

---

**SINCAP GROUP LIMITED – TERMSHEET IN RELATION TO THE PROPOSED ACQUISITION OF  
A PROPERTY DEVELOPMENT IN SOUTH PERTH, WESTERN AUSTRALIA**

---

**1. INTRODUCTION**

- 1.1 The board of directors (the “**Board**”) of Sincap Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce (this “**Announcement**”) that the Company has entered into a term sheet (“**Term Sheet**”) dated 11 August 2014 with Ng Hong Whee, Lim Chuan Lam, Hartajia Limited, Kairos 300 Resources Limited and Wang Fang (collectively, the “**Vendors**”, and with the Company, the “**Parties**”) for the proposed acquisition (“**Proposed Acquisition**”) by the Company of all issued shares (“**Sale Shares**”) in the capital of LTN Land Pte. Ltd. (“**LTN**”) from the Vendors.

**The Term Sheet is non-legally binding as to the terms of the Proposed Acquisition which are subject to further negotiation and agreement of the Parties.**

The Proposed Acquisition, if undertaken and completed, may constitute a “major transaction” which requires immediate announcement under Chapter 10 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**Listing Manual**”).

Ng Hong Whee, the Executive Chairman and Chief Executive Officer of the Group, is one of the Vendors, and holds 18% of the issued and paid-up share capital of LTN. Ng Hong Whee is therefore interested in the Proposed Acquisition. Accordingly, the Proposed Acquisition, if undertaken, constitutes an “interested person transaction” under, and will be subject to, Chapter 9 of the Listing Manual.

**2. INFORMATION ON LTN**

*All information in this Announcement relating to LTN and 1 Richardson (as defined herein) has been provided by the Vendors.*

- 2.1 LTN is an investment holding company incorporated in Singapore, with all issued shares held entirely by the Vendors. LTN holds a 59% stake in Richardson 1 Pty Ltd (“**Target Property Company**”), a company incorporated in Australia which in turn holds the land situated at 1 Richardson Street, South Perth, Western Australia (“**1 Richardson**”). 1 Richardson is being developed into a mix-property development (“**Development**”) consisting of a 10-storey office building and a 14-storey mixed-use strata titled development comprising a ground floor commercial unit and 70 residential apartments. The remaining 41% of the equity interests in Target Property Company is held by persons unrelated to the Vendors.
- 2.2 The valuation of LTN (being the value attributable to LTN’s 59% stake in Target Property Company), based on valuation conducted by Colliers International (WA) Pty Ltd as at 4 August 2014 on the Development, is estimated to be approximately AUD\$38.94 million (“**Valuation**”).

**3. PROPOSED KEY TERMS OF THE PROPOSED ACQUISITION**

- 3.1 Proposed Acquisition : The Proposed Acquisition, if effected, would entail the Company acquiring from the Vendors the Sale Shares for the Consideration (as defined below).
- 3.2 Consideration : The proposed aggregate consideration for the Proposed Acquisition to be paid by the Company to Vendors on Completion (as defined below) shall be S\$38,500,000

(being the Singapore Dollar equivalent of AUD\$33,100,000 based on an agreed exchange rate of AUD1:S\$1.16314199396) ("**Consideration**"), representing a 15% discount on the Valuation. The Consideration is to be satisfied by the Company by the allotment and issue to the Vendors of an aggregate of 260,000,000 new shares ("**Consideration Shares**" and each a "**Consideration Share**") in the capital of the Company at an issue price per Consideration Share of approximately S\$0.148.

3.3 **Conditions Precedent** : The Proposed Acquisition is proposed to be conditional upon the following conditions (collectively, the "**Conditions Precedent**") being fulfilled or waived by the Company :

- (a) financial, legal and commercial due diligence by the Company and its professional advisers on LTN, Target Property Company and the Development being satisfactory to the Company in the Company's sole and absolute discretion;
- (b) all approvals, consents, statement of no objection, waivers, licences, authorisations, orders, grants, confirmations, permissions and/or registrations as required or as the Company deems necessary in relation to the Proposed Acquisition (including the allotment and issue of the Consideration Shares):
  - (i) under all applicable laws, regulations, contracts or practice to which the Parties, LTN and Target Property Company are subject; and
  - (ii) of any government and regulatory bodies or competent authorities having jurisdiction over the Parties, LTN and Target Property Company (whether in Singapore or Australia) including but not limited to that of the Sponsor of the Company, Canaccord Genuity Singapore Pte. Ltd., the Singapore Exchange Securities Trading Limited and shareholders of the Company (to the extent required under the Listing Manual),

being granted or obtained on terms satisfactory to the Company in the Company's sole and absolute discretion, including but not limited to any approvals to the extent required under Chapter 9 and Chapter 10 of the Listing Manual in relation to "interested person transactions" and "major transactions" respectively.

#### **4. EXCLUSIVE PERIOD FOR NEGOTIATIONS**

Each Party has agreed that, for the period of 3 months commencing from the date of the Term Sheet :

- (a) it will work exclusively with the other Parties to finalise and endeavor to execute the definitive legal documentation in relation to the Proposed Acquisition ("**Definitive Legal Documentation**"); and
- (b) other than with the other Parties or their respective advisors, it will not engage in any discussions, negotiations or correspondence, or solicit, entertain or enter into any understanding or agreement of any nature whatsoever with any party other than the Parties which is similar to the matters contemplated in the Term Sheet and/or the Definitive Legal Documentation or which may be in conflict with or jeopardise the matters contemplated by the Term Sheet and/or the Definitive Legal Documentation, without the prior written consent of the other Parties.

#### **5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

Save for Ng Hong Whee, the Executive Chairman and Chief Executive Officer of the Group, who is interested in the Proposed Acquisition through his 18% shareholding interest in LTN, none of the directors and controlling shareholder(s) of the Company has any interest, direct or indirect, in the Proposed Acquisition as at the date of this Announcement, save for their shareholdings in the Company.

6. **FURTHER ANNOUNCEMENTS**

Further announcements on this matter will be made in due course in the event of the signing of the Definitive Legal Documentation, and as and when appropriate.

7. **CAUTIONARY STATEMENT**

**At this preliminary stage, shareholders should be cautioned that there is no assurance that the Definitive Legal Documentation will be entered into; that the terms of the Proposed Acquisition will not change from those in the Term Sheet, and that the Proposed Acquisition will proceed. The Term Sheet may also be terminated by mutual agreement by the Parties.**

**Shareholders and potential investors are advised to read this Announcement and any further announcements by the Company carefully and to exercise caution when trading or dealing in their shares of the Company. Shareholders and potential investors should seek advice from their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they have any doubts about the actions they should take.**

**By Order of the Board**

**LUN CHEE LEONG  
Company Secretary**

**12 August 2014**

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor (the "**Sponsor**"), Canaccord Genuity Singapore Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by 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.*

*The contact person for the Sponsor is Ms. Karen Soh, Managing Director, Corporate Finance, Canaccord Genuity Singapore Pte. Ltd., at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854 6160.*