

SINJIA LAND LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200402180C)

**PROPOSED PLACEMENT OF UP TO 30,000,000 NEW ORDINARY SHARES IN THE
CAPITAL OF COMPANY AT THE PLACEMENT PRICE OF S\$0.082 PER PLACEMENT SHARE**

1. INTRODUCTION

The board of directors (“**Board**” or “**Directors**”) of Sinjia Land Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 11 May 2022 entered into a placement agreement (“**Placement Agreement**”) with KGI Securities (Singapore) Pte. Ltd. as the placement agent (“**Placement Agent**”).

Pursuant to the Placement Agreement, the Company has agreed to offer, by way of placement, and the Placement Agent has agreed to procure subscriptions on a best endeavours basis for up to an aggregate of 30,000,000 new ordinary shares in the capital of the Company (“**Placement Shares**”) at an issue price of S\$0.082 for each Placement Share (“**Placement Price**”), amounting to an aggregate consideration of up to S\$2,460,000 (“**Proposed Placement**”).

The Proposed Placement will not be underwritten by the Placement Agent. The Proposed Placement will be undertaken by way of an exempt offering in Singapore in accordance with Section 272B(1), 274 and/or 275 of the Securities and Futures Act 2001, Rev Ed 2020 (“**SFA**”). Accordingly, no prospectus, offer document or offer information statement will be issued by the Company in connection with the Proposed Placement.

2. THE PROPOSED PLACEMENT

2.1 Placement Price

The Placement Price was arrived at pursuant to discussions with the Placement Agent, taking into account, among others, the prevailing market price of the ordinary shares of the Company (“**Shares**”) and represents a discount of approximately 9.89% to the volume weighted average price of S\$0.091 per Share for trades done on the Shares on the SGX-ST for the full market day prior to the Placement Agreement was signed and the last day trade done on the Shares on the SGX-ST before trading was being halted after lunch on 11 May 2022, which the day the Placement Agreement was signed.

2.2 Placement Shares

The Placement Shares represent approximately 16.94% of the existing issued and paid-up share capital of the Company comprising 177,072,685 Shares as at the date of this announcement (excluding treasury shares) and will represent approximately 14.49% of the enlarged issued and paid-up share capital of the Company (excluding treasury shares) of 207,072,685 Shares.

The Placement Shares will be issued free from all claims, pledges, mortgages, charges, liens and encumbrances, and shall rank *pari passu* with the existing Shares and carry all rights similar to the existing Shares at the time of the issues, except that the Placement Shares will not rank for any dividends, rights, allotments or other distributions, the record date for which falls on or before the date of the issue of the Placement Shares.

The Placement Shares will not be placed to any person who is a director or a substantial shareholder of the Company as at the date of this announcement, an interested person as defined in Chapter 9 of the Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) or any other person in the categories set out in Rule 812(1) of the Catalist Rules, unless such subscription is otherwise agreed to by the SGX-ST.

The Proposed Placement will not result in any transfer of controlling interest in the Company.

2.3 Authority to issue the Placement Shares

The Company will be relying on the existing general share issue mandate approved by the Shareholders of the Company by way of an ordinary resolution at the annual general meeting of the Company held on 25 April 2022. As at the date of approval of the general share issue mandate, 177,072,685 Shares may be issued under the general share issue mandate. As at the date of this announcement, no shares had been issued pursuant to the general share issue mandate approved. Accordingly, 177,072,685 Shares may be issued, of which the maximum number of shares that can be issued other than on pro-rata basis is 88,536,342 Shares. Therefore, the 30,000,000 Placement Shares falls within the limits of existing general share issue mandate.

2.4 Additional Listing Application

The Company will be applying to the SGX-ST for the dealing in, listing and quotation for the Placement Shares on the Catalist board of the SGX-ST, the sponsor supervised board of the SGX-ST (“**Catalist**”) and will make the necessary announcement upon receipt of the listing and quotation notice from the SGX-ST.

3. SALIENT TERMS OF THE PLACEMENT AGREEMENT

3.1 Placement Commission

Pursuant to the Placement Agreement, in consideration for the Placement Agent procuring subscribers on a best endeavours basis for the Placement Shares, the Company shall pay to the Placement Agent, a placement commission of 6.0% of the Placement Price for each Placement Share which the Placement Agent has procured subscribers for as at the Completion Date (as defined below) (such Placement Share, a “**Placed Share**”). No part of the placement commission will be shared with or payable to any placee.

3.2 Placement Completion

Subject to the terms and conditions of the Placement Agreement, completion of the Proposed Placement shall take place:

- (a) no later than three (3) market days after (i) the date on which the SGX-ST grants its in-principle approval for the listing and quotation of the Placement Shares on the Catalist of the Official List of the SGX-ST, or (ii) where in-principle approval for the listing and quotation of the Placement Shares is only obtained after 11.00 am, the first market day after the date such in-principle approval is obtained; or
- (b) on such other date as the Company and the Placement Agent may mutually agree (such date, “**Completion Date**”).

3.3 Conditions precedent

Completion pursuant to the Placement Agreement is conditional upon, inter alia, the

following conditions.

- (a) in-principle approval for the Additional Listing Application having been obtained from the SGX-ST and not having been revoked or amended, and where such approval is subject to conditions, and to the extent that any such conditions for the listing and quotation of the Placement Shares on the Catalist board of the SGX-ST are required to be fulfilled on or before Completion Date, they are so fulfilled unless otherwise waived by the SGX-ST;
- (b) the exemption under Section 272B(1), 274 and/or 275 (as applicable) of the SFA being applicable to the Proposed Placement under the Placement Agreement;
- (c) the allotment, issue and subscription of the Placement Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company or the Placement Agent;
- (d) since the date of the Placement Agreement, there not having occurred, in the reasonable opinion of the Placement Agent, any material adverse change, or any development reasonably likely to involve a prospective materially adverse change, whether or not arising from transactions in the ordinary course of business, which is or is reasonably likely to be materially adverse in the context of the Proposed Placement or is reasonably likely to prejudice materially the success of the Proposed Placement or dealings in the Placement Shares in the secondary market;
- (e) the representations and warranties of the Company under the Placement Agreement remaining true and correct in all material respects as at the Completion Date, and the Company having complied with its undertakings under the Placement Agreement and performed all of its obligations thereunder to be performed on or before the Completion Date;
- (f) the delivery to the Placement Agent on Completion Date, of a completion certificate, substantially in the form set out in the Placement Agreement, signed on behalf of the Company by its duly authorized officers; and
- (g) the approval of the Directors and shareholders of the Company (where necessary) being obtained in respect of the transactions contemplated by the Placement Agreement including but not limited to the issue and allotment of the Placement Shares, and the same not having been withdrawn or revoked and it such consents or approvals are obtained subject to any conditions, such conditions being acceptable to the parties hereto and fulfilled.

The Placement agent may, and upon such terms as it thinks fit, waive compliance with any of the conditions contained in the Placement Agreement and any condition so waived shall be deemed to have been satisfied provided always that any such waiver as aforesaid shall be without prejudice to its right to elect to treat any further or other breach, failure or event as releasing and discharging it from its obligations under the Placement Agreement.

If any of the conditions is not satisfied and/or waived (as the case may be) on or before the date falling four weeks after the date of the Placement Agreement (or such other date as the Company and Placement Agent may mutually agree), the Placement Agreement shall terminate and shall be of no further effect and neither the Company nor the Placement Agent shall be under any liability to the other in respect of the Placement Agreement, save that the Company shall remain liable: (i) for any liability that has accrued under the for indemnity provided by the Company under the Placement Agreement; and (ii) for the reimbursement of costs and expenses reasonably incurred by the Placement

Agent in respect of the Placement and in accordance with the terms of the Placement Agreement, in each case up to the date of such termination.

4. RATIONALE OF THE PROPOSED PLACEMENT AND USE OF PROCEEDS

4.1 Rationale

The Company is undertaking the Proposed Placement to raise funds and strengthen its financial and liquidity position. The Proposed Placement will improve the cash flows of the Company to meet its general working capital requirement.

In accordance with Rule 810 (1) of the Catalist Rules, the Directors are of the opinion that after taking into consideration:

- (a) the Group's present banking facilities, the working capital available to the Group is sufficient to meet its present requirements; and
- (b) the Group's present bank facilities and the net proceeds, the working capital available to the Group is sufficient to meet its current requirements.

4.2 Use of proceeds

The estimated net proceeds to be raised from the Proposed Placement, after deducting estimated fees and expenses (including listing and application fees, the commission payable to Placement Agent, professional fees and other miscellaneous expenses of approximately S\$180,000), is approximately S\$2,280,000 ("**Net Proceeds**").

The Company intends to use the Net Proceeds in the following estimated proportions.

Use of Net Proceeds	Amount (S\$'000)	As a percentage of Net Proceeds
General working capital purposes	2,280	100%
Total	2,280	100%

Pending the deployment of the Net Proceeds, such proceeds may be placed as short-term deposits with financial institutions and/or invested in short term money markets or debt instruments or for any other purposes on a short-term basis as the Directors may in their absolute discretion deem fit, from time to time.

Pursuant to Rule 704(30) and Rule 1204(22) of the Catalist Rules, the Company will make periodic announcements on the utilization of the Net Proceeds as and when the Net Proceeds are materially disbursed or utilized, and whether such use is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the use of the Net Proceeds in the Company's interim and full year financial statements and the annual report of the Company. The Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the announcements and the status report. Where there is any material deviation from the stated use of Net Proceeds, the Company will announce the reasons for such deviation.

5. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

5.1 The pro forma financial effects of the Placement are presented solely for illustrative purposes and are not intended to be indicative or reflective of the actual future financial situation of the Company and the Group after the completion of the Placement.

The pro forma financial effects of the Placement have been computed based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2021 (“FY2021”). The financial effects of the Placement are based on the following assumptions:

- (i) the financial effect on the consolidated net asset value (“NAV”) per Share is computed based on the assumption that the Placement was completed on 31 December 2021;
- (ii) the financial effect on the loss per share (“LPS”) is computed based on the assumption that the Placement was completed on 1 January 2022; and
- (iii) the expenses incurred in connection with the Proposed Placement amounted to approximately S\$180,000.

Net Assets Value (“NAV”)

	Before Placement	After Placement
NAV of the Group (S\$’000)	2,704	4,984
Number of Shares (excluding treasury Shares)	177,072,685	207,072,685
NAV per Share (S\$ cents)	1.53	2.41

Loss per Share (“LPS”)

	Before Placement	After Placement
Loss after tax attributable to equity holders of the Company (S\$’000)	(1,974)	(2,154)
Number of Shares	177,072,685	207,072,685
Consolidated EPS (S\$ cents)	(1.11)	(1.04)

5.2 The financial effects of the Placement on the Group are for illustrative purposes only and are, therefore, not indicative of the actual financial performance or position of the Group after the completion of the Placement.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors and their respective associates, and to the best of the Directors’ knowledge, none of the substantial shareholders of the Company, as well as their respective associates, has any interest, whether direct or indirect, in the Placement (other than arising from their shareholdings in the Company, if any).

7. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the subscription agreement is available for inspection during normal business hours

at the Company's registered office at 16 Kallang Place, #01-16, Singapore 339156, for a period of three (3) months commencing from the date of this Announcement.

Pursuant to the relevant health and safety measures imposed in respect of the COVID-19 pandemic, all Shareholders are to register their intention to inspect said document at least five (5) business days before the date of their appointment, via the Company's email address sinjia@sinjl.com. The Company shall be entitled to reject requests for inspection as it deems necessary to comply with the relevant laws and regulations relating to the COVID-19 pandemic.

8. 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 Proposed Placement, 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 the 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 the announcement in its proper form and context.

By Order of the Board

Cheong Weixiong
Executive Director and Group Chief Executive Officer
11 May 2022

Important Notice:

Notification under Section 309B of the Securities and Future Act, Chapter 289 of Singapore: The Placement Shares are "prescribed capital markets products" (as defined in the Securities and Futures (Capital market Products) Regulations 2018) and "Excluded Investment Products" (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

*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 document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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