

PROPOSED CHANGE OF AUDITORS

1. INTRODUCTION

The Board of Directors (the “**Board**” or “**Directors**”) of Sinjia Land Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce the Company’s intention to undertake a change of its auditors from Nexia TS Public Accounting Corporation (“**Nexia TS**”) to PKF-CAP LLP (“**PKF**”) for the current financial year ending 31 December 2021 (“**Proposed Change of Auditors**”).

2. PROPOSED CHANGE OF AUDITORS

Nexia TS has been the independent auditors of the Company since 2012 and was re-appointed as the Company’s auditors at the Annual General Meeting of the Company (“**AGM**”) held on 27 April 2021, to hold office until the conclusion of the next AGM.

Nexia TS has informed the Company that they are unable to provide audit service for the current financial year ending 31 December 2021 due to cost reasons and submitted their withdrawal letter to the Company on 11 October 2021.

In the interest of good corporate governance, the Board is of the view that it would be timely and appropriate to appoint a new firm of independent auditors for the current financial year ending 31 December 2021, subject to the approval of the Company’s shareholders at an extraordinary general meeting of the Company to be convened as soon as possible (“**EGM**”).

PKF was selected for the proposed appointment after the Board in consultation with the Audit Committee (“**AC**”). and taking into consideration the requirements under Rules 712 and 716 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“**Catalist Rules**”) has determined that PKF is best suited to meet the existing needs and audit requirements of the Group. The AC has considered the adequacy of the audit, other audit engagements of PKF, the Group audit requirements, the size and complexity of the Group and the number and experience of supervisory and professional staff of PKF to be assigned to the audit, the fee structure and audit arrangements proposed by PKF. The AC have also considered the Audit Quality Indicators Disclosure Framework issued by ACRA in assessing the suitability of PKF. The quality and scope of audit services to be provided by PKF will be comparable to those provided by Nexia TS.

The appointment of PKF as Auditors of the Company will therefore take effect upon the later of (a) the date of approval of shareholders at the EGM, and (b) the date of the ACRA Consent. PKF if appointed, will hold office until the conclusion of the next annual general meeting of the Company.

The Company proposes that PKF be appointed in place of Nexia TS for the financial year ending 31 December 2021.

In accordance with the requirements of Rules 712(3) of the Catalist Rules:

- Nexia TS has confirmed by way of a letter to PKF dated 11 October 2021 that it is not aware of any professional reasons why PKF should not accept appointment as Auditors;
- the Company confirms that there were no disagreements with Nexia TS on accounting treatments within the last twelve (12) months from the date of their resignation, being

11 October 2021;

- the Company 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;
- the Company confirms that the specific reasons for Proposed Change of Auditors are disclosed above. The Proposed Change of Auditors is neither due to dismissal of Nexia TS nor Nexia TS declining to stand for re-appointment as the Company's auditors; and
- the Company confirms that it is compliance with Rules 712 and 716 of the Catalist Rules in relation to the appointment of PKF as its new Auditors. The Board and the AC have reviewed the appointment of the different auditors for its overseas subsidiary corporations and were satisfied that the appointment of different auditors would not compromise the standard and effectiveness of the audit of the Group.

3. **DESPATCH OF CIRCULAR**

A circular containing information of the proposed change of auditors together with the notice of EGM will be despatched to shareholders in due course.

By Order of the Board

Cheong Weixiong
Executive Director and Group Chief Executive Officer
18 October 2021

*This announcement has been reviewed by the Company's Sponsor, Asian Corporate Advisors Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange 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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