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

(I) MONTHLY VALUATION OF ASSETS AND UTILISATION OF CASH FOR THE MONTH OF AUGUST 2022
(II) QUARTERLY UPDATES ON MILESTONES IN OBTAINING A NEW BUSINESS
(III) NON-ISSUANCE OF SUSTAINABILITY REPORT FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2020 AND 31 DECEMBER 2021

The Board of Directors (the "**Board**") of Sincap Group Limited (the "**Company**" and together with its subsidiaries, collectively the "**Group**") wishes to announce the following pursuant to Rules 1017(1)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"):

1. MONTHLY VALUATION OF ASSETS AND UTILISATION OF CASH

As announced by the Company on 12 August 2022, the Company has entered a heads of agreement (the "**HOA**") with a professional investor (the "**Professional Investor**") which includes pertinent commercial terms and conditions for a proposed transaction with the Professional Investor which the Company has agreed to pursue (the "**Proposed Investments**"). Following the announcement of the Proposed Investments and as described in paragraph 4.2(b) of the Company's announcement dated 26 August 2022, the Company has made arrangements to progressively pay down its existing outstanding liabilities. As at 31 August 2022, the Company has made repayments of its existing outstanding liabilities as described in the table below. In addition, the Company has since been in discussions with the Professional Investor on the various issues relating to its compliance with the Catalist Rules and the Company has recruited additional support staff as it works towards finalising the audits for FY2020 and FY2021 with the Company's external auditor, Baker Tilly TFW LLP. The Company will provide shareholders with updates on the progress on its audit process in due course.

As the details required for the Company's monthly valuation of assets (such as the net asset value) pursuant to Catalist Rule 1017(1)(b) are dependent on the audited financial statements for FY2021, the Company will only be able to provide the monthly cash valuation of its assets upon finalisation of the audited financial statements for FY2020 and FY2021. Notwithstanding to the above, the Board and the management of the Company has, on a best effort basis, prepared the Company's utilisation of cash and cash equivalents for the month of August 2022 as follows:

	RMB ('000)
Opening balance as at 1 August 2022	2,170
Less	
- Professional services [(1)]	(845)
- Corporate tax expense	(38)
- Others, net [(2)]	13
	(870)
Closing balance as at 31 August 2022	**1,300**

The above details were extracted from the Company's bank statements or bank slips as at 31 August 2022 and have not been reviewed or audited by the Company's auditor.

Notes:

(1) Mainly comprises payments for listing fees, continuing sponsorship, central depository, audit, legal, corporate secretarial and share registrar services.

(2) Mainly comprises non-cash adjustments relating to unrealised foreign exchange movements arising from foreign currency cash holdings and bank charges (computed based on the closing exchange rate of S$/RMB 4.9407 as at 31 August 2022).

2. QUARTERLY UPDATES ON MILESTONES IN OBTAINING A NEW BUSINESS

Pursuant to Catalist Rule 1017(1)(b), the Company is required to provide quarterly updates of milestones in obtaining a new business, to the market via SGXNET. Please refer to the Company's announcement dated 12 August 2022 in relation to the entry into HOA with the Professional Investor for an initial update on the Company's milestone in obtaining a new business. The Company will make a further update on its milestones in obtaining a new business starting from around the end of September 2022 and every quarter thereafter, via SGXNet.

3. NON-ISSUANCE OF SUSTAINABILITY REPORT FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2020 ("FY2020") AND 31 DECEMBER 2021 ("FY2021")

Reference is made to the Company's announcements dated 29 April 2022 and 22 May 2022 which contained its responses to SGX queries posed to the Company in relation to its breach of Catalist Rule 711A for failing to publish sustainability reports for FY2020 and FY2021, and the Board's assessment that the Company is likely to be deemed a "cash company" under Catalist Rule 1017 since 4 May 2021 given that it has not, despite the management's efforts, generated revenue over the past 12 months (respectively).

Catalist Rule 711A provides that an issuer must issue a sustainability report for its financial year, no later than 5 months after the end of the financial year.

The Board would like to clarify that the Company will not be issuing a sustainability report for FY2020 and FY2021 as its assets currently consist wholly or substantially of cash or short-dated securities and it has not, despite the management's efforts, been able to generate revenue since at least 4 May 2021.

The key rationale for sustainability reporting, as required under Catalist Rule 711A is to provide stakeholders with a comprehensive picture of the sustainability of the Group's business and operations, in the aspects of environment, social and governance factors. In view of the Company's cash company status and pending the acquisition of a new business which is able to satisfy the SGX-ST's requirements for a new listing, a sustainability report for FY2020 and FY2021 would not be relevant, meaningful or indicative of the Company's future potential.

Preparing the sustainability report for FY2020 and FY2021 would also incur costs for the Company, not just financially, but also in terms of time and resources. As the sustainability report would not be relevant in the Company's current circumstances, there would be little benefit or value to the Company or its shareholders for incurring these costs.

As such, the Company will resume its sustainability reporting obligations after its acquisition of a new business which is able to satisfy the SGX-ST's requirements for a new listing in compliance with Catalist Rule 1017(2), and will provide shareholders further updates in this regard as and when available.

4. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts in respect of the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

The Board wishes to advise shareholders and potential investors to exercise caution when dealing in the shares of the Company, In the event of any doubt, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board
SINCAP GROUP LIMITED

CHU MING KIN
EXECUTIVE CHAIRMAN AND CHIEF EXECUTIVE OFFICER
12 SEPTEMBER 2022

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd. (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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