

SINCAP GROUP LIMITED

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

Condensed Interim Consolidated Financial Statements For the six months ended 30 June (“1H”) 2025

Note: Unless otherwise specified, all capitalised terms used in this announcement shall have the same meanings as those defined in the Company’s announcements dated 18 March 2025 relating to the Proposed Acquisition (or the “RTO Announcement”), Share Consolidation, and Proposed Subscription (or the “Investor Subscription”).

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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CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

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

	Note	Group		Change Inc / (Dec) %
		1H2025 Unaudited RMB'000	1H2024 Unaudited RMB'000	
Revenue		-	-	N.A.
Cost of sales		-	-	N.A.
Gross profit		-	-	N.A.
Other income	10	-	258	N.M.
Administrative expenses		(2,111)	(999)	111.3
Other expenses	10	(1,845)	-	N.M.
Finance costs		(174)	(306)	(43.1)
Loss before tax		(4,130)	(1,047)	294.5
Tax expense	11	-	-	N.A.
Loss for the period		(4,130)	(1,047)	294.5
Other comprehensive income/(loss):				
<i>Items that are or may be reclassified subsequently to profit or loss:</i>				
Currency translation differences arising on consolidation		199	(245)	N.M.
Reclassification of foreign currency translation reserve to profit or loss on deconsolidation of a subsidiary	10	1,188	-	N.M.
Other comprehensive income/(loss) for the period, net of tax		1,387	(245)	N.M.
Total comprehensive loss for the period		(2,743)	(1,292)	112.3
(Loss)/profit attributable to:				
Equity holders of the Company		(4,153)	(1,047)	296.7
Non-controlling interests		23	*	N.M.
Loss for the period		(4,130)	(1,047)	294.5
Total comprehensive loss attributable to:				
Equity holders of the Company		(2,766)	(1,292)	114.1
Non-controlling interests		23	*	N.M.
Total comprehensive loss for the period		(2,743)	(1,292)	112.3
Loss per share				
Basic and diluted (RMB cents)	12	(23.89)	(12.31) [#]	94.1

N.A. : not applicable

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

* : less than RMB1,000

: Restated in accordance with SFRS(I) 1-33 *Earnings Per Share*. Please refer to Section E Note 12 for further details.

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B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		30.06.2025	31.12.2024	30.06.2025	31.12.2024
		Unaudited RMB'000	Audited RMB'000	Unaudited RMB'000	Audited RMB'000
<u>ASSETS</u>					
Non-current asset					
Investment in a subsidiary	6	-	-	-	-
		-	-	-	-
Current assets					
Trade and other receivables	7	-	-	-	-
Cash and cash equivalents		216	30	216	30
		216	30	216	30
Total assets		216	30	216	30
<u>LIABILITIES</u>					
Non-current liability					
Borrowings	9	-	4,507	-	4,507
		-	4,507	-	4,507
Current liabilities					
Other payables	8	6,621	5,325	6,621	5,325
Borrowings	9	4,789	2,683	4,789	2,683
		11,410	8,008	11,410	8,008
Total liabilities		11,410	12,515	11,410	12,515
Net liabilities		(11,194)	(12,485)	(11,194)	(12,485)
<u>EQUITY</u>					
Capital and reserves					
Share capital	15	207,964	203,930	207,964	203,930
Accumulated losses		(211,654)	(207,501)	(211,654)	(208,712)
Currency translation reserve		(7,504)	(8,891)	(7,504)	(7,703)
Equity attributable to owners of the Company		(11,194)	(12,462)	(11,194)	(12,485)
Non-controlling interests		-	(23)	-	-
Total equity		(11,194)	(12,485)	(11,194)	(12,845)

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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
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Group						
1H2024 (Unaudited)						
Balance at 1 January 2024	203,930	(205,321)	(8,576)	(9,967)	(23)	(9,990)
Loss for the period	-	(1,047)	-	(1,047)	*	(1,047)
<i>Other comprehensive loss:</i>						
– Currency translation differences arising on consolidation	-	-	(245)	(245)	*	(245)
Total comprehensive loss for the period	-	(1,047)	(245)	(1,292)	*	(1,292)
Balance at 30 June 2024	203,930	(206,368)	(8,821)	(11,259)	(23)	(11,282)
1H2025 (Unaudited)						
Balance at 1 January 2025	203,930	(207,501)	(8,891)	(12,462)	(23)	(12,485)
Loss for the period	-	(4,153)	-	(4,153)	23	(4,130)
<i>Other comprehensive (loss)/income:</i>						
– Currency translation differences arising on consolidation	-	-	199	199	-	199
– Reclassification of foreign currency translation reserve to profit or loss on deconsolidation of a subsidiary (Note 6)	-	-	1,188	1,188	-	1,188
Total comprehensive (loss)/income for the period	-	(4,153)	1,387	(2,766)	23	(2,743)
<i>Transactions with owners, recognised directly in equity:</i>						
Issuance of shares, net of expenses	4,034	-	-	4,034	-	4,034
Balance at 30 June 2025	207,964	(211,654)	(7,504)	(11,194)	-	(11,194)

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C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

	Share capital RMB'000	Accumulated losses RMB'000	Currency translation reserve RMB'000	Total equity RMB'000
<u>Company</u>				
<u>1H2024 (Unaudited)</u>				
Balance at 1 January 2024	203,930	(206,523)	(7,388)	(9,981)
Loss for the period	-	(1,047)	-	(1,047)
<u>Other comprehensive loss:</u>				
– Currency translation differences arising from translation into presentation currency	-	-	(245)	(245)
Total comprehensive loss for the period	-	(1,047)	(245)	(1,292)
Balance at 30 June 2024	203,930	(207,570)	(7,633)	(11,273)
<u>1H2025 (Unaudited)</u>				
Balance at 1 January 2025	203,930	(208,712)	(7,703)	(12,485)
Loss for the period	-	(2,942)	-	(2,942)
<u>Other comprehensive loss:</u>				
– Currency translation differences arising from translation into presentation currency	-	-	199	199
Total comprehensive loss for the period	-	(2,942)	199	(2,743)
<u>Transactions with owners, recognised directly in equity:</u>				
Issuance of shares, net of expenses	4,034	-	-	4,034
Balance at 30 June 2025	207,964	(211,654)	(7,504)	(11,194)

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D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Group	
		1H2025 Unaudited RMB'000	1H2024 Unaudited RMB'000
Cash flows from operating activities			
Loss before tax		(4,130)	(1,047)
Adjustments for:			
Foreign exchange loss/(gain), net	10	657	(258)
Interest expense		174	306
Loss on deconsolidation of a subsidiary	6, 10	1,188	-
Operating cash flows before working capital changes		(2,111)	(999)
Changes in payables		1,220	(191)
Changes in currency translation adjustments		(255)	82
Cash used in operations, represents net cash used in operating activities		(1,146)	(1,108)
Cash flows from financing activities			
Interest paid		(49)	(290)
Proceeds from borrowings	(a)	271	1,612
Proceeds from Investor Subscription, net	(a)	1,112	-
Net cash from financing activities		1,334	1,322
Net increase in cash and cash equivalents		188	214
Cash and cash equivalents at beginning of the financial period		30	71
Effects of exchange rate changes on cash and cash equivalents		(2)	3
Cash and cash equivalents at end of the financial period		216	288

Note:

- (a) Please refer to Section F Notes 1A(a) for further details.

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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 listed 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 Group did not generate any revenue for the six months ended 30 June 2025. 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 1H2025 comprise the Company and its subsidiary (collectively, the “**Group**”), where applicable. The Company’s sole subsidiary, Orion Energy Resources Pte. Ltd. (“**Orion**”), was struck off on 19 June 2025, and was deconsolidated from the Group’s financial statements on the same date.

2. Basis of preparation

The condensed interim consolidated financial statements for 1H2025 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 annual financial statements for the financial year ended 31 December 2024.

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.

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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 2025, 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.

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 annual financial statements as at and for the financial year ended 31 December 2024.

2.3. Material Uncertainty Related to Going Concern

For 1H2025, the Group and the Company reported the following:

	Group	Company
	Unaudited	Unaudited
	RMB'000	RMB'000
Loss for the period	(4,130)	(2,942)
Net current liabilities, represents total negative equity	(11,194)	(11,194)
Net cash used in operating activities	(1,146)	(1,146)

The Group had not been generating any revenue-generating activities since FY2021.

Please refer to Section F Note 1A(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 2024. As highlighted therein, the Company has not fulfilled certain key conditions precedent to the Proposed Investments with the Professional Investor, being Mr Teh Wing Kwan ("**Mr Teh**"); and the ability of the Company to (i) continue as a going concern; and (ii) undertake and complete the proposed reorganisation of the Group depends heavily on the

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willingness of the Professional Investor to provide continuous support to the Company via his strategic guidance and financial support.

In view of the above, on 18 March 2025, the Company announced that it would (i) acquire 100% in the capital of Skylink APAC; and (ii) undertake a few key corporate plans in order to facilitate the completion of the Proposed Acquisition. Please refer to the RTO Announcement and announcements relating to the Proposed Subscription and Share Consolidation dated 18 March 2025 for further details.

3. Seasonal operations

Not applicable. The Company did not generate any revenue for 1H2025 and has been deemed a cash company since May 2021.

4. Segment and revenue information

The Company did not generate any revenue for 1H2025 and has been deemed a cash company since May 2021. As a result, there is no segment information for 1H2025.

5. Plant and equipment

The Group did not acquire or dispose of any assets (including plant and equipment) for 1H2025 (1H2024: Nil).

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6. Investment in a subsidiary

	Company	
	30.06.2025	31.12.2024
	Unaudited	Audited
	RMB'000	RMB'000
<u><i>Unquoted equity shares at cost</i></u>		
At beginning of the financial period	123,975	120,543
Write-off	(122,888)	-
Currency translation differences	(1,087)	3,432
At end of the financial period	-	123,975
<u><i>Accumulated impairment</i></u>		
At beginning of the financial period	123,975	120,543
Write-off	(122,888)	-
Currency translation differences	(1,087)	3,432
At end of the financial period	-	123,975
	Company	
	30.06.2025	31.12.2024
	Unaudited	Audited
	RMB'000	RMB'000
<u><i>Carrying amount</i></u>		
At beginning of the financial period	-	-
At end of the financial period	-	-

Note:

On 19 June 2025, Orion, a 99.97% direct owned dormant subsidiary of the Company, was struck off from the Register of Companies pursuant to Section 344A of the Companies Act 1967 of Singapore (the “**Strike-off**”). Upon deconsolidation, the Company recognised a non-cash, one-off foreign exchange translation effect of approximately RMB1.2 million as loss on deconsolidation of a subsidiary classified under other expenses (Note 10).

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7. Trade and other receivables

	Note	Group		Company	
		30.06.2025 Unaudited RMB'000	31.12.2024 Audited RMB'000	30.06.2025 Unaudited RMB'000	31.12.2024 Audited RMB'000
Trade receivable - third party		-	31,104	-	-
Trade receivable - related party	(a)	-	186,941	-	-
		-	218,045	-	-
Other receivables - related party	(a)	-	1,149	-	-
Amounts due from a subsidiary	(b)	-	-	-	64,458
		-	219,194	-	64,458
Less: Allowance for expected credit loss		-	(219,194)	-	(64,458)
		-	-	-	-

Movement in loss allowance during the period are as follows:

	Group		Company	
	30.06.2025 Unaudited RMB'000	31.12.2024 Audited RMB'000	30.06.2025 Unaudited RMB'000	31.12.2024 Audited RMB'000
At beginning of the financial period	219,194	213,125	64,458	63,908
Transfer from trade and other receivables upon de-consolidation and/or write-off (a)	(217,272)	-	(66,522)	-
Currency translation differences	(1,922)	6,069	2,064	550
At end of the financial period	-	219,194	-	64,458

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Note:

(a) As detailed in the audited financial statements for the financial year ended 31 December (“FY”) 2021 released on 24 November 2023, the Group had fully impaired the trade receivables as well as interest income owed to Orion by Artwell Mineral Resources Co., Ltd after having considered the independent valuation report prepared by Win Bailey Valuation and Advisory Limited in accordance with International Financial Reporting Standard 9 *Financial Instruments* and had since did not recognise any additional interest income. Following the deconsolidation of Orion pursuant to the Strike-off, the amounts of full allowance for expected credit loss (as recorded in FY2021) were written off in 1H2025. As the financial effects of the abovementioned “allowance for expected credit loss” had been recorded in full for FY2021, there were no financial impact on the Company’s financials for 1H2025 and FY2024. Please refer to results announcement for FY2021 and annual report for FY2021 for further details.

(b) Amounts due from Orion has been deconsolidated following the Strike-off in 1H2025.

8. Other payables

	Group		Company	
	30.06.2025	31.12.2024	30.06.2025	31.12.2024
	Unaudited	Audited	Unaudited	Audited
	RMB’000	RMB’000	RMB’000	RMB’000
Other payables to third parties	4,138	3,454	4,138	3,454
Accrued operating expenses	2,251	1,871	2,251	1,871
Amounts payable to a director (a)	232	-	232	-
	<u>6,621</u>	<u>5,325</u>	<u>6,621</u>	<u>5,325</u>

Notes:

(a) Mainly comprises outstanding guarantee fees in respect of the Proposed Investor Guarantees, which is repayable on demand. Please refer to the Proposed Subscription and Share Consolidation announcement released on 18 March 2025 for further details relating to the Proposed Investor Guarantees.

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9. Borrowings

		Group		Company	
		30.06.2025	31.12.2024	30.06.2025	31.12.2024
		Unaudited	Audited	Unaudited	Audited
		RMB'000	RMB'000	RMB'000	RMB'000
Note					
Non-current					
Unsecured					
Loans from a former director	(a)	-	4,507	-	4,507
		-	4,507	-	4,507
Current					
Unsecured					
Loans from a former director	(a)	4,716	-	4,716	-
Loans from a director	(b)	73	2,683	73	2,683
		4,789	2,683	4,789	2,683
		4,789	7,190	4,789	7,190

Notes:

- (a) Pertains to loans from a former director and Chief Executive Officer, who resigned on 13 June 2025, Mr Chu Ming Kin ("**Mr Chu**"). Please refer to the RTO Announcement dated 18 March 2025 for further details in respect of the amount due to Mr Chu.
- (b) The principal amount of the Temporary Loans amounting to SGD550,000 had been fully settled upon completion of the Investor Subscription with the remaining balance relating to outstanding interest payable in respect of the Temporary Loans. Please refer to the announcement on the Proposed Subscription and Share Consolidation released on 18 March 2025 and Section F Note 11 for further details relating to the Investor Subscription.

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10. Loss before tax

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

		Group	
		1H2025	1H2024
		Unaudited	Unaudited
	Note	RMB'000	RMB'000
<u>Other income</u>			
Foreign exchange gain, net		-	(258)
<u>Other expenses</u>			
Loss on deconsolidation of a subsidiary	(a)	1,188	-
Foreign exchange loss, net		657	-

Notes:

- (a) Pertains to reclassification of foreign currency translation difference from other comprehensive income to profit or loss on deconsolidation of a subsidiary in accordance with SFRS(I) 1-21 *The Effects of Changes in Foreign Exchange Rates*.

11. Tax expense

The Group did not have taxable income during the reporting period as it did not generate any revenue for 1H2025 and 1H2024.

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12. Loss per share

	Group	
	1H2025	1H2024
	Unaudited	Unaudited
	RMB cents	RMB cents
		(Restated)
Basic and fully diluted basis	(23.89)	(12.31)

Basic and diluted loss per share for the six months ended 30 June 2025 was calculated based on total weighted average number of shares of approximately 17,386,000.

Basic and diluted loss per share for the six months ended 30 June 2024 was calculated based on the weighted average number of ordinary shares of 8,504,960, restated in accordance with SFRS(I) 1-33 *Earnings Per Share*. The restatement reflects the retrospective application of the share consolidation factor of 200 into 1, following the completion of the Share Consolidation on 29 April 2025.

The were no potentially dilutive shares during the periods reported on.

13. Significant related party transactions

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	
		1H2025	1H2024
		Unaudited	Unaudited
	Note	RMB'000	RMB'000
Investor Subscription	(a)	4,169	-
Financial guarantees extended by a director	(b)	2,807	-
Interest expenses arising from loans payable to a director		95	-
Guarantee fees arising from financial guarantees payable to a director		79	-

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Note:

- (a) Please refer to the Proposed Subscription and Share Consolidation announcement dated 18 March 2025 and the Company's circular dated 2 April 2025 for further details relating to the Investor Subscription. The Investor Subscription totaling SGD750,000 was completed on 29 April 2025. Mr Teh has since become the controlling shareholder of the Company and was appointed as the Non-Independent Non-Executive Chairman of the Company on 16 June 2025.
- (b) As announced on 12 August 2022, Mr Teh would provide an investor's guarantees of up to SGD500,000 (equivalent to RMB2,807,000) in accordance with the HOA. Mr Teh has since provided the investor guarantees to several professional service providers; and had on 18 March 2025, entered into the HOA amendment letter that Mr Teh has agreed not to withdraw the Investor Guarantees.

Please refer to Section F Note 1A(a) for further details.

14. Net liabilities value

	Group		Company	
	30.06.2025	31.12.2024	30.06.2025	31.12.2024
	Unaudited	Unaudited	Unaudited	Unaudited
	RMB	RMB	RMB	RMB
		(Restated)		(Restated)
Net liabilities value per ordinary share	<u>(0.33)</u>	<u>(1.47)</u>	<u>(0.33)</u>	<u>(1.47)</u>

Net liabilities value per share at the end of the current financial period reported on was calculated based on total issued shares of 34,019,960. For comparison purposes, the comparative as at 31 December 2024 has been adjusted retrospectively based on total issued shares of 8,504,960 to reflect the share consolidation of 200 into 1, following the completion of the Share Consolidation on 29 April 2025.

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15. Share capital

	Notes	Group and Company			
		30.06.2025	31.12.2024	30.06.2025	31.12.2024
		Unaudited Number of shares	Unaudited	Unaudited RMB'000	Audited RMB'000
Beginning of financial period		1,701,000,410	1,701,000,410	203,930	203,930
Share consolidation	(a)	(1,692,495,450)	-	-	-
Issuance of shares, net of expenses	(b)	25,515,000	-	4,034	-
End of financial period		<u>34,019,960</u>	<u>1,701,000,410</u>	<u>207,964</u>	<u>203,930</u>

Notes:

- (a) On 29 April 2025, the Company completed the 200-to-1 Share Consolidation.
- (b) On 29 April 2025, the Company completed the Investor Subscription. As a result, 25,515,000 consolidated shares were allotted and issued to Mr Teh. These shares issued under the Investor Subscription rank pari passu with the then existing issued shares.

Please refer to Company's announcements dated 18 March 2025 and 29 April 2025; and circular dated 2 April 2025 for further details relating to the Share Consolidation and the Investor Subscription.

The Company does not hold any treasury shares in the Company as at 30 June 2025, 31 December 2024 and 30 June 2024.

The Company's subsidiary does not hold any shares in the Company as at 30 June 2025, 31 December 2024 and 30 June 2024.

There were no outstanding options and convertibles held by the Company as at 30 June 2025, 31 December 2024 and 30 June 2024.

16. Subsequent events

On 18 March 2025, the Company announced that it had entered into a sale and purchase agreement ("SPA") with PM Capital Pte. Ltd. (the "Vendor") and (b) Shen Wende, Xue Wanqiu, Shen Yongzhong and Teh Cheng Hooi (collectively, the "Warrantors") for the proposed acquisition of the entire issued and paid-up share capital of Skylink APAC Pte. Ltd. ("Skylink APAC", collectively with its subsidiaries, the "Skylink APAC Group") (the "Proposed Acquisition"). The Proposed Acquisition constitutes a reverse takeover ("RTO") as set out under Rule 1015 of the Catalist Rules. As at date of this

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announcement, the Company has not completed the Proposed Acquisition and thus, the financial effects relating to the Proposed Acquisition would not result in any adjustments to the Group's interim results for 1H2025.

On 18 March 2025, the Company also entered into the HOA amendment letter that Mr Teh has agreed to provide additional working capital loans of up to S\$300,000 as and when the Company may require, based on the terms and conditions to be agreed upon and at the discretion of Mr. Teh (the **"Additional Funding"**).

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

1. Review

The condensed interim statements of financial position of the Company and the Group as at 30 June 2025 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 six months period then ended and explanatory notes have not been audited or reviewed.

1A. 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 Group's latest audited financial statements for FY2024 were subject to a disclaimer of opinion relating to the use of going concern assumptions. Except for this, there were no other audit issues.

The Company had on 14 April 2025 released its annual report for FY2024 (the **"Annual Report 2024"**) and had on 3 April 2025 date 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 3 April 2025. Having considered the announcement of the Proposed Acquisition which is underway, the completion of the Investor Subscription, as well as the continued financial support from Mr Teh through the Investor Guarantees and the Additional Funding, the Board reasonably believes that the Group and the Company will be able to meet its obligations as and when they fall due.

- (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 2024 (where the Company disclosed its judgements on the going concern assumptions on pages 73 to 75); and (ii) the abovementioned Section F Note 1A(a), the Board is of the view that the impact of the audit issues described in the financial statements for FY2024 have been adequately disclosed as at the date of this announcement.

- 2. 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 3, 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 2024.

- 3. 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 Interpretations of Financial Reporting Standards ("INT FRS") that are mandatory for the accounting periods beginning on or after 1 January 2025. The adoption of these new and revised SFRS(I) and INT FRS 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.

- 4. Review of performance of the Group**

As updated by the Company via several SGX announcements, including the Annual Report 2024, 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. As a result, the Group had not been generating any revenue-generating activities since FY2021; and during the period under review, the Group did not have any revenue-generating activities as well. Consequently, the Group did not record any revenue, gross profit and operating profits for 1H2025.

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

Other income

There were no other income recorded in 1H2025 compared to foreign exchange differences of RMB0.26 million recorded in 1H2024 as a result of the appreciation of the Company's functional currency against its SGD-denominated liabilities.

Administrative expenses

Mainly comprised corporate expenses including statutory and compliance expenses and various professional fees. Administrative expenses increased by approximately RMB1.11 million in 1H2025 mainly due to additional professional fees incurred in connection with corporate exercises, including, among others, the Proposed Acquisition, the Proposed Subscription and Share Consolidation, and the MGO (the "Corporate Exercises").

Other expenses

Other expenses in 1H2025 of RMB1.85 million mainly comprises (i) reclassification of foreign currency translation reserve from other comprehensive income to profit or loss of RMB1.19 million upon the strike-off of a dormant subsidiary, which was non-cash and non-recurring, and (ii) foreign exchange loss of RMB0.66 million.

Finance cost

Finance costs decreased by RMB0.13 million in 1H2025 mainly due to the settlement of short-term loan principal of SGD550,000 extended by Mr Teh, which was taken to offset against the consideration for the Investor Subscription. Please refer to the announcement dated 18 March 2025 on the Proposed Subscription for further details.

(b) Condensed Interim Statements of Financial Position

Total Assets

Total assets, comprise cash at bank, increased by RMB0.19 million from RMB 0.03 million as at 31 December 2024 to RMB0.22 million as at 30 June 2025 mainly due to net cash from financing activities of RMB1.33 million, which was offset by net cash used in operating activities amounting to RMB1.15 million. Please refer to Section F Note 4(c) for further details.

Total Liabilities

Total liabilities decreased by RMB1.11 million from RMB12.52 million as at 31 December 2024 to RMB11.41 million as at 30 June 2025, due mainly to:

Other payables

Other payables mainly comprise amounts payable and accrued for professional services, other operating expenses and director fees during the period under review, which increased by RMB1.30 million from RMB5.32 million as at 31 December 2024 to RMB6.62 million as at 30 June 2025.

Borrowings

Total borrowings decreased by RMB2.40 million from RMB7.19 million as at 31 December 2024 to RMB4.79 million as at 30 June 2025, mainly due to the settlement of short-term loan principal of SGD550,000 extended by the Professional Investor, which has been set-off against the consideration for the Investor Subscription. Please refer to announcement dated 18 March 2025 on the Proposed Subscription for further details.

(c) Condensed Interim Consolidated Statement of Cash Flows

The cash and cash equivalents increased by RMB0.19 million in 1H2025 mainly due to net cash from financing activities of RMB1.33 million, primarily from (i) additional drawdowns of short-term loans provided by Mr Teh amounting to SGD50,000 (equivalent to RMB271,000) and (ii) net proceeds from Investor Subscription amounting to SGD200,000 (equivalent to RMB1,112,000), which was offset by (i) interest paid of RMB0.05 million; and (ii) net cash used in operating activities amounting to RMB1.15 million for payments of corporate expenses including professional fees incurred in relation to the Corporate Exercises, and statutory and regulatory compliance expenses.

5. 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.

6. 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 updated by the Company via several SGX announcements¹ and in the Annual Report 2024 that:

- on 18 March 2025, the Company entered into a SPA to acquire 100% in the capital of Skylink APAC. The principal businesses of Skylink APAC Group are leasing of commercial motor vehicles; the provision of repairs and maintenance for motor vehicles; and hire-purchase financing solutions. The leasing segment of Skylink APAC Group is believed to own one of the largest fleet of commercial vehicles for lease in Singapore. *Please refer to RTO Announcement for further details;*
- on 29 April 2025, the Company completed the Proposed Subscription and Share Consolidation. Following which, (i) Mr Teh emerged as the controlling shareholder of the Company holding 75% interest or 25,515,000 consolidated shares in the Company; and (ii) Mr Teh made an MGO;
- on 11 June 2025, the MGO closed, and including valid acceptances of the Offer, Mr Teh holds 78.4% of the total issued shares or 26,670,536 shares as at the date of this announcement;
- on 13 June 2025, Mr Chu resigned as Executive Chairman and Chief Executive Officer of the Company to facilitate the completion of the Proposed Acquisition; and
- on 16 June 2025, Mr Teh was appointed as Non-Independent Non-Executive Chairman.

The RTO, if completed, will mean a successful corporate turnaround plan for the Company, thereby enabling the Company to apply for a resumption in the trading of its Shares, leading to an improvement in leverage position for future fund-raising exercises which would in turn enhance Shareholders' value.

The Company will continue to provide shareholders with further details and updates in due course.

¹ Please refer to the Company's announcements dated 18 March 2025, 23 April 2025, 29 April 2025, 28 May 2025, 13 June 2025, and 16 June 2025; Offeror's announcements dated 18 March 2025, 29 April 2025, 14 May 2025 and 11 June 2025; and the Company's circular dated 2 April 2025.

7. Dividend information

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(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.

8. 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 period under review due to uncertainty regarding the Company's going concern, as previously disclosed.

9. 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 Catalist Rules". If no IPT mandate has been obtained, a statement to that effect

The Group has not obtained a general mandate from shareholders for interested person transactions. There are no interested person transactions of SGD100,000 and above entered into in 1H2025.

10. 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.

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- 11. Disclosure pursuant to Rule 704(30) of the Catalist Rules in relation to any proceeds arising from any offerings pursuant to Chapter 8 as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated in the offer document or the announcement of the issuer. Where the proceeds are used for general working capital purposes, the issuer must announce a breakdown with specific details on the use of proceeds for working capital. Where there is any material deviation from the stated use of proceeds, the issuer must also announce the reasons for such deviation.**

As announced on 19 May 2025 (as reported in SGD), the status of utilisation of aggregate proceeds of SGD750,000 (equivalent to RMB4,169,000) in connection to the Investor Subscription (the “**Net Subscription Proceeds**”) arising from the Company’s issue and allotment of 25,515,000 Subscription Shares as at the date of this announcement is set out as follows:

	Amount allocated RMB’000	Amount utilised RMB’000	Balance RMB’000
Set-off against the Temporary Loans	3,057	(3,057)	-
Payments of corporate expenses ⁽¹⁾	1,112	(998)	114
	4,169	(4,055)	114

Note:

- (1) Professional fees incurred in relation to the Proposed Subscription and Share Consolidation, the MGO, and other regulatory compliance related expenses. Details of which are as follows:

	RMB’000
Professional fees – Proposed Subscription and Share Consolidation	98
Professional fees – MGO	212
Audit fees for the financial year ended 31 December 2024	206
Continuing sponsor fees	248
Consultancy fees – financial reporting and accounting services	153
Other regulatory compliance related expenses	81
	998

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12. Disclosure pursuant to Rule 706A of the Catalist Rules

Orion was struck off from the Register of Companies pursuant to Section 344A of the Companies Act 1967 of Singapore on 19 June 2025. Please refer to Company's announcement dated 23 June 2025 for further details.

13. Negative confirmation on interim financial results under Rule 705(5) of the Listing Manual

On behalf of the Board, we the undersigned, hereby confirm that to the best of their knowledge, nothing has come to the attention of the Board which may render the financial statements for the six months ended 30 June 2025 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

TEH WING KWAN

Non-Independent Non-Executive Chairman

Lee Fang Wen

Independent Director

12 August 2025