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

RESPONSES TO QUESTIONS RECEIVED FROM SECURITIES INVESTORS ASSOCIATION (SINGAPORE) IN RELATION TO THE EXTRAORDINARY GENERAL MEETING TO BE HELD ON 11 SEPTEMBER 2025

The Board of Directors ("**Board**" and each director, a "**Director**") of Sincap Group Limited (the "**Company**") refers to the announcements dated 18 March 2025 ("**RTO Announcement**"), the circular to its shareholders dated 20 August 2025 (the "**Circular**") and the Company's Notice of Extraordinary General Meeting ("**EGM**") announced on SGXNet on 20 August 2025 in relation to the proposed acquisition by the Company of the entire issued and paid-up capital of Skylink APAC Pte. Ltd. ("**Skylink APAC**") as a reverse takeover ("**Proposed Acquisition**"). Unless otherwise specified, all capitalised terms used in this announcement and its appendix shall have the same meaning as those defined in the Circular.

The Company has not received any questions from Shareholders, whereas the Company has made a voluntary disclosure in response to questions received from the Securities Investors Association (Singapore) ("**SIAS**") (refer to Appendix A). Please note that responses to questions from SIAS have largely been made with reference to the Circular.

By Order of the Board
SINCAP GROUP LIMITED

TEH WING KWAN
NON-INDEPENDENT NON-EXECUTIVE CHAIRMAN
5 SEPTEMBER 2025

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*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 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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APPENDIX A
RESPONSES TO QUESTIONS FROM SIAS

Q1. *The company is proposing to acquire Skylink APAC Pte. Ltd. for a total consideration of $42.3 million. This consists of a base consideration of $28.3 million and a deferred consideration of up to $14.9 million, to be determined by the earn-out over two years.*

The proposed acquisition was first announced on 18 March 2025. According to the RTO circular, the audited profit of the target group was $2.03 million in FY2024 and $2.74 million in FY2025.

(i) How was the company first introduced to the vendor?

- The Company wishes to clarify that the deferred consideration is up to S$14.0 million instead of S$14.9 million as stated in the question.

- Skylink APAC was first introduced to the Professional Investor, Mr Teh Wing Kwan (who is now the controlling shareholder and Non-Independent Non-Executive Chairman of the Company) through its CFO, Mr Leonard Teh Cheng Hooi. Please refer to paragraph 2.2.6 titled "Assessment of Potential Targets" of the Circular for further details.

(ii) What was the board's negotiation strategy with the vendor and how was the total consideration of $42.3 million determined?

- The total consideration structure includes a deferred consideration, which has an earn-out formula based on the commercially agreed Target 24M2026 Aggregate Adjusted NPAT of S$7.3 million. Please refer to paragraph 2.5.2(h) titled "Basis of Total Consideration and Issue Price" of the Circular for further details and its commercial rationale, which the Board has considered and agreed.

(iii) Based on the FY2025 profit, the acquisition values the target at more than 15 times earnings. How did the board assess this valuation to be fair and reasonable?

Implied price-to-earnings multiple (PEx)

- The Company would like to clarify that the implied PEx, under Illustration 1 and Illustration 2 (as illustrated below), have been computed based on (i) the purchase consideration structures, (ii) the placement price of S$0.20 per Share; and (iii) 24M2026 Aggregate Adjusted NPAT of S$7.3 million (after accounting for the audited NPAT of the Target Group of S$2.74 million for Target FY2025 and assuming the Target Group achieves a NPAT of S$4.6 million for Target FY2026 (the "**Profit Target**"):

  Illustration 1*: the implied PEx would be* ***7.7 times*** *based on the implied market capitalisation of S$35.27 million, as calculated using the Enlarged Share Capital of up to 176,353,289 Shares at SPA Completion.*

  Illustration 2*: the implied PEx would be* ***10.1 times*** *based on the implied market capitalisation of S$46.38 million, as calculated using the Further Enlarged Share Capital of up to 231,908,844 Shares (including issuance of the maximum number of 55,555,555 Deferred Consideration Shares assuming the Target Group achieves the Profit Target.*

Independent Valuation

- As set out under paragraph 2.5.2(h) of the Circular, the Company has appointed RSM SG Corporate Advisory Pte. Ltd. as the Independent Business Valuer, which determined that the Market Value of the Target Group as at 31 March 2025 ranged approximately between S$40.10 million to S$45.38 million, with an average of S$42.74 million, having applied a sum-of-the-parts approach. Please refer to paragraph 2.6 of the Circular and Appendix C, the Summary Valuation Letter for further details.

IFA opinions

- The Company has appointed Xandar Capital Pte. Ltd. as the IFA. Please refer to paragraph 6 titled "Evaluation of the Proposed Acquisition" and paragraph 8.1 titled "Our Opinions - The Proposed Acquisition and the Proposed Whitewash Resolution" of the IFA Letter that the terms of the Proposed Acquisition are, on balance, fair and reasonable and not prejudicial to the interests of the Company and its minority shareholder (Refer to Appendix D to the Circular for further details on the factors supporting and against the "fairness" and "reasonableness" of the terms of Proposed Acquisition), which the Board has considered and agreed.

Compound Annual Growth Rates (CAGR)

- The Board further noted that the Target Group delivered CAGR of 77.9% in revenue and 103.2% in net profit after tax from Target FY2023 to Target FY2025, as the size of the commercial fleet and hire purchase loan book rapidly expanded under the integrated business ecosystem of the Target Group, being leasing, credit and engineering. Please refer to paragraph 2.2.7 titled "Board's Considerations" of the Circular for further details.

(iv) How much weight did the board place on Skylink's relatively short track record and rapid fleet expansion, which grew six-fold from 215 commercial vehicles at end-FY2023 to 1,239 at the latest practicable date? What due diligence was conducted to ensure this growth was sustainable rather than fast-tracked ahead of the IPO?

- Please refer to Appendix A to the Circular, (i) paragraph 4 titled "History" for the history, development and key milestones of the Target Group, which the Board has considered; (ii) paragraph 23 titled "Prospects, Strategies and Future Plans", which the Target Group has outlined.

- As part of the Proposed Acquisition, the Company had completed the due diligence on the Target Group, including legal, financial, accounting, business and commercial due diligence with the outcomes of which being satisfactory prior to the lodgement of the Circular.

(v) Given the global trend towards electrification of vehicles, how did the board evaluate the risks of obsolescence in Skylink's existing fleet and the potential capital requirements for transitioning to electric vehicles?

- Please refer to the Independent Market Report, Appendix E to the Circular, paragraph 2.1 titled "Trends Driving the Industry" for details relating to the use of environment-friendly vehicles, influx of electric vehicles ("**EVs**") from China, and the factors businesses would consider in using commercial EVs, including charging infrastructure, existing adoption rates, among others.

- While the EV industry is growing, transportation electrification is inherently a long-term strategic plan and industry trend. The regulatory timeline provides a long runway for industry players to adapt progressively, and thus, it is not expected that the industry players will incur any immediate and substantial capital outlay during the transitional period and the Target Group will continue to monitor industry trends closely. Against this backdrop, Skylink has already embarked on a strategy for its vehicles electrification journey. Please refer to Appendix A to the Circular, paragraph 5.2.2 titled "SKVR's fleet" for further details.

The valuation approach and methodology used by the independent valuer (Appendix C) applied a weighted average cost of capital (WACC) of 8.99% for Skylink APAC Pte Ltd, with a narrow sensitivity of +/- 0.25%.

(vi) Can the independent directors help shareholders better understand if they rigorously assessed this approach and strongly agreed with the assumptions, including the WACC of 8.99%? What is estimated market value if higher WACC assumptions of 10%, 11% or 12% were applied?

In arriving at the range of market value of the Target Group of approximately between S$40.10 million to S$45.38 million, the Independent Valuer had also considered a sensitivity analysis by varying the discount rate and the terminal growth rate by +/-0.25% of each SKVR, SKER and SKCR. The Independent Valuer had also considered a secondary cross-check market approach for each of the respective values of SKVR, SKER and SKCR as well as on a combined basis where the implied price-to-earnings multiple range falls within the selected listed comparable companies. Refer to paragraph 2.6 titled "Independent Business Valuation" of the Circular for further details.

Q2. *The company will issue new shares to the vendor, or its nominee(s), at an issue price of $0.225 per share. The company has just completed a 200-to-1 share consolidation on 29 April 2025, leaving only 8,504,960 shares outstanding. The maximum number of new shares to be issued as consideration will exceed 20 times the existing issued shares.*

Existing minority shareholders who held 21.08% of the company will be diluted to as low as 2.82% as shown in Appendix F – Changes in shareholding structure. The vendor will hold 67.59% while Mr Teh Wing Kwan will retain 10.49% stake after his subscription of 25,515,000 shares at a price of $0.0294 for each subscription share on a post-share consolidation basis.

(i) Can the board explain how the issue price of $0.225 per share and the subscription price of $0.0294 per share were determined and whether it led to significant dilution to existing minority shareholders?

- The Investor Subscription and the Share Consolidation were undertaken by the Company (i) as part of its corporate turnaround plan which, together with the Proposed Acquisition, is intended to eventually allow the Company to apply for the resumption of trading of the Shares (which have been suspended since May 2021); and (ii) to facilitate the completion of the Proposed Acquisition (including the Proposed Compliance Placement).

- Please refer to paragraph 2.5.2(h) titled "Basis of Total Consideration and Issue Price" of the Circular for the full details relating to the basis of Issue Price while determining the Total Consideration.

- Please refer to (i) paragraph 2.2.1 of the Company's circular dated 2 April 2025 for details in respect of (among other things) the Investor Subscription and Share Consolidation (the "**Investor Subscription and Share Consolidation Circular**"); and (ii) paragraphs 2.2 titled "Rationale for the Proposed Acquisition" of the Circular. These paragraphs set out the full details relating to the legacy business, voluntary trading suspension, cash company status, background of the HOA, the Professional Investor's financial and strategic support (including the Investor Guarantees and Additional Funding), the Investor Mandatory Offer, and other factors, all of which the Board has considered.

- Please refer to (i) paragraph 4.2.6 of the Investor Subscription and Share Consolidation Circular for the rationale of the Share Consolidation; and (ii) paragraph 2.2.8(c) titled "Share Consolidation" of the Circular for further details.

- As disclosed in the Investor Subscription and Share Consolidation Circular, (i) the Board is of the view that the Share Consolidation brings the value ascribed to the Company to an amount that is commercially acceptable by the parties for the successful implementation of the corporate turnaround plan as supported by the Investor Subscription and the Proposed Acquisition; and (ii) the Board has also considered that it is unlikely that the Company, without the Proposed Investments and the support of the Professional Investor, would be able to implement any corporate action which would enable the continued listing of its Shares on the Catalist Board.

(ii) What steps did the independent directors take during negotiations to protect minority shareholders from excessive dilution and ensure the transaction terms were fair?

- Please refer to all relevant details provided in the above responses, which the Board has considered.

- Please refer to paragraph 8.1 titled "Our Opinions - The Proposed Acquisition and the Proposed Whitewash Resolution" of the IFA Letter set out as Appendix D of the Circular on the factors supporting and against the "fairness" and "reasonableness" of the Proposed Acquisition, which the Board has considered.

(iii) If the aggregate adjusted NPAT of the target group for FY2025 and FY2026 is negative, will the company have contractual rights to claw back part of the base consideration from the vendor?

- Please note that the Target Group has already recorded a net profit after tax of S$2.7 million for FY2025. Based on the terms of the Proposed Acquisition, the Base Consideration is not subject to clawback. For the avoidance of doubt, if the Target 24M2026 Aggregate Adjusted NPAT is zero or a negative number, no Deferred Consideration will be payable. Please refer to paragraph 2.5.2(h) titled "Basis of Total Consideration and Issue Price" of the Circular for further details.

Q3. *At the extraordinary general meeting scheduled to be held on 11 September 2025, the Company is seeking shareholder approval on 19 resolutions. Ordinary resolutions 1, 2, 3, 4, 5, 6, 7, 9, 11, 12 and 16 and the special resolution are deemed key resolutions and are interconditional upon each other.*

The special resolution relates to the change of name of the company to "Skylink Holdings Limited". Resolution 12 relates to the appointment of Mr Shen Wende as a new director while resolution 16 seeks approval for the IPT general mandate. Resolution 6 relates to the approval of settlement shares valued at just $55,000.

In the event that one of the key resolutions is not approved, the RTO will fail.

Provision 11.2 of the 2018 Code of Corporate Governance issued by the Monetary Authority of Singapore requires issuers to provide the reasons and material implications for bundling resolutions.

(i) Can the board explain the rationale for making these resolutions interconditional, particularly when some appear administrative or immaterial on their own? How did the board assess whether such bundling serves the best interest of the company?

(ii) What safeguards did the board implement to ensure that minority shareholders are not effectively forced into approving immaterial or less critical resolutions in order to support the reverse takeover?

- As mentioned in paragraph 1.3.2 titled "Rationale" of the Circular, the key resolutions are inter-conditional as they are substantially related and in connection with the Proposed Acquisition and will facilitate the conduct of the business of the Enlarged Group upon SPA Completion. Otherwise, the Proposed Acquisition will not be viable.

- The Board, in consultation with its Sponsor and legal advisers, has assessed that inter-conditional key resolutions are commercially relevant and important in all aspects.