

**NON-BINDING TERM SHEET IN RELATION TO THE PROPOSED ACQUISITION OF THE ENTIRE
ISSUED AND PAID-UP SHARE CAPITAL OF BINEX SINGAPORE (PTE. LTD.)**

1. INTRODUCTION

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 has on 19 November 2021 entered into a non-binding term sheet (“**Term Sheet**”) with BINEX Inc. (“**BJN**”), a company incorporated in Japan (BJN and together with the Company, the “**Parties**” and each a “**Party**”) in relation to the proposed acquisition of the entire issued and paid-up share capital of BINEX Singapore (Pte. Ltd.), a company incorporated in the Republic of Singapore (“**BSG**” or the “**Target**”, and together with its subsidiaries (if any), the “**Target Companies**”) and a subsidiary of BJN by the Company (hereinafter referred to as the “**Proposed Acquisition**”).

The Proposed Acquisition, if undertaken and completed, is expected to result in a reverse takeover (“**RTO**”) of the Company as defined under Chapter 10 of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and is subject to, *inter alia*, the approval of shareholders of the Company (the “**Shareholders**”) at an extraordinary general meeting to be convened and the approval of the SGX-ST.

The Term Sheet is not intended to be legally binding between the Parties, except for certain provisions relating to (i) representations and warranties, (ii) costs and expenses and (iii) confidentiality. As such, the Proposed Acquisition remains subject to the entry into the subsequent definitive agreement for the Proposed Acquisition after negotiations between the Parties. The Company will make further announcements as and when there are material updates to the Proposed Acquisition, including the entry into a definitive agreement.

2. INFORMATION ON THE TARGET

The information in this section relating to BSG and BJN is based on information provided by and/or representations made by BJN. The Directors have not conducted an independent review or verification of the accuracy of the statements and information below. The sole responsibility of the Company and the Directors in this regard has been limited to ensuring that such information has been properly extracted and reproduced in the context that the information has been disclosed in this Announcement.

BSG was incorporated on 9 September 2021 and have commenced operation as at the date of this announcement. It is in the business of the following: (i) cultivation, harvesting and selling of sorghum; (ii) production, sales and licensing of biomethanol from sorghum; (iii) production, sales and licensing of bio-pellets from sorghum; (iv) acquisition, purchase and sale of carbon credits derived from the absorption of carbon dioxide by sorghum; and (v) other ancillary businesses related to the aforementioned. Its directors are Andrew Au, Mitsunori Hiramoto and Hiromichi Aoki. As at the date of this Announcement, BSG has an issued and paid-up capital of S\$7.5, comprising 525,000 fully paid-up ordinary shares and will increase the paid-up capital to S\$1.0 million by end of November 2021. The majority shareholder of BSG is BJN, with a shareholding of approximately 76.19%. The other

shareholders of BSG are 3DOM Inc. (holding approximately 9.52%), Biomass Energy Corporation (holding approximately 4.76%), Mebius Co., Ltd. (holding approximately 4.76%) and Future Science Research Inc. (holding approximately 4.76%). The largest beneficial owner of BSG is 3DOM Inc. which holds approximately 55.24%. The other beneficial owners of BSG are Biomass Energy Corporation (holding approximately 27.62%), Mebius Co., Ltd. (holding approximately 8.57%) and Future Science Research Inc. (holding approximately 8.57%).

BJN was established on 31 May 2021 to address food, environmental and energy issues, and to construct a value chain for biomethanol. As at the date of this Announcement, the shareholders of BJN are 3DOM Inc. (holding 60%), Biomass Energy Corporation (holding 30%), Mebius Co., Ltd. (holding 5%) and Future Science Research Inc. (holding 5%). The Representative Director of BJN is Hiromichi Aoki, who is also the Executive Vice President of 3DOM Inc.

As at the date of this Announcement, the Company has not been provided with any financial information on BSG. As such, the Company is unable to disclose any further financial information under Chapter 10 of the Catalist Rules including the financial effects and relative figures in respect of the Proposed Acquisition. Such information will be announced if and when a definitive agreement is entered into in respect of the Proposed Acquisition. In connection with the Proposed Acquisition, the Company and the Board will be carrying out the necessary due diligence on the Target with the [assistance from professionals.

To the best knowledge of the Company, BJN and its directors and shareholders do not hold any shares in the Company or have had any previous business, commercial, trade dealings with the Company, and its Directors or substantial Shareholders.

3. RATIONALE FOR THE PROPOSED ACQUISITION

To enhance shareholder value, the Company has been seeking an appropriate business to be injected into the Group. The Company is of the view that the Proposed Acquisition will place the Company in a position to expand into new business areas and grow revenues, both of which will help enhance shareholder value.

4. PRINCIPAL TERMS OF THE TERM SHEET

The following are the material terms of the Term Sheet and save as disclosed there are no further material conditions attaching to the Proposed Acquisition.

4.1 Indicative Acquisition Consideration

The Company is to acquire the entire issued and paid-up share capital of BSG for 80% of the valuation of BSG conducted by an independent qualified valuer (to be appointed by the Company), which shall not be lower than S\$2.0 billion (the "**Indicative Consideration**"). The acquisition consideration will be paid via the issuance of the Company's shares (the "**Consideration Shares**") at a pre-consolidation issue price of S\$0.35 per share (which is a premium of approximately 108% over S\$0.168 as at the closing price on 19 November 2021, which was the closing price per share prior to the execution of the Term Sheet). BJN will become the largest shareholder of the Company upon the completion of the Proposed Acquisition. The Parties agree to adjust the acquisition consideration if required so as to allow a compliance placement to take place concurrently at the same issue price per share. Based on the Indicative Consideration, the number of

Consideration Shares to be issued is 5,714,285,714 (rounded down to the nearest whole number), which will amount to approximately 96.99% of the enlarged share capital of the Company based on the current number of issued and paid-up shares.

4.2 Funding for the Proposed Acquisition

The Parties agree that all fees, costs and expenses incurred in relation to the Proposed Acquisition will be borne by the Company.

4.3 Conditions Precedent

Completion of the Proposed Acquisition will be subject to the satisfaction (or waiver) of customary conditions precedent for a transaction of this nature, including, amongst others:

- (i) the completion of financial, legal, operational and any other due diligence exercise on the Target Companies by the Company, and the results of such due diligence exercise being reasonably satisfactory to the Company;
- (ii) the appointment of the independent valuer being satisfactory to the SGX-ST and the full sponsor to be appointed for the Proposed Acquisition;
- (iii) the findings and methodology presented in the valuation report to be issued by the appointed independent valuer being satisfactory to the Company, the full sponsor to be appointed and the SGX-ST;
- (iv) Shareholders' approval being obtained by the Company for all resolutions required to approve, implement and/or effect the proposed transactions contemplated under the definitive agreement, including in respect of:
 - (a) the issuance of the Consideration Shares (the "**Proposed Share Issuance**");
 - (b) the transfer of a controlling interest in the Company to BJN arising from the Proposed Share Issuance;
 - (c) the proposed resolution which if passed would result in a waiver by the independent shareholders of their right to receive a mandatory general offer from BJN and/or parties acting in concert with it in connection with the Proposed Share Issuance (the "**Proposed Whitewash Resolution**");
 - (d) the proposed consolidation of the Shares of the Company, prior to the Proposed Share Issuance, to comply with the Catalist Rules; and
 - (e) the appointment of individuals nominated by BJN to serve as directors of the Company post-completion;
- (v) approval in-principle for the listing and quotation of the Consideration on the Catalist Board of the SGX-ST being obtained by the Company, and such approval being valid and in full force and effect as at completion of the Proposed Acquisition; and
- (vi) waiver being obtained by BJN and parties acting in concert from the Securities Industry Council of Singapore in respect of the obligation to make a mandatory general offer arising from the Proposed Share Issuance, and such waiver being valid and in full force and effect as at the completion date of the Proposed Acquisition.

4.4 Long-Stop Date

The proposed long-stop date for completion of the Proposed Acquisition and any other transaction contemplated under the Term Sheet shall be 31 July 2022 or such other date as mutually agreed in writing between the Parties, or such date falling three (3) months from the date on which the Proposed Whitewash Resolution is approved, whichever is earlier.

4.5 Governing Law and Jurisdiction

The Term Sheet shall be governed by and construed in accordance with the laws of the Republic of Singapore. The jurisdiction for determining any claim, dispute concerning the Term Sheet and any matter arising therefrom is the courts of Singapore on an exclusive basis.

Save as disclosed above, there is no other material conditions attaching to the Proposed Acquisition including a put, call or other option

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or, as far as the Directors are aware, controlling Shareholders have any interest, direct or indirect, in the Proposed Acquisition or any other transaction contemplated under the Term Sheet (other than in his capacity as a director or Shareholder).

6. FURTHER ANNOUNCEMENTS

The Company will make further announcements, in compliance with the requirements of Chapter 10 of the Catalist Rules, upon the execution of the definitive agreement and/or when there are material developments in respect of the Proposed Acquisition or any other transaction contemplated under the Term Sheet, as well as seek the approval of Shareholders where required.

7. 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 of the Term Sheet and the Proposed Acquisition, 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 (including information relating to BSG and BJN) 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.

8. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when trading in the shares of the Company as the Term Sheet is non-binding in nature. There is no assurance or certainty that any definitive agreement will be eventually entered into on the same terms set out herein and/or that such agreements, having been entered into and being subject to certain conditions, will be completed. In the event of any doubt as

to the action they should take, Shareholders and potential investors should consult their stock brokers, bank managers, solicitors, or other professional advisers.

By Order of the Board

Cheong Weixiong
Executive Director and Group Chief Executive Officer
19 November 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.*

The contact person for the Sponsor is Mr. Liao H.K., at 160 Robinson Road, #21-05 SBF Center, Singapore 068914, Telephone number: 6221 0271