

SINCAP GROUP LIMITED

Incorporated in the Republic of Singapore
Company Registration Number: 201005161G

Condensed Interim Consolidated Financial Statements
For the six months and the full year ended 31 December (“FY”) 2024

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, SAC Capital Private Limited (the “Sponsor”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “SGX-ST”) and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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SINCAP GROUP LIMITED
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Unless otherwise specified, all capitalised terms used in this announcement shall have the same meanings as those defined in the Company's announcement dated 12 August 2022 in relation to its entry into a binding heads of agreement (the "HOA") with Mr. Teh Wing Kwan (the "Professional Investor") for a proposed investment of up to SGD2,000,000 into the Company.

A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Group					
		6 months ended			12 months ended		
		31.12.2024 ("2H2024") Unaudited RMB'000	31.12.2023 ("2H2023") Unaudited RMB'000	Change Inc / (Dec) %	31.12.2024 ("FY2024") Unaudited RMB'000	31.12.2023 ("FY2023") Audited RMB'000	Change Inc / (Dec) %
Revenue		-	-	N.A.	-	-	N.A.
Cost of sales		-	-	N.A.	-	-	N.A.
Gross profit		-	-	N.A.	-	-	N.A.
Other income	5	34	-	N.M.	292	30	873.3
Administrative expenses		(1,075)	(820)	31.1	(2,074)	(1,788)	16.0
Other expenses	5	-	(206)	N.M.	-	(5,881)	N.M.
Finance costs		(92)	(163)	(43.6)	(398)	(181)	119.9
Loss before tax		(1,133)	(1,189)	(4.7)	(2,180)	(7,820)	(72.1)
Tax credit	6	-	1	N.M.	-	42	N.M.
Loss for the financial year, net of tax		(1,133)	(1,188)	(4.6)	(2,180)	(7,778)	(72.0)
Other comprehensive income/(loss):							
<i>Items that are or may be reclassified subsequently to profit or loss:</i>							
Currency translation differences arising on consolidation		(70)	208	(133.7)	(315)	(155)	103.2
Reclassification of foreign currency translation reserve to profit or loss on disposal of subsidiaries	10	-	-	N.A.	-	5,734	N.M.
Total comprehensive loss for the financial year, net of tax		(1,203)	(980)	22.8	(2,495)	(2,199)	13.5
Loss attributable to:							
Owners of the Company		(1,133)	(1,187)	(4.5)	(2,180)	(7,777)	(72.0)
Non-controlling interests		*	(1)	N.M.	*	(1)	N.M.
		(1,133)	(1,188)	(4.6)	(2,180)	(7,778)	(72.0)
Total comprehensive loss attributable to:							
Owners of the Company		(1,203)	(980)	22.8	(2,495)	(2,198)	13.5
Non-controlling interests		*	*	N.A.	*	(1)	N.M.
		(1,203)	(980)	22.8	(2,495)	(2,199)	13.5
Loss per share (RMB cents)							
Basic and diluted	7	(0.07)	(0.07)	N.A.	(0.13)	(0.46)	(71.7)

N.A. : not applicable

N.M. : not meaningful, used to indicate that the current and prior year figures are not comparable, not meaningful, or if the percentage change exceeds 1,000%

* : less than RMB1,000

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B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Notes	Group		Company	
		31.12.2024 Unaudited RMB'000	31.12.2023 Audited RMB'000	31.12.2024 Unaudited RMB'000	31.12.2023 Audited RMB'000
Non-current assets					
Investments in subsidiaries	10	-	-	-	-
		-	-	-	-
Current assets					
Trade and other receivables	11	-	-	-	-
Cash and cash equivalents		30	71	30	71
		30	71	30	71
Total assets		30	71	30	71
Non-current liability					
Borrowings	12	4,507	4,521	4,507	4,521
Current liabilities					
Other payables	13	5,325	4,733	5,325	4,724
Borrowings	12	2,683	807	2,683	807
		8,008	5,540	8,008	5,531
Total liabilities		12,515	10,061	12,515	10,052
Net liabilities		(12,485)	(9,990)	(12,485)	(9,981)
Equity					
Share capital	14	203,930	203,930	203,930	203,930
Accumulated losses		(207,501)	(205,321)	(208,712)	(206,523)
Currency translation reserve		(8,891)	(8,576)	(7,703)	(7,388)
Equity attributable to owners of the Company		(12,462)	(9,967)	(12,485)	(9,981)
Non-controlling interests		(23)	(23)	-	-
Total equity		(12,485)	(9,990)	(12,485)	(9,981)

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C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	<-----Attributable to owners of the Company----->					
	Share capital	Accumulated losses	Currency translation reserve	Total	Non-controlling interests	Total equity
Group	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<u>FY2023 (Audited)</u>						
Balance at 1 January 2023	203,930	(197,544)	(14,155)	(7,769)	(22)	(7,791)
Loss for the financial year	-	(7,777)	-	(7,777)	(1)	(7,778)
<u>Other comprehensive income/(loss):</u>						
– Currency translation differences arising on consolidation	-	-	(155)	(155)	-	(155)
– Reclassification of foreign currency translation reserve to profit or loss on disposal of subsidiaries	-	-	5,734	5,734	-	5,734
Total comprehensive income/(loss) for the financial year	-	(7,777)	5,579	(2,198)	(1)	(2,199)
Balance at 31 December 2023	203,930	(205,321)	(8,576)	(9,967)	(23)	(9,990)
<u>FY2024 (Unaudited)</u>						
Balance at 1 January 2024	203,930	(205,321)	(8,576)	(9,967)	(23)	(9,990)
Loss for the financial year	-	(2,180)	-	(2,180)	*	(2,180)
<u>Other comprehensive loss:</u>						
– Currency translation differences arising on consolidation	-	-	(315)	(315)	*	(315)
Total comprehensive loss for the financial year	-	(2,180)	(315)	(2,495)	*	(2,495)
Balance at 31 December 2024	203,930	(207,501)	(8,891)	(12,462)	(23)	(12,485)

* : less than RMB1,000

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	Share capital	Accumulated losses	Currency translation reserve	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000
Company				
<u>FY2023 (Audited)</u>				
Balance at 1 January 2023	203,930	(204,697)	(7,225)	(7,992)
Loss for the financial year	-	(1,826)	-	(1,826)
<u>Other comprehensive loss:</u>				
– Currency translation differences arising from translation into presentation currency	-	-	(163)	(163)
Total comprehensive loss for the financial year	-	(1,826)	(163)	(1,989)
Balance at 31 December 2023	203,930	(206,523)	(7,388)	(9,981)
<u>FY2024 (Unaudited)</u>				
Balance at 1 January 2024	203,930	(206,523)	(7,388)	(9,981)
Loss for the financial year	-	(2,189)	-	(2,189)
<u>Other comprehensive loss:</u>				
– Currency translation differences arising from translation into presentation currency	-	-	(315)	(315)
Total comprehensive loss for the financial year	-	(2,189)	(315)	(2,504)
Balance at 31 December 2024	203,930	(208,712)	(7,703)	(12,485)

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D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	Group	
		FY2024	FY2023
		Unaudited RMB'000	Audited RMB'000
Cash flows from operating activities			
Loss before tax		(2,180)	(7,820)
Adjustment for:			
Foreign exchange (gain)/loss, net	5	(287)	143
Interest expense		398	181
Loss on disposal of subsidiaries	10	-	5,738
Payables written off	5	(5)	(30)
Operating cash flows before working capital changes		(2,074)	(1,788)
Changes in trade and other receivables		-	32
Changes in other payables		408	560
Changes in currency translation adjustments		100	(47)
Cash used in operations		(1,566)	(1,243)
Income tax refunded	6	-	42
Net cash used in operating activities		(1,566)	(1,201)
Cash flows from investing activities			
Net cash outflows arising from disposal of subsidiaries	10	-	(4)
Net cash used in investing activities		-	(4)
Cash flows from financing activities			
Interest paid		(350)	(145)
Proceeds from borrowings		1,874	807
Repayment of borrowings		-	(323)
Net cash generated from financing activities		1,524	339
Net decrease in cash and cash equivalents		(42)	(866)
Cash and cash equivalents at beginning of financial year		71	917
Effects of exchange rate changes on cash and cash equivalents		1	20
Cash and cash equivalents at end of financial year		30	71

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E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

Sincap Group Limited (the “**Company**”) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Catalist board of the SGX-ST. The shares of the Company have been suspended since 4 May 2021, more details of which can be found in the Company’s announcement dated 3 May 2021.

The principal activity of the Company is that of an investment holding company. The subsidiary of the Company had ceased operations and is currently dormant. The Group did not generate any revenue for the financial year ended 31 December 2024. As announced by the Company on 22 May 2022, the Company has been deemed a “cash company” under the Rule 1017 of the Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) of the SGX-ST.

These condensed interim consolidated financial statements for FY2024 comprise the Company and its subsidiaries (collectively, the “**Group**”).

2. Basis of preparation

The condensed interim consolidated financial statements for FY2024 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last audited financial statements for the financial year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)s**”), except for the adoption of new and amended standards as set out in Section E Note 2.1.

The functional currency of the Company is United States Dollar (“**USD**”). The condensed interim consolidated financial statements are presented in Chinese Renminbi (“**RMB**”) and all financial information are rounded to the nearest thousand (RMB’000) except where otherwise indicated.

2.1. New and amended standards adopted by the Group

The Group and the Company adopted all the new and revised SFRS(I)s pronouncements that are relevant to its operations and effective for annual periods beginning on or after 1 January 2024, where applicable. The adoption of these new/revised SFRS(I)s pronouncements is not expected to have any significant effect on the condensed interim consolidated financial statements of the Group.

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2.2. Use of judgements and estimates

In preparing the condensed interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the last audited financial statements for the financial year ended 31 December 2023.

2.3. Material Uncertainty Related to Going Concern

For FY2024, the Group and the Company reported the following:

	Group	Company
	Unaudited	Unaudited
	RMB'000	RMB'000
Loss for the financial year, net of tax	(2,180)	(2,189)
Net current liabilities	(7,978)	(7,978)
Negative equity	(12,485)	(12,485)
Net cash used in operating activities	(1,566)	(1,566)

As updated by the Company via several announcements¹ released on the SGXNet, in the annual reports for the financial years ended 31 December ("FY") 2020, 2021, 2022 and 2023, the Group's coal trading business faced significant headwinds due to Covid-19 related restrictions and supply chain disruptions. The downturn in the Group's trading business, coupled with certain non-performing receivables, had resulted in the Group facing severe cash-flow issues. The Group had since discontinued its trading business. During FY2021, FY2022 and FY2023, the Group did not have any revenue-generating activities despite efforts from the management.

¹ Please refer to the Company's announcements dated 22 May 2022 and 12 August 2022.

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Please refer to Section F Note 7(a) of these condensed interim consolidated financial statements for further updates on efforts taken to address the going concern issue as highlighted in the auditor’s report for the financial year ended 31 December 2023. As highlighted therein, the Company has not fulfilled certain key conditions precedent to the Proposed Investments with the Professional Investor, there had not been significant updates to the Proposed Reorganisation, and the ability of the Company to (i) continue as a going concern; and (ii) undertake and complete the Proposed Reorganisation depends heavily on the willingness of the Professional Investor to provide continuous support to the Company via his strategic guidance and financial supports.

3. Seasonal operations

Not applicable. The Company did not generate any revenue for FY2024 and has been deemed a cash company since May 2021.

4. Segment and revenue information

The Company did not generate any revenue for FY2024 and has been deemed a cash company since May 2021. As a result, there is no segment information for FY2024 and FY2023.

5. Loss before tax

Loss before tax is stated after charging/(crediting) the following:

		Group			
		2H2024	2H2023	FY2024	FY2023
		RMB'000	RMB'000	RMB'000	RMB'000
Other income	Notes				
Foreign exchange gain, net		(29)	-	(287)	-
Payables written off		(5)	-	(5)	(30)
Other expenses					
Foreign exchange loss, net		-	206	-	143
Loss on disposal of subsidiaries	10	-	-	-	5,738

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6. Tax credit

The Group calculates the corresponding periods' income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax credit in the condensed interim consolidated statement of profit or loss are:

	Group			
	2H2024	2H2023	FY2024	FY2023
	RMB'000	RMB'000	RMB'000	RMB'000
Current tax credit:				
Overprovision in prior year	-	1	-	42

7. Loss per share

	Group			
	2H2024	2H2023	FY2024	FY2023
	RMB cents	RMB cents	RMB cents	RMB cents
Basic and fully diluted basis	(0.07)	(0.07)	(0.13)	(0.46)

Basic loss per share for the six months and full year ended 31 December 2024 and 2023 was calculated based on total weighted average number of ordinary shares of 1,701,000,410. There were no potentially dilutive shares during the financial period reported on.

8. Significant related party transactions

(a) Other than disclosed elsewhere in these condensed interim consolidated financial statements, the following related party transactions took place between the Group and related parties during the financial period on terms agreed by the parties concerned:

	Group			
	2H2024	2H2023	FY2024	FY2023
	RMB'000	RMB'000	RMB'000	RMB'000
Cash proceeds received from disposal of subsidiaries to a director	-	-	-	*
Repayment of loan obtained from a director	-	-	-	(323)

* : less than RMB1,000

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(b) Directors' fees for the financial period are analysed as follows:

	Group			
	2H2024	2H2023	FY2024	FY2023
	RMB'000	RMB'000	RMB'000	RMB'000
Independent directors of the Company	151	218	353	412

9. Plant and equipment

The Group did not acquire or dispose of any assets (including plant and equipment) for FY2024 (FY2023: Nil).

10. Investments in subsidiaries

	Company	
	31.12.2024	31.12.2023
	Unaudited	Audited
	RMB'000	RMB'000
<i><u>Unquoted equity shares at cost</u></i>		
At beginning of the year	120,543	179,355
Disposals	-	(63,863)
Currency translation differences	3,432	5,051
At end of the year	<u>123,975</u>	<u>120,543</u>
<i><u>Accumulated impairment</u></i>		
At beginning of the year	120,543	179,355
Disposals	-	(63,863)
Currency translation differences	3,432	5,051
At end of the year	<u>123,975</u>	<u>120,543</u>
<i><u>Carrying amount</u></i>		
At beginning of the year	-	-
At end of the year	<u>-</u>	<u>-</u>

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Note:

DISPOSAL OF DORMANT SUBSIDIARIES DURING FY2023

As disclosed in the Company’s announcement dated 28 June 2023, the Group had on 28 June 2023, entered into an agreement with Mr Chu Ming Kin, the executive chairman and chief executive officer of the Company (the “CEO”), whereby the Company disposed the entire issued and paid-up share capital of Sincap Australia Pte. Ltd. and Sincap Properties Pte. Ltd. for a cash consideration of SGD1. Please refer to the announcements dated 28 June 2023 and 30 June 2023 for further details on the disposal (including the rationale and salient terms of the transaction). The disposal was completed on 30 June 2023 and the effects of the disposal of the Group were:

	Group
	Audited
	RMB’000
<u>As at 30 June 2023</u>	
Net assets of the subsidiaries disposed, comprised cash and cash equivalents	4
Reclassification of foreign currency translation reserve to profit or loss on disposal of subsidiaries	5,734
	5,738
Cash proceeds received from disposal of subsidiaries	*
Loss on disposal of subsidiaries	5,738
 <u>Effects of cash flows</u>	
Cash proceeds received	*
Less: Cash and cash equivalents in subsidiaries disposed of	(4)
Net cash outflows arising from disposal of subsidiaries	(4)

*: less than RMB1,000

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11. Trade and other receivables

	Notes	Group		Company	
		31.12.2024 Unaudited RMB'000	31.12.2023 Audited RMB'000	31.12.2024 Unaudited RMB'000	31.12.2023 Audited RMB'000
Trade receivables from a third party		31,104	30,243	-	-
Trade receivables from a related party	(a)	186,941	181,765	-	-
		<u>218,045</u>	<u>212,008</u>	<u>-</u>	<u>-</u>
Other receivables from a related party	(a)	1,149	1,117	-	-
Amounts due from a subsidiary	(b)	-	-	64,458	63,908
		<u>219,194</u>	<u>213,125</u>	<u>64,458</u>	<u>63,908</u>
Less: Allowance for expected credit loss		<u>(219,194)</u>	<u>(213,125)</u>	<u>(64,458)</u>	<u>(63,908)</u>
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Movement in allowance for expected credit loss during the financial year are as follows:

	Group		Company	
	31.12.2024 Unaudited RMB'000	31.12.2023 Audited RMB'000	31.12.2024 Unaudited RMB'000	31.12.2023 Audited RMB'000
At beginning of the year	213,125	208,828	63,908	62,307
Reversal	-	-	-	(457)
Currency translation differences	6,069	4,297	550	2,058
At end of the year	<u>219,194</u>	<u>213,125</u>	<u>64,458</u>	<u>63,908</u>

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Notes:

- (a) Trade receivables from a related party comprised USD25.61 million (equivalent to RMB186.94 million) (FY2023: USD25.61 million (equivalent to RMB181.77 million)) owing by Artwell Minerals Resources Co., Ltd (“**Artwell**”), a company solely owned by the brother of the CEO. The Group had provided for full allowance for expected credit loss in FY2021. As detailed in the “Allowance for expected credit loss” as set out in the results announcement for FY2021, the Company had recorded the financial impacts that arose from accounting for full impairment of the trade receivables in FY2021 having considered the key underlying basis adopted in the independent valuation report prepared by Win Bailey Valuation and Advisory Limited in accordance with SFRS(I) 9 – Financial Instruments. As part of the audit process for FY2024, the Company did a search and found in the record of the Company Registry and Officer Receiver’s Office in Hong Kong that a compulsory winding-up against Artwell was initiated by an application made by the liquidator to the High Court of Hong Kong SAR for the Summary Procedure Order, which inferred that the asset of Artwell was worth less than HKD200,000. As the financial effects of the abovementioned “Allowance for expected credit loss” had been recorded in full for FY2021, the Board does not expect the outcome of the compulsory winding-up to have any impact on the Company’s financials for FY2024.

Other receivables from a related party comprised USD0.16 million (equivalent to RMB1.15 million) (FY2023: USD0.16 million (equivalent to RMB1.12 million)) interest receivable from Artwell which was previously charged by Orion based on the total outstanding amount owing by Artwell of USD25.61 million. As the principal amount owing by Artwell remains long overdue, it is doubtful that the Company will be able to collect the interest income from Artwell. In FY2021, the management of the Company has accordingly made an accounting judgement to (i) impair the previously recognised interest income and (ii) to refrain from recognising any additional interest income. Consequently, no interest income was recognised in FY2024 and FY2023.

- (b) Amounts due from a subsidiary are non-trade, unsecured, interest-free and repayable on demand, except for an amount of SGD7.46 million (equivalent to RMB40.05 million) (FY2023: SGD7.46 million (equivalent to RMB40.18 million)), which bears interest at 7% (FY2023: 7%) per annum. The Company has waived the interest income from the subsidiary since 2020. Consequently, no interest income was recognised in FY2024 and FY2023.

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12. Borrowings

	Notes	Group		Company	
		31.12.2024	31.12.2023	31.12.2024	31.12.2023
		Unaudited RMB'000	Audited RMB'000	Unaudited RMB'000	Audited RMB'000
Non-current					
Unsecured					
Loans from a director	(a)	4,507	4,521	4,507	4,521
Current					
Unsecured					
Loan from a third party	(b)	2,683	807	2,683	807
		<u>7,190</u>	<u>5,328</u>	<u>7,190</u>	<u>5,328</u>

Notes:

- (a) The loans from a director are interest-free and is not repayable within 12 months after the reporting period.
- (b) The loans from a third party, representing short-term loans obtained from the Professional Investor, bear an interest of 18% per annum and are repayable within 12 months from the date of each disbursement (“**Maturity Date**”). Additional 10% per annum for each disbursed loan amount that remains outstanding after each Maturity Date.

13. Other payables

	Group		Company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	Unaudited RMB'000	Audited RMB'000	Unaudited RMB'000	Audited RMB'000
Other payables to third parties	3,454	2,895	3,454	2,886
Accrued operating expenses	1,871	1,838	1,871	1,838
	<u>5,325</u>	<u>4,733</u>	<u>5,325</u>	<u>4,724</u>

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14. Share capital

	Group and Company			
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	Unaudited	Audited	Unaudited	Audited
	Number of shares ('000)		RMB'000	
At beginning and end of financial year	1,701,000	1,701,000	203,930	203,930

There were no outstanding options, convertibles held by the Company as at the end of the current financial year and as at the end of the immediately preceding financial year.

The Company does not hold any treasury shares in the Company as at the end of the current financial year and as at the end of the immediately preceding year.

The Company's subsidiaries do not hold any shares in the Company as at the end of the current financial year.

15. Net liabilities value

	Group		Company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	Unaudited	Audited	Unaudited	Audited
	RMB cents		RMB cents	
Net liabilities value per ordinary share	(0.73)	(0.59)	(0.73)	(0.59)

Net liabilities value per share as at 31 December 2024 and 2023 was calculated based on total number of issued ordinary shares of 1,701,000,410.

16. Subsequent events

After the financial year end, the Company had further requested the Professional Investor to provide additional working capital support for which the Company had entered into a second loan agreement with the Professional Investor for an additional temporary loan facility of up to SGD50,000 (the "**Loan Agreement 2**") on the same terms and conditions as set out in Loan Agreement 1 (as defined below). However, there are no known subsequent events which have led to adjustments to this set of financial statements.

F. OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES

1. **Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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**

Not applicable.

2. **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**

Not applicable.

3. **A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on**

Not applicable.

4. **A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on**

Not applicable.

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

The condensed interim statements of financial position of the Company and the Group as at 31 December 2024 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the financial year then ended and explanatory notes have not been audited or reviewed.

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6. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter)

Not applicable. Please refer to Section F Note 5.

7. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion. This is not required for any audit issue that is a material uncertainty relating to going concern

(a) Updates on the efforts taken to resolve each outstanding audit issue.

The Company had on 15 April 2024 released its annual report for FY2023 (the “**Annual Report 2023**”) and had on 12 April 2024 released an announcement setting out the details relating to, among others, updates, financial effects and management efforts taken in addressing the audit issues set out in the section entitled “Basis for Disclaimer of Opinion” of the Company’s independent auditor’s report dated 11 April 2024. Specifically, the audit issues (as disclosed in the Annual Report 2023) on which the disclaimer opinion was issued by the Group’s independent auditor (the “**Auditor**”) in relation to the Group’s audited financial statements for FY2023 relating to the use of going concern assumptions.

The Auditor stated in the auditor’s report for the financial year ended 31 December 2023 that “*We however noted that as at the date of this report, the Company had not fulfilled certain key conditions precedent to the Proposed Investments with the Professional Investor, there had not been significant updates to the Proposed Reorganisation, and the ability of the Company to (i) pay its debts as and when they fall due; and (ii) undertake and complete the Proposed Reorganisation depends heavily on the willingness of the Professional Investor to provide continuous support to the Company.*”. The Company has taken the following steps to address this issue:

- (i) based on the Proposed Investment as announced on 12 August 2022, the Professional Investor may provide short-term loans of up to SGD750,000 subject to the terms and conditions as stated therein (the “**Proposed Loans**”). While the Company is still working towards fulfilling certain key conditions precedent to the Proposed Investment, it has since requested the Professional Investor to provide temporary loans for the working capital of the Group; and
- (ii) the Company has thus entered into a loan agreement with the Professional Investor for a temporary loan facility of up to SGD500,000 (equivalent to RMB2.68 million) (the “**Loan Agreement 1**”), which is secured by a personal guarantee extended by the CEO, in favour of the Professional Investor. The Company has further agreed that any loan provided by the Professional Investor to the Company prior to the

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completion of the Proposed Investment, shall bear interest of 18% per annum and shall be repayable within 12 months from the date of disbursement, unless otherwise extended by the Professional Investor. As at the date of this announcement, the Professional Investor has disbursed a principal loan amount of SGD500,000 (equivalent to RMB2.68 million) to the Company while the Company is still working towards fulfilling the key conditions precedent to the Proposed Investment. In addition to Loan Agreement 1, as disclosed in the Monthly Valuation of Asset and Utilisation of Cash, the Company had, in January 2025, further requested the Professional Investor to provide additional working capital support for which the Company had entered into a second loan agreement with the Professional Investor for an additional temporary loan facility of up to SGD50,000 (the “**Loan Agreement 2**”) on the same terms and conditions as set out in Loan Agreement 1. The total loan disbursed under the above loan agreements form part of the Proposed Loans as specified under the HOA.

The board of directors (the “**Board**”) and the audit and risk committee of the Company have noted the Auditor’s comments pertaining to the going concern assumptions and are of the view that the terms and conditions of loans provided by the Professional Investor are in the best interest of the Company given that (i) the Professional Investor who, at the request of the Company, has agreed to provide loans pending the fulfilment of the key conditions precedent to the Proposed Investment; and (ii) there have been no other avenues for the Company to seek funding for working capital given the current financial position and state of affairs of the Company.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Taking into consideration the disclosure notes and updates included in (i) the Annual Report 2023 (where the Company disclosed its judgements on the going concern assumptions on pages 76 to 78); and (ii) the abovementioned Section F Note 7(a), the Board is of the view that the impact of the audit issues described in the financial statements for FY2023 have been adequately disclosed as at the date of this announcement.

Upon completion of the audit for FY2024, the Company will provide further updates on the above highlighted audit issues including auditor’s comments, if any.

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

Save as disclosed in Section E Note 2.1 and Section F Note 9, the accounting policies and methods of computation adopted in the condensed interim consolidated financial statements for the reporting period are consistent with those disclosed in the most recently audited consolidated financial statements for the financial year ended 31 December 2023.

9. 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 has adopted all the applicable new and revised SFRS(I) and SFRS(I) Interpretations ("SFRS(I) INT") that are mandatory for the accounting periods beginning on or after 1 January 2024. The adoption of these new and revised SFRS(I) and SFRS(I) INT did not result in any substantial change to the Group's and the Company's accounting policies and has no significant impact on the condensed interim consolidated financial statements for the current financial reporting period.

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

Please refer to Section E Note 7.

11. 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 period reported on; and**
- (b) Immediately preceding financial year**

Please refer to Section E Note 15.

12. Review of performance of the Group

As updated by the Company via several announcements released on the SGXNet, including the Annual Report 2023, the Group's coal trading business faced significant headwinds due to Covid-19 related restrictions and supply chain disruptions contributing to the downturn in the Group's trading business, coupled with certain non-performing receivables, had resulted in the Group facing severe cash-flow issues. During the year under review, the Group did not have any revenue-generating activities, consequently the Group did not record any revenue, gross profit and operating profits for FY2024.

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(a) Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

Other income

Other income increased by approximately RMB0.26 million in FY2024 mainly due to the appreciation of the functional currency (RMB) against the SGD-denominated liabilities.

Administrative expenses

Administrative expenses mainly comprised corporate expenses including compliance expenses and various professional fees. Administrative expenses increased by approximately RMB0.29 million in FY2024 mainly due to additional professional fees incurred for corporate restructuring purpose.

Other expenses

Other expenses decreased by approximately RMB5.88 million in FY2024 in the absence of a one-off reclassification of the foreign currency translation reserve from other comprehensive income to profit or loss, which was recorded upon completion of the disposal of subsidiaries in FY2023.

Finance costs

Finance costs increased by approximately RMB0.22 million in FY2024 due mainly to interest expense incurred for short-term loan from the Professional Investor.

(b) Condensed Interim Statements of Financial Position

Total Assets

Total assets, comprise cash at bank, decreased by RMB0.04 million from RMB0.07 million as at 31 December 2023 to RMB0.03 million as at 31 December 2024 mainly due to the reasons as set out under the "Review of Statement of Cash Flows" section below.

Total Liabilities

Total liabilities increased by RMB2.46 million from RMB10.06 million as at 31 December 2023 to RMB12.52 million as at 31 December 2024. Significant changes during the year under review were due to:

Other payables

Other payables mainly comprised accruals of professional fees, other operating expenses and director fees, increased by RMB0.60 million from RMB4.73 million as at 31 December 2023 to RMB5.33 million as at 31 December 2024.

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Borrowings

Total borrowings increased by RMB1.86 million from RMB5.33 million in as at 31 December 2023 to RMB7.19 million in as at 31 December 2024 mainly due to additional drawdowns of the short-term loan provided by the Professional Investor.

(c) Condensed Interim Consolidated Statement of Cash Flows

The cash and cash equivalents decreased by RMB0.04 million in FY2024 mainly due to net cash used in operations amounting to RMB1.56 million for payments of corporate expenses including director fees, statutory and compliance expenses, and various professional fees, offset by net cash from financing activities of RMB1.52 million mainly from additional drawdowns of short-term loan provided by the Professional Investor, net of interest paid.

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

Not applicable as no forecast or prospect statement had been issued.

14. 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 operating period and the next 12 months

As disclosed in the Company's quarterly update announcement dated 12 February 2025, the Professional Investor and the Company have circulated an initial draft of the definitive agreement for the potential RTO to the Specific Target Group for discussions; and for the purposes of the Potential RTO, the Company and the Specific Target Group have appointed auditor, legal counsel and internal auditor. The Company will make the necessary announcements if and when it enters into binding agreements with the Specific Target Group and on material updates in relation to the potential RTO. The Company will continue to provide shareholders with further details and updates in due course.

15. Dividend information

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

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(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

16. If no dividend has been declared/recommendeded, a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended for FY2024 due to uncertainty regarding the Company's going concern, as previously disclosed.

17. If the Company has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Listing Manual Section B: Rule of Catalist of the Singapore Exchange Securities Trading Limited ("Catalist Rules"). If no IPT mandate has been obtained, a statement to that effect

The Group does not have a general mandate for interested person transactions.

18. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited financial statements with comparative information for the immediately preceding year

The Company did not generate any revenue for FY2024 and has been deemed a cash company since May 2021. As a result, there is no segment information for FY2024 and FY2023.

19. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments

The Company did not generate any revenue for FY2024 and has been deemed a cash company since May 2021. As a result, there is no segment information for FY2024 and FY2023.

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20. A breakdown of sales

The Company did not generate any revenue for FY2024 and has been deemed a cash company since May 2021. As a result, there is no breakdown of sales for FY2024 and FY2023.

21. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

No dividends were declared for FY2024 and FY2023.

22. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10). If there are no such persons, the issuer must make an appropriate negative statement

The Company confirms that there is no such person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Catalist Rule 704(10).

23. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules

The Company confirms that it has procured undertakings from all its directors and executive officers in the form as set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

24. Acquisition or sale of shares in subsidiaries and/or associated companies under Rule 706(A) of the Catalist Rules

There is no acquisition or sale of shares in subsidiaries and/or associated companies during FY2024.

BY ORDER OF THE BOARD

CHU MING KIN

Executive Chairman and Chief Executive Officer

27 FEBRUARY 2025