operating activities	60,828	(37,456)	86,521	(6,326)

	The Group Second quarter ended 30 June		The Group Half year ended 30 June	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
Cash flows from investing activities				
Payment for acquisition of available-for-sale financial asset	(20,938)	-	(20,938)	-
Interest received	6,032	9,215	19,695	18,225
Payment for additions to:				
- investment properties	-	(2,559)	(11)	(2,646)
- property, plant and equipment	(811)	(16,238)	(883)	(25,644)
Proceeds from disposal of investment properties	352	400	352	400
Repayment of loans by a third party	41,916	4,366	109,969	8,879
Repayment of loans by an associate	-	-	-	72,164
Advances to associates	(3,753)	(475)	(10,143)	-
Receipt of deferred consideration from dilution of interest in subsidiaries	41,000	-	41,000	-
Deposit received for sales of a subsidiary	1,184	-	1,184	-
Deposit paid for purchase of investment property	(4,026)	-	(4,026)	-
Receipt of investment principal and returns from a PRC government linked entity	9,663	2,114	9,663	2,114
Net cash from/(used in) investing activities	70,619	(3,177)	145,862	73,492
Cash flows from financing activities				
Decrease in restricted cash	-	-	263	-
Advances from associates	-	(60)	-	9,120
Dividends paid to the owners of the Company	(5,898)	(5,898)	(5,898)	(5,898)
Interest paid	(776)	(1,758)	(1,973)	(3,084)
Payment of transaction costs related to borrowings	(2,500)	(2,834)	(2,500)	(2,889)
Proceeds from bank borrowings	246,562	257,868	486,645	327,589
Repayment of bank borrowings	(244,501)	(208,735)	(554,276)	(364,069)
Redemption of medium term notes	(50,500)	-	(50,500)	-
Net cash (used in)/ from financing activities	(57,613)	38,583	(128,239)	(39,231)
Net increase/(decrease) in cash and cash equivalents	73,834	(2,050)	104,144	27,935
Cash and cash equivalents at beginning of the period	304,141	137,977	280,304	112,044
Effect of exchange rate changes on balances held in foreign currencies	1,688	(3,768)	(4,785)	(7,820)
Cash and cash equivalents at end of the period (rounding)	379,663	132,159	379,663	132,159

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.

The Group	Share capital	Share premium	Statutory reserve	Capital reserve	Foreign currency translation reserve	Retained earnings	Total attributable to equity holders of the Company	Non-controlling interests	Total equity
At 1 January 2017	736,404	9,609	27,445	225	53,923	196,983	1,024,589	5,108	1,029,697
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	23,603	23,603	(3)	23,600
Other comprehensive income									
Share of translation differences on financial statements of foreign associates, net of tax	-	-	-	-	99	-	99	-	99
Translation differences on financial statements of foreign subsidiaries, net of tax	-	-	-	-	(19,118)	-	(19,118)	(450)	(19,568)
Translation differences on monetary items forming part of net investment in foreign subsidiaries, net of tax	-	-	-	-	(1,198)	-	(1,198)	-	(1,198)
Total other comprehensive income	-	-	-	-	(20,217)	-	(20,217)	(450)	(20,667)
Total comprehensive income for the period	-	-	-	-	(20,217)	23,603	3,386	(450)	2,933
Transaction with owners, recognised directly in equity									
Distributions to owners									
Dividends paid to the owners of the Company	-	-	-	-	-	(5,898)	(5,898)	-	(5,898)
Total distributions to owners	-	-	-	-	-	(5,898)	(5,898)	-	(5,898)
Total transactions with owners of the Company	-	-	-	-	-	(5,898)	(5,898)	-	(5,898)
At 30 June 2017	736,404	9,609	27,445	225	33,706	214,688	1,022,077	4,655	1,026,732

The Group	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
At 1 January 2016	736,404	9,609	14,683	225	105,365	108,452	974,738	3,359	978,097
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	20,841	20,841	763	21,604
Other comprehensive income									
Share of translation differences on financial statements of foreign subsidiaries, net of tax	-	-	-	-	(608)	-	(608)	-	(608)
Translation differences on financial statements of foreign subsidiaries, net of tax	-	-	-	-	(66,085)	-	(66,085)	(122)	(66,207)
Translation differences on monetary items forming part of net investment in foreign subsidiaries, net of tax	-	-	-	-	(3,910)	-	(3,910)	-	(3,910)
Total other comprehensive income	-	-	-	-	(70,603)	-	(70,603)	(122)	(70,725)
Total comprehensive income for the period	-	-	-	-	(70,603)	20,841	(49,762)	641	(49,121)
Transaction with owners, recognised directly in equity									
Distributions to owners									
Dividends paid to the owners of the Company	-	-	-	-	-	(5,898)	(5,898)	-	(5,898)
Total distributions to owners	-	-	-	-	-	(5,898)	(5,898)	-	(5,898)
Total transactions with owners of the Company	-	-	-	-	-	(5,898)	(5,898)	-	(5,898)
At 30 June 2016	736,404	9,609	14,683	225	34,762	123,395	919,078	4,000	923,078

The Company	Share capital S$'000	Share premium S$'000	Capital reserve S$'000	Retained earnings S$'000	Total equity S$'000
At 1 January 2017	736,404	9,821	(5,988)	78,678	818,915
Total comprehensive income for the period					
Profit for the period	-	-	-	40,256	40,256
Total comprehensive income for the period	-	-	-	40,256	40,256
Transaction with owners, recognised directly in equity					
Distributions to owners					
Dividends paid to the owners of the Company	-	-	-	(5,898)	(5,898)
Total distributions to owners	-	-	-	(5,898)	(5,898)
Total transactions with owners of the Company	-	-	-	(5,898)	(5,898)
At 30 June 2017	736,404	9,821	(5,988)	113,036	853,273
At 1 January 2016	736,404	9,821	(5,988)	33,804	774,041
Total comprehensive income for the period					
Profit for the period	-	-	-	30,615	30,615
Total comprehensive income for the period	-	-	-	30,615	30,615
Transaction with owners, recognised directly in equity					
Distributions to owners					
Dividends paid to the owners of the Company	-	-	-	(5,898)	(5,898)
Total distributions to owners	-	-	-	(5,898)	(5,898)
Total transactions with owners of the Company	-	-	-	(5,898)	(5,898)
At 30 June 2016	736,404	9,821	(5,988)	58,521	798,758

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 June 2017. As at 30 June 2017 and 31 December 2016, 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 June 2017 and 30 June 2016.

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 June 2017 and 31 December 2016 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 June 2017.

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 2016.

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 2017. 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.**

	Second quarter ended 30 June		**Half year ended 30 June**	
	2017	**2016**	**2017**	**2016**
Basic and diluted earnings per share (cents)	1.59	1.46	4.00	3.53
a) Profit attributable to equity holders of the Company (S$'000)	9,368	8,608	23,603	20,841
b) Weighted average number of ordinary shares in issue:				
- basic and diluted	589,814,949	589,814,949	589,814,949	589,814,949

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 June 2017	**As at 31 Dec 2016**	**As at 30 June 2017**	**As at 31 Dec 2016**
Net asset value per ordinary share (cents) based on 589,814,949 issued ordinary shares (excluding treasury shares) as at 30 June 2017 and 31 December 2016	173.29	173.71	144.67	138.84

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

The breakdown of our revenue (net of business tax/value added tax) for the period under review is as follows:

	Second quarter ended 30 June		Half year ended 30 June	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
Revenue from sale of properties	46,619	36,760	120,991	75,188
Rental income from investment properties	3,031	3,745	6,006	7,454
Hotel operations	3,409	929	6,506	1,754
Revenue from property financing	864	778	1,767	3,373
Total	53,923	42,212	135,270	87,769

2Q 2017 vs 2Q 2016

Revenue increased by 27.7% or S$11.7 million, from S$42.2 million in 2Q 2016 to S$53.9 million in 2Q 2017. The increase in 2Q 2017 was due mainly to higher revenue from sale of properties and hotel operations of S$9.9 million and S$2.5 million respectively, partially offset by a decrease in revenue from rental income from investment properties of S$0.7 million.

Revenue from 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. The significant increase in revenue from sale of properties in 2Q 2017 compared to 2Q 2016 mainly resulted from the higher number of units in the Millennium Waterfront project being handed over in the current quarter (2Q 2017: 319 residential units, 10 commercial units and 23 car park lots; 2Q 2016: 242 residential units, 17 commercial units and 49 car park lots).

Revenue from hotel operations increased by 267.0% or S$2.5 million, from S$0.9 million in 2Q 2016 to S$3.4 million in 2Q 2017. This increase was due mainly to the commencement of operations for the Crowne Plaza Chengdu Wenjiang and Holiday Inn Express Chengdu Wenjiang Hotspring hotels in Wenjiang, Chengdu, in December 2016.

Rental income from investment properties decreased by 19.0% or S$0.7 million, from S$3.7 million in 2Q 2016 to S$3.0 million in 2Q 2017. The decrease was due mainly to lower rental revenue from the Zuiderhof I property as a result of lease incentives granted for a lease extension of another 7 years.

Cost of sales mainly comprises land costs, development expenditure and cost adjustments, borrowing costs, hotel-related depreciation charge, and other related expenditure. Cost of sales increased by 8.7% or S$2.4 million, from S$28.2 million in 2Q 2016 to S$30.6 million in 2Q 2017. The increase in cost of sales was in line with the increase in revenue from sale of properties in 2Q 2017.

The Group's gross profit increased by 66.0% or S$9.3 million, from S$14.0 million in 2Q 2016 to S$23.3 million in 2Q 2017. The increase was due mainly to higher gross profit generated from the sale of properties of S$9.9 million, which was partially offset by lower gross profit from investment properties of S$0.5 million.

The Group's gross profit margin increased from 33.3% in 2Q 2016 to 43.2% in 2Q 2017. This was due mainly to the higher margins achieved for the sale of properties as the Group has recognized revenue from the higher margin residential and commercial units of the Millennium Waterfront project during the period.

Administrative expenses

Administrative expenses mainly comprise staff costs, rental expenses and 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.

Other (expenses)/income

In 2Q 2017, the Group recorded other expenses of S$6.1 million which comprised mainly fair value loss on financial derivatives of S$9.7 million, which was partially offset by foreign exchange gain of S$4.1 million.

In 2Q 2016, the Group recorded other income of S$0.8 million which comprised mainly fair value gain on financial derivatives of S$0.9 million.

1H 2017 vs 1H 2016

Revenue of the Group has increased by 54.1% or S$47.5 million in 1H 2017, from S$87.8 million in 1H 2016 to S$135.3 million in 1H 2017. The increase in 1H 2017 was due mainly to higher revenue from sale of properties and hotel operations of S$45.8 million and S$4.8 million respectively, partially offset by lower revenue from property financing of S$1.6 million and a decrease in rental income from investment properties of S$1.4 million.

The increase in revenue from the sale of properties was due mainly to the higher number of units in the Millennium Waterfront project being handed over in the current period (1H 2017: 915 residential units, 44 commercial units and 103 car park lots; 1H 2016: 566 residential units, 19 commercial units and 114 car park lots).

Revenue from hotel operations increased by S$4.8 million or 270.0%, from S$1.8 million in 1H 2016 to S$6.5 million in 1H 2017. This increase was due mainly to the commencement of operations for the Crowne Plaza Chengdu Wenjiang and Holiday Inn Express Chengdu Wenjiang Hotspring hotels in Wenjiang, Chengdu, in December 2016.

Revenue from property financing decreased by S$1.6 million or 47.6%, from S$3.4 million in 1H 2016 to S$1.8 million in 1H 2017. The decrease was due mainly to a lower average interest servicing entrusted loan balance during 1H 2017 as compared to 1H 2016, arising from the various loan defaults in January 2016.

Rental income from investment properties decreased by 19.4% or S$1.5 million, from S$7.5 million in 1H 2016 to S$6.0 million in 1H 2017. The decrease was due mainly to lower rental revenue from the Zuiderhof I property as a result of lease incentives granted for a lease extension of another 7 years.

Cost of sales increased by 49.2% or S$29.2 million, from S$59.4 million in 1H 2016 to S$88.5 million in 1H 2017. The increase in cost of sales was in line with the increase in revenue from sale of properties in 1H 2017.

The Group's gross profit increased by 64.5% or S$18.3 million, from S$28.4 million in 1H 2016 to S$46.7 million in 1H 2017. The increase was due mainly to the higher gross profit generated from sale of properties of S$21.6 million, partially offset by a decrease in revenue from investment properties and property financing of S$1.6 million and S$1.3 million respectively.

The Group's gross profit margin had increased from 32.4% for 1H 2016 to 34.5% for 1H 2017. The increase was due mainly to higher margins achieved from the sale of properties.

Selling expenses

Selling expenses decreased by 8.5% or S$0.4 million, from S$4.5 million in 1H 2016 to S$4.1 million in 1H 2017. These 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.

Other (expenses)/income

In 1H 2017, the Group recorded other expenses of S$5.2 million which mainly comprised fair value loss on financial derivatives of S$6.7 million, partially offset by foreign exchange gain of S$1.8 million.

In 1H 2016, the Group recorded other expenses of S$0.7 million which was net of a fair value gain on financial derivatives of S$2.2 million.

Net finance income

Net finance income decreased by 36.3% or S$3.9 million, from S$10.6 million in 1H 2016 to S$6.8 million in 1H 2017. This was due mainly to the decrease in finance income from loans to the Chengdu Wenjiang government of S$4.8 million in 1H 2017 as a result of partial repayment of loan principal by the Chengdu Wenjiang government in March and April 2017.

Share of after-tax profit of associates

Share of after-tax profit of associates decreased by 86.9% or S$6.1 million from S$7.0 million in 1H 2016 to S$0.9 million in 1H 2017. The 1H 2016 figures included a share of the gain on disposal of eight non-core properties by FSMC NL Property Group B.V. (“FSMC”) of S$6.5 million in 1H 2016.

Tax expense

The Group recorded tax expense of S$10.0 million on profit before tax of S$33.6 million in 1H 2017, which included land appreciation tax of S$4.0 million. After adjusting for the share of after-tax profit of associates and the tax effect of non-deductible expenses of S$1.5 million and non-taxable income of S$2.1 million, the effective tax rate of the Group would be approximately 24.0%.

(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

The Group acquired 90% equity interest in Dongguan East Sun Limited (“East Sun”) in April 2017, which is accounted for as an available-for-sale financial asset. East Sun principally owns a number of commercial and industrial properties in Dongguan for which the Group sees redevelopment potential in some of these properties.

Other receivables decreased by S$29.7 million or 16.0%, from S$185.9 million as at 31 December 2016 to S$156.2 million as at 30 June 2017. This was due mainly to a set off of an amount due from an associate with amounts due to the associate of S$39.2 million, which was partially offset by advances to FSMC of S$10.0 million.

Current assets

Development properties decreased by S$57.0 million or 14.1%, from S$403.2 million as at 31 December 2016 to S$346.2 million as at 30 June 2017, due mainly to the recognition of profit in respect of Plot A of the Millennium Waterfront project upon the handover of residential units in 1H 2017. The decrease was partially offset by the development costs incurred for Plot D of the Millennium Waterfront project in 1H 2017.

Trade and other receivables decreased by S$146.6 million or 37.7%, from S$388.9 million as at 31 December 2016 to S$242.3 million as at 30 June 2017. The decrease was due mainly to the repayment of loan principal from the Chengdu Wenjiang government of S$110.4 million, recovery of S$18.2 million relating to a RMB70.0 million defaulted loan principal and associated interest income in March 2017, receipt of deferred consideration of S$40.7 million in April 2017 for the dilution of interest in subsidiaries in FY2016 and the receipt of investment principal and returns from a PRC government linked entity of S$9.7 million. The decrease was partially offset by loans to East Sun of S$20.5 million and a deposit of S$4.0 million placed for the acquisition of the Utrecht hotels pursuant to the sales and purchase agreement entered into on 20 June 2017.

Current liabilities

Trade and other payables decreased by S$69.2 million or 35.2%, from S$196.3 million in 31 December 2016 to S$127.1 million in 30 June 2017, due mainly to the payment of construction costs for the Millennium Waterfront project during the period.

The derivative liability relates to fair value loss on a cross-currency swap which is due in June 2018.

Receipts in advance increased by S$69.1 million or 36.5%, from S$189.7 million as at 31 December 2016 to S$258.9 million as at 30 June 2017, due mainly to strong pre-sales achieved for the Millennium Waterfront project, partially offset by profit recognition of the Millennium Waterfront project.

Loans and borrowings

Gross borrowings decreased by S$114.5 million or 31.6%, from S$361.9 million as at 31 December 2016 to S$247.4 million as at 30 June 2017. This is due mainly to the net repayment of the Group's borrowings and redemption of medium term notes during the period.

The Group was in a net cash position as at 30 June 2017.

Foreign currency risk management

The Group is exposed to volatility of the RMB due to its operations in the PRC. Therefore, any depreciation in the RMB against the 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. Fluctuations in RMB exchange rates are affected by, amongst others, changes in political and economic conditions and the PRC's foreign exchange regime and policy.

Since the Group's entry to the Dutch property market in February 2015, the Group has hedged its exposure to fluctuation in Euros against S$ by financing all its Dutch acquisitions with a combination of Euro-denominated borrowings and financial derivatives involving cross currency swaps and forward contracts whereby the end result is also to achieve a corresponding Euro liability. The Group has 'locked in' a certain portion of its annual net profit from its Dutch operations in S$ terms by taking a short position in Euros equivalent to the amount of forward profit that it attempts to 'lock in' in S$ terms. The Group takes an economic hedge rather than an accounting hedge approach with regard to the management of its Euro asset exposure.

As at 30 June 2017, the Group had 4 cross currency swaps ("CCS") with an aggregate notional amount of EUR117.2 million. The CCS are measured at fair value with changes in fair value recognised in the profit and loss account. The fair values of the CCS are mainly dependent on the forward foreign exchange rates, discount rates and yield curves of the notional amounts. On the other hand, the changes in fair value of the CCS will be largely offset by the corresponding changes in fair values of the underlying Euro-denominated assets when the respective CCS approaches their maturity dates and Euro-denominated borrowings are taken up to close out the CCS, thereby resulting in a minimal cumulative impact to the profit or loss. The cumulative negative impact to the profit or loss arising from the CCS and underlying Euro-denominated assets as at 30 June 2017 was approximately S$3.8 million.

As at 30 June 2017, the Group has a cumulative translation gain of S$33.7 million recorded as part of the reserves in its shareholders' equity. This has mainly arisen from the translation of the net assets and income and expenses of the Group's foreign operations in the PRC to S$ at the exchange rates prevailing at the end of each reporting period. The Group has been benefitting from cumulative favourable exchange rate movements between the RMB and S$ so far although the exchange rate has fluctuated against the Group during 1H 2017.

We do not currently have a formal hedging policy with respect to our exposure to RMB and have not used any financial hedging instruments to actively manage our foreign exchange risk. The cost of entering into such hedging instruments to manage the Group's exposure to RMB remains fairly expensive. We will continue to monitor our foreign exchange exposure and take appropriate actions when necessary. 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

2Q 2017

Net cash from operating activities of S$60.8 million in 2Q 2017 was due mainly to sales receipts from the Millennium Waterfront project. This had been partially offset by payment of income tax of S$9.9 million and payment of construction costs for the Millennium Waterfront project.

Net cash from investing activities of S$70.6 million in 2Q 2017 was due mainly to interest received of S$6.0 million, repayment of loan principal of S$41.9 million by the Chengdu Wenjiang government, receipt of deferred consideration from dilution of interest in subsidiaries of S$41.0 million and receipt of investment principal and returns from a PRC government linked entity of S$9.7 million. This was partially offset by the payment for acquisition of available-for-sale financial asset of S$20.9 million and deposit of S$4.0 million paid for the Utrecht hotels.

Net cash used in financing activities amounted to S$57.6 million in 2Q 2017 due mainly to the redemption of medium term notes, payment of transaction costs related to borrowings and payment of dividends to the owners of the Company of S$50.5 million, S$2.5 million and S$5.9 million respectively.

1H 2017

Net cash from operating activities of S$86.5 million in 1H 2017 was due mainly to sales receipts from the Millennium Waterfront project, recovery of the loan principal of S$14.4 million in respect of a RMB70.0 million defaulted loan, and interest received of S$5.6 million (primarily from the property financing business and associated penalty interest on the defaulted loan of RMB70.0 million). This had been partially offset by payment of income tax of S$11.0 million and payment of construction costs for the Millennium Waterfront project.

Net cash generated from investing activities of S$145.9 million in 1H 2017 was due mainly to interest received of S$19.7 million, repayment of loan principal of S$110.0 million by the Chengdu Wenjiang government, receipt of deferred consideration from dilution of interest in subsidiaries of S$41.0 million and receipt of the investment principal and returns from a PRC government linked entity of S$9.7 million. This was partially offset by the payment for acquisition of available-for-sale financial asset of S$20.9 million and deposit of S$4.0 million paid for the Utrecht hotels.

Net cash used in financing activities amounted to S$128.2 million in 1H 2017 due mainly to the net repayment of bank borrowings of S$67.6 million and redemption of medium term notes of S$50.5 million. The decrease was also attributable to the interest paid, payment of transaction costs related to borrowings and payment of dividends to the owners of the Company of S$2.0 million, S$2.5 million and S$5.9 million respectively.

Note:

The figures stated in our statement of financial position have been translated based on the exchange rates at the end of each reporting period; and the figures in our income statement, statement of comprehensive income and statement of cash flows have been translated based on the average exchange rate for the relevant period and exchange rate at the date of the transaction, where applicable.

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

According to The Business Times, more than 150 restrictive policies on home purchases and prices were enacted by about 60 cities since March 2017. Tighter purchasing policies and mortgage quotas that came under the directives of the Chinese central government have shown results with the easing of sales volume and rising prices in the first and second-tier cities.

The regulations that restrict bank lending have forced developers to raise funds through other measures which have prompted reactions by the Chinese central government. The central bank included off-balance sheet wealth management products in its examination of credit as a means to tackle shadow banking. The risk of growing credit in the country is recognised by the People's Bank of China which places its focus on preventive measures as reported in the annual China Financial Stability Report.

The Netherlands

The Dutch economy looks positive with gross domestic product growth continuing on a rising trend based on the national statistics bureau of the Netherlands (CBS).

In terms of the Dutch residential market, CBS reported steady increase in house prices for the past three years, with May 2017 registering an almost 8% higher rise as compared to the same period a year ago. According to CBS, there is still room for price increase as the average home price is approximately 8% lower than the highest point recorded in August 2008.

On the Amsterdam office front, strong demand and the shortage of prime office space supply have led to more office leases committed prior to building completion. Research reports from Savills and Knight Frank forecast an upward pressure on rents due largely to tightening availability of prime offices in central locations, with Savills expecting the demand to spill-over to other competitive regions such as De Omval and Southeast areas.

In the hotel sector, the outlook for the Dutch hospitality industry is promising with expectation for revenues to rise by 3% in 2017 due partly to higher room rates from increased tourist arrivals.

Company Outlook

Property Development

The sales performance of the residential units in the Millennium Waterfront project has been positive despite the continued property cooling measures directed by the Chinese central government. Of the aggregate 7,302 residential units in Plot A, B, C and D, more than 99% have been sold as at 30 June 2017. As at 30 June 2017, the Group has pre-sold S$689.9 million of residential units in Plot A, B and C, and recognised cumulative gross revenue of S$494.0 million. The Group will continue to recognise the substantial part of these pre-sales during the course of 2017. The Group will carefully assess the development feasibility of Plot E and F, the remaining phase of the Millennium Waterfront project, which are designated as commercial land, in view of the current market conditions.

In the Netherlands, the Group is in an advanced stage of discussion with an investor for the sale of a residential apartment block envisaged to be built next to the Dreeftoren office on a forward funding basis. The project is subject to the application for re-zoning and building permit with the Amsterdam Southeast municipal.

The Group has also commenced construction works for the redevelopment of the Oliphant office property, involving a more than 50% increase in lettable floor area from 14,109 sqm to approximately 21,395 sqm, and expects completion by the end of 2018. Leasing efforts are expected to intensify in 2018.

Property Holding

The Holiday Inn Express Chengdu Wenjiang Hotspring Hotel has been profitable for the past two quarters even though it has only commenced operations in late December 2016. On the other hand, the Crowne Plaza Chengdu Wenjiang Hotel is still not profitable. The Group is looking at rolling out the hotspring facilities at the end of 2017 which is expected to further boost the trading performance of both hotels. M Hotel Chengdu has been recording positive operating profit. Revenue per available room improved by 5% quarter-on-quarter bolstered by an increase in occupancy despite a drop in average room rate. The Group will further evaluate its options in light of the changing market conditions so as to maximise shareholder value.

Following the Group's successful acquisition of Dongguan East Sun Limited ("East Sun") in April 2017, East Sun is working on realising the potential of its property portfolio, including the application to re-zone certain properties.

On 12 July 2017, the Group completed the acquisition of the right of leasehold relating to the third floor up to and including the ninth floor of the Poortgebouw Hoog Catharijne, a bare shell hotel property, located next to the Utrecht central railway station which is also the largest and busiest railway station in the Netherlands. The Group has also taken physical delivery of around 92% of the total lettable floor area and expects the delivery of the remaining 8% of the total lettable floor area to take place in 2019. The Group will also be working with the lessee, for which an initial lease term of 25 years has been signed, to refurbish the property into two hotels, a Hampton by Hilton and a Crowne Plaza, which are expected to be completed and operational in late 2018. Fit out of the hotels is expected to commence in 3Q2017.

As announced on 3 July 2017, the Group, through its 33% owned FSMC NL Property Group B.V., intends to acquire a 95% equity stake in a portfolio of quality hotels with a strong Dutch heritage (the "Bilderberg Portfolio"). The envisaged acquisition will catapult the Group to become one of the largest hotel owners in the Netherlands. The Group's recurrent income assets will increase to more than 50% of its total asset base upon the successful completion of this envisaged acquisition which will further strengthen the business resilience of the Group.

Property Financing

The Group has concluded a court arranged settlement agreement with the borrower for one of the defaulted loans amounting to RMB50 million in principal, thereby ending the court appeal process commenced by the Group. The Group expects that mortgaged properties for a substantial number of the defaulted loans would be auctioned during the second half of the year. During the quarter, the Group has also disbursed a new loan of RMB50 million. As at 30 June 2017, the cumulative unrecognised penalty interest in respect of the loans in default amounted to S$43.2 million.

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?

Yes.

Name of dividend	Interim tax-exempt (one-tier) dividend
Dividend Type	Cash
Dividend Amount	1.00 Singapore cent per ordinary share

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Yes.

Name of dividend	Interim tax-exempt (one-tier) dividend
Dividend Type	Cash
Dividend Amount	1.00 Singapore cent per ordinary share

(c) **Date payable**

20 September 2017

(d) **Books closure date**

5 pm on 31 August 2017

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.

14. CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL OF ITS DIRECTORS AND EXECUTIVE OFFICERS (IN THE FORMAT SET OUT IN APPENDIX 7.7) UNDER RULE 720(1)

The Company confirms that it has procured undertakings from all of its directors and executive officers in the format set out in Appendix 7.7 under Rule 720 (1) of the Listing Manual.

BY ORDER OF THE BOARD

Neo Teck Pheng
Group Chief Executive Officer
26 July 2017

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 second quarter and the half year ended 30 June 2017 to be false or misleading in any material respect.

On behalf of the Board of Directors

Ho Han Leong Calvin	Neo Teck Pheng
Chairman	Group Chief Executive Officer

26 July 2017

First Sponsor Group Limited
Investor Presentation
26 July 2017

Poortgebouw Hoog Catharijne
Utrecht, the Netherlands
(artist impression)

Contents

Section 1 Key Message

Key Message

1. **The Group achieved a 8.8% increase in net profit to S$9.4 million which is also its 11th consecutive quarter on quarter profit growth since IPO in July 2014.**

2. **The Board has approved an interim tax-exempt (one-tier) cash dividend of 1 Singapore cent per share, which is the same as the 2016 interim dividend, payable on 20 September 2017.**

3. **Despite the continued government property cooling measures, the sales performance at the Millennium Waterfront project has been positive. More than 99% of the aggregate 7,302 residential units in the project have been sold*. The Group will carefully assess the development feasibility of the remaining phase of the project (Plot E and F) in view of the current market conditions.**

4. **The Crowne Plaza Chengdu Wenjiang and Holiday Inn Express Chengdu Wenjiang Hotspring hotels are building up its market share gradually with the latter achieving gross operating profit for the past two quarters despite commencing operations only in late December 2016. The Group plans to roll-out the hotspring facilities in 4Q2017 which is expected to further boost the trading performance of both hotels.**

As at 30 June 2017 and includes sales under option agreements or sale and purchase agreements, as the case may be.

Key Message

5. **The Group has announced two Dutch hotel transactions in June 2017. The first transaction which relates to the acquisition of a bare-shell hotel property, located next to the Netherland's largest and busiest railway station in Utrecht, was completed on 12 July 2017. The Group has secured an initial lease of 25 years with a tenant and will be working with the tenant to refurbish the property into two hotels, a Crowne Plaza with 128 rooms and a Hampton by Hilton with 192 rooms. The refurbishment is expected to commence in 3Q2017 and the hotels are expected to commence operations in late 2018.**

6. **The second Dutch hotel transaction relates to the Group's envisaged acquisition, through the 33% owned FSMC, of a 95% equity stake in the Bilderberg hotel portfolio. This envisaged acquisition, when completed, will catapult the Group to become one of the largest hotel owners in the Netherlands, thereby expanding the Group's recurrent income base and strengthening its business resilience.**

7. **The Group is in an advanced stage of discussion with an investor for the sale of a residential apartment block envisaged to be built next to the Dreeftoren office on a forward funding basis, subject to the application for re-zoning and building permit with the Amsterdam Southeast municipal.**

Key Message

8. The Group has concluded a court arranged settlement agreement for one of the defaulted loans amounting to RMB50 million in principal thereby ending the court appeal process commenced by the Group. Auctions of the mortgaged properties for a substantial number of the defaulted loans in Case 2 are expected in the second half of the year. The Group remains confident of the recovery of the remaining defaulted loans.

9. Backed by a strong balance sheet with cash balance of S$379.7m and un-utilised committed credit facilities of S$408.7m as at 30 June 2017, the Group continues to be on a disciplined quest for investment opportunities in the Netherlands, PRC and other regions. Going forward, the Group may further tap into the debt and equity capital markets to fund its expansion plan.

Section 2 Financial Highlights

2.1 Statement of Profit or Loss - Highlights

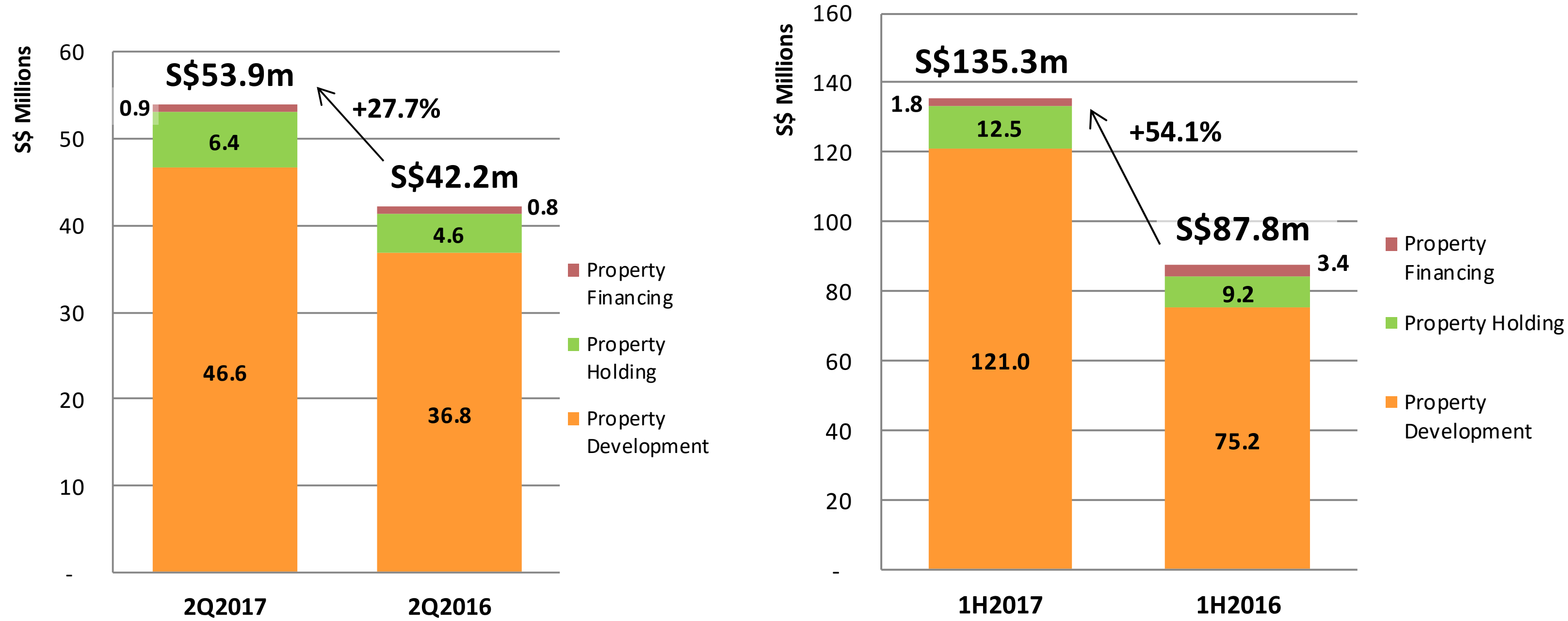
Statement of Profit or Loss - Highlights						
In S$'000	2Q2017	2Q2016	Change %	1H2017	1H2016	Change %
Revenue	53,923	42,212	27.7%	135,270	87,769	54.1%
Gross profit	23,312	14,045	66.0%	46,721	28,403	64.5%
Profit before tax	14,367	13,125	9.5%	33,622	28,991	16.0%
Attributable profit (1)	9,368	8,608	8.8%	23,603	20,841	13.3%
Basic EPS (cents)	1.59	1.46	8.8%	4.00	3.53	13.3%
Interest cover (2)	101.4x	10.0x	n.a.	33.1x	11.7x	n.a.

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

(2) Interest cover = PBT (excluding accounting interest due to or from financial institutions) ÷ net accounting interest expense due to or from financial institutions

2.2 Statement of Profit or Loss – Revenue

Revenue



Property Development

The increase in 2Q2017 is due mainly to the significantly higher number of residential units from the Millennium Waterfront project being handed over in 2Q2017 (319 residential units) as compared to 2Q2016 (242 residential units).

Property Holding

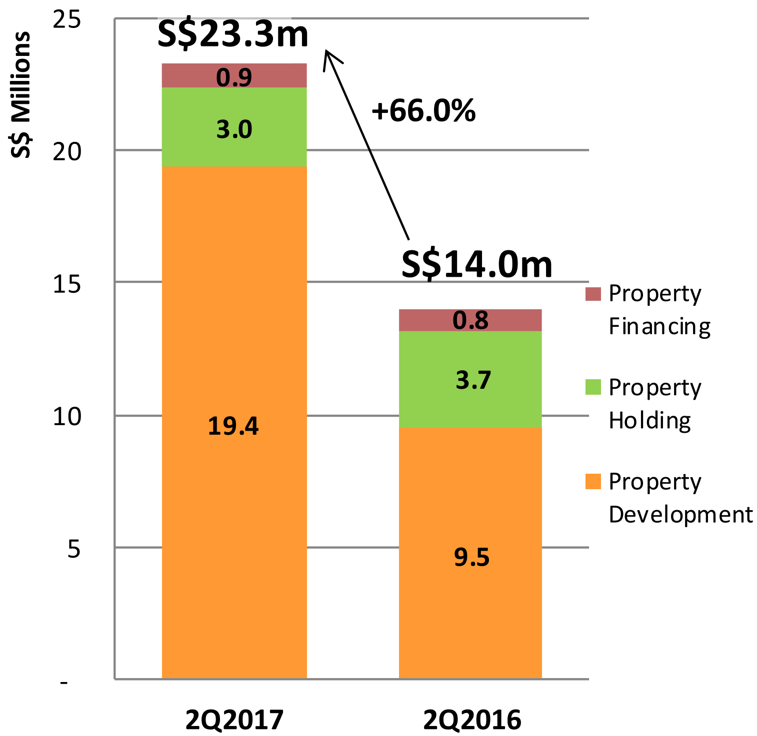
The increase in 2Q2017 is due mainly to revenue contribution from Crowne Plaza Chengdu Wenjiang and Holiday Inn Express Chengdu Wenjiang Hotspring hotels partially offset by lower rental revenue from the Zuiderhof I property as a result of lease incentives granted for a lease extension of another 7 years.

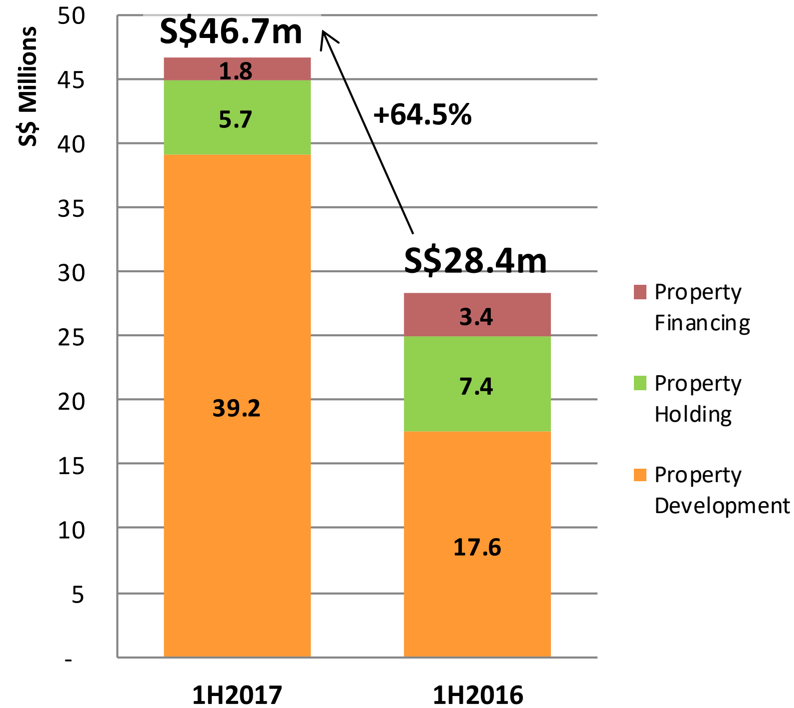
Property Financing

No significant variance noted as the Group has ceased recognition of interest income on the defaulted loans since December 2015 / January 2016.

2.3 Statement of Profit or Loss – Gross Profit

Gross Profit





Property Development

Increase in gross profit of S$9.9m in 2Q2017 is due mainly to the significantly higher number of residential units from the Millennium Waterfront project being handed over in 2Q2017 as compared to 2Q2016.

Property Holding

Reduction in gross profit is mainly because of depreciation charge on the Wenjiang hotels. Lower rental income from Zuiderhof I due to incentives granted for the lease extension further contributed to the decline.

Property Financing

No significant variance noted as the Group has ceased recognition of interest income on the defaulted loans since December 2015 / January 2016.

2.4 Income Contribution from the Dutch Operations

In S$'000	2Q2017	2Q2016	Change %	1H2017	1H2016	Change %
Revenue	3,325	3,430	(3.1%)[1]	6,619	6,857	(3.5%)
Cost of sales	(424)	(156)	171.8%[2]	(714)	(265)	169.4%
Gross profit	2,901	3,274	(11.4%)	5,905	6,592	(10.4%)
Administrative expenses	(368)	(168)	118.6%[3]	(514)	(311)	65.1%
Share of FSMC's gain on disposal of non-core properties	-	(42)[4]	(100.0%)	-	6,536	(100.0%)
Share of FSMC's other post tax results	430	219	96.3%[5]	922	483	90.9%
Interest income earned from FSMC	2,084	1,991	4.7%	4,022	5,131	(21.6%)
Total	5,047	5,274	(4.3%)	10,335	18,431	(43.9%)
Recurrent income	5,047	5,316	(5.1%)	10,335	11,895	(13.1%)
Non-recurrent income	-	(42)	(100.0%)	-	6,536	(100.0%)
Total	5,047	5,274	(4.3%)	10,335	18,431	(43.9%)

P&L from:

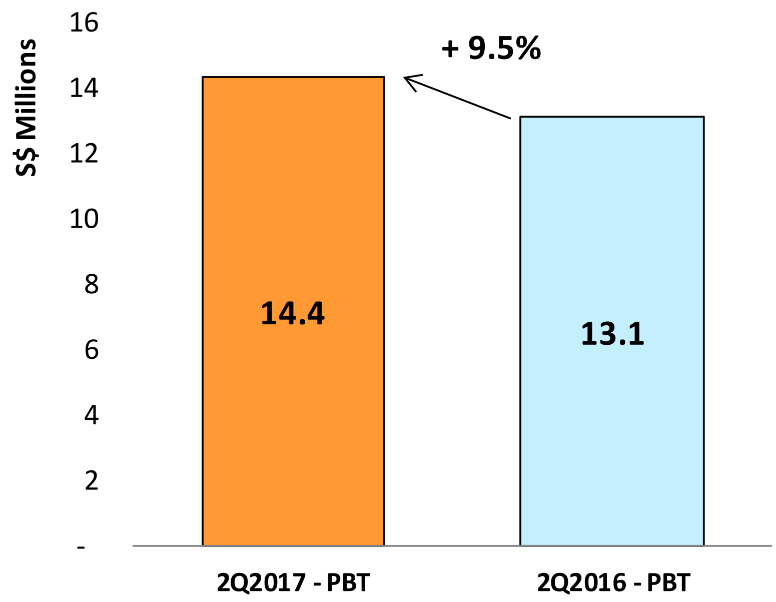
- Zuiderhof I
- Arena Towers
- Dreeftoren
- Oliphant

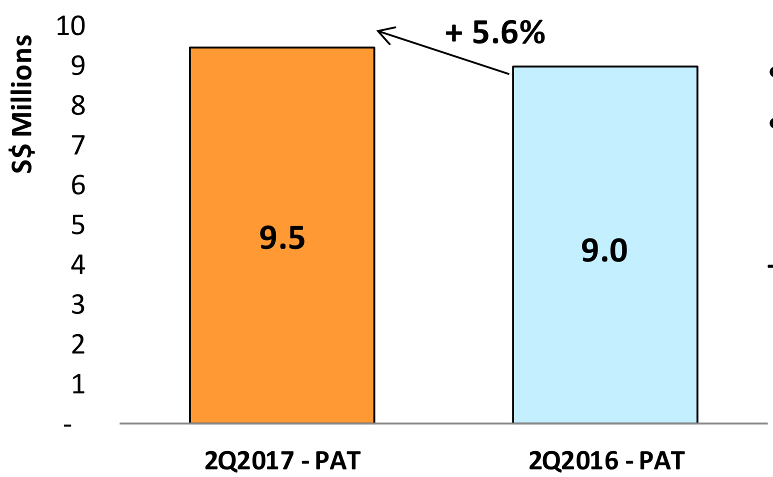
- FSMC operations

(1) Due mainly to lease incentives granted for a lease extension of another 7 years for Zuiderhof I.
(2) Due mainly to higher cost of sales due to operating expenses relating to Oliphant which has been vacant since its acquisition in late December 2016.
(3) Due mainly to higher travelling expenses incurred.
(4) Loss of S$42k in 2Q2016 relates to exchange rate difference.
(5) Due mainly to one off adjustments in 2Q2016 comparatives.

Excluding Boompjes, Terminal Noord, Dreeftoren and Oliphant properties which have redevelopment plans, the Dutch leasing properties (LFA: 92,515 sqm, occupancy of 89% and WALT of approximately 8.6 years) have a net property income in excess of S$24m (€16m) per annum.

2.5 Statement of Profit or Loss – 2Q2017 vs 2Q2016





The increase in profit before tax is due mainly to:

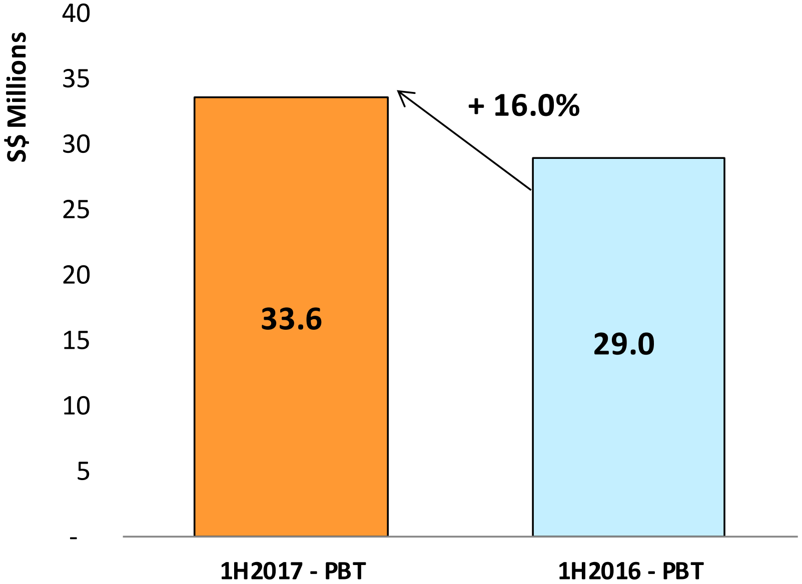
- Higher gross profit contribution from the property development business segment [S$9.9m increase]
- Lower administrative and selling expenses incurred [S$0.8m decrease]
- Higher foreign exchange gain [S$4.1m increase]

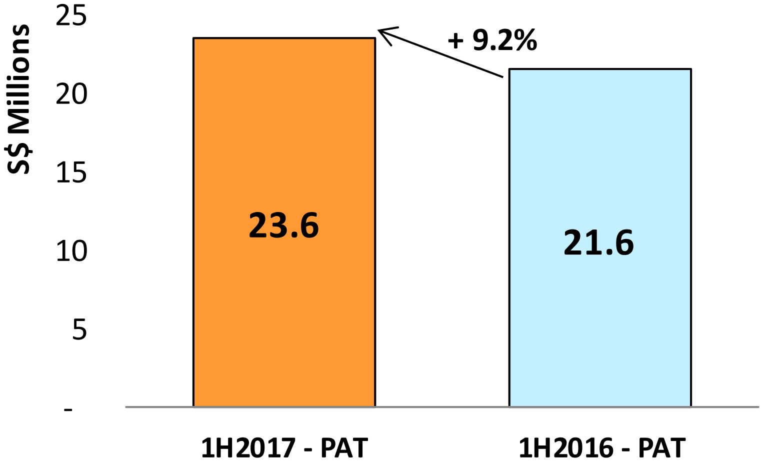
The increase is partially offset by:

- Higher fair value loss on cross-currency swaps [S$10.6m increase]
- Lower net finance income [S$2.2m decrease]
- Impairment of Dongguan investment properties [S$0.6m increase]

The adjusted effective tax rate is 23.8% for 2Q2017.

2.6 Statement of Profit or Loss – 1H2017 vs 1H2016





The increase in profit before tax is due mainly to:

- Higher gross profit contribution from the property development business segment [S$21.6m increase]
- Lower administrative and selling expenses incurred [S$0.8m decrease]
- Higher foreign exchange gain [S$1.6m increase]
- No one-off cost adjustments for the Cityspring project [S$3.4m decrease]

The increase is partially offset by:

- Lower gross profit contribution from the property holding and property financing business segments [S$3.3m decrease]
- Lower share of profit from associates [S$6.1m decrease]
- Higher fair value loss on cross-currency swaps [S$8.8m increase]
- Lower net finance income [S$3.9m decrease]
- Impairment of Dongguan investment properties [S$0.6m increase]

The adjusted effective tax rate is 24.0% for 1H2017.

2.7 Statement of Financial Position - Highlights

Statement of Financial Position - Highlights			
In S$'000	**30-Jun-17**	**31-Mar-17**	**Change %**
Total assets	1,687,975	1,701,993	(0.8%)
Total cash	379,663	304,141	24.8%
Receipts in advance	258,928	201,290	28.6%
Total debt	240,976 [(1)]	285,675 [(2)]	(15.6%)
Net asset value (NAV)[(3)]	1,022,077	1,014,516	0.7%
NAV per share (cents)	173.29	172.01	0.7%
Gearing ratio [(4)]	net cash	net cash	n.a.

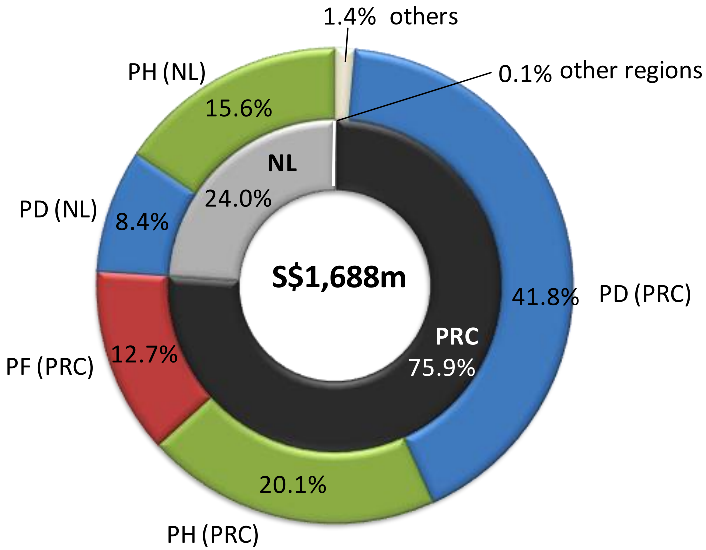
(1) Comprises gross borrowings of S$247.4m net of unamortised upfront fee of S$6.4m.
(2) Comprises gross borrowings of S$290.3m net of unamortised upfront fee of S$4.6m.
(3) NAV excluding non-controlling interests and includes translation reserve of S$33.7m (Mar’17: S$29.6m).
(4) Computed as net debt ÷ total equity including non-controlling interests.
Net debt = gross borrowings + derivative liability – cash and cash equivalents

2.8 Statement of Financial Position - Total Assets

Total Assets – by business and geographic segments

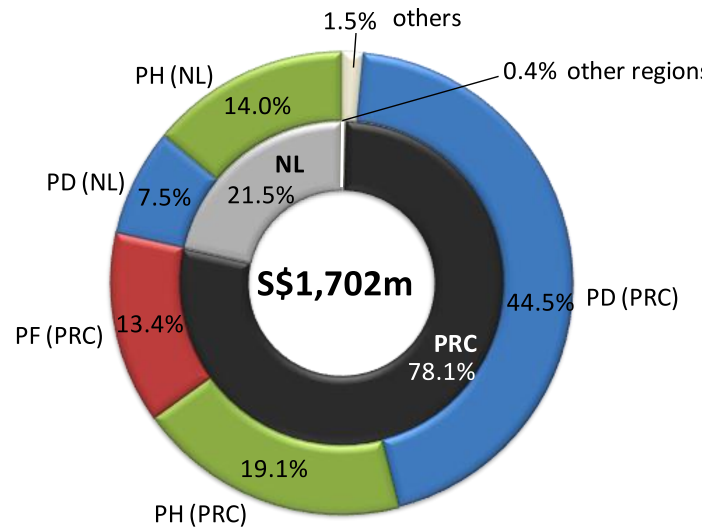
As at 30 June 2017

Total assets: S$1,688m



As at 31 March 2017

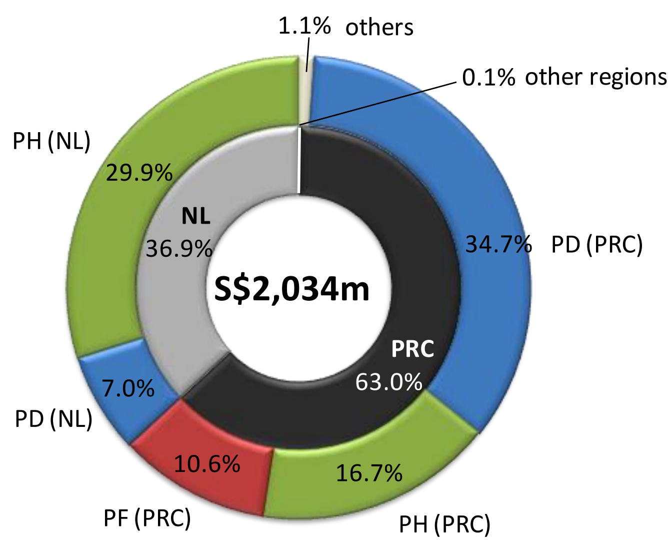
Total assets: S$1,702m



As at 30 June 2017 – Proforma*

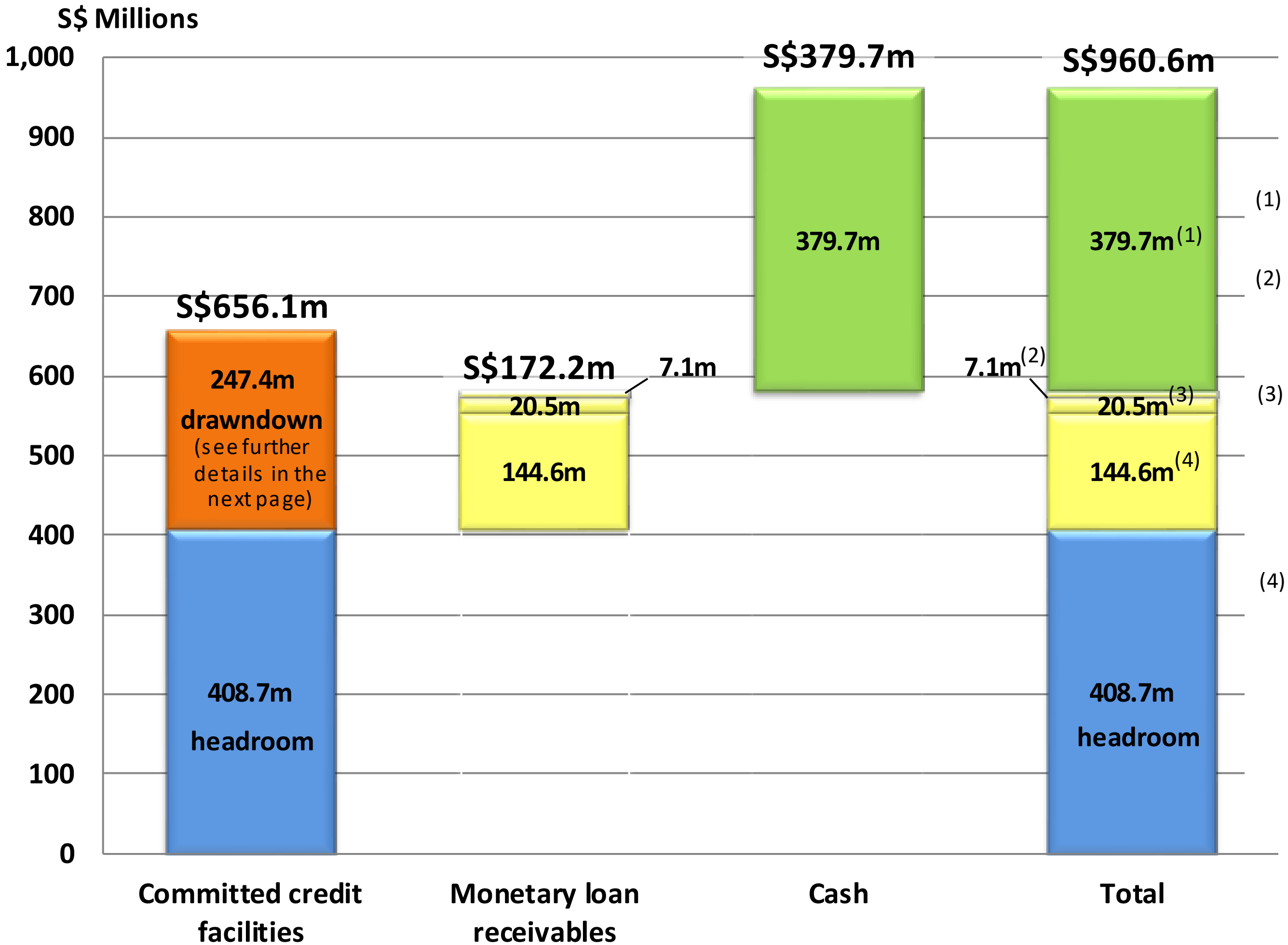
Total assets: S$2,034m

* includes the recent acquisition of Poortgebouw Hoog Catharijne Utrecht and the envisaged acquisition of the Bilderberg hotel portfolio



NL = The Netherlands
PRC = The People's Republic of China
PD = Property Development
PH = Property Holding
PF = Property Financing

2.9 Liquidity Management as at 30 June 2017



(1) S$379.7m cash

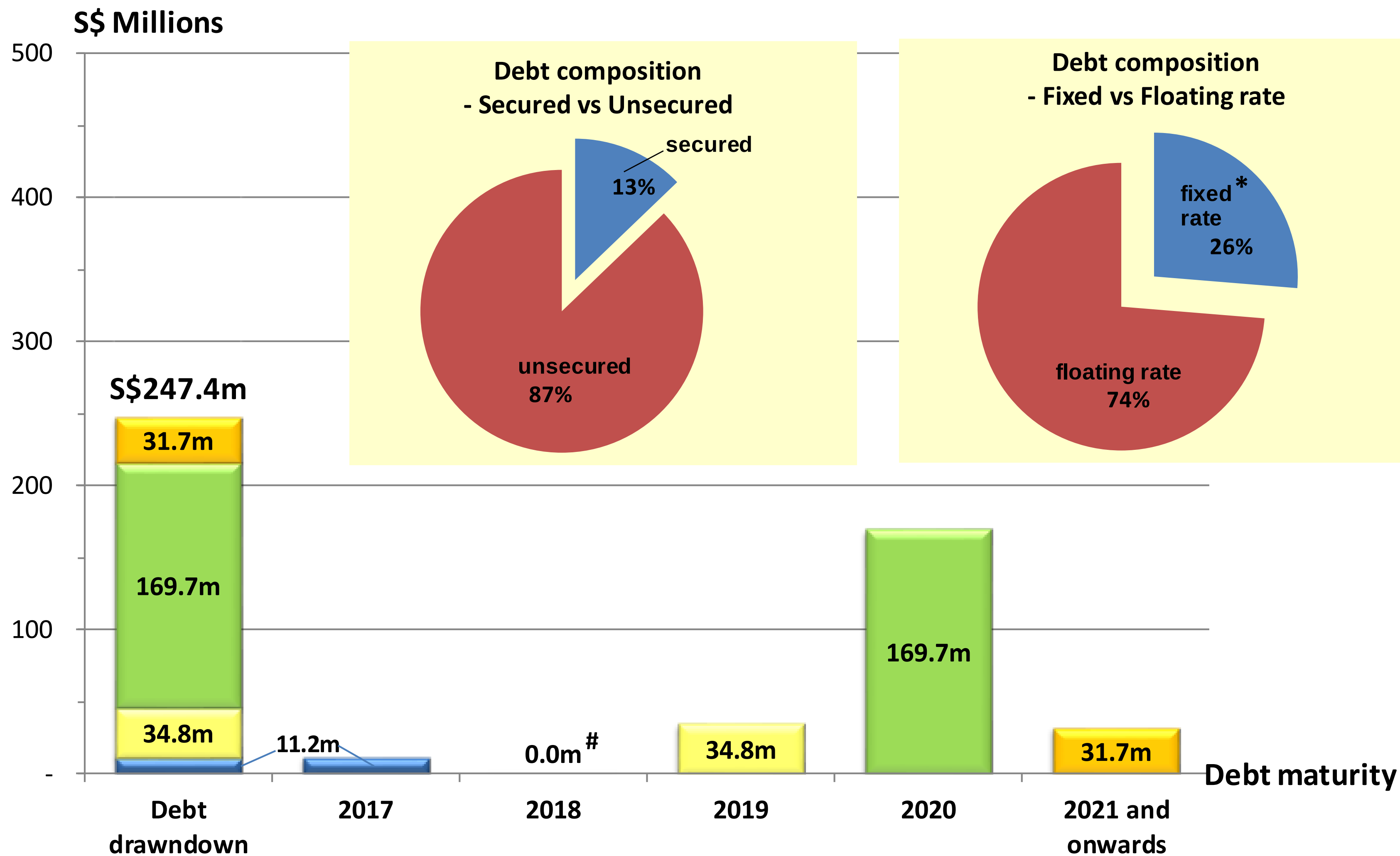
(2) S$7.1m loan (current) to Wenjiang Government

(3) S$20.5m loan to Dongguan East Sun Limited, a 90% held available for sale investment

(4) S$144.6m entrusted loans (property financing) which includes problematic loans of S$116.1m

- Healthy balance sheet backed by S$960.6m of cash, monetary loan receivables, unutilised committed bank facilities as at 30 June 2017. The Group also has a S$1 billion Multicurrency Debt Issuance Programme to tap on.
- Further to full repayment of one of its two loans to the Wenjiang government in April 2017, the Group received the full repayment of the S$9.2m (RMB45.0m) Dongguan Zhongtang advance in June 2017.
- The remaining S$7.1m loan to the Wenjiang government is being amortised at S$1.4m (RMB7.0m) per month.

2.10 Debt Maturity and Composition as at 30 June 2017



Early full redemption in June 2017 of the S$50m Series 1 medium term notes (due 2018) under the Multicurrency Debt Issuance Programme

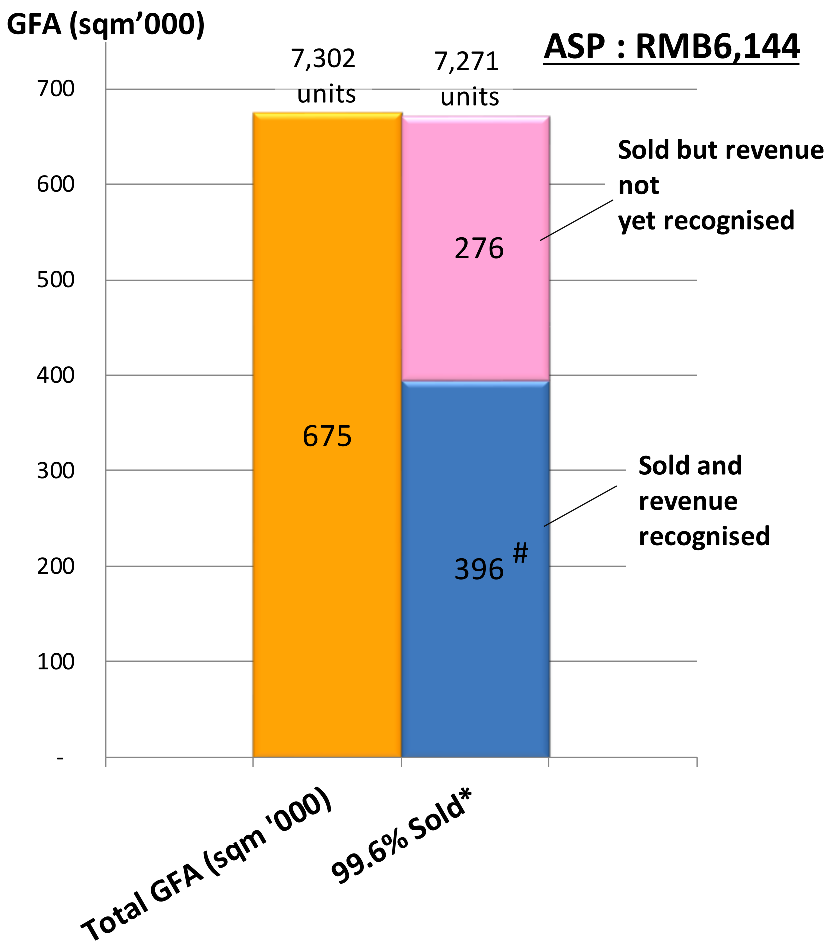
* Done via two cross currency swaps

Section 3 Key Business Review 2Q2017 – Property Development

3.1 Property Development – Millennium Waterfront Project, Chengdu

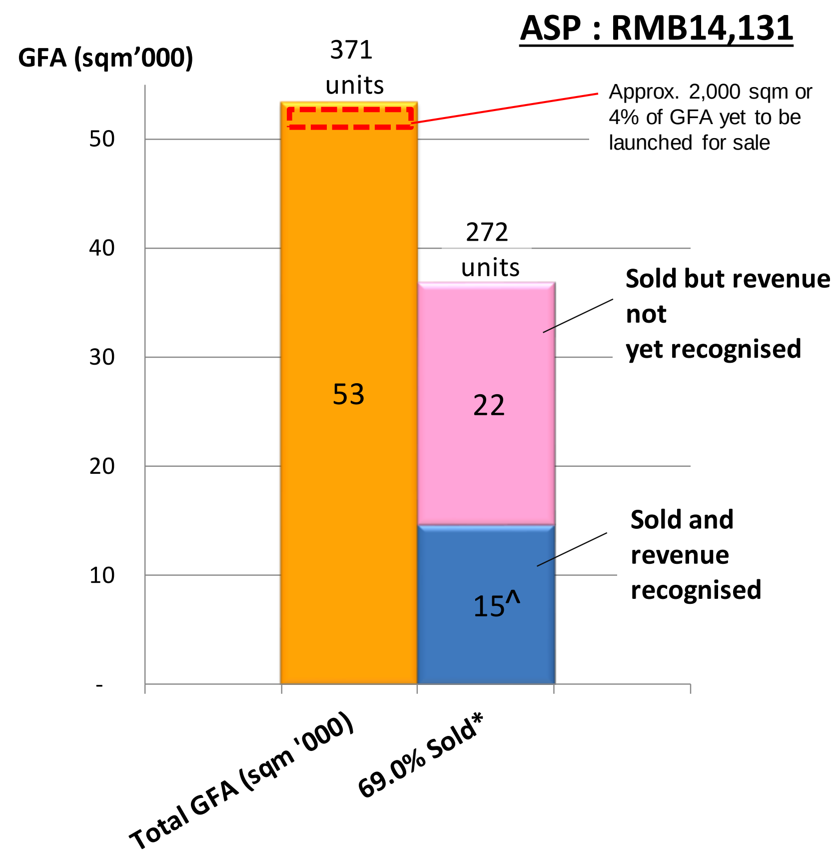
Pre-sale Performance as at 30 June 2017

Overall Residential



Commercial

(Plot A-D, excluding carpark)



Residential : recognised 4,358 units, 395,948 sqm GFA, S$494.0m gross sales value as at 30 June 2017.

^ Commercial : recognised 133 units, 14,539 sqm GFA, S$45.6m gross sales value as at 30 June 2017.

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

3.1 Property Development – Millennium Waterfront Project, Chengdu

- The sales performance of the residential units in the Millennium Waterfront project has been very encouraging in spite of the recent property cooling measures introduced by the Chinese central government. Of the aggregate 7,302 residential units in Plot A, B, C and D, more than 99% have been sold as at 30 June 2017.

- In view of the current market conditions, the Group will carefully assess the development feasibility of Plot E and F, the remaining phase of the Millennium Waterfront project, which are designated as commercial land.

- The Group has started handing over residential units in Plot A in 1Q2017 and expects to continue doing so during the course of FY2017. Plot D is expected to be handed over during the course of FY2018.

3.1 Property Development – Millennium Waterfront Project, Chengdu

Plot A

- 2,000 residential units, 118 commercial units and 1,718 car park lots
- Pre-sales of residential units commenced in March 2015
- % of total saleable GFA launched for sale sold[3] :
  - Residential: 100.0%
  - Commercial: 70.5%
- Cumulative handover of 634 residential and 23 commercial units as at 30 June 2017

Plot B

- 2,250 residential units, 96 commercial units, 1,905 car park lots and a three-storey commercial building
- Pre-sales of residential units commenced in November 2012
- % of total saleable GFA launched for sale sold[3] :
  - Residential: 99.8%
  - Commercial: 88.0%
- Cumulative handover of 1,985 residential and 70 commercial units as at 30 June 2017

Plot C

- 1,778 residential units, 91 commercial units and 1,508 car park lots
- Pre-sales of residential units commenced in January 2014
- % of total saleable GFA launched for sale sold[3] :
  - Residential: 100.0%
  - Commercial: 63.7%
- Cumulative handover of 1,739 residential and 40 commercial units as at 30 June 2017

Plot D

- Construction work commenced in October 2016
- 1,274 residential units, 66 commercial units, 1,295 car park lots and two commercial blocks
- Soft launched 2 residential blocks for sale in December 2016
- % of total saleable GFA launched for sale sold[3] :
  - Residential: 98.0%
  - Commercial: 60.3%
- Expected to commence handover of residential units in 2018

Plot G

- Opening of Crowne Plaza Chengdu Wenjiang and Holiday Inn Express Chengdu Wenjiang Hotspring hotels on 28 December 2016

Notes:
1. This diagram is not drawn to scale.
2. Based on artist's impression which may not be fully representative of the actual development.
3. As at 30 June 2017 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, Dongguan

- Construction permits for a portion of the development have been obtained.
- Pre-sale of the residential units is expected to commence in 4Q2017.

3.3 Property Development – Dreeftoren, Amsterdam Southeast

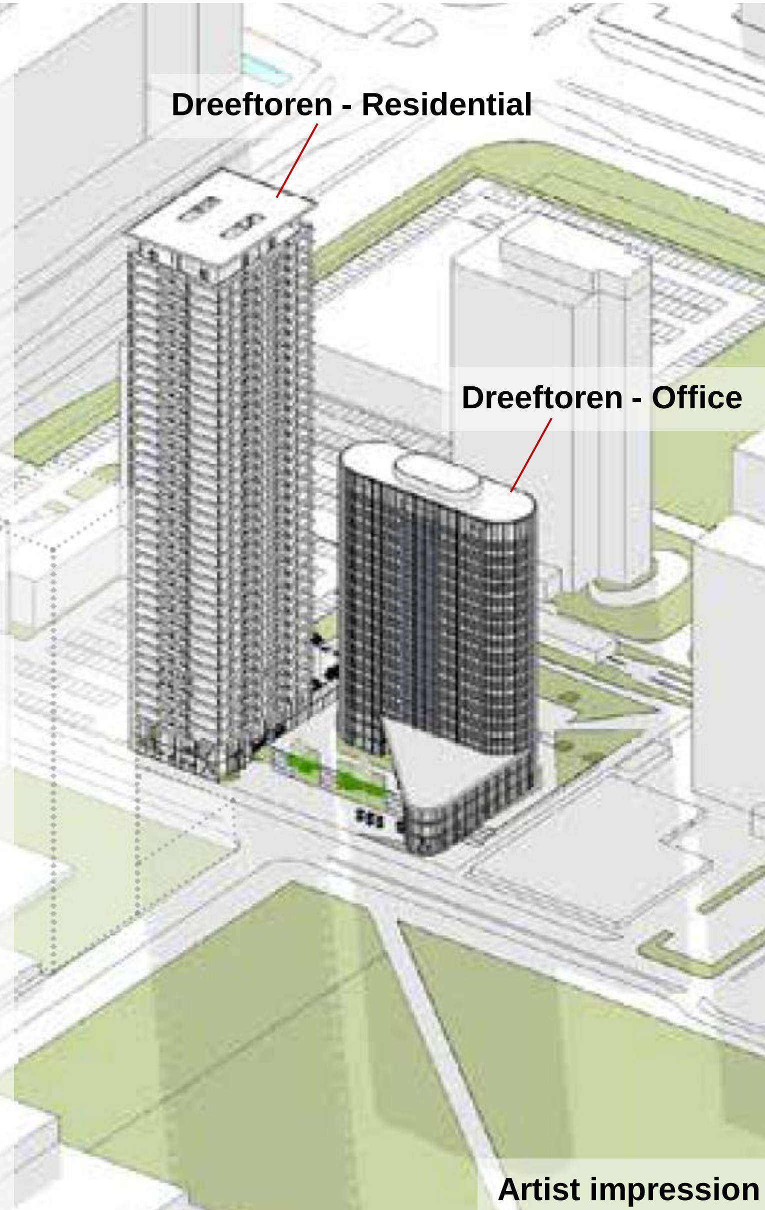
Residential Development

- The Group is in an advanced stage of discussion with an investor for the sale of a residential apartment block envisaged to be built next to the Dreeftoren office on a forward funding basis, subject to the application for re-zoning and building permit with the Amsterdam Southeast municipal.

Office Redevelopment

- The Group has also planned for an asset enhancement initiative to improve the quality of the office block as well as to increase its net lettable area by approximately 25% from 8,722 sqm to 10,877 sqm.

- While the residential and office redevelopment works are undergoing the planning stage, the property is generating positive cashflow after financing costs.



Artist impression

3.4 Property Development – Oliphant, Amsterdam Southeast

Office Redevelopment

- The Group has commenced construction works for the redevelopment of the Oliphant office property, involving a more than 50% increase in lettable floor area from 14,109 sqm to 21,395 sqm.

- The redevelopment is expected to complete by late 2018, and leasing efforts are expected to intensify in 2018.

- The Group is also studying the feasibility of adding residential component to the project site.


Work site


Artist impression

Section 4 Key Business Review 2Q2017 – Property Holding

4.1 Property Holding – M Hotel Chengdu

	1H2017	1H2016	Increase/(decrease)
Occupancy	61.8%	51.6%	10.2%
ADR	RMB302	RMB344	(RMB42)
RevPar	RMB186	RMB177	RMB9

- M Hotel Chengdu continues to show improvement in its year on year trading performance.
- The Group will further evaluate its options in light of the changing market conditions so as to maximise shareholder value.

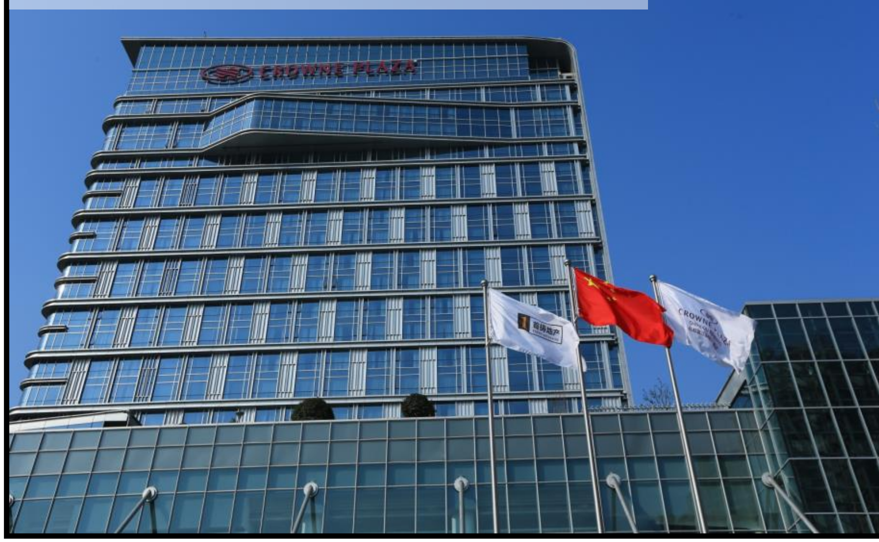
4.2 Property Holding – Crowne Plaza Chengdu Wenjiang and Holiday Inn Express Chengdu Wenjiang Hotspring Hotels

	Crowne Plaza	Holiday Inn Express
	1H2017	1H2017
Occupancy	24.4%	37.6%
ADR	RMB306	RMB204
RevPar	RMB74	RMB77

- The Crowne Plaza Chengdu Wenjiang and Holiday Inn Express Chengdu Wenjiang Hotspring hotels are building up its market share gradually with the latter achieving gross operating profit for the past two quarters despite commencing operations only in late December 2016.

- The Group plans to roll-out the hotspring facilities in 4Q2017 which is expected to further boost the trading performance of both hotels.

Crowne Plaza Chengdu Wenjiang Hotel



Holiday Inn Express Chengdu Wenjiang Hotspring Hotel

1 SPONSOR

Section 5 Key Business Review 2Q2017 – Property Financing

5.1 Property Financing - Overview of Financial Performance

	Revenue (S$'m)	As a % of Group Revenue	Profit before tax (S$'m)	As a % of Group Profit before tax
2Q2017	0.9 (1)	1.6%	1.2	8.4%
2Q2016	0.8	1.8%	1.0	7.5%
1H2017	1.8 (1)	1.3%	2.6	7.7%
1H2016	3.4	3.8%	1.3 (2)	4.5%

	Average Third Party Loan Balance for the quarter ended	Average Third Party Loan Balance for the year to date ended	Third Party Loan Balance as at
30 June 2017 (3)	RMB668.2m (S$136.5m)	RMB667.6m (S$136.4m)	RMB710.0m (S$144.6m)
30 June 2016 (4)	RMB730.0m (S$154.3m)	RMB776.7m (S$164.2m)	RMB730.0m (S$148.7m)

(1) The cumulative penalty interest of S$43.2m (RMB211.3m) as at 30 June 2017 for the remaining defaulted loans has not been recognised.
(2) Net of S$2.4m provision of legal fees for the defaulted loan cases.
(3) The average third party loan balance as at 30 June 2017 included two defaulted loan cases with total principal of RMB570.0m.
(4) The average third party loan balance as at 30 June 2016 included two defaulted loan cases with total principal of RMB640.0m.

5.2 Status of Problematic Loans

Case 2

- Regarding Loan 2.8 with a loan principal of RMB50 million, the Group has concluded a court arranged settlement agreement with the borrower, thereby ending the court appeal process commenced by the Group. The settlement includes the 24% per annum penalty interest which the Group had appealed for.

- Following the successful foreclosure of Loan 2.3, the Shanghai First Intermediate Court has completed the valuation process of the mortgaged properties for the rest of loans under its purview. The auctions of these mortgaged properties for a substantial number of the defaulted loans in Case 2 are expected to take place in the second half of the year.

- Based on the total value of the mortgaged property collaterals and the unencumbered assets of the guarantors for which the Group has a first caveat, the LTV for the remaining 7 loans amounts to approximately 22.5%.

5.3 Status of Problematic Loans – Summary

The table below summarises the latest status of the problematic loans:

Loan No.	Date of First Disbursement	Date of Maturity	Principal (RMB'm)	Court	Status	Applicable Interest rate p.a. (%)	Loan to Value ratio (%)[a]	Interest yet to be Recognised (S$'m* net of VAT) As of 30-6-2017	Interest yet to be Recognised (S$'m* net of VAT) FY2017 Monthly
1	**Case 1** (In default when interest due was not received on 21-Dec-15)		170.0	Shanghai First Intermediate Court	Foreclosure procedures suspended pending criminal proceeding involving a subsidiary of the borrower	24% (30.4% from 5-Aug-16)	48.0% (Adj. LTV: 68.6%)[b]	14.0	0.9
2.1	**Case 2**[c] (In default when interest due was not received on 21-Jan-16; all loans under Case 2 were cross-collateralized.)		70.0		All rulings have become effective and the court has commenced the foreclosure procedures	24% (30.4% from 4-Jan-17)	22.5% (Adj. LTV: 31.1%)[b]	5.1	0.3
2.2			60.0			24% (30.4% from 8-Nov-16)		4.5	0.3
2.4			64.0			24% (30.4% from 5-Dec-16)		4.7	0.3
2.5			60.0			24% (30.4% from 28-Nov-16)		4.5	0.3
2.6			67.0	Shanghai Pudong New Area People's Court		24% (30.4% from 29-Nov-16)		5.0	0.3
2.7			29.0					2.2	0.1
2.8			50.0	Shanghai Second Intermediate	Court arranged settlement reached	24%		3.2	0.0
Case 2 Subtotal			400.0					29.2	1.6
Total (Case 1 + Case 2)			**570.0**					**43.2**	**2.5**

*RMB 1: S$0.2043

(a) LTVs include the value of the guarantors' unencumbered assets with first preservation order, namely RMB20m and RMB1,033m for Case 1 and Case 2 respectively. LTV for Case 2 also considered approx. RMB30m cash held by the court from the excess auction proceedings from Loan 2.3 settlement.

(b) Adjusted LTVs include the cumulative unrecognised interest as of 30 June 2017.

(c) For Loan 2.3, the RMB70m loan principal and RMB19.5m of interest and default interest have been successfully collected.

Section 6 Recent Acquisitions in the Netherlands

SPONSOR

6.1 Recent Acquisitions in the Netherlands – Poortgebouw Hoog Catharijne

- On 12 July 2017, the Group completed the acquisition of the right of leasehold relating to the 3rd floor up to and including the 9th floor of the Poortgebouw Hoog Catharijne – a bare shell hotel property in Utrecht, the fourth largest city in the Netherlands.

- The property is strategically next to and connected to the Utrecht central station which is the largest and busiest railway station in the Netherlands, being the central railway hub for the whole country.

Acquisition cost : (including transaction-related expenses)	€26.38m *(approx.)*
Total LFA :	11,604 sqm *(approx.)*

6.1 Recent Acquisitions in the Netherlands – Poortgebouw Hoog Catharijne

- The Group has secured an initial lease of 25 years with a tenant and will be working with the tenant to refurbish the property into two hotels, a Crowne Plaza with 128 rooms and Hampton by Hilton with 192 rooms. The refurbishment is expected to commence in 3Q2017 and the hotels are expected to commence operations in late 2018.

- The Group has taken physical delivery of around 92% of the total lettable floor area on 12 July 2017 and expects the delivery of the remaining 8% of the total lettable floor area to take place in 2019.

Capital commitment to refurbishment :	€12m
Total number of rooms:	320 rooms *(approx.)*

6.2 Recent Acquisitions in the Netherlands – The Envisaged Bilderberg Hotel Portfolio Acquisition[1]

BILDERBERG HOTEL PORTFOLIO	• 16 owned hotels + 1 leased hotel • Geographically well spread across the Netherlands, including key gateway cities such as Amsterdam, Rotterdam and The Hague • Long standing profit track record • Experienced and long-serving management team • Strong Dutch heritage brand
Key property statistics	• 1,633 rooms (owned) + 62 rooms (leased) • 13,661 sqm of conference space • 49 F&B outlets (including 2 Michelin-starred restaurants)
Land tenure (owned)	14 freehold + 1 perpetual leasehold[2] + 1 temporary leasehold[3]
Acquisition Property Value ("APV")	€205.0m (S$323.3m) or €125,500 per room[4] {including estimated transaction costs of Euro €2.2m (S$3.4m)}
FY2016 trading statistics	Average occupancy: 62.5%; ARR: €95.1; RevPAR: €59.5; TRevPAR: €124.2
FY2016 EBITDA / Net yield	€13.4m / 6.5%
Expected completion date	3Q2017

[1] Please refer to investors' presentation slides dated 3 July 2017 on the envisaged acquisition of the Bilderberg Hotel Portfolio for details

[2] The ground lessee may use the land for an indefinite period, in return for an annual or periodic payment

[3] The ground lessee may use the land for a temporary period in return for payment. The ground lease however might continue if the ground lessor does not order the lessee to vacate the premises (at market compensation)

[4] Excluding rooms of operating lease hotel

1 SPONSOR

6.2 Recent Acquisitions in the Netherlands – The Envisaged Bilderberg Hotel Portfolio Acquisition

5 Crown Properties

1. **Garden Hotel – Amsterdam**
2. **Parkhotel – Rotterdam**
3. **Europa Hotel – Scheveningen**
4. **Hotel de Bilderberg – Oosterbeek**
5. **Kasteel Vaalsbroek – Vaals**

11 Properties with Potential

6. **Hotel 't Speulderbos – Garderen**
7. **Residence Groot Heideborgh – Garderen**
8. **Hotel De Keizerskroon – Apeldoorn**
9. **Hotel De Klepperman – Hoevelaken**
10. **Hotel Klein Zwitserland – Heelsum**
11. **Hotel Wolfheze – Wolfheze**
12. **Hotel De Buunderkamp – Wolfheze**
13. **Grand Hotel Wientjes – Zwolle**
14. **Landgoed Lauswolt – Beetsterzwaag**
15. **Chateau Holtmuhle – Tegelen**
16. **Hotel De Bovenste Molen – Venlo**

1 Leased Property until 2020

17. **Hotel Jan Luyken – Amsterdam (lease ends in September 2020)**

6.2 Recent Acquisitions in the Netherlands – The Envisaged Bilderberg Hotel Portfolio Acquisition

The envisaged acquisition offers the opportunity for the Group to acquire multiple fine quality properties including properties with good redevelopment and capital appreciation potential in the Netherlands at an attractive price.

<u>EBITDA of € 13.4m</u>
APV of € 205.0m

= 6.5% Yield

15 out of the 17 properties within the Bilderberg Portfolio include freehold and perpetual leasehold tenures. This aligns well with the Group's long term investment strategy for capital appreciation.

Thank You

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.

FIRST SPONSOR GROUP LIMITED

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

Press Release

IMPRESSIVE SALES PERFORMANCE AT THE MILLENNIUM WATERFRONT PROJECT WITH MORE THAN 99% OF THE AGGREGATE 7,302 RESIDENTIAL UNITS IN THE PROJECT SOLD

THE BOARD OF FIRST SPONSOR HAS APPROVED AN INTERIM TAX-EXEMPT (ONE-TIER) DIVIDEND OF 1 SINGAPORE CENT PER SHARE

Singapore, 26 July 2017 – Singapore Exchange (SGX) mainboard-listed First Sponsor Group Limited ("**First Sponsor**" or the "**Company**", and together with its subsidiaries and associated companies, the "**Group**"), a mixed property developer and owner of commercial properties in the People's Republic of China (the "**PRC**") and the Netherlands, and provider of property financing services in the PRC, today announced the Group's unaudited financial results for 2Q2017.

Financial Highlights

In S$000	2Q2017	2Q2016	Change %	YTD Jun 2017	YTD Jun 2016	Change %
Revenue	53,923	42,212	27.7%	135,270	87,769	54.1%
Profit attributable to equity holders of the Company	9,368	8,608	8.8%	23,603	20,841	13.3%

- The Group achieved a 8.8% increase in net profit to S$9.4 million which is also its 11th consecutive quarter on quarter profit growth since IPO in July 2014.

- Despite the continued government property cooling measures, the sales performance at the Millennium Waterfront project has been positive. More than 99% of the aggregate 7,302 residential units in the project have been sold. The Group will carefully assess the development feasibility of the remaining phase of the project (Plot E and F) in view of the current market conditions.

- The Board has approved an interim tax-exempt (one-tier) cash dividend of 1 Singapore cent per share, which is the same as the 2016 interim dividend, payable on 20 September 2017.

***

Mr Neo Teck Pheng, Group Chief Executive Officer, said

"While the Chinese central government has been implementing several property cooling measures, the Group has been successful in sustaining the sales momentum experienced at its Millennium Waterfront project for the last two quarters. As at 30 June 2017, more than 99% of the aggregate 7,302 residential units in the project have been sold. The Group will carefully assess the development feasibility of the remaining phase of the Millennium Waterfront project, which is designated as commercial land, in view of the current market conditions. Performance of the newly opened Holiday Inn Express Chengdu Wenjiang Hotspring Hotel has also been encouraging. The hotel registered a gross operating profit for the past two quarters even though it has only commenced operations on 28 December 2016. Management is working closely with the hotel manager to turnaround the Crowne Plaza Chengdu Wenjiang hotel. The commencement of the hotspring facilities in the hotels in late 2017 would boost the performance for the two newly opened hotels.

In the Netherlands, the Group is in an advanced stage of discussion with an investor for the sale of a residential apartment block envisaged to be built next to the Dreeftoren office on a forward funding basis. The project is subject to the application for re-zoning and building permit with the Amsterdam Southeast municipal.

On the acquisition front, on 12 July 2017, the Group completed the acquisition of a newly built bare shell hotel property in the Poortgebouw Hoog Catherijne, located next to the Utrecht central railway station which is also the largest and busiest railway station in the Netherlands. The Group will be working together with the lessee, for which an initial lease term of 25 years has been signed, to refurbish the property into two hotels, a Hampton by Hilton and a Crowne Plaza, which are expected to be completed and operational in late 2018. Fit out of the hotels is expected to commence in 3Q2017. As announced on 3 July 2017, the Group through its 33% owned FSMC NL Property Group B.V. shall acquire a 95% equity interest in a portfolio of 17 Dutch hotels (the "Bilderberg Portfolio") geographically spread around the Netherlands. The envisaged acquisition of the Bilderberg Portfolio will catapult the Group to be one of the largest hotel owners in the Netherlands. The Group's recurrent income assets will increase to more than 50% of its total asset base upon the successful completion of the acquisition of the Bilderberg Portfolio which will further strengthen the business resilience of the Group.

The Group has concluded a court arranged settlement agreement for one of the defaulted loans amounting to RMB50 million in principal thereby ending the court appeal process commenced by the Group. Auctions of the mortgaged properties for a substantial number of the defaulted loans in Case 2 are expected in the second half of the year. The Group remains confident of the recovery of the remaining defaulted loans.

Backed by a strong balance sheet with cash balance of S$379.7m and un-utilised committed credit facilities of S$408.7m as at 30 June 2017, the Group continues to be on a disciplined quest for investment opportunities in the Netherlands, PRC and other regions. Going forward, the Group may further tap into the debt and equity capital markets to fund its expansion plan."

- End -

Please refer to the Group's unaudited financial results announcement for 2Q2017 and the investor presentation slides dated 26 July 2017 for a detailed review of the Group's performance and prospects.

For media enquiries, please contact:

Mr Zhang Jiarong
Vice President – Financial Planning & Analysis
First Sponsor Group Limited
Email: ir@1st-sponsor.com.sg
Tel: (65) 6436 4920 Fax: (65) 6438 3170

About First Sponsor Group Limited

First Sponsor Group Limited (**"First Sponsor"**, and together with its subsidiaries and associated companies, the "**Group**"), a mixed property developer and owner of commercial (including hotel) properties in the People's Republic of China (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.

Please visit www.1st-sponsor.com.sg for the Group's financial statements and investor presentations.

Cash Dividend/ Distribution::Mandatory

Issuer & Securities

Issuer/ Manager	FIRST SPONSOR GROUP LIMITED
Security	FIRST SPONSOR GROUP LIMITED - KYG3488W1078 - ADN

Announcement Details

Announcement Title	Mandatory Cash Dividend/ Distribution
Date & Time of Broadcast	26-Jul-2017 06:55:53
Status	New
Corporate Action Reference	SG170726DVCAV6AS
Submitted By (Co./ Ind. Name)	Neo Teck Pheng
Designation	Group Chief Executive Officer
Dividend/ Distribution Number	Applicable
Value	6
Dividend/ Distribution Type	Interim
Financial Year End	31/12/2017
Declared Dividend/ Distribution Rate (Per Share/ Unit)	SGD 0.01

Event Narrative

Narrative Type	Narrative Text
Additional Text	Please refer to the attached Notice of Books Closure.

Event Dates

Record Date and Time	31/08/2017 17:00:00
Ex Date	29/08/2017

Dividend Details

Payment Type	Tax Exempted (1-tier)
Gross Rate (Per Share)	SGD 0.01
Net Rate (Per Share)	SGD 0.01
Pay Date	20/09/2017
Gross Rate Status	Actual Rate

Attachments	Notice of Books Closure.pdf Total size =244K

Applicable for REITs/ Business Trusts/ Stapled Securities

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

NOTICE OF BOOKS CLOSURE

NOTICE IS HEREBY GIVEN that the Register of Members and Share Transfer Books of the Company will be closed on 31 August 2017 at 5.00 p.m. to determine shareholders' entitlements to the interim tax-exempt (one-tier) dividend of 1.00 Singapore cent per ordinary share.

Duly completed registrable transfers of shares received by the Company's Share Registrar, Tricor Barbinder Share Registration Services (a business division of Tricor Singapore Pte. Ltd.) at 80 Robinson Road, #02-00 Singapore 068898, up to 5.00 p.m. on 31 August 2017 will be registered to determine shareholders' entitlements to the interim dividend. Subject as aforesaid, shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 31 August 2017 will be entitled to the dividend.

The interim dividend will be paid on 20 September 2017.

BY ORDER OF THE BOARD

Neo Teck Pheng
Group Chief Executive Officer and Executive Director
26 July 2017