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

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**MONTHLY VALUATION OF ASSETS AND UTILISATION OF CASH FOR THE MONTH OF SEPTEMBER 2022 AND QUARTERLY UPDATE**

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The board of directors (the "**Board**" or "**Directors**") 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 disclosed in the Company's announcement on 12 September 2022, the Board and the management of the Company had, on a best effort basis, prepared an announcement on its utilisation of cash and cash equivalents for the month of August 2022 based on the Company's bank statements or bank slips. As further 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 its financial year ended 31 December 2021, which the Company is finalizing, the Company has prepared its monthly utilization of cash and cash equivalents for the month of September 2022 on the same basis. The details of which are as follows:

| | | **RMB ('000)** |
|---|---|---|
| Opening balance as at 1 September 2022 | | 1,300 |
| **Less** | | |
| - Professional services [(1)] | (106) | |
| - Final settlement of overdue rental expenses | (91) | |
| - Others, net [(2)] | 5 | |
| | | (192) |
| **Closing balance as at 30 September 2022** | | **1,108** |

The above details were extracted from the Company's bank statements as at 30 September 2022 and have not been reviewed or audited by the Company's auditor.

**Notes:**

(1) Mainly comprises payments for accounting, tax and other corporate administrative services, and third party due diligence checks required in connection with the appointment of the new director(s).

(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 4.9603 as at 30 September 2022).

## 2. QUARTERLY UPDATE ON MILESTONES IN OBTAINING A NEW BUSINESS

Pursuant to Catalist Rule 1017(1)(b), the Company is required to provide quarterly update of milestones in obtaining a new business, to the market via SGXNET. The Company had provided a corporate update on 21 September 2022 (the "**Corporate Update**").

As highlighted in the Corporate Update, based on the indicative timeline for completion of the audit for its financial year ended 31 December 2020 ("**FY2020**"), the Company may issue its annual report and hold its AGM for FY2020 around end of November 2022, barring unforeseen circumstances. Meanwhile, the Company also updated that it had initiated an operational review of its existing business and organisation structures under the strategic guidance of the professional investor. Arising from the operational review, the professional investor has proposed a major reorganisation plan for the legacy business conducted under a principal subsidiary of the Company (the "**Proposed Reorganisation**"). The Proposed Reorganisation may involve certain commercial structures which could lead to de-consolidation of certain key assets from the Group and streamlining of existing corporate structure, for the Company to proceed with preparation for the potential reverse takeover.

In this regard and in preparation for the potential reverse takeover, the Company has appointed SAC Capital Private Limited ("**SAC Capital**") to seek pre-clearance from the SGX-ST for the Proposed Reorganisation in relation to its legacy operations and its existing non-compliance of certain Catalist Rules (the "**Pre-clearance**"). SAC Capital, on behalf of the Company, intends to submit the Pre-clearance to SGX-ST through the Sponsor by around November 2022, barring unforeseen circumstances. As disclosed, the Company noted that the submission of Pre-clearance is an important part of the corporate actions prior to being able to undertake the Potential RTO.

The Company will provide an update on the Pre-clearance in due course, including details of the Proposed Reorganisation and the proposed commercial structures (details of which have not been disclosed at this juncture as the Proposed Reorganisation remains commercially sensitive) as soon as there are material developments on the Proposed Reorganisation and/or the Pre-clearance.

For further information on the proposed investment and the Corporate Update, please refer to the Company's announcement dated 12 August 2022 and 21 September 2022 respectively.

## 3. 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
10 OCTOBER 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.*

*The contact person for the Sponsor is Mr Bernard Lui, Telephone: +65 6389 3000, Email: bernard.lui@morganlewis.com.*