

SINCAP GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 201005161G)

**MATTERS CONCERNING IRREGULARITIES IN RESPECT OF CERTAIN
TRANSACTIONS UNDERTAKEN BY AN AUSTRALIAN SUBSIDIARY OF THE
COMPANY – UPDATES- DIRECTOR’S RESIGNATION**

The board of directors (the “**Board**”) of Sincap Group Limited (the “**Company**” together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 21 May 2015, 8 September 2015, 27 November 2015 and 3 December 2015 (“**Announcements**”) in relation to a series of transactions (the “**Transactions**”) undertaken by SCL Murray Pty Ltd (“**SCL Murray**”), an indirect wholly-owned subsidiary of the Company through Sincap Land (Aus) Pty Ltd and Sincap Australia Pte Ltd, whereby directors of SCL Murray involved in the Transactions namely Mr Damon Ferguson, Mr Chad Ferguson and Mr Anthony Hatt (collectively referred to as the “**Richardson 1 Directors**”) as well as Mr Tan Wei Loon (also known as Mr Lawrence Tan), had duly entered into a Settlement Agreement followed by a Supplemental Agreement with the Company and SCL Murray to resolve the Transactions.

Unless otherwise defined, capitalised terms used herein shall bear the same meaning as ascribed to them in the Announcements.

The Board wishes to update all shareholders that 1) with the approval obtained at the Extraordinary General Meeting held on 26 April 2016, the Company has completed the disposal (“**Disposal**”) of the Property owned by SCL Murray Pty Ltd on 27 May 2016; and 2) the net sales proceeds from the Disposal amounting to A\$ 5.2mil has been used to pay off the Reliance Loan and thus SCL Murray has been completely discharged of the Reliance Loan and the Mortgage (“**Discharge**”).

In accordance to the Supplemental Agreement, pursuant to the Discharge, the Richardson 1 Directors and Mr Lawrence Tan shall resign as directors of SCL Murray, and Mr Lawrence Tan shall resign as a director of Sincap Land (Aus) Pty Ltd. The effective date of their resignations is 30 May 2016 (“**Resignations**”).

Notwithstanding the Discharge, the obligation of each of the Richardson 1 Directors to pay the Outstanding Sum and Interest to SCL Murray is by no way affected by the Disposal that has resulted in the Discharge.

The Company will provide further material updates to Shareholders relating to the completion of the Settlement Agreement and the Supplemental Agreement, as and when appropriate.

In the meantime, Shareholders are advised to exercise caution when dealing in the Shares, and to refrain from taking any action in respect of their Shares which may be prejudicial to their interests. In the event of any doubt, Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board
Chu Ming Kin
Chairman and Chief Executive Officer

30 May 2016

This announcement has been prepared by the Company and its contents have been reviewed by PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”), for compliance with the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalist.

The Sponsor has not verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.