

SINJIA LAND LIMITED

Incorporated in the Republic of Singapore
Company Registration No. 200402180C

TERMINATION OF THE SALE AND PURCHASE AGREEMENT IN RELATION TO THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF BINEX SINGAPORE (PTE. LTD.) AND ENTRY INTO CONVERTIBLE LOAN AGREEMENT

1. INTRODUCTION

The Board of Directors (the “**Board**” or the “**Directors**”) of Sinjia Land Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements dated 19 November 2021, 30 November 2021, 31 January 2022, 5 February 2022, 18 February 2022 and 29 September 2022 (the “**SPA Announcements**”) in relation to the proposed acquisition of the entire issued and paid-up share capital of the Target by the Company. The Company also refers to the Company’s announcement dated 23 June 2022 (the “**Deposit Announcement**”, and together with the SPA Announcements, the “**Previous Announcements**”) in relation to its entry into a deposit agreement with BINEX Inc. Unless otherwise defined, all capitalised terms and references used herein shall bear the same meanings ascribed to them in the Previous Announcements.

2. TERMINATION OF THE SALE AND PURCHASE AGREEMENT

The Board wishes to announce (this “**Announcement**”) that as of 30 December 2023, the Company and the Vendors (save for Biomass Energy Corporation and Mebius Inc.) had mutually agreed to terminate the SPA and RTO without the need for any further action on the part of any party. Each of the Company and the Vendors (save for Biomass Energy Corporation and Mebius Inc.) unconditionally agrees to release and discharge the other parties from the further observance and performance of the SPA. Neither the Company nor the Vendors (save for Biomass Energy Corporation and Mebius Inc.) shall have any claims or rights whatsoever (whether in respect of antecedent breaches or otherwise) against the other parties in respect of, arising out of or in connection with the SPA.

While the Long-Stop Date had been extended from 31 March 2023 to 31 December 2023 (as announced in its Previous Announcement dated 29 September 2022), the milestone target has not been met. Hence, the Company and the Vendors (save for Biomass Energy Corporation and Mebius Inc.) agreed to terminate the SPA and the RTO. In addition, the termination of the SPA will facilitate the Company to review other potential assets/business for acquisition.

Due to internal reasons, Biomass Energy Corporation and Mebius Inc. were not able to execute the deed of termination in a timely manner. Nevertheless, the Company does not expect there to be any material risk or liability from their non-execution as the SPA would automatically lapse and terminate on the Long-Stop Date. In addition, the Company had obtained indemnities from the other Vendors covering any losses or liabilities suffered by the Company in the event that, *inter alia*, any claims are brought by Biomass Energy Corporation and Mebius Inc. against the Company.

To rebuild shareholder value, the Company has identified another potential business to be acquired by the Group. The Company is of the view that the potential acquisition of the new business (“**Potential New Acquisition**”), which is still being negotiated, will place the Company in a position to expand into new business areas and grow revenues, both of which will help

rebuild shareholder value. In addition, the Potential New Acquisition will (if finalised and executed) facilitate the Group's attempts to build a profitable recurrent business in the long term.

Shareholders are to note that negotiations are still ongoing and the terms have not been finalised, and the Company will make further announcements in connection with the Potential New Acquisition as and when there are any material developments.

3. TERMINATION OF THE DEPOSIT AGREEMENT AND SALIENT TERMS OF THE CONVERTIBLE LOAN AGREEMENT

In view of the termination of the RTO, the Company had also entered into a convertible loan agreement on 30 December 2023 (the "**Convertible Loan Agreement**") with BINEX Inc. (the "**Borrower**") to terminate the Deposit Agreement and restructure the Deposit, such that the Deposit is recharacterised as a convertible loan that may be converted into ordinary shares in the capital of the Target (the "**Target Shares**") upon a Listing (as defined below) or a Qualifying Trade Sale (as defined below).

The Company is of the opinion that the Target business holds promising growth prospects in the near future. However, the Company believes that realising this potential may take an extended timeframe. In light of this, the Company's decision has been made to restructure the Deposit into a convertible loan as to capitalise on their growth.

The salient terms of the Convertible Loan Agreement are as follows:

1. Lender	The Company.
2. Borrower	The Borrower.
3. Principal Amount	S\$1,000,000.
4. Term and Repayment	<p>The term of the loan shall be three (3) calendar years from the date of the Agreement (the "Maturity Date"). Unless otherwise converted into Conversion Shares (as defined below), the loan shall be repayable in full, together with any accrued interest and/or all other unpaid sums arising under the Convertible Loan Agreement, on the Maturity Date.</p> <p>The loan cannot be prepaid prior to the Maturity Date.</p> <p>The Maturity Date may be extended by mutual agreement of the Borrower and the Company.</p>
5. Purpose	The loan may only be used by the Borrower towards general working capital and professional costs incurred by the Borrower and the Target in respect of an initial public offering, reverse takeover or business combination of the Target or its business and which results in a listing of the Target's or its affiliates' shares on a recognised stock exchange (a " Listing ").
6. Interest	Interest shall accrue on the loan from the date of the Convertible Loan Agreement, at a simple interest rate of eight per cent.

	<p>(8.0%) per annum on the loan, on the basis of the actual number of days elapsed and a year of 365 days.</p> <p>The interest accruing on the loan shall become due and payable only on the Maturity Date.</p> <p>No interest shall accrue on the loan if the Conversion Rights (as defined below) is exercised.</p>
<p>7. Conversion</p>	<p>The entire outstanding loan, all accrued interest and expenses, and all unpaid sums arising under the Convertible Loan Agreement shall be capitalised and converted upon the occurrence of the following events (each, a “Conversion”):</p> <p>(a) if a Listing is completed on or prior to the Maturity Date, be automatically and mandatorily converted into such number of ordinary shares in the capital of the Target (the “Conversion Shares”) determined in accordance with the Convertible Loan Agreement, immediately prior to the consummation of the Listing;</p> <p>(b) if (i) a sale, lease, transfer or other disposition of all or substantially all of the assets of the Target, (ii) a transfer or an exclusive licensing of all or substantially all of the intellectual property of the Target, or (iii) a sale, transfer or other disposition of a majority of the issued and outstanding share capital of the Target or a majority of the voting power of the Target (a “Qualifying Trade Sale”) is completed on or prior to the Maturity Date, be automatically and mandatorily converted into such number of Conversion Shares determined in accordance with the Convertible Loan Agreement, immediately prior to the consummation of the Qualifying Trade Sale; or</p> <p>(c) in the event no Listing or Qualifying Trade Sale is completed by the Maturity Date, may be convertible at the Company’s election into such number of Conversion Shares as determined in accordance with the Convertible Loan Agreement,</p> <p>(collectively, the “Conversion Rights”).</p> <p>The Conversion shall be determined by dividing the relevant amounts to be converted by the price per Target Share at the agreed valuation or market valuation of the Target at a Listing or Qualifying Trade Sale, or in the alternative the fair market value of the Target (on an arms’ length willing-buyer, willing-seller basis), as the case may be, multiplied by a discount of fifty per cent. (50%) and subject always to a valuation cap of US\$500 million (the “Conversion Price”).</p>

	<p>After the completion of the allotment and issuance of the Conversion Shares above, the loan shall be deemed fully repaid.</p> <p>In addition, the Company is entitled to direct the Conversion Shares to be allotted and issued to its subsidiaries, in such proportion and quantum as it may decide.</p>
8. Security	Unsecured.
9. Representations and Warranties	The Borrower and the Target has given customary representations and warranties for a loan of such nature.
10. Covenants and Undertakings	The Borrower and the Target has given customary covenants and undertakings for a loan of such nature, including but not limited to supplying to the Company with the unaudited financial statements of the Borrower within 120 calendar days after the end of each financial year.
11. Events of Default	<p>The loan is subject to customary events of default for a loan of such nature.</p> <p>On and at any time after the occurrence of an event of default, the Company may by notice to the Borrower declare all or any part of the loan, together with accrued interest, and all other amounts accrued or outstanding under the Convertible Loan Agreement to be immediately due and payable, whereupon they shall become immediately due and payable.</p>
12. Transferability	The loan and the Conversion Rights are non-assignable.
13. Amendments	No variation of the Convertible Loan Agreement shall be effective unless in writing and signed by or on behalf of each party.
14. Costs and Expenses	Each party shall bear their respective fees, costs and expenses incurred in connection with the preparation, execution and performance of the Convertible Loan Agreement and the transactions contemplated therein.
15. Governing law	Singapore law.

4. **FINANCIAL IMPACT OF TERMINATION; INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

The termination of the SPA and restructuring of the Deposit Agreement is not expected to have any material financial impact on the net tangible assets and earnings per share of the Group for the financial year ending 31 December 2023.

Save for their respective interests in the Shares of the Company (as the case may be) and as already disclosed in the Previous Announcements, none of the Directors, controlling Shareholders or their associates have any interest, direct or indirect, in the termination of the

SPA and restructuring of the Deposit Agreement.

5. CAUTIONARY STATEMENT

Shareholders are advised to exercise caution in trading their Shares. There is no certainty or assurance as at the date of this Announcement that the Potential New Acquisition will be finalised, executed and/or completed. The Company will make the necessary announcements when there are further developments on the Potential New Acquisition and other matters contemplated by this Announcement.

Accordingly, Shareholders are advised to exercise caution before making any decision in respect of their dealings in the Shares of the Company. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

**Cheong Weixiong
Executive Director and Group Chief Executive Officer
30 December 2023**

*This Announcement has been reviewed by the Company's Sponsor, Evolve Capital Advisory 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.*

The contact person for the Sponsor is Mr. Jerry Chua – Registered Professional, at 138 Robinson Road, Oxley Tower, #13-02, Singapore 068906, Telephone number: 6241 6626.