

SINJIA LAND LIMITED

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

ENTRY INTO SUBSCRIPTION AGREEMENT IN RELATION TO THE PROPOSED SUBSCRIPTION OF 207,072,685 NEW ORDINARY SHARES IN THE ISSUED AND PAID-UP SHARE CAPITAL OF SINJIA LAND LIMITED BY CERTAIN SUBSCRIBERS

1. INTRODUCTION

- 1.1 The Board of Directors (the “**Board**” or the “**Directors**”) of Sinjia Land Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce (this “**Announcement**”) that the Company had on 27 June 2024 entered into a subscription agreement (the “**Subscription Agreement**”) with Mr Guo Jiahui, Mr Jin Jixiang, Ms Xu Lihua and Ms Wang Ling-Jong (collectively, the “**Subscribers**”, each a “**Subscriber**”, and together with the Company, the “**Parties**”) under which the Company shall issue and allot 207,072,685 new ordinary shares in the issued share capital of the Company (the “**Subscription Shares**”) at an issue price of S\$0.013 per Subscription Share (the “**Issue Price**”), to raise gross proceeds of S\$2,691,945 (the “**Proposed Subscription**”), pursuant to the terms and subject to the conditions of the Subscription Agreement.
- 1.2 The Subscription Shares, when allotted and issued, shall be free from all claims, charges, liens and other encumbrances and shall rank *pari passu* in all respects with the then-existing ordinary shares in the issued share capital of the Company (“**Shares**”), except that the Subscription Shares will not rank for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Subscription Shares.
- 1.3 No placement agent has been appointed in connection with the Proposed Subscription. The Proposed Subscription will be undertaken pursuant to the private placement exemption under Section 272B of the Securities and Futures Act 2001 of Singapore. As such, no prospectus or offer information statement will be issued by the Company in connection with the Proposed Subscription.

2. THE PROPOSED SUBSCRIPTION

- 2.1 The Issue Price represents a discount of approximately 13.33% to the volume-weighted average price of S\$0.015 per Share (“**VWAP**”) for trades done on the SGX-ST on 27 June 2024, being the full market day on which the Subscription Agreement is signed.
- 2.2 As at the date of this Announcement, the Company has an issued and paid-up share capital (excluding treasury shares and subsidiary holdings) of 207,072,685 Shares. The Subscription Shares represent approximately 50% of the enlarged issued share capital of the Company immediately after the completion of the Proposed Subscription. Rule 803 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalyst (the “**Catalist Rules**”) states that an issuer must not issue securities to transfer a controlling interest without prior approval of shareholders in a general meeting.
- 2.3 In addition, pursuant to Section 161 of the Companies Act 1967 of Singapore and Rule 805(1) of the Catalist Rules, the issue and allotment of the Subscription Shares is subject to approval of the shareholders of the Company (the “**Shareholders**”).

- 2.4 The Company will be seeking specific approval of its Shareholders for the issue and allotment of the Subscription Shares at an extraordinary general meeting of the Company (the “**EGM**”) to be convened. In connection with the Proposed Subscription, the Company also intends to:
- (a) diversify its business and expand its core business to include the business of financial services and operational support services;
 - (b) change of name of the Company from “Sinjia Land Limited” to a name to be determined and agreed between the Parties; and
 - (c) transfer a controlling interest in the Company to Mr Guo Jiahui,

(collectively, the “**Proposed Transactions**”). The Proposed Transactions will be conditional upon, *inter alia*, specific approval from the Shareholders at the EGM to be convened. A circular will be despatched to Shareholders in due course for the purpose of seeking Shareholders’ approval for the Proposed Transactions.

3. INFORMATION ON THE SUBSCRIBERS

The information on the Subscribers in this Announcement was provided by the Subscribers. In respect of such information, the Company and its Directors have not independently verified the accuracy and correctness of the same and the Company’s responsibility is limited to the proper extraction and reproduction herein in the context that the information is being disclosed in this Announcement.

- 3.1 The Subscribers are businessmen or businesswomen.
- 3.2 The Subscribers have acknowledged and confirmed that as at the date of this Announcement, (a) they are not co-operating pursuant to an agreement or undertaking (whether formal or informal) with any persons to obtain or consolidate effective control of the Company; (b) they are subscribing for the Subscription Shares for his or her own account for investment purposes and will not be holding the Subscription Shares in trust or as a nominee for other persons; (c) they are independent third parties who are unrelated to the Directors and substantial shareholders of the Company; and (d) the Subscribers and their associates do not hold, directly or indirectly, any Shares or any instruments convertible into, rights to subscribe for and options in respect of Shares.
- 3.3 Save in relation to the Proposed Subscription, the Subscribers confirm that they do not have any connection (including business relationship) with the Company, the Directors and/or the substantial shareholders of the Company and they do not fall within any of the categories of persons whom the Company is prohibited from issuing Shares to, as provided for by Rule 812 of the Catalist Rules.
- 3.4 The Subscribers were introduced to the Company by Mr. Jerry Chua, Chief Executive Officer of Evolve Capital Advisory Private Limited (the “**Sponsor**”). Mr. Jerry Chua does not have any business relationship with the Subscribers and no introduction fees will be paid for such introduction.

4. THE PROPOSED SUBSCRIPTION

4.1 The Proposed Subscription and the Deposit

Under the Subscription Agreement, the Company has agreed to allot and issue, and each Subscriber has agreed to subscribe for, the number of Subscription Shares and for the corresponding consideration set out below:

Name of Subscriber	Number of Subscription Shares	Aggregate Consideration (S\$)	Total Shareholding percentage in the Company (on a fully-diluted basis) (%)
Mr Guo Jiahui	117,072,685	1,521,945	28.27
Mr Jin Jixiang	50,000,000	650,000	12.07
Ms Xu Lihua	20,000,000	260,000	4.83
Ms Wang Ling-Jong	20,000,000	260,000	4.83
Total	207,072,685	2,691,945	50.00

Pursuant to the terms of the Subscription Agreement, the Subscribers will be required to jointly provide a good faith deposit of S\$500,000 to the Company (the “**Deposit**”) within a period of 14 days of the date of the Subscription Agreement, or such later date as the Parties may mutually agree. The Deposit shall be non-refundable, save where the SGX-ST does not approve of the Proposed Subscription, or the Proposed Subscription is not approved at the EGM of the Company to be convened.

4.2 Conditions Precedent

The Parties’ obligations to complete the Proposed Subscription is conditional upon the satisfaction (or waiver) of the following conditions on or prior to the date on which the Conditions Precedent (as defined below) are fulfilled (the “**Closing Date**”):

- (a) the receipt of the listing and quotation notice from the SGX-ST (the “**LQN**”) for the listing of and quotation for the Subscription Shares on the Catalist Board of the SGX-ST (the “**Catalist Board**”) (on conditions reasonably acceptable to the Parties, and to the extent that any conditions for the listing of and quotation for such Subscription Shares on the Catalist Board are required to be fulfilled on or before the Closing Date, they being so fulfilled) having been obtained and such approval being in full force and effect as at the Closing Date;
- (b) the Company and the Subscribers executing all documents or instruments as may be deemed necessary or desirable by the SGX-ST and/or the Sponsor in view of the Catalist Rules and all applicable laws;
- (c) the finalisation and procurement of the issuance of the circular to the Company’s

shareholders for the approval of the Proposed Transactions at the EGM to be convened, in compliance with the Catalist Rules and all applicable laws, regulations and listing rules;

- (d) Shareholders' approval for the Proposed Transactions being obtained at the EGM to be convened;
- (e) the Deposit being paid and received by the Company in accordance with the Subscription Agreement;
- (f) the delivery of all relevant information and documents required in the Subscription Agreement to the Company;
- (g) the issue and subscription of the Subscription Shares on the Issue Date (as defined below) not being prohibited by its constitutive documents, any statute, order, rule or regulation promulgated after the date of the Subscription Agreement by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company;
- (h) no Party having received notice of any claim, injunction, order or notice restraining or prohibiting the entering into or the consummation of the transactions contemplated by the Subscription Agreement or seeking damages or other recourse in respect thereof, or notice that any of the foregoing is pending or threatened;
- (i) all the representations and warranties of each of the Parties set out in the Subscription Agreement being true and accurate in all material respects as of the date of the Subscription Agreement and as at the Issue Date;
- (j) each Party complying with all of its obligations under the Subscription Agreement; and
- (k) there being no events or circumstances occurring that has a material adverse effect or any event, development or state of facts that is reasonably likely to result in a material adverse effect on or before completion of the Proposed Subscription.

(collectively, the "**Conditions Precedent**" and each, a "**Condition Precedent**").

4.3 **Completion**

Completion of the Proposed Subscription shall take place on a date falling no later than two (2) market days after fulfilment of all the Conditions Precedent (the "**Issue Date**"), at a time and place to be agreed between the Parties.

4.4 **Additional Listing Application**

The Company will be submitting an additional listing application, through its Sponsor, to the SGX-ST for permission to deal in and for quotation of the Subscription Shares on the Catalist Board. The Company will make the necessary announcements once the LQN for the additional listing application has been obtained from the SGX-ST.

5. **FINANCIAL EFFECTS OF THE PROPOSED SUBSCRIPTION**

- 5.1 The financial effects of the Proposed Subscription on the Group as set out below are for illustrative purposes only and do not purport to be indicative or a projection of the future financial

performance and financial position of the Group after the completion of the Proposed Subscription.

The financial effects of the Proposed Subscription on the Group have been computed based on the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2023 (“**FY2023**”) and the following bases and assumptions:

- (a) the financial effect on the consolidated net tangible assets (“**NTA**”) per Share is computed based on the assumption that the Proposed Subscription was completed on 31 December 2023;
- (b) the financial effect on the consolidated loss per Share (“**LPS**”) is computed based on the assumption that the Proposed Subscription was completed on 1 January 2023;
- (c) it is assumed that there is no return earned from the Net Proceeds (as defined below); and
- (d) the costs and expenses in respect of the Proposed Subscription are assumed to be S\$200,000.

5.2 NTA per Share

NTA	Before the Proposed Subscription	After the Proposed Subscription
NTA of the Group as at 31 December 2023 (S\$'000)	1,779	4,271
Number of issued shares (excluding treasury shares)	207,072,685	414,145,370
NTA per Share as at 31 December 2023 (S\$ cents)	0.86	1.03

5.3 LPS of the Group

LPS	Before the Proposed Subscription	After the Proposed Subscription
Loss attributable to equity holders of the Company for FY2023 (S\$'000)	1,497	1,697
Number of issued shares ('000)	207,072,685	414,145,370
LPS for FY2023 – Basic (S\$ cents)	0.72	0.41

5.4 Share capital of the Company

The effect of the Proposed Transactions on the share capital of the Company are summarised below.

Share capital	Before the Proposed Transactions	After the Proposed Transactions
Number of issued and paid-up Shares of the Company (excluding treasury Shares) ('000)	207,073	414,145
Share capital of the Company (S\$'000)	27,559	30,251

6. RATIONALE AND USE OF PROCEEDS

6.1 Rationale for the Proposed Subscription

The Company is undertaking the Proposed Subscription to raise funds and strengthen its financial and liquidity position. The Proposed Subscription will improve the cash flows of the Company to meet its general working capital requirements and also to explore strategic opportunities in new businesses.

6.2 Use of net proceeds from the Proposed Subscription

The net proceeds from the Proposed Subscription (after deducting estimated expenses of approximately S\$200,000) will amount to approximately S\$2,491,945 (the "Net Proceeds") and will be utilised by the Company for general working capital purposes and also to explore strategic opportunities in new businesses in the following estimated proportions:

Use of Proceeds	Percentage Allocation (%)	Amount of the Net Proceeds (S\$)
Working capital purposes mainly comprising: (i) Manpower costs; (ii) professional fees such as compliance costs and continuing listing expenses; and (iii) administrative and head office expenses	60.0	1,491,945
Funding growth, development and expansion of the current business and exploration of new business opportunities as and when they arise	40.0	1,000,000
Total	100.0	2,491,945

Pending the utilisation of the Net Proceeds as outlined above, the Net Proceeds may be deposited in financial institutions or be used for working capital or any other purpose on a short-term basis as the Directors may deem fit in the interests of the Group, taking into account the Company's working capital position.

The Company will make periodic announcements as and when the Net Proceeds are materially disbursed and whether the disbursements are in accordance with the use of proceeds as stated in this Announcement. The Company will also provide a status report on the use of such Net

Proceeds in the Company's annual report. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation. The Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the Company's announcements and annual report.

7. OPINION OF THE DIRECTORS

The Directors are of the opinion that, after taking into consideration the Group's present bank facilities, the Group's internal resources and operating cashflows as at the date of this Announcement, the working capital available to the Group is sufficient to meet its present requirements, regardless of whether the Proposed Subscription is completed and the Net Proceeds received by the Company.

The Directors are of the opinion that, after taking into consideration the Group's present bank facilities as at the date of this Announcement and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

8. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors, substantial Shareholders or their respective associates has any interest, direct or indirect, in the Proposed Subscription, save for their interests (if any) by way of their shareholdings and/or directorships, as the case may be, in the Company.

9. FURTHER ANNOUNCEMENTS AND CIRCULAR TO SHAREHOLDERS

The Company will make the appropriate announcements as and when there are material developments on the Proposed Subscription.

The Company will also be seeking specific approval of Shareholders of the Company for the Proposed Transactions at an EGM and a circular in relation thereto will be despatched to Shareholders in due course.

10. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the Subscription Agreement is available for inspection during normal business hours at 16 Kallang Place #01-16 Singapore 339156, for a period of three (3) months commencing from the date of this Announcement.

11. CAUTION IN TRADING

Shareholders and potential investors are advised to exercise caution in trading their Shares. The Proposed Subscription is subject to certain conditions and due diligence. There is no certainty or assurance as at the date of this Announcement that the Proposed Subscription will be completed, or that no changes will be made to the terms thereof. Accordingly, Shareholders and potential investors are advised to read this Announcement and any further announcements by the Company carefully, and exercise caution before making any decision in respect of their dealings in the Shares of the Company. Shareholders and potential investors should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any

doubt about the actions they should take.

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Company 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 Proposed Subscription, 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.

The Subscribers collectively and individually accept full responsibility for the accuracy of the information given in this Announcement in respect of the Subscribers, and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed by them in this Announcement in respect of the Subscribers are fair and accurate in all material respects as at the date hereof, and the Subscribers are not aware of any material facts in respect of the Subscribers the omission of which would make any statement in respect of the Subscribers in this Announcement misleading. Where information in the circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Subscribers have been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the circular in its proper form and context.

BY ORDER OF THE BOARD

Cheong Weixiong
Executive Director and Group Chief Executive Officer
27 June 2024

This Announcement has been reviewed by the Company's Sponsor, Evolve Capital Advisory Private Limited (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, #13-02 Oxley Tower, Singapore 068906, Telephone number: 6241 6626.