

SHANAYA LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 199804583E)

**PROPOSED SUBSCRIPTION OF 96,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF
THE COMPANY**

1. INTRODUCTION

- 1.1. The board of directors (“**Board**” or “**Directors**”) of Shanaya Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company had on 26 February 2025 entered into a share subscription agreement (“**Subscription Agreement**”) with Blue Orshina Capital Horizon Limited (“**Subscriber**”).
- 1.2. Pursuant to the Subscription Agreement, the Subscriber has agreed to subscribe for an aggregate of 96,000,000 new ordinary shares (“**Shares**”) in the capital of the Company (the “**Subscription Shares**”) at an issue price of S\$0.055 (“**Issue Price**”) per Subscription Share for a cash consideration of S\$5,280,000 (“**Aggregate Consideration**”) (the “**Proposed Subscription**”).
- 1.3. Further details of the Subscriber are set out at paragraph 2 (*Information on the Subscriber*) of this announcement below.

2. INFORMATION ON THE SUBSCRIBER

- 2.1. The Subscriber is a company incorporated under the laws of Hong Kong SAR on 22 August 2024. Its principal business activity is providing capital investment and financial services. As at the date of this announcement, Mr Yitzchak Babayov holds 100% of the entire issued and paid-up share capital of the Subscriber.
- 2.2. There is no placement agent appointed for the Proposed Subscription. The Subscriber was identified by the Company through business meetings and the Subscriber has expressed interest to invest in the Group in view of the Group’s collaboration with Zym-Tec Technologies Limited (“**Zym-Tec**”) pursuant to the business collaboration agreement signed between the Company and Zym-Tec on 31 January 2025 (“**Business Collaboration**”). The Subscriber and Mr Yitzchak Babayov do not have any connection (including business relationship) with Zym-Tec. Please refer to the Company’s announcement dated 31 January 2025 for more information relating to the Business Collaboration. No introducer fee or commission was paid or is payable to any person in connection with the Proposed Subscription.
- 2.3. None of the Directors or substantial Shareholders have, to the best of their knowledge, any connection (including business relationship) with the Subscriber (or its directors or Mr Yitzchak Babayov). The Subscriber is not related to the Group or any director or controlling shareholders (as defined in the Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”)) of the Company and/or their respective associates (as defined in the Catalist Rules).
- 2.4. As at the date of this announcement, the Subscriber does not hold any shares in the Company.
- 2.5. The Subscriber has confirmed, on its own behalf and on behalf of Mr Yitzchak Babayov (collectively, the “**Subscriber Group**”), that each member of the Subscriber Group is not any of the following persons:
 - (a) the Company’s directors or substantial shareholders;
 - (b) immediate family members of the directors or substantial shareholders of the Company;

- (c) substantial shareholders, related companies (as defined under Section 6 of the Companies Act 1967 of Singapore), associated companies and sister companies of the Company's substantial shareholders;
 - (d) corporations in whose shares any of the Company's directors or substantial shareholders has/have an aggregate interest of at least 10%;
 - (e) a person falling within Rule 812 of the Catalist Rules;
 - (f) associates (as from time to time defined in the Catalist Rules) of any of the foregoing; and
 - (g) a person acting in concert with any other persons within the definition of the Singapore Code on Take-overs and Mergers.
- 2.6. Furthermore, the Subscriber has confirmed that it has sufficient funds to fulfil its obligations under the Subscription Agreement and the monies it will use to settle the Aggregate Consideration (for the subscription of Subscription Shares) are legitimately owned by it and will not breach or infringe any money-laundering provisions in any way in any jurisdiction and it has not, and is not, in any way, directly or indirectly, involved in any form of money laundering, drug trafficking, tax evasion, financial misconduct or any form of illegal or prohibited activities in any jurisdiction.

3. SALIENT TERMS OF THE PROPOSED SUBSCRIPTION

3.1. Subscription Shares

- (a) The Subscription Shares represent approximately 42.55% of the existing issued and paid-up share capital of the Company comprising 225,627,740 Shares as at the date of this announcement (excluding treasury shares). The Subscription Shares will represent approximately 29.85% of the enlarged issued and paid-up share capital of the Company of 321,627,740 Shares.
- (b) As the Proposed Subscription will lead to the Subscriber and Mr Yitzchak Babayov holding more than 15% of the enlarged share capital of the Company, the Proposed Subscription will result in the transfer of the controlling interest in the Company. Nevertheless, and as described under paragraph 9.3 of this announcement, Mohamed Gani Mohamed Ansari and Shitthi Navesathul Bathuria D/O Abdul Hamid will continue to be the Company's major shareholders after the completion of the Proposed Subscription. Accordingly, the Proposed Subscription is subject to, *inter alia*, compliance with Rule 803 of the Catalist Rules and specific approval from Shareholders at an extraordinary general meeting ("EGM") to be convened. Please refer to paragraph 10 (*Circular to Shareholders*) of this announcement for more information.

3.2. Issue Price

The Issue Price was arrived at pursuant to discussions between the Company and the Subscriber, taking into account, among others, the prevailing market price of the ordinary shares of the Company (the "**Shares**"). The Issue Price represents a discount of 5.17% to the volume weighted average price of S\$0.058 per Share for trades done on the Shares on the Catalist Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the full market day on 25 February 2025, being the last full market day on which the Shares were traded prior to the trading halt called by the Company and the entry into the Subscription Agreement.

3.3. Shareholders' approval for the issue of Subscription Shares

As the existing general share issue mandate approved by Shareholders on 26 April 2024 ("**Existing Mandate**") has been fully utilised by the Company following the completion of the rights issue in August 2024, the Company will not be relying on the Existing Mandate for the allotment and issue of the Subscription Shares. The Company will be seeking, *inter alia*, specific Shareholders' approval for the allotment and issue of the Subscription Shares at the EGM. Please refer to paragraph 10 (*Circular to Shareholders*) of this announcement for more information.

3.4. Status of Subscription Shares

The Subscription Shares shall be issued free from any and all claims, charges, liens mortgages, securities, pledges, equities, encumbrances or other interests whatsoever and shall rank *pari passu* in all respects with and shall carry all rights similar to the existing Shares as at the date of allotment and issue of the Subscription Shares except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the date of issue of such Subscription Shares.

3.5. Conditions Precedent

The completion of the Proposed Subscription will be subject to the following conditions precedent ("**Conditions Precedent**"), which includes:

- (a) trading in Shares on the SGX-ST not being suspended at the time of completion of the Proposed Subscription;
- (b) the Company holding the EGM and obtaining Shareholders approval for the purposes of the issue of Subscription Shares as at completion of the Proposed Subscription;
- (c) the receipt of the listing and quotation notice ("**LQN**") for the listing and quotation of the Subscription Shares not having been withdrawn, terminated, revoked or amended, and where the LQN is subject to conditions, to the extent that any conditions for the listing and quotation of the Subscription Shares on the SGX-ST are required to be fulfilled on or before completion, they are so fulfilled;
- (d) the "safe harbour" exemptions under the Securities and Futures Act 2001 of Singapore ("**SFA**") being applicable to the subscription of Subscription Shares;
- (e) the allotment and issue of the Subscription Shares to the Subscriber not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after 26 February 2025 by any legislative, executive or regulatory body or authority of Singapore or any other jurisdiction which is applicable to the Company or the Subscriber;
- (f) all warranties and/or undertakings of the parties being and continuing to be complied with, true, accurate and correct up to the time of completion of the Proposed Subscription, and the parties having performed its respective obligations under the Subscription Agreement; and
- (g) all relevant government or regulatory approvals and waivers and other third party approvals and consents, where applicable and/or required, and any conditions imposed by the authorities in giving such approval having been fulfilled (or waived), and not such approvals, waivers and other third party approvals not being terminated, revoked or withdrawn, for the issue of the Subscription Shares and the execution, delivery and performance of this Subscription Agreement.

3.6. **Completion**

Completion of the Proposed Subscription under the Subscription Agreement will occur on the date notified in writing by the Company to the Subscriber that all the Conditions Precedent are fulfilled, or such other date as the parties may agree in writing.

3.7. **Long-Stop Date**

Under the Subscription Agreement, if the relevant Conditions Precedents are not satisfied on the date 90 business days after 26 February 2025, being 8 July 2025, or such later date as the Company may extend by notification to the Subscriber (the "**Long-Stop Date**"), the Subscription Agreement will be terminated and be of no further effect and no party shall be under any liability to the other in respect of the Subscription Agreement save for any antecedent breach thereof.

3.8. **Director's service contract**

No person is proposed to be appointed as a Director of the Company in connection with the Proposed Subscription. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

3.9. **No existing warrants or other convertibles**

As at the date of this announcement, the Company has no existing warrants or other convertibles.

3.10. **Deposit**

- (a) Pursuant to the Subscription Agreement, the Subscriber will remit to the Company a sum of S\$1,056,000 as a deposit ("**Deposit**"), within 24 hours from 26 February 2025. As at the date of this announcement, the Company has received S\$1,051,212.59 from the Subscriber as partial settlement of the Deposit ("**Received Deposit**").¹
- (b) Subject to the terms and conditions of the Subscription Agreement, the Subscriber has agreed that prior to completion of the Proposed Subscription, the Company may use the Received Deposit for the purposes of any project undertaken pursuant to the Business Collaboration ("**Project**").
- (c) The Received Deposit shall form part of the Aggregate Consideration upon completion taking place. In the event that completion of the Proposed Subscription does not happen on or before the Long-Stop Date solely due to the inability of the Subscriber to pay the Aggregate Consideration (less the Received Deposit), the Company will refund the Received Deposit (less any amount of the Received Deposit used for (i) costs and expenses related to the Project, (ii) legal costs incurred by the Company pursuant to the preparation of the Subscription Agreement and (iii) any other costs and expenses reasonably incurred by the Company pursuant to the Subscription Agreement) to the Subscriber without any interest. In any other event where completion of the Proposed Subscription does not happen on or before the Long-Stop Date, the Company will refund the Received Deposit in full to the Subscriber without any interest.

¹ The Company received a remittance of US\$789,495 from the Subscriber. However, due to the foreign exchange rate of US\$1: S\$1.33150 as of 27 February 2025, the Deposit was not received in full, resulting in a shortfall of S\$4,787.41. The Company and the Subscriber have agreed that the Subscriber will settle the shortfall of S\$4,787.41 at completion of the Proposed Subscription.

4. RATIONALE AND USE OF PROCEEDS

- 4.1. The Directors are of the opinion that, taking into consideration all available financing options, the Proposed Subscription is the most suitable fundraising option for the Group at this juncture and it is in the interest of the Company to undertake the Proposed Subscription to raise funds. The Proposed Subscription will allow the Company to strengthen its balance sheet and provide the necessary capital to pursue growth opportunities in new businesses and market expansion, including initiatives such as the Business Collaboration.
- 4.2. The estimated net proceeds (after payment of S\$100,000 in relevant expenses) from the Proposed Subscription will be S\$5,180,000 (“**Net Proceeds**”) and will be used by the Company in the following proportions:

Use of Net Proceeds	Amount of Net Proceeds (S\$'000)	Proportion (%)
Acquisitions, joint ventures, business partnerships, collaborations and business transformation opportunities which are in the interests of the Group (including but not limited to costs and expenses related to the Project)	4,180	80.69
General corporate and working capital purposes	1,000	19.31
Total	5,180	100.00

- 4.3. In relation to the net proceeds to be used for general corporate and working capital purposes, it is expected to include corporate administrative expenses, operating expenses and other payables of the Group's existing businesses. Pending the deployment of the net proceeds, the net proceeds may be deposited with banks and/or financial institutions and/or invested in short-term money market instruments and/or marketable securities, and/or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion but subject to the Subscription Agreement, deem fit in the interests of the Company.
- 4.4. The Company will make periodic announcements of utilisation of the net proceeds as and when the funds are materially disbursed and whether such use is in accordance with the stated use and percentage allocated. The Company will also provide a status report on the use of proceeds in the Company's interim and full year financial statements and the Company's annual report. Where there is material deviation from the stated use of the net proceeds, the Company will announce the reasons for such deviation. Where the proceeds have been used for general corporate and/or working capital purposes, the Company undertakes to provide a breakdown with specific details on the use of the proceeds in the announcements and annual reports. Where there is a material deviation in the use of the proceeds, the Company will announce the reasons for such deviation.

5. NO PROSPECTUS OR OFFER INFORMATION STATEMENT

The Proposed Subscription and the issuance and allotment of Subscription Shares will be made pursuant to the “safe harbour” exemptions under the SFA relating to offers of securities or securities-based derivatives contracts to an institutional investor, an accredited investor or a relevant person. As such, no prospectus or offer information statement will be issued by the Company in connection therewith.

6. ADDITIONAL LISTING APPLICATION

The Company's Sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”), will be submitting an application on behalf of the Company to the SGX-ST for the listing of and quotation for the Subscription Shares on the Catalist Board of SGX-ST. The Company will make the necessary announcements once the LQN for the listing of and quotation for the Subscription Shares is obtained from the SGX-ST.

7. FINANCIAL EFFECTS

7.1. Bases and assumptions

The *pro forma* financial effects of the Proposed Subscriptions on the consolidated net tangible assets (“NTA”) per Share, Share capital and loss per Share of the Group have been prepared for illustration purposes only and do not reflect the actual financial effects or the future financial performance and condition of the Group after completion of the Proposed Subscription.

For illustrative purposes only, the *pro forma* financial effects of the Proposed Subscription set out below were prepared based on the Group’s latest unaudited financial statements for the full year ended 31 December 2024 (“FY2024”) and subject to the following assumptions:

- (a) for purposes of computing the effect of the NTA per Share of the Group, it is assumed that the Proposed Subscription had been completed on 31 December 2024;
- (b) for purposes of computing the effect of the Proposed Subscription on the loss per Share, it is assumed that the Proposed Subscription was completed on 1 January 2024; and
- (c) the expenses incurred in connection with the Proposed Subscription amount to approximately S\$100,000.

7.2. Share capital

	Before the Proposed Subscription	After the Proposed Subscription
Issued Share capital (S\$'000)	12,950	18,130
Number of Shares	225,627,740	321,627,740

7.3. NTA per Share

	Before the Proposed Subscription	After the Proposed Subscription
NTA attributable to the owners of the Group (S\$'000)	4,415	9,595
Number of Shares	225,627,740	321,627,740
NTA per Share (cents)	1.96	2.98

7.4. Loss per Share

	Before the Proposed Subscription	After the Proposed Subscription
Loss attributable to the owners of the Group (S\$'000)	1,221	1,221
Weighted average number of issued Shares	155,966,716	251,966,716
Loss per Share (cents)	0.78	0.48

8. DIRECTORS' CONFIRMATION

The Directors are of the opinion that, after taking into consideration:

- (a) the Group's present bank facilities, the working capital available to the Group are sufficient to meet its present requirements and the Proposed Subscription is being undertaken for the purposes set out in paragraph 4 above; and

- (b) the Group's present bank facilities and the net proceeds of the Proposed Subscription, the working capital available to the Group is sufficient to meet its present requirements.

9. INTERESTS OF DIRECTORS, SUBSTANTIAL SHAREHOLDERS AND THE SUBSCRIBER

- 9.1. RHTLaw Asia LLP ("RHTLaw") was engaged as the Company's legal adviser in relation to the Proposed Subscription. Ms Ch'ng Li-Ling, the Company's independent Director, is a partner of RHTLaw and is not involved in the provision of legal services by RHTLaw to the Company in relation to the Proposed Subscription. The aggregate fees to be paid for the legal services provided by RHTLaw in relation to the Proposed Subscription was agreed with the Group on an arm's length basis and were based on normal commercial terms. Ms Ch'ng Li-Ling has not previously provided any legal services to the Group. Ms Ch'ng Li-Ling will abstain from and will not be involved in any decision of the Board in relation to any transactions or dealings with RHTLaw. Based on the foregoing, the Board (except for Ms Ch'ng Li-Ling who abstained from the deliberations) believes that the engagement of RHTLaw for the provision of legal services in relation to the Proposed Subscription would not interfere, or be reasonably perceived to interfere, with the exercise of Ms Ch'ng Li-Ling's independent business judgment as an independent Director with a view to the best interests of the Company.
- 9.2. Save as set out in paragraph 9.1 above, none of the Directors or substantial Shareholders or their respective associates have any interest, direct or indirect in the Proposed Subscription, other than in their capacity as Director or Shareholder.
- 9.3. For illustration purposes, the interests of the Directors, substantial Shareholders and the Subscriber in the share capital of the Company as at the date of this announcement and after the Proposed Subscription are set out below:

	As at the date of this announcement		After the Proposed Subscription	
	Number of Shares	Percentage (%) ⁽¹⁾	Number of Shares	Percentage (%) ⁽²⁾
Directors				
Sukhvinder Singh Chopra	-	-	-	-
Mohamed Gani Mohamed Ansari ⁽³⁾	119,174,651	52.82	119,174,651	37.05
Abuthahir S/O Abdul Gafoor	-	-	-	-
Ch'ng Li-Ling	-	-	-	-
Ong Kian Soon	263,350	0.12	263,350	0.08
Substantial Shareholders (other than Directors)				
Shitthi Nabesathul Bathuria D/O Abdul Hamid	119,174,651	52.82	119,174,651	37.05
Sivakumar Martin S/O Sivanesan	32,118,202	14.24	32,118,202	9.99
Perumal s/o Gopal	18,956,647	8.40	18,956,647	5.89
The Subscriber	-	-	96,000,000	29.85

Notes:

- (1) The percentage shareholding interest is computed based on the existing issued and paid-up share capital (excluding treasury shares) of the Company comprising of 225,627,740 Shares as at the date of this announcement.
- (2) The percentage shareholding interest upon completion of the allotment and issue of 96,000,000 Subscription Shares is computed based on the enlarged issued and paid-up share capital (excluding treasury shares) of the Company comprising of 321,627,740 Shares.
- (3) Mr Mohamed Gani Mohamed Ansari, the Executive Director and Chief Executive Officer of the Group, is deemed interested in Shares held by his spouse, Ms. Shitthi Nabesathul Bathuria D/O Abdul Hamid.

10. CIRCULAR TO SHAREHOLDERS

The Company will be seeking specific Shareholders' approval for the Proposed Subscription at the EGM to be convened in due course. The Company, in accordance with the Catalist Rules, will also seek specific Shareholders' approval for, *inter alia*, the issuance of Subscription Shares and the transfer of controlling interest to the Subscriber and Mr Yitzchak Babayov following the completion of the Proposed Subscription.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the matters stated herein, and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

12. TRADING CAUTION AND FURTHER ANNOUNCEMENTS

- 12.1. Shareholders and potential investors are advised to exercise caution in trading their Shares as there is no certainty or assurance as at the date of this announcement that the Proposed Subscription will proceed to completion. Shareholders are advised to read this announcement, and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, solicitors or other professional advisors if they have any doubts about the action they should take.
- 12.2. The Company will continue to keep Shareholders updated and make further announcement(s) as and when there are material developments in relation to the Proposed Subscription.

13. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Subscription Agreement is available for inspection by the Shareholders at the registered office of the Company at 3A Tuas South Street 15, Singapore 636845 during normal office hours for three (3) months from the date of this announcement.

BY ORDER OF THE BOARD SHANAYA LIMITED

Mohamed Gani Mohamed Ansari
Executive Director and Chief Executive Officer
28 February 2025

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). This announcement 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.

The contact person for the Sponsor is Mr. Shervyn Essex, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.