

POWER GENERATION SYSTEM LEASE AGREEMENT

1. INTRODUCTION

The Board of Directors of Sinjia Land Limited (the “**Company**”) wishes to announce that the Company has entered into a lease agreement dated 01 August 2014 (the “**Agreement**”) with Tembusu Industries Pte Ltd (“**Tembusu**”), pursuant to which the Company shall invest approximately US\$1.86 million to acquire and install a power generation system in Myanmar (the “**PGS**”) which, subject to the terms of the Agreement, shall be leased to Tembusu for a period of 10 years and automatically transferred to Tembusu thereafter (the “**Transaction**”).

2. DESCRIPTION OF THE POWER GENERATION SYSTEM (“PGS”)

The PGS is a diesel power generation system with a total nameplate capacity of 6MW, along with automatic transfer switch, transformers and associated cables.

3. INFORMATION ON TEMBUSU

Tembusu Industries Pte Ltd (Company Registration No. 201302237K), a private limited company incorporated under the Laws of Singapore (hereinafter called “**Tembusu**”), with its registered address at 420 North Bridge Road, 05-02, Singapore 188727. Tembusu is in the business of designing, engineering, project management, operation/maintenance of power and utility plants, with expertise in conventional and renewable energy technologies.

Tembusu is one of the leaders in the low carbon energy industry in Asia, involved in the design and supply of electricity, natural gas, chilled water and other utilities for large manufacturing plants, industrial parks and municipalities throughout the region. Its founder Pete Tin has undertaken energy and utility plant projects, including green-field projects, since 2004. Such references included the design of a 40,000 RTh district cooling plant at Singapore’s Biopolis; the design of a 55,000 RTh plant at Malaysia’s Putra Jaya; development of 8 MW and 5 MW co-generation plant in Singapore and project management of a 180 MW power plant for a cement plant in Myanmar, as well as the supply of temporary power solution for the 2013 South East Asia Games in Myanmar.

Mr Tin Muang Kyin (“Pete Tin”) is the founder and majority shareholder of Tembusu. Pete Tin was formerly from Myanmar and is a Singapore citizen. Pete is a trained engineer specializing in power and district utilities business with over 20 years of experiences in leading Multinational firms from Europe and Asia. He was also the founder, Managing Director and developer of several embedded co-generation plants in Singapore.

4. PRINCIPAL TERMS OF THE LEASE AGREEMENT

4.1 Investment Amount

The Company's total investment amount in the PGS is approximately US\$1.86 million, which shall be leased to Tembusu at agreed lease rates payable on a monthly basis.

4.2 Lease Period

The commencement date of the Agreement shall be the date of handing over of the PGS from the Company to the Tembusu after the completion of testing and commissioning, and subject to the terms of the Agreement, the lease period shall be a period of ten (10) years from the commencement of the Agreement ("**Lease Period**").

4.3 Payment

Payment of the Monthly Lease Rate shall be made by Tembusu to the Company by bank telegraphic transfer to such account provided by the Company and shall be payable in arrears on a monthly basis, within ten (10) days from the last day of each calendar month.

4.4 Delivery and Title

Title to the PGS shall not pass to Tembusu until the end of the Lease Period. For the avoidance of doubt, the transfer of title shall be automatic and there shall be no further consideration payable by Tembusu for the transfer of title of the PGS from the Company to Tembusu. Until title to the PGS passes, Tembusu shall store or mark the PGS in a manner reasonably satisfactory to the Company indicating that title to the PGS remains vested in the Company.

4.5 Guarantee

Tembusu shall procure Pete Tin to provide a personal guarantee in favour of the Company, and in such form as may be satisfactory to the Company, to secure the obligation of Tembusu to perform its obligations in the Agreement, including but not limited to the payment of the Monthly Lease Rate for the duration of the Lease Period.

5. RATIONALE AND BENEFITS

The financing of the PGS provides the Company with a return on capital of about three years, based on the monthly lease rates payable by Tembusu to the Company.

6. FINANCIAL EFFECTS

The Transaction is not expected to have any material effect on the net tangible assets and earnings per share of the Company for the financial year ending 31 December 2014.

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the directors or controlling shareholders of the Company have any interest, direct or indirect, in the Transaction.

8. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Agreement is available for inspection during normal business hours at the registered office of the Company at 229 Mountbatten Road, #03-31/32 Mountbatten Square, Singapore 398007, during normal business hours, for three (3) months from the date of this announcement.

By Order of the Board
SINJIA LAND LIMITED

Cheong Weixiong
Group Chief Executive Officer

04 August 2014