

SINJIA LAND LIMITED

(Incorporated in Singapore on 26 February 2004)

(Company Registration Number 200402180C)

ANNOUNCEMENT ON INVESTMENT INTO FORTUNE ASIA LONG SHORT FUND

1. INTRODUCTION

The board of directors (the “**Board**”) of Sinjia Land Limited (formerly known as HLN Technologies Limited) (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company intends to subscribe for 20,000 “SGD Class A” redeemable participating shares at the price of S\$100 per Class A Participating Share (as defined below) in an investment fund named Fortune Asia Long Short Fund (the “**Fund**”), for the total subscription amount of S\$2,000,000 (the “**Subscription Amount**”), in accordance with a subscription agreement (the “**Agreement**”) entered into between the Company and the Fund on 4 March 2016 (the “**Investment**”). The Fund is managed by Fortune Capital Management Pte Ltd (the “**Manager**”). All the redeemable participating shares in the Fund shall be known as the “**Participating Shares**” and the “SGD Class A” Participating Shares in the Fund shall be known as the “**Class A Participating Shares**”.

The Investment constitutes a discloseable transaction as defined under Chapter 10 of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) as the relative figure computed on the base set out in Rule 1006(c) of the Catalist Rules exceeds five per cent (5%). Further details on the relative figures under Rule 1006 can be found in paragraph 5 of this announcement.

2. INFORMATION ON THE INVESTMENT

*The information on the Fund and the Manager was provided by the Manager. In respect of such information, the Company and the directors of the Company (“**Directors**”) have where reasonably possible and practicable verified the accuracy and correctness of the same. In relation to information which has not been reasonably possible and practicable for the Directors to verify, the Company’s and Directors’ responsibilities is limited to the proper extraction and reproduction herein in the context that the information is being disclosed in this announcement.*

2.1 Information on the Fund

The Fund is an open-ended fund structured as an exempted company incorporated with limited liability under the laws of the Cayman Islands on 27 November 2015, and which is registered with the Cayman Islands Monetary Authority pursuant to section 4(3) of the Mutual Funds Law of the Cayman Islands. The investment objective of the Fund is to achieve long term capital growth through investments in equities which are publicly traded and listed in recognised stock exchanges in Asia (excluding Japan) and/or equities which are publicly traded or listed in recognised stock exchanges outside Asia, of issuers whose revenue is derived substantially from business activities or operations in Asia.

Pursuant to the Agreement, the Company has the right to nominate Cheong Weixiong, Jeff, the Group Chief Executive Officer, to be appointed as a non-executive director of the Fund to monitor the Investment.

2.2 Information on the Manager

The Manager is a private limited liability company incorporated in Singapore on 27 April 1999 and is a Registered Fund Management Company under the Securities and Futures Act (Cap. 289) of Singapore. The Manager has been appointed under a management agreement between the Fund and the Manager (the “**Management Agreement**”) to manage the Fund’s investments in exchange for a management fee payable by the Fund to the Manager.

The Manager has an established track record of managing funds, which utilise a statistical arbitrage model that relies on short-term mean-reversion strategies involving a large number of securities, short holding periods and proprietary algorithms, such as the Fortune Quantitative Fund.

Under the terms of the Management Agreement, the Manager is to manage the assets of the Fund with respect to, among other things, the identification, evaluation, acquisition, management and realisation of investments of the Fund. The Manager will employ a momentum investing approach in managing the Fund, to identify short to medium term investment opportunities for the Fund.

2.3 Principal Terms of the Investment

A summary of the principal terms of the Investment is set out below:

Subscription Amount : The Subscription Amount of S\$2,000,000 payable by the Company to the Fund will be funded by the Company’s internal resources.

As at the date of this announcement, the Company has made payment of S\$200,000 of the Subscription Amount to the Fund and will make payment of the remaining S\$1,800,000 in accordance with the Agreement, the placing memorandum (the “**Placing Memorandum**”) prepared by the directors of the Fund (“**Fund Directors**”) and the Memorandum and Articles of Association of the Fund (the “**Constitution**”). Payment will be completed within seven (7) days from the date of the Agreement. The 20,000 Class A Participating Shares will be allotted and issued by the Fund to the Company upon receipt in full of the Subscription Amount by Fund from the Company.

Rights of the Participating Shares : (a) Voting Rights

The voting rights of holders of Participating Shares (“**Fund Shareholders**”) are limited. Subject to the Placing Memorandum and the Constitution, Fund Shareholders are entitled to vote only upon any resolution which materially adversely varies or abrogates the rights attaching to the Participating Shares in accordance with the modification of rights provisions in the Constitution.

At any meeting of the Fund at which Fund Shareholders are entitled to vote, on a show of hands every Fund Shareholder present in person or being represented by proxy shall have one (1) vote, and on a poll every Fund Shareholder present in person and every proxy representative shall be entitled to one (1) vote in respect of each of the Participating Shares held by them.

(b) Dividends

According to the Placing Memorandum, it is not expected that any dividends will be declared by the Fund although the Fund Directors have a right to make a payment of dividends on the Participating Shares in accordance with the Constitution and any applicable laws of the Cayman Islands.

(c) Liquidation

In the event of liquidation, the Participating Shares carry a right to the return of nominal capital paid-up on them in priority to the return of nominal capital¹ on the management shares of par value US\$1.00 each that the Fund has issued (the "**Management Shares**")², and a right to the surplus of assets (if any) of the Fund after the payment of creditors and the return of the nominal capital on the Management Shares, *pari passu* among the Fund Shareholders.

Share capital of the Fund : The Fund may from time to time by ordinary resolution increase its capital, consolidate its shares or any of them into a smaller number of shares, sub-divide shares or any of them into a larger number of shares or cancel any shares not taken or agreed to be taken by any person. The Fund may by special resolution from time to time reduce its share capital in any way permitted by the laws of the Cayman Islands from time to time.

Redemption : Generally, subject to the applicable redemption fee (if

¹ Nominal capital means the authorised capital of the Fund.

² For the avoidance of doubt, the holder of a Management Share is entitled to one (1) vote per share, but Management Shares carry no right to dividends on in the event of liquidation, the holder of Management Shares is entitled to the return of the nominal capital paid-up on the Management Shares, after return of the nominal amounts paid up on Participating Shares. The holder of the Management Shares will not be entitled to any surplus remaining thereafter.

any) and other restrictions referred to in the Memorandum and the Constitution, a Fund Shareholder may require the Fund to redeem all or part of its Participating Shares as of any Dealing Day for Redemptions (as defined below), provided that notice of a redemption request has been received by the administrator of the fund by the relevant Dealing Day for Redemptions.

In relation to Class A Participating Shares, a redemption fee will generally be payable to the Fund if the Company decides to redeem its Participating Shares at any time within 36 months from the date of issue of such Class A Participating Shares.

The relevant redemption fee may be waived or lowered by the Manager in its sole discretion from time to time either generally or in any particular case.

Partial redemptions are permitted provided that the minimum redemption amount is S\$100,000 (in relation to Class A Participating Shares) and does not result in the holder of the Class A Participating Shares holding Class A Participating Shares the value of which is less than S\$100,000 (or such other amount prescribed by the Fund Directors from time to time either generally or in any particular case as being the minimum value of Class A Participating Shares that may be held). If any redemption request would reduce the aggregate value of the remaining Participating Shares held by the relevant redeeming Fund Shareholder to an amount below the minimum value specific below, the request will be treated as a request to redeem the entire shareholding.

A redeeming Fund Shareholder may, at the sole and absolute discretion of the Fund Directors (upon the advice of the Manager), receive the redemption proceeds in the form of securities owned by the Fund in lieu of, or in combination with, cash. Such securities may be distributed to the redeeming Fund Shareholder directly or indirectly through a distribution of shares in one or more special investment vehicles which hold such securities or participations therein or such other methods as the Fund Directors may, in their sole and absolute discretion deem appropriate.

“Business Day” is defined as a day (other than Saturday, Sunday or a gazetted public holiday) on which banks in Singapore are open for normal banking business, or such other days as determined by the Fund Directors.

“Dealing Day for Redemption(s)” is defined as the first Business Day of each calendar month or such other Business Days as the Fund Directors may designate from time to time, either generally or in any particular case as a Dealing Day for Redemptions.

Redemption Price : The redemption price for each Participating Share (**“Redemption Price”**) of any class of Participating Shares as may from time to time be issued by the Fund (**“Class”**) for any relevant Dealing Day for Redemptions will, subject to the provisions for adjustments described in the Memorandum be determined by dividing the value of the Fund’s net assets as calculated in the manner set out in the Memorandum (**“Net Asset Value”**) attributable to the relevant Class as at the Valuation Point (as defined below) relating to that Dealing Day for Redemptions, by the number of Participating Shares of the relevant Class then in issue, the resulting amount being rounded to the nearest S\$0.001 (in relation to Class A Participating Shares). The Net Asset Value for the purposes of computing the Redemption Price is after deduction of any applicable performance fee payable to the Manager as described in the Memorandum (**“Performance Fee”**).

“Valuation Point” is defined as the close of business of the last market relevant to the Fund on the Business Day preceding each Dealing Day for Redemption or such other Business Day and/or time as the Fund Directors may designate from time to time either generally or in any particular case as a “Valuation Point”.

Limitations on Redemptions : For any Dealing Day for Redemptions, the Fund Directors may, in their absolute discretion, postpone redemptions if:

- (a) in respect of Participating Shares of a particular Class, requests are received in respect of any one (1) Dealing Day for Redemptions aggregating more than 20% (or such other percentage as the Fund Directors may determine) of all the Participating Shares in such Class in issue, in which case, the Fund Directors may then reduce all but not some of such requests *pro rata* so that they cover no more than the relevant percentage of all the Participating Shares of the relevant Class in issue;

- (b) in respect of Participating Shares in the Fund, requests are received in respect of any one (1) Dealing Day for Redemptions aggregating more than 20% (or such other percentage as the Fund Directors may determine) of all Participating Shares in the Fund in issue, in which case, the Fund Directors may then reduce all but not some of such requests *pro rata* so that they cover no more than the relevant percentage of all the Participating Shares of the Fund in issue; and/or
- (c) notwithstanding the provisions of (a) and (b) above, the board of Fund Directors (the “**Fund Board**”) needs to realise part or all of the assets of the Fund in order to satisfy one (1) or more redemptions pursuant to the Fund’s right of compulsory redemption in circumstances as stated in the Memorandum.

Fund’s right to compulsorily redeem :

The Fund Directors may in their sole and absolute discretion, at any time, compulsorily redeem some or all of the Participating Shares held by a Fund Shareholder to the extent that the Fund considers that an existing Fund Shareholder or the Fund would otherwise be materially prejudiced or that such exercise is necessary to comply with applicable laws and regulations or in case a Fund Shareholder fails to comply with its obligations to the Fund or violates any applicable laws and regulations. Except where otherwise provided in the Memorandum, redemptions will be made at the relevant Redemption Price, calculated for the relevant Dealing Day for Redemptions.

In addition, the Fund has the right to compulsorily redeem, or cause to be redeemed, a Fund Shareholder’s Participating Shares at the end of a Performance Period (as defined below) in order to pay a Performance Fee to the Manager.

“**Performance Period**” for each Participating Share is a period commencing on the initial date the Participating Share is issued and ending at the close of business on the first to occur of (a) or (b) below, and thereafter is each period commencing as of the day following the last day of the preceding Performance Period for such Participating Share and ending as of the close of business on the next to occur of (a) each 31 December; or (b) the date the Participating Share is redeemed. The Performance Fee is deemed to accrue on a monthly basis as at each Valuation Point.

Transfer of Participating Shares : The Fund will not register the transfer of Participating Shares to a transferee without the prior written consent of the Fund Board. The Fund Directors may decline to register any transfer of Participating Shares if the transfer to, or holding of Participating Shares by, a transferee would, in the conclusive determination of the Fund Directors, cause or be likely to cause a legal, regulatory, tax, pecuniary or material administrative disadvantage to the Fund or the Fund Shareholders as a whole in any jurisdiction.

In the event the transfer is approved by the Fund Board, such transfer shall be effected by way of compulsory redemption and subscription of Participating Shares on the register of the Fund.

Distribution policy : The intention of the Fund Directors is that dividends will not be declared or paid. Income earned by the Fund is intended to be reinvested and reflected in the value of the Participating Shares. However, this does not preclude the Fund Directors from declaring a dividend at any time in the future if they consider it appropriate. If a dividend is declared, it will be paid in accordance with the Constitution and the applicable laws of the Cayman Islands.

3. RATIONALE FOR AND BENEFITS OF THE INVESTMENT

The Company recognises the value proposition of the Fund's strategy and following a review of the Fund's historical performance and the historical performance of the Manager, believes that it is in the interest of the Group to undertake the Investment. The Investment also provides the Company with an opportunity to deploy funds into an investment vehicle that invests into quoted securities and allows the Company to utilise its cash reserves to obtain better returns. Furthermore, the right of the Company to nominate Mr. Cheong, the Group Chief Executive Officer, to be appointed as a non-executive director of the Fund provides opportunities for Mr. Cheong to have oversight over and monitor the Investment.

4. FINANCIAL EFFECTS OF THE INVESTMENT

As at the date of this announcement, the Company is unable to determine the financial effects of the Investment on the earnings per share ("**EPS**") and net tangible asset ("**NTA**") per share in the capital of the Company ("**Share**") and the Group for the financial year ended 31 December 2015. Should there be any material impact on the Group's NTA per Share or EPS in the future, the Company will make the necessary announcements at the appropriate times. The Investment will not have any impact on the issued share capital of the Company.

5. RELATIVE FIGURES CALCULATED UNDER RULE 1006

Based on the unaudited financial statement of the Group for the 12 months ended 31 December 2015 ("**FY2015**"), the relative figures of the Investment computed on the bases set out in Rule 1006 of the Catalist Rules are as follows:

Rule 1006	Bases of Calculation	Relative Figure (%)
(a)	Net asset value of the assets to be disposed of compared with the Group's net asset value	N.A. ⁽¹⁾
(b)	The net profits of attributable to the Investment, compared with Group's net profits for FY2015	N.A. ⁽²⁾
(c)	The investment amount of S\$2,000,000 compared with the Company's market capitalisation of approximately S\$11,252,794 as at 3 March 2016, being the last market day the Shares were traded on the Catalist board of the SGX-ST immediately preceding the date the Agreement was executed ⁽³⁾	17.77
(d)	The number of Shares issued by the Company, compared with the number of Shares (excluding treasury shares) previously in issue	N.A. ⁽⁴⁾
(e)	The aggregate volume of proved and probable reserves to be disposed of compared with the Group's probable and proved reserves	N.A. ⁽⁵⁾

Notes:

- (1) This is not applicable to an acquisition of assets.
- (2) This is not applicable as the Fund was incorporated on 27 November 2015, so there are no historical figures for comparison with the net profits for the Group for FY2015 for the purposes of Rule 1006(b) of the Catalist Rules.
- (3) Based on the total of 140,659,920 Shares (excluding treasury shares), and the volume-weighted average traded price of such Shares of S\$0.08 on 3 March 2016, being the last market day immediately preceding the date of the Agreement. (Source: www.shareinvestor.com)
- (4) This is not applicable as no Shares are issued in connection with the Investment.
- (5) This is not applicable as the Company is not a mineral, oil and gas company.

6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for Mr. Cheong, who will be appointed as a non-executive director of the Fund further to the Investment, none of the Directors or controlling shareholders of the Company and/or their respective associates have any interest, direct or indirect, in the Investment, other than through their respective shareholdings in the Company.

7. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Agreement will be made available for inspection by shareholders of the Company ("**Shareholders**") during normal business hours from 9.00 a.m. to 5.00 p.m. at the Company's registered office at 229 Mountbatten Road, #03-31/32 Mountbatten Square, Singapore 398007, for a period of three (3) months from the date of this announcement.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement (save for the information on the Fund and the

Manager in paragraphs 2.1 and 2.2 of this announcement which has not been reasonably possible and practicable for the Directors to verify) 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 Investment, 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 (save for the information on the Fund and the Manager in paragraphs 2.1 and 2.2 of this announcement which has not been reasonably possible and practicable for the Directors to verify) 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.

9. TRADING CAUTION

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. Shareholders are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board
SINJIA LAND LIMITED

Cheong Weixiong
Group Chief Executive Officer

4 March 2016

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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 announcement.

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