

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

Issuer & Securities

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

Announcement Details

Announcement Title	General Announcement
Date & Time of Broadcast	12-Jul-2018 07:38:23
Status	New
Announcement Sub Title	Announcement by First Sponsor Group Limited, an associate of Millennium & Copthorne Hotels plc
Announcement Reference	SG180712OTHRWFRG
Submitted By (Co./ Ind. Name)	Enid Ling Peek Fong
Designation	Company Secretary
Description (Please provide a detailed description of the event in the box below)	<p>First Sponsor Group Limited ("FSGL"), an associate of Millennium & Copthorne Hotels plc, has on 12 July 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 - Supplemental Agreement.</p> <p>For details, please refer to the announcement released by FSGL on the SGX website www.sgx.com.</p>

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

Issuer & Securities

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

Announcement Details

Announcement Title	Asset Acquisitions and Disposals
Date & Time of Broadcast	12-Jul-2018 07:01:51
Status	New
Announcement Sub Title	DISPOSAL OF PROPERTY - SUPPLEMENTAL AGREEMENT
Announcement Reference	SG180712OTHR3OZW
Submitted By (Co./ Ind. Name)	Neo Teck Pheng
Designation	Group Chief Executive Officer and Executive Director
Description (Please provide a detailed description of the event in the box below)	Please see attached.
Attachments	FSGL - SGX Annc - M Hotel Chengdu_Supplemental Agt.pdf Total size =233K

FIRST SPONSOR GROUP LIMITED

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

DISPOSAL OF PROPERTY – SUPPLEMENTAL AGREEMENT

1. INTRODUCTION

The board of directors (“**Board**”) of First Sponsor Group Limited (“**Company**”) refers to the sale and purchase agreement dated 28 May 2018 (“**S&P Agreement**”) entered into between the Company’s indirect wholly-owned subsidiary, Chengdu Gaeronic Real Estate Co., Ltd (“**Vendor**”), and Minyoun Industrial Group Corporation Limited (明宇实业集团有限公司) (“**Purchaser**”) in relation to the proposed disposal of certain parts of Chengdu Cityspring.

Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings ascribed to them in the Company’s announcement dated 30 May 2018 (“**30 May Announcement**”).

2. SUPPLEMENTAL AGREEMENT

2.1 Pursuant to the S&P Agreement, the Vendor was obliged to pay by 10 July 2018, an aggregate amount of approximately RMB235.0 million (approximately S\$48.1 million¹) comprising:

- (a) a First Instalment of approximately RMB206.5 million (approximately S\$42.3 million), out of which RMB5.0 million (approximately S\$1.0 million) shall be paid by utilising the Initial Deposit (“**Original First Instalment Amount**”); and
- (b) a Replacement Deposit of approximately RMB28.5 million (approximately S\$5.8 million).

2.2 The Board wishes to announce that the Vendor and the Purchaser have on 11 July 2018 entered into a supplemental agreement (“**Supplemental Agreement**”) pursuant to which the Vendor and the Purchaser agreed as follows:

- (a) The terms of payment of the First Instalment and the Replacement Deposit shall be amended as follows:

The Purchaser and/or its designated entity(ies) shall pay the following amounts to the Vendor:

- (i) approximately RMB116.5 million (approximately S\$23.9 million) (“**Amended First Instalment**”), out of which (aa) approximately RMB50.0 million (approximately S\$10.2 million) shall be paid before 13 July 2018 and (bb) approximately RMB66.5 million (approximately S\$13.7 million) (out of which RMB5.0 million shall be paid by utilising the Initial Deposit) shall be paid before 18 July 2018; and
- (ii) the Replacement Deposit of approximately RMB28.5 million, before 18 July 2018.

The RMB50.0 million referred to in sub-paragraph (a)(i)(aa) above has been received by the Vendor on 11 July 2018.

¹ Unless otherwise stated, the exchange rate of RMB1: S\$0.204807 is used in this announcement.

The Purchaser shall remain liable to pay the liquidated damages referred to in paragraph 3.1.4 of the 30 May Announcement and shall, pursuant to the Supplemental Agreement, pay such liquidated damages on a monthly basis within the first five business days of each month starting from August 2018. If the Purchaser fails to make such payment, it shall be liable to pay twice the amount of the liquidated damages.

- (b) Upon the receipt of the Amended First Instalment and the Replacement Deposit, the Vendor shall co-operate to transfer to the Purchaser or its designated entity(ies), title to such part of the Property as specified in the Supplemental Agreement, the consideration for which corresponds with approximately RMB104.5 million (approximately S\$21.4 million). This comprises the commercial space on the third to eighth floors of Block 9 ("**Interim First Tranche Properties**").
- (c) In the event that any part of the Amended First Instalment and the Replacement Deposit is not paid by 18 July 2018, the Purchaser shall be liable to pay additional liquidated damages of RMB1.0 million (approximately S\$0.2 million) and the Vendor shall not be obliged to transfer to the Purchaser or its designated entity(ies), title to any part of the Interim First Tranche Properties. In the event that any part of the Amended First Instalment and the Replacement Deposit is not paid by 11 August 2018, the S&P Agreement and the Supplemental Agreement shall immediately terminate and the Purchaser shall be liable to pay further liquidated damages.
- (d) The Purchaser and/or its designated entity(ies) shall pay RMB90.0 million (approximately S\$18.4 million) and the full amount of the liquidated damages referred to in sub-paragraphs (a) and (c) to the Vendor before the payment of the Second Instalment and in any event, by 24 November 2018. In the event that any part of the RMB90.0 million and the full amount of the liquidated damages referred to in sub-paragraphs (a) and (c) is not paid by 24 November 2018, the S&P Agreement and the Supplemental Agreement shall immediately terminate and the Purchaser shall be liable to pay further liquidated damages. In addition, physical possession of such parts of the Property which was delivered to the Purchaser as referred to in paragraph 3.4.1 of the 30 May Announcement (title to which has not been transferred as referred to in paragraph 3.3.1 of the 30 May Announcement) shall be redelivered to the Vendor.
- (e) Upon receipt of the RMB90.0 million and the full amount of the liquidated damages referred to in sub-paragraphs (a) and (c), the Vendor shall co-operate to transfer to the Purchaser or its designated entity(ies), title to such part of the Property as specified in the Supplemental Agreement, the consideration for which corresponds with approximately RMB102.0 million (approximately S\$20.9 million) (which is the Original First Instalment Amount less the consideration for the Interim First Tranche Properties). This comprises the 20th to 29th floors of Block 9 which constitute a substantial portion of M Hotel Chengdu.
- (f) Notwithstanding the receipt by the Vendor of the Second Instalment, the Vendor shall not be obliged to transfer to the Purchaser or its designated entity(ies), title to such part of the Property (including 116 basement car park lots) as specified in the S&P Agreement, the consideration for which corresponds with the amount of the Second Instalment, unless the RMB90.0 million and the full amount of the liquidated damages referred to in sub-paragraphs (a) and (c) have been fully paid.

Save as announced above, there are no other changes to the terms and conditions of the S&P Agreement.

3. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed in the 30 May Announcement, 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 Supplemental Agreement.

4. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the 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

12 July 2018