

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

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**PROPOSED CHANGE OF AUDITORS**

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The Board of Directors (“**Board**”) of Sincap Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce the Company’s intention to change its auditors from RSM Chio Lim LLP (“**RSM Chio Lim**”) to Baker Tilly TFW LLP (“**Baker Tilly**”) (“**Proposed Change of Auditors**”).

The Company has, as part of its operating costs management, performed a review on, *inter alia*, its professional audit fees and has obtained various competitive quotes on the Company’s audit fees in relation to the Group’s audit for the financial year ending 31 December 2015 (“**FY2015**”). Accordingly, the audit fees quoted by Baker Tilly in respect of the FY2015 audit is lower than that of RSM Chio Lim’s. Further, RSM Chio Lim has been the Company’s auditors since financial year ended 31 December 2010.

Taking into account, *inter alia*, RSM Chio Lim’s proposed audit fees for FY2015 and its tenure as auditors of the Company, the Directors are of the opinion that it will be in the interest of the Company to consider appointing Baker Tilly as new auditors of the Company as Baker Tilly would be able to provide audit services to the Group at more competitive audit fees.

The Board, having considered various factors including, *inter alia*, the fee structure, the adequacy of the resources, the experience of the audit firm and the audit engagement partner, the number and experience of supervisory and professional staff and the size and complexity of the Group’s operations, is of the opinion that Baker Tilly would be able to meet the audit requirements of the Group.

In relation to the foregoing, the Company had received a letter from RSM Chio Lim dated 17 November 2015 containing, *inter alia*, (i) RSM Chio Lim’s intention to resign as auditors of the Company and Sincap Australia Pte. Ltd.; and (ii) advice that RSM Chio Lim has applied to the Accounting and Corporate Regulatory Authority of Singapore (“**ACRA**”) to seek its consent for its resignation as auditors of the Company and Sincap Australia (“**Application**”). Baker Tilly had on 8 December 2015, given its written consent to be appointed as new auditors of the Company.

RSM Chio Lim had on 22 December 2015 received ACRA’s approval on the Application. Subsequent thereto, the Company received a letter from RSM Chio Lim dated 24 December 2015 containing, *inter alia*, the written statement of RSM Chio Lim’s reasons for its resignation (the “**Written Statement**”).

The resignation of RSM Chio Lim will take effect upon the appointment of Baker Tilly as new auditors of the Company, which is subject to the approval of shareholders of the Company (“**Shareholders**”) at an extraordinary general meeting (“**EGM**”) of the Company to be convened in due course.

In accordance with Rule 712(3) of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited (“**Catalist Rules**”):

- (a) RSM Chio Lim had confirmed by way of its letter dated 4 December 2015 that it is not aware of any professional reasons why Baker Tilly should not accept appointment as auditors of the Company;
- (b) the Board confirms that there were no disagreements with RSM Chio Lim on accounting treatments within the last 12 months up to the date of this announcement;
- (c) the Board confirms that it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of the Shareholders which has not been disclosed in this announcement; and

- (d) the Company confirms that it is in compliance with Rule 712 and Rule 715 of the Catalist Rules in relation to the appointment of Baker Tilly.

A circular containing, *inter alia*, further details in relation to the Proposed Change of Auditors and a copy of the Written Statement, together with a notice of EGM, will be despatched to Shareholders in due course.

**BY ORDER OF THE BOARD**

Chu Ming Kin  
Executive Chairman and Chief Executive Officer

24 December 2015

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*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.*