

SCHEME DOCUMENT DATED 4 FEBRUARY 2021

THIS SCHEME DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.



SunningdaleTech

SUNNINGDALE TECH LTD.
(Incorporated in the Republic of Singapore)
(Company Registration Number: 199508621R)

SCHEME CONSIDERATION:

Scheme Shareholders will be entitled to receive for each Scheme Share, at their election: **S\$1.65 in cash** or **1,650 HoldCo Shares⁽¹⁾**

IMPORTANT DATES AND TIMES:

Latest date and time for lodgement of Proxy Form for Scheme Meeting:	Wednesday, 17 February 2021 at 3.00 p.m.
Date and time of Scheme Meeting:	Friday, 19 February 2021 at 3.00 p.m.

The Scheme Meeting will be held by way of electronic means.
Due to the current COVID-19 restriction orders in Singapore, Scheme Shareholders and persons who hold Scheme Shares through Relevant Intermediaries will not be able to attend the Scheme Meeting in person. Instead, alternative arrangements have been put in place to allow Scheme Shareholders to participate in the Scheme Meeting via electronic means. Scheme Shareholders should refer to the Company's announcement dated 4 February 2021 in relation to such arrangements, which is available on the SGXNET and the Company's website, for further information.

Joint Financial Advisers to the Offeror

Financial Adviser to the Company

Independent Financial Adviser to the Non-conflicted Directors



Rippled Capital Advisers Pte. Ltd.
(Incorporated in the Republic of Singapore)
(Company Registration Number: 201104319G)



United Overseas Bank Limited
(Incorporated in the Republic of Singapore)
(Company Registration No.: 193500026Z)



Deloitte & Touche Corporate Finance Pte Ltd
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200200144N)



Provenance Capital Pte. Ltd.
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200309056E)

IMPORTANT NOTICE

IF YOU ARE IN ANY DOUBT ABOUT THIS SCHEME DOCUMENT OR THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

If you have sold or transferred all or any of your issued and fully paid-up ordinary shares in the capital of the Company, you should immediately hand this Scheme Document and the accompanying Proxy Form to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Scheme Document.

All capitalised terms shall, if not otherwise defined, have the same meanings as ascribed to them in this Scheme Document.

⁽¹⁾ HoldCo is the sole shareholder of the Offeror and is an exempted company incorporated in the Cayman Islands.

DETAILS ABOUT THE SCHEME

1 What is the background of the transaction?

- The Offeror has proposed to acquire all the issued ordinary shares in the capital of Sunningdale, other than the KBH Rollover Shares, by way of a scheme of arrangement under Section 210 of the Companies Act.
- A scheme of arrangement is a process for acquiring all the shares of a company (other than those not subject to the scheme) by obtaining the approval of the requisite majority of the shareholders at the meeting of shareholders convened at the direction of the Court and which is subject to the grant of a Court order sanctioning the scheme of arrangement.

2 Who is the Offeror?

- The Offeror is a company incorporated in Singapore, indirectly wholly-owned by Mr. Koh Boon Hwee and Novo Tellus.
- Mr. Koh has been a long term shareholder of Sunningdale and a director of Sunningdale since 2003, and has played a key role in the strategic direction, management and development of Sunningdale.
- Novo Tellus is a wholly owned subsidiary of Novo Tellus PE Fund 2, L.P..

3 What is the Offeror's reason for entering into this transaction?

- The Acquisition represents an opportunity for the Offeror to acquire control of a company in the precision plastic manufacturing sector with a footprint across various industry segments (including automotive, consumer/IT and healthcare) and geographies.
- The onset of the global COVID-19 pandemic combined with persistent global trade tensions between US and China have impacted Sunningdale's market. Customers are managing risk actively by adjusting supply chains away from concentrated production in Asia towards more diversified regional and local production worldwide. To remain competitive in this changing market, the Offeror is of the view that Sunningdale will need to make significant long-term investments to diversify and increase its manufacturing footprint beyond Asia. While these long-dated investments are needed to protect the Company's competitiveness and shareholder value in the long run, they will likely result in substantial upfront cash outlay that may generate little near-term payoff. This in-turn may increase the likelihood of more volatility to earnings and free cashflow generation over the near term.
- As a result of the changing risk profile of the Company, the Offeror believes a privatisation of Sunningdale will provide the Company with the necessary flexibility to optimise its resources and allow it to make strategic, long dated investment decisions to protect the long-term competitiveness of the business. Delisting will also help Sunningdale to save considerable resources and costs associated with maintaining its listed status.

DETAILS ABOUT THE SCHEME

4 What must happen for the Scheme to be approved by Scheme Shareholders at the Scheme Meeting?

Two conditions must be met for the Scheme to be approved by Scheme Shareholders at the Scheme Meeting^{(1),(2)}:

Head Count Condition

>50%

More than 50% of the Scheme Shareholders present and voting by proxy at the Scheme Meeting must vote to approve the Scheme

AND

Share Count Condition

≥75%

Scheme Shareholders representing at least 75% in value of the Scheme Shares held by the Scheme Shareholders present and voting by proxy at the Scheme Meeting must vote to approve the Scheme

Irrevocable Undertaking

As at the Latest Practicable Date, certain Shareholders have given irrevocable undertakings to the Offeror in respect of an aggregate of 41,222,336 Shares representing approximately 21.40 per cent. of all the issued Shares to, *inter alia*, vote their Shares **in favour** of the Scheme

Notes:

- (1) (a) The common substantial shareholders of the Offeror and its concert parties on the one hand; and Sunningdale on the other hand; and
- (b) the Offeror and its concert parties, will abstain from voting on the Scheme in respect of their Shares at the Scheme Meeting.
- (2) Assuming that the Scheme is approved by Scheme Shareholders at the Scheme Meeting, the Scheme is also subject to the grant of the Court Order.

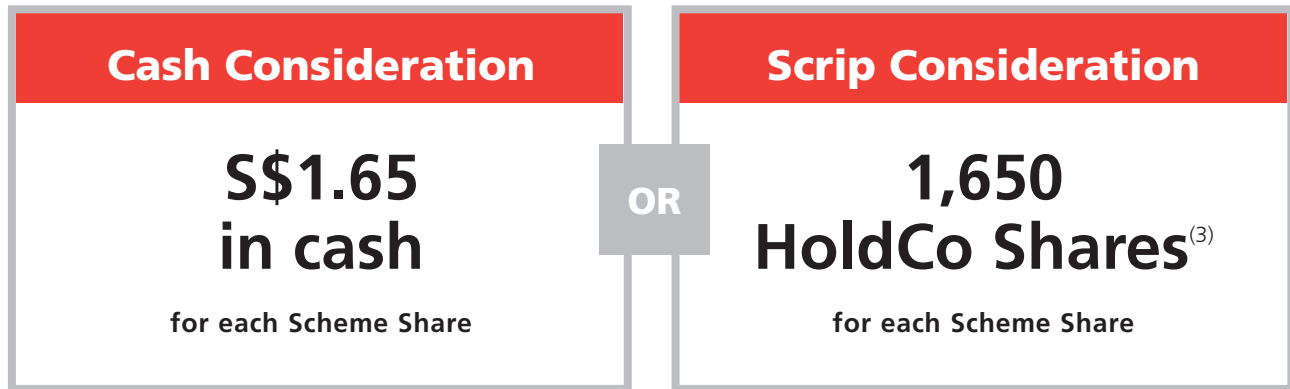
YOUR VOTE COUNTS



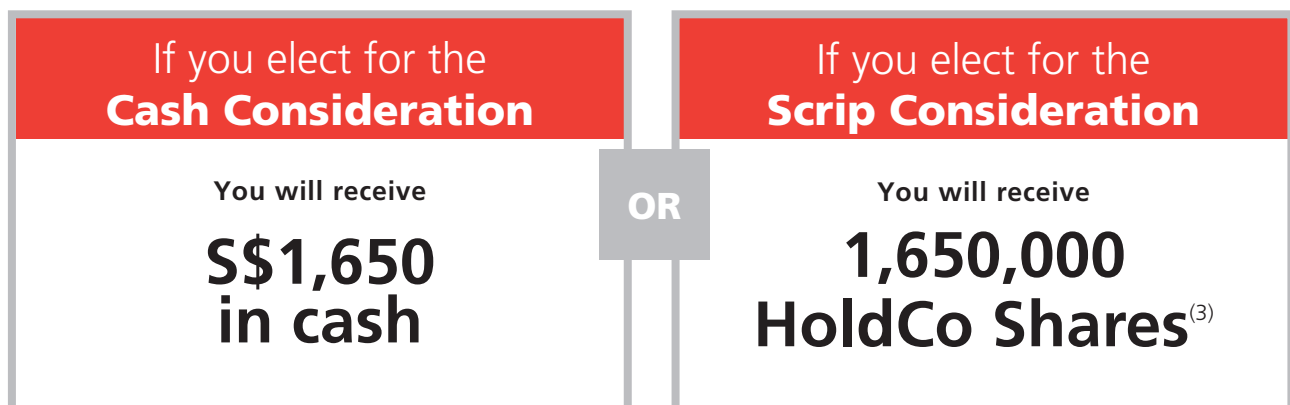
DETAILS ABOUT THE SCHEME

5 What do I get as consideration for my Scheme Shares?

If the Scheme is approved by the Scheme Shareholders at the Scheme Meeting and subsequently sanctioned by the Court, Scheme Shareholders will be able to choose one of the two options:



An illustration of the Scheme Consideration to be received by a Scheme Shareholder who owns 1,000 Shares:



Note:

(3) Subject to the Maximum Number of HoldCo Shares that may be issued as Scrip Consideration and the Adjustment Mechanism.

Scheme Shareholders who wish to elect the Scrip Consideration should assess for themselves the future prospects of HoldCo, and should also be prepared to take the risk associated with an investment as a minority shareholder of an unlisted private company.

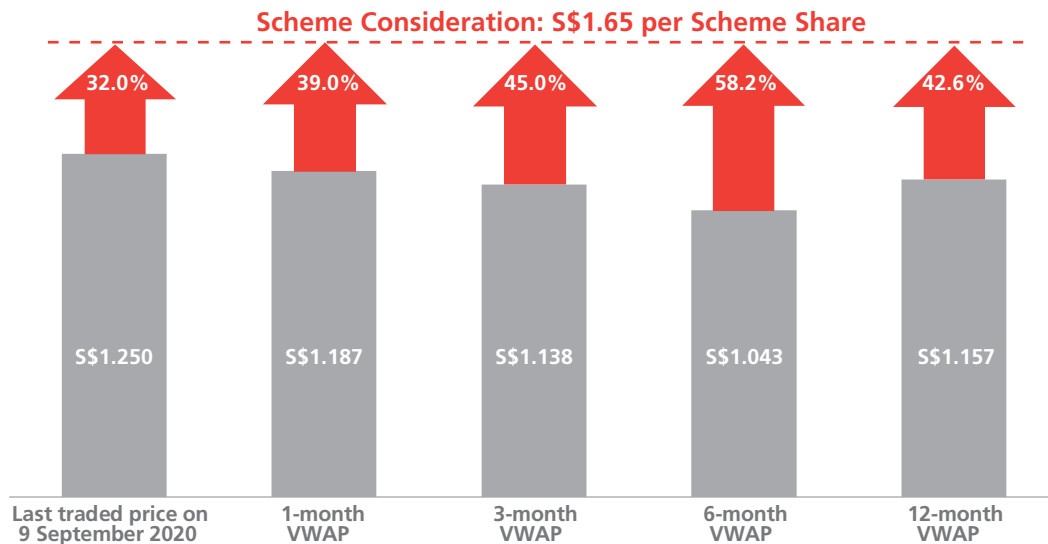
Some of the risk factors relating principally to the business of HoldCo in general and to ownership of the HoldCo Shares are set out in **Schedule C of the Offeror's Letter**.

HoldCo Shareholders will be subject to the governance arrangements of HoldCo set out in the HoldCo Constitution and the Consortium and Shareholders' Agreement, including certain transfer restrictions in respect of HoldCo Shares. The key terms relating to the governance arrangements of HoldCo are set out in **Schedule B of the Offeror's Letter**.

DETAILS ABOUT THE SCHEME

6 How does the Scheme Consideration compare to historical prices?

The Scheme Consideration represents a premium to the historical traded prices (for the relevant periods prior to and including the Holding Announcement Date⁽⁴⁾) of the Shares.

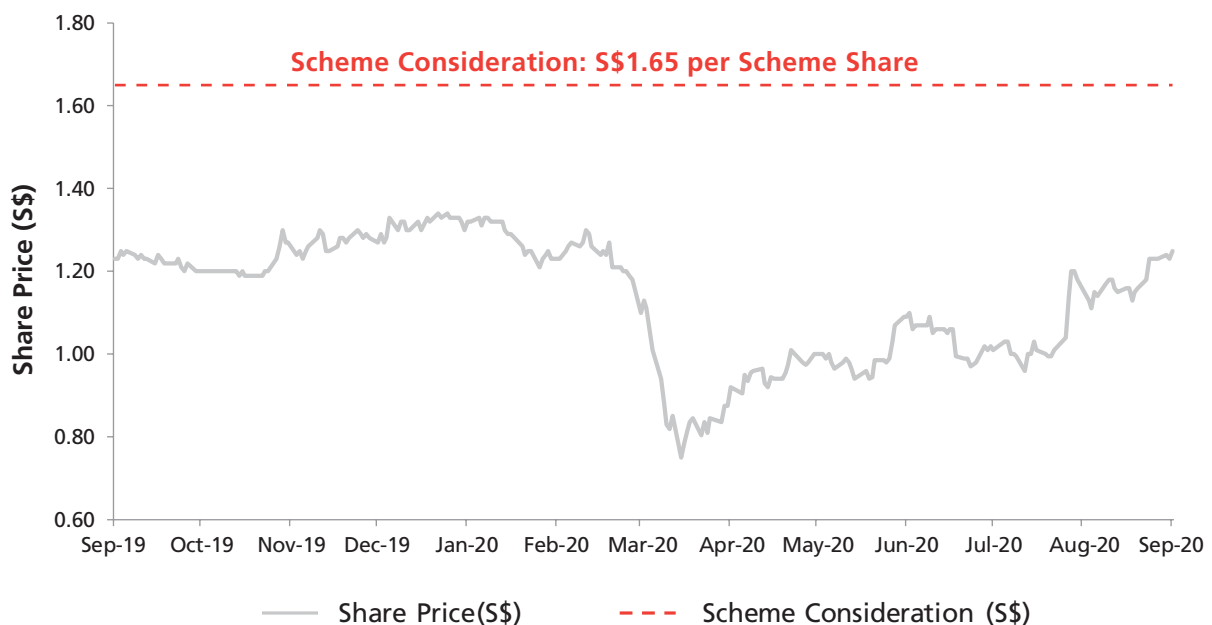


Source: Bloomberg L.P.

Note:

(4) Being 9 September 2020, the last full trading day immediately before Sunningdale released the announcement in respect of a possible transaction involving the Shares on 9 September 2020.

The Scheme Consideration exceeds the highest closing price of the Shares in the 12-month period prior to and including the Holding Announcement Date. It represents a premium ranging between 23.1% and 120.0% to the closing prices of the Shares during this period.



Source: Bloomberg L.P.

DETAILS ABOUT THE SCHEME

7 What does the Independent Financial Adviser recommend?

An extract of the IFA Letter is reproduced below:

“Based on our analysis and after having considered carefully the information available to us as at the Latest Practicable Date, overall and on balance, we are of the view that the financial terms of the Scheme are **fair and reasonable**. Accordingly, we advise the Non-conflicted Directors to recommend Scheme Shareholders to **VOTE IN FAVOUR OF THE SCHEME**.”



INDEPENDENT FINANCIAL ADVISER TO THE NON-CONFLICTED DIRECTORS

8 What do the Non-conflicted Directors recommend?

The Non-conflicted Directors, having carefully considered the terms of the Scheme and the advice given by the IFA in the IFA letter, concur with the recommendation of the IFA in respect of the Scheme. Accordingly, the Non-conflicted Directors unanimously recommend that Scheme Shareholders **VOTE IN FAVOUR** of the Scheme at the Scheme Meeting.



THE NON-CONFLICTED DIRECTORS

IT IS IMPORTANT THAT YOU READ THE ABOVE EXTRACTS TOGETHER WITH AND IN THE CONTEXT OF THE LETTER TO SHAREHOLDERS IN FULL. YOU ARE ADVISED AGAINST RELYING SOLELY ON THESE EXTRACTS, WHICH ARE ONLY MEANT TO DRAW ATTENTION TO THE OPINION OF THE IFA AND RECOMMENDATION OF THE NON-CONFLICTED DIRECTORS.



DETAILS ABOUT THE SCHEME

9 How do I vote on the Scheme?

Step 1: Locate the Proxy Form

The Proxy Form is enclosed with this Scheme Document and can also be obtained from the Share Registrar:

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623
Operating hours: Monday to Friday, 8.30 a.m. to 5.30 p.m.

An electronic copy of the Proxy Form is also available on the website of the SGX-ST at www.sgx.com/securities/company-announcements

Step 2: Complete the Proxy Form

PROXY FORM FOR SCHEME MEETING

SUNNINGDALE TECH LTD.
(Company Registration No. 19959821R)
(Incorporated in the Republic of Singapore)

SCHEME MEETING

PROXY FORM

I/We _____ (Name) (NRIC/Passport No./Company Registration No.) of _____ (Address) being a member/member(s) of Sunningdale Tech Ltd. (the "Company") hereby appoint the Chairman of the Scheme Meeting, as "my/our proxy to attend, speak and vote for "me/us on "my/our behalf at the Scheme Meeting, to be convened and held by way of electronic means on 19 February 2021 at 3.00 p.m. and at any adjournment thereof, for the purpose of considering and, if thought fit, approving the Scheme referred to in the notice convening the Scheme Meeting, and at such Scheme Meeting (or at any adjournment thereof) to vote for "me/us and in "my/our name(s) for the said Scheme or against the said Scheme as hereunder indicated.

"We direct the Chairman of the Scheme Meeting to vote for or against, or to abstain from voting on, the Scheme to be proposed at the Scheme Meeting as indicated hereunder:

RESOLUTION	FOR*	AGAINST*	ABSTAIN*
To approve the Scheme of Arrangement			

* If you wish the Chairman of the Scheme Meeting as your proxy to vote "For" or "Against" the Resolution, please indicate with a "y" in the space provided under "For" or "Against". If you wish the Chairman of the Scheme Meeting as your proxy to abstain from voting on the Resolution, please indicate a "n" in the space provided under "Abstain". In the absence of specific directions in respect of the Resolution, the appointment of the Chairman of the Scheme Meeting as your proxy for the Scheme Meeting will be treated as invalid. **DO NOT TICK MORE THAN ONE BOX.**

Dated this _____ day of February 2021

Signature(s) or Common Seal of Member(s)

IMPORTANT: PLEASE READ THE NOTES TO THIS PROXY FORM OVERLEAF

Total Number of Shares Held

- 1 Fill in your name and particulars.
- 2 You **MUST** appoint the Chairman of the Scheme Meeting as your proxy to attend, speak and vote on your behalf at the Scheme Meeting if you wish to exercise your voting rights at the Scheme Meeting.
- 3 Indicate your vote by ticking within the box labelled **FOR, AGAINST** or **ABSTAIN**. **DO NOT TICK MORE THAN ONE (1) BOX.**
- 4 Sign and indicate the date. If you are a corporation, the proxy form must be executed under your common seal or signed by a duly authorised officer or attorney.
- 5 Indicate the number of Shares you hold.

Step 3: Return the completed Proxy Form



Submission via e-mail:

Scan and send the completed and signed Proxy Form via email to the Share Registrar at srs.teamd@boardroomlimited.com



Submission via post:

Lodge the completed and signed Proxy Form at the office of the Share Registrar at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623

The Proxy Form must reach the Share Registrar **NO LATER THAN Wednesday, 17 February 2021 at 3.00 p.m.**, being 48 hours before the time fixed for the Scheme Meeting.

The Proxy Form is **not valid for use by Relevant Intermediary Shareholders (including CPFIS Investors and SRS Investors)** and shall be ineffective for all intents and purposes if used or purported to be used by them. **Relevant Intermediary Shareholders (including CPFIS Investors and SRS Investors) that wish to vote should not make use of the Proxy Form and should instead approach their respective Relevant Intermediary as soon as possible to specify voting instructions.** If a CPFIS Investor or SRS Investor wishes to appoint the Chairman of the Scheme Meeting as proxy, he/she should approach his/her respective CPF Agent Banks or SRS Agent Banks to submit his/her votes by **5.00 p.m. on Monday, 8 February 2021**, being 7 working days before the date of the Scheme Meeting.

DETAILS ABOUT THE SCHEME

10 Important dates and times

The Scheme Meeting will be held by way of electronic means due to the current COVID-19 restriction orders in Singapore. Accordingly, Scheme Shareholders will not be able to attend the Scheme Meeting in person.

Last date and time for Proxy Form to be received

**Wednesday, 17 February 2021
at 3.00 p.m.**

Relevant Intermediary Shareholders (including CPFIS Investors and SRS Investors) who wish to participate in the Scheme Meeting by (a) observing and/or listening to the Scheme Meeting proceedings through the live audio-visual webcast or live audio-only stream; (b) submitting questions in advance of the Scheme Meeting; and/or (c) appointing the Chairman of the Scheme Meeting as proxy to vote on their behalf at the Scheme Meeting, should contact the Relevant Intermediary through which they hold such Scheme Shares as soon as possible in order to make the necessary arrangements for them to participate in the Scheme Meeting.

Date and time of Scheme Meeting

**Friday, 19 February 2021 at
3.00 p.m.**

**Expected date of despatch of Election Forms by the Offeror
(or on its behalf) to Entitled Scheme Shareholders**

Monday, 15 March 2021

Expected latest date and time for submission of Election Forms

**Monday, 29 March 2021 at
5.00 p.m.**

Expected Effective Date

Thursday, 8 April 2021

Expected date for payment of the Scheme Consideration

By 19 April 2021

Expected date for delisting of the Shares

Tuesday, 20 April 2021

WHO TO CONTACT FOR HELP

If you require further assistance or information, please contact:

**Rippledot Capital Advisers
Pte. Ltd.**

6 Battery Road, #19-01A
Singapore 049909
Telephone: +65 6812 7373

**United Overseas Bank
Limited**

80 Raffles Place
#03-03, UOB Plaza 1
Singapore 048624
Telephone: +65 6539 7066

**Deloitte & Touche
Corporate Finance Pte Ltd**

6 Shenton Way
#33-00 OUE Downtown 2
Singapore 068809
Telephone: +65 6531 5000

Important Notice

The information in this section is qualified by, and should be read in conjunction with the full information contained in the rest of this Scheme Document. In the event of any inconsistency or conflict between the terms used in this section and the rest of this Scheme Document, the terms set out in the rest of this Scheme Document shall prevail. Nothing in this section is intended to be, or shall be taken as, an advice, a recommendation or a solicitation to the Scheme Shareholders or any other party.

Scheme Shareholders are advised to exercise caution when dealing in their Scheme Shares and to refrain from taking any action in relation to their Scheme Shares which may be prejudicial to their interests.

All capitalised terms shall, if not otherwise defined, have the same meanings ascribed to them in this Scheme Document. All references to dates and times are to Singapore dates and times.

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DEFINITIONS

For the purpose of this Scheme Document, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

<u>“Acquisition”</u>	:	Has the meaning ascribed to it in paragraph 1.1 of the Letter to Shareholders
<u>“ACRA”</u>	:	The Accounting and Corporate Regulatory Authority of Singapore
<u>“Adjustment Mechanism”</u>	:	Has the meaning ascribed to it in paragraph 2.1(c) of the Letter to Shareholders
<u>“Alternative Arrangements Announcement”</u>	:	Has the meaning ascribed to it in paragraph 9.4 of the Explanatory Statement
<u>“Application”</u>	:	Has the meaning ascribed to it in paragraph 10.2 of the Letter to Shareholders
<u>“Balance Cash Consideration”</u>	:	Has the meaning ascribed to it in paragraph 14.3(a) of the Explanatory Statement
<u>“BH”</u>	:	Mr. Khoo Boo Hor
<u>“Board”</u>	:	The board of directors of the Company
<u>“Business Day”</u>	:	A day (other than Saturday, Sunday or public holiday) on which commercial banks are open for business in Singapore
<u>“Cash Consideration”</u>	:	Has the meaning ascribed to it in paragraph 2.1(b)(i) of the Letter to Shareholders
<u>“Cash Ledger”</u>	:	Has the meaning ascribed to it in CDP’s “ <i>The Central Depository (Pte) Limited Operation of Securities Account with the Depository Terms and Conditions</i> ” as amended, modified or supplemented from time to time, copies of which are available from CDP
<u>“CDP”</u>	:	The Central Depository (Pte) Limited
<u>“Code”</u>	:	The Singapore Code on Take-overs and Mergers
<u>“Companies Act”</u>	:	The Companies Act (Chapter 50 of Singapore)
<u>“Company”</u> or <u>“Sunningdale”</u>	:	Sunningdale Tech Ltd.

DEFINITIONS

<u>“Competing Offer”</u>	:	Any offer, proposal or expression of interest by any person other than the Offeror pursuant to which such person or any other person may, whether directly or indirectly, and whether by share purchase, scheme of arrangement, merger or amalgamation, capital reconstruction, purchase of assets, tender offer, general offer, partial offer, joint venture, dual listed company structure or otherwise: (i) acquire or become the holder or owner of, or otherwise have an economic interest in: (a) all or any substantial part of the businesses, assets, revenues and/or undertakings of the Company; or (b) more than 50 per cent. of the share capital of the Company; (ii) merge with the Company; (iii) benefit under any other arrangement having an effect similar to any of the above; or (iv) effect a transaction which would preclude or restrict the Acquisition and/or the Scheme
<u>“Completion”</u>	:	The completion of the Scheme
<u>“Conflicted Directors”</u>	:	KBH and LWS, and <u>“Conflicted Director”</u> means any one of them
<u>“Consortium and Shareholders’ Agreement”</u>	:	The consortium and shareholders’ agreement between KBHCo and Novo Tellus dated 9 November 2020, as amended by the deed of amendment dated 19 January 2021
<u>“Consortium Parties”</u>	:	KBHCo and Novo Tellus
<u>“Constitution”</u>	:	The constitution of the Company
<u>“Controlling Shareholder”</u>	:	A HoldCo Shareholder holding at least 12 per cent. of the HoldCo Shares
<u>“Court”</u>	:	The High Court of the Republic of Singapore
<u>“Court Order”</u>	:	The order of the Court sanctioning the Scheme under Section 210 of the Companies Act
<u>“CPF”</u>	:	The Central Provident Fund
<u>“CPF Act”</u>	:	The Central Provident Fund Act (Chapter 36 of Singapore)

DEFINITIONS

<u>“CPF Agent Banks”</u>	:	Agent banks included under the CPFIS
<u>“CPFIS”</u>	:	CPF Investment Scheme
<u>“CPFIS Investors”</u>	:	Investors who purchased Shares using their CPF savings under the CPFIS
<u>“Cut-Off Date”</u>	:	9 April 2021
<u>“Deed of Undertaking”</u>	:	Has the meaning ascribed to it in paragraph 4 of the Letter to Shareholders
<u>“derivatives”</u>	:	Any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security or securities which causes the holder to have a long economic exposure to the underlying securities
<u>“Directly-Held Scheme Shares”</u>	:	Scheme Shares held by an Entitled Scheme Shareholder as a Depositor or in scrip form registered in his/her/its name
<u>“Directors”</u>	:	The directors of the Company as at the Latest Practicable Date
<u>“Effective Date”</u>	:	The date on which the Scheme becomes effective in accordance with its terms
<u>“Electing Party”</u>	:	An Entitled Scheme Shareholder who is holding Directly-Held Scheme Shares or the Entitled Depository Agent (for and on behalf of each sub-account holder who is holding Indirectly-Held Scheme Shares), as more particularly described in paragraph 2.4(a) of the Letter to Shareholders
<u>“Election Form”</u>	:	The election form (to be despatched by the Offeror (or on its behalf) to the Entitled Scheme Shareholders after the Record Date) by which the Entitled Scheme Shareholders shall complete and return if he/she/it wishes to elect the Scrip Consideration. An Entitled Scheme Shareholder who wishes to receive the Cash Consideration need not complete and return the Election Form
<u>“Election Period”</u>	:	The period of 10 Business Days commencing from the date of despatch of the Election Forms, being a date to be announced by the Company, during which the duly completed Election Forms shall be received by the Share Registrar or CDP, as the case may be

DEFINITIONS

<u>“Electronic Election”</u>	:	Elections by Entitled Depository Agents on behalf of each sub-account holder who holds Scheme Shares via the SGX-SFG service provided by the CDP as listed in Schedule 3 of CDP’s <i>“Terms and Conditions for User Services for Depository Agents”</i>
<u>“Encumbrance”</u>	:	Any claim, charge, mortgage, security, pledge, lien, option, restriction, equity, power of sale, hypothecation or other third party rights or interest, retention of title, right of pre-emption, right of first refusal or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing
<u>“Enlarged Share Capital”</u>	:	Such number of HoldCo Shares comprising the sum of (I) the number of HoldCo Shares in issue as at the Joint Announcement Date, (II) the number of HoldCo Shares to be issued pursuant to the terms of the Scheme and (III) the number of HoldCo Shares to be issued on completion of the subscriptions under the Consortium and Shareholders’ Agreement, the Management Reinvestment and the Rollover Agreement
<u>“Entitled Depository Agent”</u>	:	Entitled Scheme Shareholders who are Depository Agents
<u>“Entitled Scheme Shareholders”</u>	:	Scheme Shareholders as at 5.00 p.m. on the Record Date
<u>“ESOS”</u>	:	Has the meaning ascribed to it in paragraph 6 of the Letter to Shareholders
<u>“Explanatory Statement”</u>	:	The explanatory statement in compliance with Section 211 of the Companies Act as set out on pages 43 to 80 of this Scheme Document
<u>“FY”</u>	:	The financial year ended 31 December of a particular year. A reference to <u>“FY”</u> followed immediately by a reference to a calendar year shall mean the financial year starting on 1 January of the relevant calendar year and ending on 31 December of the relevant calendar year. By way of illustration, <u>“FY2019”</u> shall mean the financial year from 1 January 2019 to 31 December 2019
<u>“GSH”</u>	:	Mr. Goi Seng Hui
<u>“HoldCo”</u>	:	Sunrise Technology Investment Holding (Cayman) Pte Ltd, an exempted company incorporated in the Cayman Islands
<u>“HoldCo Constitution”</u>	:	The Memorandum and Articles of Association of HoldCo

DEFINITIONS

<u>“HoldCo Securities”</u>	:	(i) HoldCo Shares, (ii) securities which carry voting rights in HoldCo and (iii) convertible securities, warrants, options and derivatives in respect of the HoldCo Shares or other securities (if any) which carry voting rights in HoldCo
<u>“HoldCo Shareholder”</u>	:	A shareholder of HoldCo
<u>“HoldCo Shares”</u>	:	The issued shares in HoldCo
<u>“HoldCo Share Certificates”</u>	:	Has the meaning ascribed to it in paragraph 14.3(d)(ii)(A) of the Explanatory Statement
<u>“Holding Announcement Date”</u>	:	9 September 2020, being the date on which the Company released an announcement in relation to a possible transaction involving the Shares
<u>“Identified Participating Management”</u>	:	Has the meaning ascribed to it in paragraph 5.1 of the Letter to Shareholders
<u>“Identified Participating Management Shares”</u>	:	Has the meaning ascribed to it in paragraph 5.1 of the Letter to Shareholders
<u>“IFA”</u>	:	Provenance Capital Pte. Ltd., the independent financial adviser appointed pursuant to Rule 1309(2) of the Listing Manual as well as to advise the Non-conflicted Directors in respect of the Scheme
<u>“IFA Letter”</u>	:	The letter from the IFA to the Non-conflicted Directors dated 4 February 2021, as set out in Appendix 1 to this Scheme Document
<u>“Implementation Agreement”</u>	:	The implementation agreement dated 9 November 2020 entered into between the Company and the Offeror, as amended by the deed of amendment dated 19 January 2021, setting out the terms and conditions on which the Offeror and the Company will implement the Scheme
<u>“Indirectly-Held Scheme Shares”</u>	:	Scheme Shares held by an Entitled Scheme Shareholder in its capacity as a Depository Agent on behalf of sub-account holder(s)
<u>“Issue Price”</u>	:	Has the meaning ascribed to it in paragraph 2.1(b)(ii) of the Letter to Shareholders
<u>“Joint Announcement”</u>	:	The joint announcement by the Company and the Offeror dated 9 November 2020 in relation to, <i>inter alia</i> , the Acquisition and the Scheme

DEFINITIONS

<u>“Joint Announcement Date”</u>	:	9 November 2020, being the date of the Joint Announcement
<u>“Joint Financial Advisers”</u>	:	Rippledot Capital Advisers Pte. Ltd. and UOB, the joint financial advisers to the Offeror in respect of the Acquisition and the Scheme
<u>“KBH”</u>	:	Mr. Koh Boon Hwee
<u>“KBH Rollover Shares”</u>	:	Has the meaning ascribed to it in paragraph 1.5(b) of the Letter to Shareholders
<u>“KBHCo”</u>	:	Sunrise Technology Investment Holding II Pte. Ltd.
<u>“Latest Practicable Date”</u>	:	26 January 2021, being the latest practicable date prior to the printing of this Scheme Document
<u>“Law”</u>	:	means any statute, law, rule, regulation, guideline, ordinance, code, policy or rule of common law issued, administered or enforced by any Governmental Authority, or any judicial or administrative interpretation thereof, including the rules of any stock exchange
<u>“Letter to Shareholders”</u>	:	The letter to the Shareholders as set out on pages 18 to 42 of this Scheme Document
<u>“Listing Manual”</u>	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
<u>“LWS”</u>	:	Mr. Loke Wai San
<u>“Management Arrangements”</u>	:	The Deeds of Undertaking given by BH and any other Participating Management and the Management Reinvestment
<u>“Management Reinvestment”</u>	:	Has the meaning ascribed to it in paragraph 5.1 of the Letter to Shareholders
<u>“Management Reinvestment Pool”</u>	:	Has the meaning ascribed to it in paragraph 5.1 of the Letter to Shareholders
<u>“Market Day”</u>	:	A day on which the SGX-ST is open for the trading of securities
<u>“Maximum Number”</u>	:	Has the meaning ascribed to it in paragraph 2.1(b)(ii) of the Letter to Shareholders

DEFINITIONS

<u>“Non-conflicted Directors”</u>	:	The Directors who are considered independent for the purposes of making a recommendation to the Scheme Shareholders in respect of the Scheme, namely all the Directors excluding the Conflicted Directors
<u>“Notice”</u>	:	The notice of the Scheme Meeting as set out in Appendix 14 to this Scheme Document
<u>“Novo Tellus”</u>	:	NT SPV 9, an exempted company incorporated in the Cayman Islands
<u>“NT GP”</u>	:	New Earth Group 2 Ltd, the general partner of NT PE Fund 2
<u>“NT PE Fund 2”</u>	:	Novo Tellus PE Fund 2, L.P., an exempted limited partnership incorporated in the Cayman Islands
<u>“Offer”</u>	:	A voluntary conditional cash offer or a pre-conditional voluntary cash offer made for or on behalf of the Offeror to acquire all the Shares on such terms and conditions to be set out in the offer document issued for or on behalf of the Offeror.
<u>“Offeror”</u>	:	Sunrise Technology Investment Holding Pte. Ltd.
<u>“Offeror Concert Party Group”</u>	:	The Offeror and persons acting in concert with the Offeror in relation to the Scheme and the Acquisition
<u>“Offeror Securities”</u>	:	(i) Offeror Shares, (ii) securities which carry voting rights in the Offeror and (iii) convertible securities, warrants, options and derivatives in respect of the Offeror Shares or other securities (if any) which carry voting rights in the Offeror
<u>“Offeror Shares”</u>	:	Ordinary shares in the capital of the Offeror
<u>“Offeror’s Letter”</u>	:	The letter from the Offeror to Shareholders as set out in Appendix 2 to this Scheme Document
<u>“Overseas Shareholders”</u>	:	Shareholders whose addresses are outside Singapore, as shown on the Register of Members, or as the case may be, in the records of the Depository Register
<u>“Participating Management”</u>	:	Has the meaning ascribed to it in paragraph 5.1 of the Letter to Shareholders
<u>“Parties”</u>	:	The Company and the Offeror, and <u>“Party”</u> means any one of them

DEFINITIONS

<u>“Prescribed Occurrence”</u>	:	Has the meaning ascribed to it in Appendix 7 to this Scheme Document
<u>“Proxy Form”</u> or <u>“form of proxy”</u>	:	The accompanying proxy form for the Scheme Meeting as set out in this Scheme Document
<u>“Record Date”</u>	:	A date to be announced (before the Effective Date) by the Company on which the Transfer Books and the Register of Members will be closed in order to determine the entitlements of the Scheme Shareholders in respect of the Scheme
<u>“Register of Members”</u>	:	The register of members of the Company
<u>“Relevant Intermediary”</u>	:	<ul style="list-style-type: none">(i) a banking corporation licensed under the Banking Act (Chapter 19 of Singapore), or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Scheme Shares in that capacity;(ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act and who holds Scheme Shares in that capacity; or(iii) the CPF Board established by the CPF Act, in respect of Scheme Shares purchased under the subsidiary legislation made under the CPF Act providing for the making of investments from the contributions and interest standing to the credit of members of the CPF, if the CPF Board holds those Scheme Shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation
<u>“Relevant Intermediary Shareholders”</u>	:	Persons who hold Shares through a Relevant Intermediary
<u>“Relevant Persons”</u>	:	(A) the Offeror and HoldCo, (B) KBHCo and KBH, (C) Novo Tellus and NT PE Fund 2, (D) the directors of each of the aforementioned companies and (E) either of the Joint Financial Advisers
<u>“Revision Announcement”</u>	:	Has the meaning ascribed to it in paragraph 1.1 of the Letter to Shareholders
<u>“Rollover”</u>	:	Has the meaning ascribed to it in paragraph 1.5(b) of the Letter to Shareholders

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<u>“Rollover Agreement”</u>	:	The subscription and rollover agreement dated 9 November 2020 entered into amongst KBH, KBHCo, the Offeror and HoldCo in relation to, <i>inter alia</i> , the transfer of the KBH Rollover Shares by KBH to the Offeror in consideration for the issuance of HoldCo Shares to KBHCo
<u>“S\$”</u> and <u>“cents”</u>	:	Singapore dollars and cents respectively, being the lawful currency of Singapore
<u>“Scheme”</u>	:	The scheme of arrangement under Section 210 of the Companies Act dated 4 February 2021 as set out in Appendix 13 to this Scheme Document (as may be amended or modified from time to time)
<u>“Scheme Conditions”</u>	:	The conditions precedent in the Implementation Agreement which must be satisfied (or, where applicable, waived) by the Cut-Off Date for the Scheme to be implemented and which are reproduced in Appendix 6 to this Scheme Document
<u>“Scheme Consideration”</u>	:	Has the meaning ascribed to it in paragraph 2.1(b) of the Letter to Shareholders
<u>“Scheme Document”</u>	:	This document dated 4 February 2021 issued by the Company to the Scheme Shareholders containing, <i>inter alia</i> , details of the Scheme, an explanatory statement complying with the requirements of the Companies Act, the Notice and the Proxy Form
<u>“Scheme Meeting”</u>	:	The meeting of Scheme Shareholders to be convened pursuant to the order of the Court to approve the Scheme, notice of which is set out in Appendix 14 of this Scheme Document, and any adjournment thereof
<u>“Scheme Shareholders”</u>	:	Shareholders other than KBH
<u>“Scheme Shares”</u>	:	Shares other than the KBH Rollover Shares
<u>“Scrip Consideration”</u>	:	Has the meaning ascribed to it in paragraph 2.1(b)(ii) of the Letter to Shareholders
<u>“Securities Account”</u>	:	The relevant securities account maintained by a Depositor with CDP but does not include a securities sub-account
<u>“Securities and Futures Act”</u>	:	The Securities and Futures Act (Chapter 289 of Singapore)
<u>“SGXNET”</u>	:	Singapore Exchange Network

DEFINITIONS

<u>“SGX-ST”</u>	:	Singapore Exchange Securities Trading Limited
<u>“Share Awards”</u>	:	Share awards granted pursuant to the Sunningdale Restricted Share Plan 2014
<u>“Share Registrar”</u>	:	Boardroom Corporate & Advisory Services Pte. Ltd., the share registrar of the Company
<u>“Shareholders”</u>	:	Persons who are registered as holders of Shares in the Register of Members and Depositors who have Shares entered against their names in the Depository Register
<u>“Shares”</u>	:	Issued and paid-up ordinary shares in the capital of the Company
<u>“SIC”</u>	:	Securities Industry Council of Singapore
<u>“SRS”</u>	:	Supplementary Retirement Scheme
<u>“SRS Agent Banks”</u>	:	Agent banks included under the SRS
<u>“SRS Investors”</u>	:	Investors who have purchased Shares using their SRS contributions pursuant to the SRS
<u>“Subject Properties”</u>	:	The properties as set out Appendix 5 to this Scheme Document
<u>“Substantial Shareholders”</u>	:	As defined in Section 2 of the Securities and Futures Act
<u>“Sub-Account Holders Form”</u>	:	The List of Sub-Account Holders Who Wish to Accept the Scrip Consideration form, which will be provided to Entitled Depository Agents through the SGX-SFG service
<u>“Sunningdale Group”</u>	:	The Company and its subsidiaries, and <u>“Sunningdale Group Company”</u> means any one of them
<u>“Sunningdale Securities”</u>	:	(i) Shares, (ii) securities which carry voting rights in the Company and (iii) convertible securities, warrants, options and derivatives in respect of the Shares or other securities (if any) which carry voting rights in the Company
<u>“Surviving Provisions”</u>	:	Clauses 1, 4.4, 8, 9, 10 and 11 (excluding Clause 11.1) of the Implementation Agreement which will survive termination of the Implementation Agreement
<u>“Switch Option”</u>	:	Has the meaning ascribed to it in paragraph 2.5(a) of the Letter to Shareholders

DEFINITIONS

<u>“Transfer Books”</u>	:	The transfer books of the Company
<u>“Undertaking Shareholders”</u>	:	Yarwood, GSH and the Identified Participating Management
<u>“UOB”</u>	:	United Overseas Bank Limited
<u>“Valuers”</u>	:	Savills Valuation and Professional Services (S) Pte Ltd, Savills Real Estate Valuation (Guangzhou) Ltd Beijing Branch, and Savills (Malaysia) Sdn Bhd
<u>“Valuation Certificates”</u>	:	The valuation certificates issued by the Valuers in respect of the Subject Properties, as set out in Appendix 5 to this Scheme Document
<u>“VWAP”</u>	:	Volume-weighted average price
<u>“warrants”</u>	:	Rights to subscribe for or purchase new shares or existing shares in the Company, the Offeror or HoldCo (as the case may be)
<u>“Yarwood”</u>	:	Yarwood Engineering and Trading Limited
<u>“%” or “per cent.”</u>	:	Per centum or percentage
<u>“1H2020”</u>	:	The six months ended 30 June 2020
<u>“9M2020”</u>	:	The nine months ended 30 September 2020

Acting in Concert and Concert Parties. The terms **“acting in concert”** and **“concert parties”** shall have the meanings ascribed to them respectively in the Code.

Depositors, Depository Register, etc. The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** and **“sub-account holder”** shall have the same meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act.

Subsidiary and Related Corporations. The terms **“subsidiary”** and **“related corporation”** shall have the meanings ascribed to them respectively in Sections 5 and 6 of the Companies Act.

Headings. The headings in this Scheme Document are for ease of reference only and shall be ignored in construing this Scheme Document.

Expressions. Words importing the singular shall, where applicable, include the plural and vice versa. Words importing any one gender shall, where applicable, include the other genders (male, female or neuter). References to persons shall, where applicable, include firms, corporations and other entities.

DEFINITIONS

Statutes. Any reference in this Scheme Document to any enactment or statute is a reference to that enactment or statute for the time being amended, modified, supplemented or re-enacted. Any term defined under the Companies Act, the Securities and Futures Act, the Code, the Listing Manual or any modification thereof and used but not otherwise defined in this Scheme Document shall, where applicable, have the meaning assigned to it under the Companies Act, the Securities and Futures Act, the Code, the Listing Manual or any modification thereof, as the case may be, unless otherwise provided.

Time and Date. Any reference to a time of day and date in this Scheme Document is made by reference to Singapore time and date respectively, unless otherwise stated.

Rounding. Any discrepancies in the figures included in this Scheme Document between the listed amounts and the totals thereof and/or the respective percentages are due to rounding. Accordingly, figures shown as totals in this Scheme Document may not be an arithmetic aggregation of the figures that precede them.

Total Number of Shares and Percentage of Shares. In this Scheme Document, the total number of Shares as at the Latest Practicable Date is 192,622,836. As at the Latest Practicable Date, the Company does not hold any treasury shares. Unless otherwise stated, all references to percentage shareholding of the issued share capital of the Company in this Scheme Document are based on 192,622,836 Shares in the issued share capital of the Company as at the Latest Practicable Date.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Scheme Document are or may be forward-looking statements. Forward-looking statements include, but are not limited to, those using words such as “aim”, “anticipate”, “believe”, “estimate”, “expect”, “forecast”, “intend”, “plan”, “project”, “seek”, “strategy” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect HoldCo’s, the Offeror’s and/or the Company’s (as the case may be) current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently-available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those expressed or implied in such forward-looking statements. Given the risks and uncertainties that may cause actual results or outcomes to differ materially from those expressed or implied in such forward-looking statements, Shareholders and investors of HoldCo, the Offeror and the Company should not place undue reliance on such forward-looking statements, and none of HoldCo, the Offeror or the Company guarantees any future performance or event or undertakes any obligation to update publicly or revise any forward-looking statements.

EXPECTED TIMETABLE

Last date and time for lodgement of Proxy Form for Scheme Meeting	:	17 February 2021 at 3.00 p.m. ⁽¹⁾⁽²⁾
Date and time of Scheme Meeting	:	19 February 2021 at 3.00 p.m.
Expected date of Court hearing of the application to sanction the Scheme	:	1 March 2021
Expected last day of trading of the Shares	:	8 March 2021
Expected Record Date	:	10 March 2021 at 5.00 p.m.
Expected date of despatch of Election Forms by the Offeror (or on its behalf) to Entitled Scheme Shareholders	:	15 March 2021
Expected latest date and time for submission of Election Forms	:	29 March 2021 at 5.00 p.m.
Expected Effective Date	:	8 April 2021 ⁽³⁾
Expected date for the payment of the Scheme Consideration	:	By 19 April 2021 ⁽⁴⁾
Expected date for the delisting of the Shares	:	20 April 2021

You should note that save for the last date and time for the lodgement of the Proxy Form and the date and time of the Scheme Meeting, the above timetable is indicative only and may be subject to change. For the events listed above which are described as “expected”, please refer to future announcement(s) by the Company and/or the SGX-ST for the exact dates of these events.

Notes:

- (1) The Scheme Meeting will be held by way of electronic means due to the current COVID-19 restriction orders in Singapore. Accordingly, Scheme Shareholders will not be able to attend the Scheme Meeting in person.

If a Scheme Shareholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the Scheme Meeting, he/she/it must appoint the Chairman of the Scheme Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Scheme Meeting.

In appointing the Chairman of the Scheme Meeting as proxy, a Scheme Shareholder must give specific instructions as to voting, or abstention of voting, in respect of the Resolution in the Proxy Form failing which the appointment of the Chairman of the Scheme Meeting as proxy for the Scheme Meeting will be treated as invalid.

The votes of the Chairman of the Scheme Meeting, as proxy, shall be counted as the votes of the number of appointing Scheme Shareholders.

- (2) The Proxy Form appointing the Chairman of the Scheme Meeting as proxy must be submitted to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:
- (a) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via email to the Share Registrar at srs.teamd@boardroomlimited.com; or
 - (b) if submitted by post, be lodged at the office of the Share Registrar at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623,

in either case, by 3.00 p.m. on 17 February 2021, being 48 hours before the time fixed for the Scheme Meeting.

EXPECTED TIMETABLE

A Scheme Shareholder who wishes to submit a Proxy Form must complete and sign the Proxy Form, and may submit it by post to the address provided above, or by scanning and sending it by email to the email address provided above.

In view of the COVID-19 restriction orders in Singapore and the related safe distancing measures which may make it difficult for Scheme Shareholders to submit completed proxy forms by post, Scheme Shareholders are strongly encouraged to submit completed proxy forms electronically via email.

- (3) The Scheme will only become effective and binding upon lodgement of the Court Order with ACRA. The Court Order will be lodged with ACRA after the satisfaction (or, where applicable, waiver) of all the Scheme Conditions, a list of which is set out in **Appendix 6** to this Scheme Document.
- (4) Assuming that the Effective Date is on 8 April 2021.

CORPORATE INFORMATION

DIRECTORS	: Mr. Koh Boon Hwee Mr. Khoo Boo Hor Mr. Kaka Singh S/O Dalip Singh Mr. Gabriel Teo Chen Thye Mrs. Eileen Tay-Tan Bee Kiew Mr. Loke Wai San
COMPANY SECRETARY	: Mr. Lum Chi Lup Benny
REGISTERED OFFICE	: 51 Joo Koon Circle Singapore 629069
SHARE REGISTRAR	: Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place Singapore Land Tower #32-01 Singapore 048623
LEGAL ADVISER TO THE COMPANY	: WongPartnership LLP 12 Marina Boulevard Level 28-00 Marina Bay Financial Centre Tower 3 Singapore 018982
FINANCIAL ADVISER TO THE COMPANY	: Deloitte & Touche Corporate Finance Pte Ltd 6 Shenton Way #33-00 OUE Downtown 2 Singapore 068809
INDEPENDENT FINANCIAL ADVISER APPOINTED PURSUANT TO RULE 1309(2) OF THE LISTING MANUAL AS WELL AS TO ADVISE THE NON-CONFLICTED DIRECTORS IN RESPECT OF THE SCHEME	: Provenance Capital Pte. Ltd. 96 Robinson Road #13-01 SIF Building Singapore 068899
AUDITORS	: Ernst & Young LLP One Raffles Quay North Tower Level 18 Singapore 048583

LETTER TO SHAREHOLDERS

SUNNINGDALE TECH LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199508621R)

Directors:

Mr. Koh Boon Hwee (Non-Executive Chairman and Non-Executive Director)
Mr. Khoo Boo Hor (Chief Executive Officer and Executive Director)
Mr. Gabriel Teo Chen Thye (Independent Director)
Mr. Kaka Singh S/O Dalip Singh (Lead Independent Director)
Mrs. Eileen Tay-Tan Bee Kiew (Independent Director)
Mr. Loke Wai San (Non-Executive and Non-Independent Director)

Registered Office:

51 Joo Koon Circle
Singapore 629069

4 February 2021

To: The Shareholders of Sunningdale Tech Ltd.

Dear Sir/Madam

PROPOSED ACQUISITION BY SUNRISE TECHNOLOGY INVESTMENT HOLDING PTE. LTD. OF ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF SUNNINGDALE TECH LTD. (OTHER THAN THE KBH ROLLOVER SHARES) BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 210 OF THE COMPANIES ACT

1. INTRODUCTION

1.1 Joint Announcement and Revision Announcement

On 9 November 2020, the Company and the Offeror jointly announced the proposed acquisition (the "**Acquisition**") of all the Scheme Shares by the Offeror, to be effected by the Company by way of a scheme of arrangement under Section 210 of the Companies Act and in accordance with the Code.

On 19 January 2021, the Company and the Offeror jointly announced, *inter alia*, that the Scheme Consideration for each Scheme Share has been increased such that each Entitled Scheme Shareholder will now be entitled to receive, for each Scheme Share, at their election, S\$1.65 in cash, or in lieu thereof and subject to the Adjustment Mechanism, 1,650 HoldCo Shares at an issue price of S\$0.001 per HoldCo Share, subject to the terms set out in the Scheme Document (the "**Revision Announcement**").

Copies of the Joint Announcement and the Revision Announcement are available on the SGXNET at www.sgx.com.

1.2 Purpose

The purpose of this Scheme Document is to set out information pertaining to the Scheme, to seek your approval of the Scheme and to give you notice of the Scheme Meeting.

LETTER TO SHAREHOLDERS

1.3 Explanatory Statement

An Explanatory Statement setting out the key terms of, the rationale for, and the effect of, the Scheme and the procedures for its implementation is set out on pages 43 to 80 of this Scheme Document. The Explanatory Statement should be read in conjunction with the full text of this Scheme Document, including the Scheme as set out on pages 319 to 330 of this Scheme Document.

1.4 Information on the Company

The Company was incorporated in Singapore on 5 December 1995 and has been listed on the Mainboard of the SGX-ST since October 2003. The Sunningdale Group is a manufacturer of precision plastic components headquartered out of Singapore and serve customers across various industry segments (including automotive, consumer/IT and healthcare) and geographies.

As at the Latest Practicable Date, (i) the Company has an issued and paid-up share capital of S\$304,583,871.43 comprising 192,622,836 Shares, (ii) there are 1,334,000 Share Awards outstanding and (iii) there are no options or convertible securities of Sunningdale outstanding. The Company has no treasury shares.

1.5 Information on the Offeror, HoldCo, KBHCo and Novo Tellus

(a) The Offeror and HoldCo

As stated in the Offeror's Letter:

- (i) the Offeror is a company incorporated in Singapore on 18 June 2020 and the sole shareholder of the Offeror is HoldCo, an exempted company incorporated in the Cayman Islands;
- (ii) as at the Latest Practicable Date, the shareholders of HoldCo are, in turn:
 - (A) KBHCo, an entity wholly owned by KBH, holding 64 per cent. of the HoldCo Shares; and
 - (B) Novo Tellus, a wholly owned subsidiary of NT PE Fund 2, holding 36 per cent. of the HoldCo Shares;
- (iii) each of KBH and LWS are directors of the boards of the Offeror and HoldCo;
- (iv) as HoldCo was newly incorporated on 14 October 2020 for the purpose of the Acquisition, no audited or unaudited financial statements of HoldCo have been prepared as at the Latest Practicable Date; and
- (v) save in relation to and in connection with the Acquisition and the Scheme (including financing the Acquisition and the Scheme and the costs and expenses incurred or to be incurred in connection with the Acquisition and the Scheme), there has been no known material change in the financial position of HoldCo since its incorporation.

LETTER TO SHAREHOLDERS

(b) KBHCo and KBH, Internal Transfer and Rollover by KBH

As stated in the Offeror's Letter, KBHCo is a company incorporated in Singapore and is wholly owned by KBH. KBH has been a long term shareholder of the Company and a director of the Company since 2003, and has played a key role in the strategic direction, management and development of the Company.

In order to consolidate the shareholdings of KBH and his spouse, KBH had on 19 January 2021 transferred the 22,008 Shares held by Mdm. Leong Siew Fong to himself for a consideration lower than the Cash Consideration payable under the Scheme. As at the Latest Practicable Date, KBH has a direct interest in 29,969,409 Shares (the "**KBH Rollover Shares**"), representing in aggregate 15.56 per cent. of the issued Shares.

Pursuant to the Rollover Agreement and assuming a Cash Consideration of S\$1.65 per Scheme Share, KBH shall, on or shortly after the Effective Date, transfer or procure the transfer of the KBH Rollover Shares to the Offeror, in exchange for 49,449,524,850 HoldCo Shares (the "**Rollover**"). In the event that any dividends, rights or other distributions are declared, paid or made by the Company to the Shareholders on or after the Joint Announcement Date and before the Effective Date, the Offeror reserves the right to reduce the Scheme Consideration (as set out in **paragraph 2.1(d)** of the Offeror's Letter) and this will consequently affect the number of HoldCo Shares to be issued to KBHCo pursuant to the Rollover.

(c) Novo Tellus and NT PE Fund 2

As stated in the Offeror's Letter, Novo Tellus is an exempted company incorporated in the Cayman Islands, incorporated for the purposes of the Acquisition. Novo Tellus is a wholly owned subsidiary of NT PE Fund 2, an exempted limited partnership incorporated in the Cayman Islands and which focuses on private equity investments in the technology and industrials sectors in Southeast Asia. As at the Latest Practicable Date, NT PE Fund 2 has two investments: (i) a stake in SGX Mainboard listed ISDN Holdings Limited, a company providing industrial automation solutions to enterprise customers throughout Asia; and (ii) a stake in SGX Mainboard listed Procurri Corporation Limited, a company providing data centre hardware solutions to enterprise customers worldwide.

As at the Latest Practicable Date, neither Novo Tellus nor NT PE Fund 2 has any interest in the issued Shares.

(d) Further Details

Schedule A of the Offeror's Letter sets out certain additional information relating to each of the Offeror and HoldCo.

(e) Consortium and Shareholders' Agreement

Please refer to **paragraph 11.5** of the Offeror's Letter for details on the salient terms of the Consortium and Shareholders' Agreement.

LETTER TO SHAREHOLDERS

2. THE ACQUISITION AND THE SCHEME

2.1 Terms of the Scheme

The Acquisition will be effected by way of a scheme of arrangement pursuant to Section 210 of the Companies Act and in accordance with the Code and the terms and conditions of the Implementation Agreement.

Under the Scheme:

- (a) all the Scheme Shares held by the Entitled Scheme Shareholders as at the Record Date will be transferred to the Offeror:
 - (i) fully paid up;
 - (ii) free from all Encumbrances; and
 - (iii) together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company to the Scheme Shareholders on or after the Joint Announcement Date.
- (b) In consideration of the transfer of the Scheme Shares referred to in **paragraph 2.1(a)** above, each Entitled Scheme Shareholder will be entitled to receive for each Scheme Share (the "**Scheme Consideration**"), at their election:
 - (i) S\$1.65 in cash (the "**Cash Consideration**"); or
 - (ii) in lieu of the Cash Consideration, 1,650 HoldCo Shares, which HoldCo shall allot and issue, duly authorised, fully paid and free from all Encumbrances, at an issue price of S\$0.001 per HoldCo Share (the "**Issue Price**", and such consideration the "**Scrip Consideration**"), provided always that no more than 55,652,841,202 HoldCo Shares, subject to the adjustment in **paragraph 2.1(d)** below, may be issued as Scrip Consideration (the "**Maximum Number**").

The increased Scheme Consideration is final and the Offeror will not further increase the Scheme Consideration.

- (c) In the event that Entitled Scheme Shareholders elect for Scrip Consideration in such amount which exceeds the Maximum Number (the "**Adjustment Mechanism**"):
 - (i) the Maximum Number will be allocated among the electing Entitled Scheme Shareholders on a pro-rata basis according to the number of Scheme Shares they hold, and will be rounded down to the nearest whole number; and
 - (ii) in respect of the balance number of Scheme Shares held by Entitled Scheme Shareholders that elected for Scrip Consideration in excess of the Maximum Number, each relevant Entitled Scheme Shareholder shall receive in cash such amount equivalent to the HoldCo Shares (based on the Issue Price) which cannot be allotted and issued to such Entitled Scheme Shareholder.

LETTER TO SHAREHOLDERS

- (d) The Maximum Number of HoldCo Shares which may be issued as the Scrip Consideration represents approximately 30 per cent. of the Enlarged Share Capital. If any dividends, rights or other distributions are declared, paid or made by the Company to the Shareholders on or after the Joint Announcement Date and before the Effective Date:
- (i) the Offeror reserves the right to reduce the Scheme Consideration by the amount of such dividends, rights or other distributions; and
 - (ii) as there will be a corresponding reduction in the equity commitment and the number of HoldCo Shares to be issued under the Consortium and Shareholders' Agreement, the Management Reinvestment and the Rollover Agreement, the Offeror will reduce the Maximum Number of HoldCo Shares such that the Maximum Number will represent approximately 30 per cent. of the Enlarged Share Capital.

To illustrate, if a dividend of S\$0.05 per Share is declared, paid or made:

(A) The Scheme Consideration payable will be reduced by: 193,956,836 Shares¹ x S\$0.05 = S\$9,697,841,80.

(B) This will correspondingly reduce the total equity contribution from the Consortium Parties², BH, the Participating Management and the Entitled Scheme Shareholders (including Yarwood and GSH) that elect for the Scrip Consideration by the same amount, being a drop of approximately 5.2 per cent. of the committed total equity contribution, which in turn reduces the Maximum Number of HoldCo Shares from 55,652,841,202 to 52,743,488,662 (i.e. a reduction of approximately 5.2 per cent.).

2.2 Scrip Consideration

The implied value of the Scrip Consideration (based on the Issue Price) will be the same as the Cash Consideration. As stated in the Offeror's Letter, the new HoldCo Shares to be allotted and issued pursuant to the Scheme shall be:

- (a) issued at S\$0.001 per HoldCo Share, being the same issue price per HoldCo Share to be issued to (i) each of Novo Tellus and KBHCo pursuant to the Consortium and Shareholders' Agreement, (ii) KBHCo pursuant to the Rollover Agreement and (iii) each Identified Participating Management pursuant to the Management Reinvestment Scheme; and
- (b) allotted and issued and credited as fully paid and, when allotted and issued, will rank *pari passu* in all respects with the then existing HoldCo Shares.

¹ This is the number of outstanding Shares assuming vesting and delivery of all the outstanding Share Awards.

² Such equity amount will be contributed by KBH under the Rollover Agreement and by the Consortium Parties in accordance with the Consortium and Shareholders' Agreement.

LETTER TO SHAREHOLDERS

The key terms relating to the governance arrangements of HoldCo, and the rights of holders of HoldCo Shares in respect of capital, dividends and voting, are set out in Schedule B of the Offeror's Letter. As set out in Schedule B to the Offeror's Letter, certain rights in respect of the HoldCo Shares are conferred only on a HoldCo Shareholder holding at least 12 per cent. of the HoldCo Shares (i.e. a "Controlling Shareholder"), e.g. the right of first offer, the tag-along right, the right to a default call option, the right to vote on and to veto certain reserved matters and the right to appoint a director. In addition, please also note that all HoldCo Shareholders (including those who are not Controlling Shareholders) are subject to a moratorium and restrictions on a transfer of the HoldCo Shares (as set out in Articles 12.1 to 12.3 of the proposed HoldCo Constitution) and the Majority Shareholder's drag-along right (as set out in Article 12.5 of the proposed HoldCo Constitution). Please refer to Schedule B of the Offeror's Letter for more details.

The HoldCo Shares will not be listed on any securities exchange following completion of the Scheme.

As stated in the Offeror's Letter, there are risks involved with investing in the HoldCo Shares. Some of these risks are set out in Schedule C of the Offeror's Letter. As stated in the IFA Letter, Entitled Scheme Shareholders should also note that the Consortium and Shareholders' Agreement sets out, *inter alia*, the agreement between KBHCo and Novo Tellus in relation to the affairs of HoldCo and the minority shareholders of HoldCo may not be able to participate fully or benefit fully from the Consortium and Shareholders' Agreement as they are not parties to it.

As stated in the Offeror's Letter, the HoldCo Shares will be issued to and registered in the name of the person/entity recorded in the Register of Members or the Depository Register as at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form), regardless of whether such Entitled Scheme Shareholder holds the Scheme Shares as custodian or nominee or otherwise.

For the avoidance of doubt, each Entitled Scheme Shareholder is only entitled to elect to receive the Cash Consideration or, in lieu thereof, the Scrip Consideration, for all the Scheme Shares registered in the Entitled Scheme Shareholder's name, but not a mixture of both. An Entitled Scheme Shareholder who wishes to elect to receive the Cash Consideration need not complete and return the Election Form. In the absence or failure of any valid election by an Entitled Scheme Shareholder to accept the Scrip Consideration, the Entitled Scheme Shareholder shall be deemed to have elected for the Cash Consideration for all the Scheme Shares registered in such Entitled Scheme Shareholder's name.

In respect of the Scrip Consideration, the aggregate number of HoldCo Shares which each electing Entitled Scheme Shareholder will be entitled to receive pursuant to the Scheme will be subject to the Adjustment Mechanism (if applicable) and will always be rounded down to the nearest whole number.

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As stated in the Offeror's Letter, where Entitled Scheme Shareholders elect for Scrip Consideration in such amount which exceeds the Maximum Number, the Adjustment Mechanism shall apply, and an Entitled Scheme Shareholder who elected to receive the Scrip Consideration would not be entitled to re-elect to receive the Cash Consideration with respect to all the Scheme Shares registered in such Entitled Scheme Shareholder's name.

The HoldCo Shares to be issued pursuant to the Scheme will, when issued, be validly authorised, validly issued and outstanding, fully paid and non-assessable and free from Encumbrances (other than restrictions arising out of applicable securities laws) and all consents, authorisations, approvals or waivers from any governmental agencies or third parties necessary for such issuance have been or will, prior to such issuance, be obtained.

2.3 Adjustment Mechanism

Where Entitled Scheme Shareholders elect for Scrip Consideration in such amount which exceeds the Maximum Number, the number of HoldCo Shares to be allotted and issued to an Entitled Scheme Shareholder who has elected to receive the Scrip Consideration shall be calculated in accordance with the following formula:

$$N = S/T \times M$$

where:

“N” is the number of HoldCo Shares to be allotted and issued to such Entitled Scheme Shareholder, rounded down to the nearest whole number;

“S” is the number of Scheme Shares held by such Entitled Scheme Shareholder;

“T” is the aggregate number of Scheme Shares held by Entitled Scheme Shareholders that have elected for Scrip Consideration; and

“M” is the Maximum Number.

As an example and purely for illustration purposes only, assuming all Entitled Scheme Shareholders (excluding the Identified Participating Management) holding an aggregate of 152,252,791³ Scheme Shares elected for the Scrip Consideration and an Entitled Scheme Shareholder elects to receive Scrip Consideration in respect of the 100,000 Scheme Shares held by him, the Scheme Consideration will be paid to such Entitled Scheme Shareholder in the following manner:

(a) *Number of HoldCo Shares received: $100,000/152,252,791 \times 55,652,841,202 =$ **36,552,920***

(b) *Amount of cash received: $(100,000 \times S\$1.65) - S\$36,552.92^4 =$ **S\$128,447.08***

3 This number assumes the vesting and delivery of all the outstanding Share Awards.

4 This is the implied value of the HoldCo Shares issued as Scrip Consideration based on the Issue Price.

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Based on the same assumptions above and applying the same formula as set out above, assuming all Entitled Scheme Shareholders (excluding the Identified Participating Management) elect for the Scrip Consideration, Entitled Scheme Shareholders holding the number of Scheme Shares set out in column (1) below would receive the Scheme Consideration in the number of HoldCo Shares and cash as set out in the corresponding columns below.

(1) Number of Scheme Shares held by an Entitled Scheme Shareholder	(2) Percentage of total number of issued Shares ⁵ (%)	(3) Number of HoldCo Shares received after the Adjustment Mechanism ⁶	(4) Paid up capital of the HoldCo Shares received based on the Issue Price (S\$)	(5) Percentage of total number of HoldCo Shares (%)	(6) Amount of cash received after Adjustment Mechanism ⁷ (S\$)	(7) Total value of Scheme Consideration received (S\$) ⁸
100,000	0.05	36,552,920	36,552.92	0.02	128,447.08	165,000.00
1,000,000	0.52	365,529,202	365,529.20	0.20	1,284,470.80	1,650,000.00
10,000,000	5.16	3,655,292,020	3,655,292.02	1.97	12,844,707.98	16,500,000.00

2.4 Election Process

(a) Each Entitled Scheme Shareholder:

- (i) who is holding Directly-Held Scheme Shares shall only be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Scrip Consideration for all of his/her/its Directly-Held Scheme Shares, but not a combination of both; and
- (ii) who is holding Indirectly-Held Scheme Shares, shall in respect of each such sub-account holder, be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Scrip Consideration for all the Indirectly-Held Scheme Shares held on behalf of such sub-account holder, but not a combination of both,

(each Entitled Scheme Shareholder under **paragraph 2.4(a)(i)** above and Depository Agent (for and on behalf of each sub-account holder under **paragraph 2.4(a)(ii)** above) shall be referred to as an “**Electing Party**”).

If an Entitled Scheme Shareholder holds both Directly-Held Scheme Shares and Indirectly-Held Scheme Shares through securities sub-account(s) with Depository Agent(s), such Entitled Scheme Shareholder shall elect to receive either the Cash Consideration or the Scrip Consideration (and not a combination of the two) in respect of all of his/her/its Directly-Held Scheme Shares, and shall direct his/her/its Depository Agent(s) to elect to receive the same form of the Scheme Consideration in respect of all of his/her/its Indirectly-Held Scheme Shares.

⁵ Computed based on number of outstanding Shares assuming vesting and delivery of all the outstanding Share Awards.

⁶ This number (which has been rounded down to the nearest whole number) is calculated based on the above formula where T is 152,252,791, being the number of Scheme Shares owned by all Entitled Scheme Shareholders (excluding the Identified Participating Management); and M is 55,652,841,202, being the Maximum Number.

⁷ Amount of cash received by the Entitled Scheme Shareholder is the balance of the Scheme Consideration, such that the sum of the value of the HoldCo Shares at the issue price of S\$0.001 and the cash payment will equal the total Scheme Consideration at S\$1.65 for each Scheme Share.

⁸ This is the sum of the amounts in columns (4) and (6). For the avoidance of doubt, this is the same amount that the relevant Entitled Scheme Shareholder would have received in cash had such Entitled Scheme Shareholder elected for the Cash Consideration.

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- (b) In the event that an Entitled Scheme Shareholder or a sub-account holder for each Entitled Depository Agent:
- (i) fails to elect to receive a Scheme Consideration within the Election Period, whether due to an absence or failure of a valid election;
 - (ii) to the extent applicable under the laws of the Cayman Islands and upon being notified by the Offeror, fails to provide such details and/or information as may be required to satisfy the requirements of the anti-money laundering regulations of the Cayman Islands;
 - (iii) elects to receive the Cash Consideration or Scrip Consideration in respect of some only and not all of its Scheme Shares;
 - (iv) holds both Directly-Held Scheme Shares and Indirectly-Held Scheme Shares through securities sub-account(s) with Depository Agent(s) and does not elect to receive and direct his/her/its Depository Agent(s) to elect to receive the same form of the Scheme Consideration in respect of all his/her/its Directly-Held Scheme Shares and Indirectly-Held Scheme Shares respectively, and the Offeror is notified of such occurrence; and/or
 - (v) maintains an address recorded in the Register of Members or the Depository Register or in the records of the Entitled Depository Agent (as the case may be) that is not within Singapore and does not provide the Company and the Share Registrar or CDP (as the case may be) with an address in Singapore by the Record Date,

such Entitled Scheme Shareholder or such sub-account holder for each Entitled Depository Agent shall be deemed to have elected to receive the Cash Consideration for all of its Scheme Shares, and shall be entitled only to receive the Cash Consideration for all of its Scheme Shares as at the Record Date.

In addition, if the Share Registrar or CDP (as the case may be) fails to receive, from an Entitled Scheme Shareholder or a sub-account holder for each Entitled Depository Agent an Election Form, Electronic Election or Sub-Account Holders Form, as the case may be, by the end of the Election Period or receives an Election Form, Electronic Election or Sub-Account Holders Form which does not comply with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form or the terms and conditions contained in this Scheme Document, or which is not complete or is invalid in any other respect, that Electing Party shall be deemed to have elected the Cash Consideration in exchange for all his/her/its Shares.

- (c) Further information about the election process as well as the settlement and registration of the Scheme Consideration can be found in **paragraphs 14 to 16** of the Explanatory Statement and **paragraphs 14 and 15** of the Offeror's Letter.

2.5 Switch Option

- (a) Pursuant to the terms of the Implementation Agreement, in the event a Competing Offer or an intention to make a Competing Offer is announced (whether or not such Competing Offer is pre-conditional), the Offeror shall have the right at its sole discretion to elect to proceed by way of an Offer in lieu of proceeding with the Acquisition by way of the Scheme (the "**Switch Option**"), at any time prior to the date on which the Scheme Meeting is to be held.

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- (b) If the Offeror exercises the Switch Option, the Offeror will make the Offer on the same or better terms as those which apply to the Scheme, including the same or a higher consideration than the Scheme Consideration, and conditional upon a level of acceptances to be determined with the consent of the SIC. In addition, the Offeror and the Company acknowledge that the acceptance condition determined in accordance with this **paragraph 2.5(b)** may be revised, subject to SIC's consent, if there are any legislative amendments to Section 215 of the Companies Act, to the extent that such legislative amendments come into force on or after the date of the Implementation Agreement and prior to the exercise of the Switch Option, and such amendments alter the shareholding percentage required to be held by the Offeror in order for the Offeror to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act.
- (c) In such event, Sunningdale and the Offeror have agreed that the Implementation Agreement shall terminate with effect from the date of announcement by or on behalf of the Offeror of a firm intention to make the Offer, save for the Surviving Provisions.

2.6 Termination of the Implementation Agreement

In the event of termination of the Implementation Agreement by either the Company or the Offeror (as the case may be) pursuant to the terms of the Implementation Agreement:

- (a) the Implementation Agreement shall cease to have any further force or effect (save for the Surviving Provisions); and
- (b) neither party shall have any further liability or obligation to the other party (save for the Surviving Provisions),

provided always that such termination shall not prejudice the rights of either party which have accrued or arisen prior to such termination.

2.7 Financial Evaluation of the Scheme Consideration

Please refer to **paragraph 4** of the Offeror's Letter for the financial evaluation of the Scheme Consideration.

3. **THE OFFEROR'S RATIONALE FOR THE ACQUISITION AND FUTURE PLANS FOR THE COMPANY**

3.1 The Offeror's Rationale

The rationale for the Acquisition is stated in **paragraphs 3.1 to 3.4** of the Offeror's Letter, an extract of which is set out below:

"3.1 Changing market conditions driving long-term investment needs

The Acquisition represents an opportunity for the Offeror to acquire control of a company in the precision plastic manufacturing sector with a footprint across various industry segments (including automotive, consumer/IT and healthcare) and geographies.

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The onset of the global COVID-19 pandemic combined with persistent global trade tensions between US and China have impacted Sunningdale's market. Customers are managing risk actively by adjusting supply chains away from concentrated production in Asia towards more diversified regional and local production worldwide. To remain competitive in this changing market, the Offeror is of the view that Sunningdale will need to make significant long-term investments to diversify and increase its manufacturing footprint beyond Asia. While these long-dated investments are needed to protect the Company's competitiveness and shareholder value in the long run, they will likely result in substantial upfront cash outlay that may generate little near-term payoff. This in-turn may increase the likelihood of more volatility to earnings and free cashflow generation over the near term.

As a result of the changing risk profile of the Company, the Offeror believes a privatisation of Sunningdale will provide the Company with the necessary flexibility to optimise its resources and allow it to make strategic, long dated investment decisions to protect the long-term competitiveness of the business. Delisting will also help Sunningdale to save considerable resources and costs associated with maintaining its listed status.

3.2 Providing Entitled Scheme Shareholders with choice

The Offeror recognises that different shareholders have different investment objectives and has tailored the Scheme to provide Entitled Scheme Shareholders with a choice of consideration that may best suit their investment needs.

For Entitled Scheme Shareholders who prefer to receive a cash premium to the historical share price, the option of the Cash Consideration provides the choice to receive S\$1.65 in cash per Scheme Share, representing a 42.6 per cent. premium over the VWAP of the Shares for the last year (as detailed in paragraph 3.3(a) below).

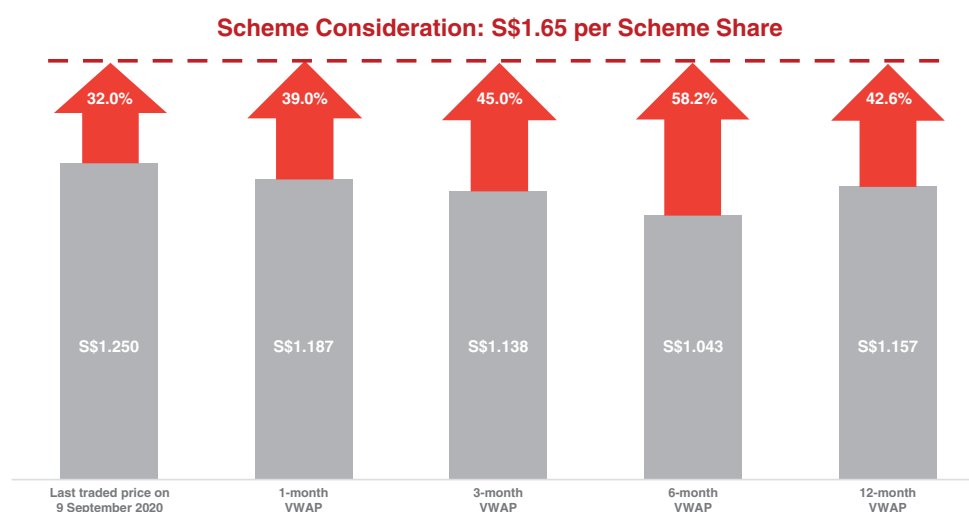
For Entitled Scheme Shareholders who prefer a long-term return and can accept the risks of being a minority shareholder in a private unlisted company, subject to the Maximum Number of HoldCo Shares that may be issued as Scrip Consideration and the Adjustment Mechanism, such Entitled Scheme Shareholders will have the option to elect for the Scrip Consideration. However, it should be noted that the HoldCo Shares are in a private offshore entity and subject to certain risks and restrictions which are elaborated on in Schedules B and C of this Offeror's Letter.

3.3 Opportunity for Entitled Scheme Shareholders to Exit at a Premium to Historical Traded Prices without incurring Brokerage Fees

(a) *The Scheme Consideration represents a premium to the historical traded prices as set out in paragraph 4 below.*

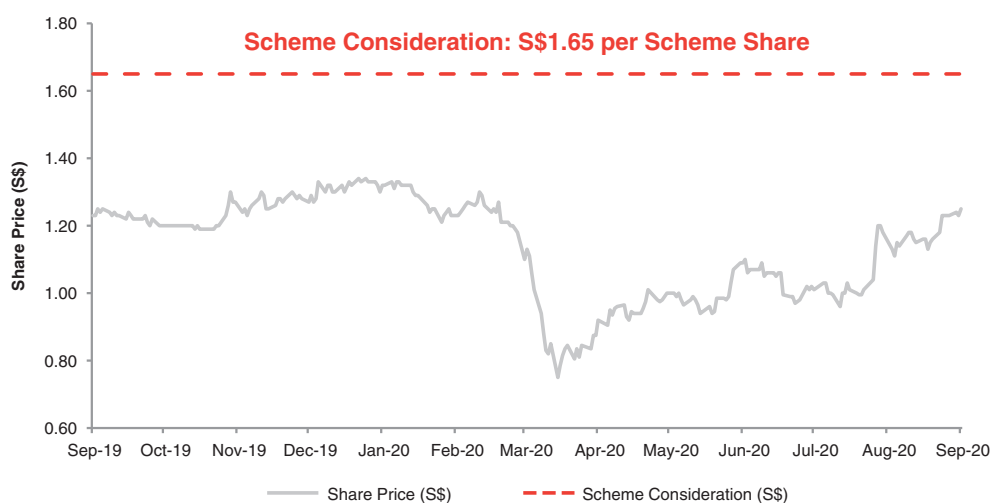
Against the backdrop of negative market sentiments due to continuing US-China tensions and an uncertain business environment due to the COVID-19 pandemic, the Acquisition represents an opportunity for Entitled Scheme Shareholders to realise their investments in Sunningdale for a cash consideration at a premium of approximately 39.0 per cent., 45.0 per cent., 58.2 per cent. and 42.6 per cent. over the VWAP of the Shares for the one-month, three-month, six-month and twelve-month periods respectively prior to and including 9 September 2020, being the last full trading day immediately before Sunningdale released the announcement in respect of a possible transaction involving the Shares on the Holding Announcement Date.

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Source: Bloomberg L.P.

The Scheme Consideration exceeds the highest closing price of the Shares in the 12-month period prior to and including the Holding Announcement Date. It represents a premium ranging between 23.1 per cent. and 120.0 per cent. to the closing prices of the Shares during this period.



Source: Bloomberg L.P.

- (b) Further, the Acquisition provides an opportunity for Entitled Scheme Shareholders to achieve an exit of their investment in Sunningdale, which was made difficult previously due to the generally low trading liquidity in the Shares.

The historical trading liquidity of the Shares has been low, with an average daily trading volume of 209,341 Shares, 160,427 Shares, and 150,772 Shares traded during the one-month, three-month and six-month periods respectively up to and including the Holding Announcement Date. These represent only 0.11 per cent., 0.08 per cent. and 0.08 per cent. of the total number of issued Shares as at the Joint Announcement Date for each of the respective aforementioned relevant periods.

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<i>Period prior to and including the Holding Announcement Date</i>	<i>Average Daily Trading Volume⁽¹⁾</i>	<i>Percentage of total number of issued Shares⁽²⁾⁽³⁾ (%)</i>
<i>Last one month</i>	<i>209,341</i>	<i>0.11</i>
<i>Last three months</i>	<i>160,427</i>	<i>0.08</i>
<i>Last six months</i>	<i>150,772</i>	<i>0.08</i>

Notes:

- (1) *The figures in the table above are based on data extracted from Bloomberg L.P.. The average daily trading volume is computed based on the total trading volume of the Shares for all Market Days for the relevant periods immediately prior to and including the Holding Announcement Date, divided by the total number of Market Days during the respective periods.*
- (2) *Computed based on 191,941,836 Shares, being the total number of issued Shares as at the Joint Announcement Date.*
- (3) *Rounded to the nearest two decimal places.*

Pursuant to the Scheme, Entitled Scheme Shareholders who found it difficult to exit their investment in Sunningdale as a result of the low trading volume in the Shares are presented with an opportunity to liquidate and realise their investment in Sunningdale if they elect to receive the Cash Consideration.

3.4 No further approaches and only offer currently available to fully realise return

Since the release of the Joint Announcement, there have been no other approaches or submissions of interest from potential investors in respect of an alternative proposal for the Company.

Accordingly, the Scheme is the only offer available to date which provides Entitled Scheme Shareholders with the opportunity to achieve a full exit of their investment for cash at a premium to trading value. In the past, the low historical trading volume in the Shares may have presented larger Entitled Scheme Shareholders with difficulty in exiting a full position at trading value.”

3.2 The Offeror’s Future Plans

As stated in **paragraph 3.5** of the Offeror’s Letter:

“3.5 The Offeror’s Future Plans

Save as set out above (including the Offeror’s intentions in paragraph 3.1 that the Company should make significant long-dated investments to maintain its competitiveness), the Offeror currently has no other intention (i) of making material changes to the business of the Sunningdale Group, (ii) to re-deploy the fixed assets of the Sunningdale Group, other than in the ordinary course of business, or (iii) to discontinue the employment of the existing employees of the Sunningdale Group,

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other than in the ordinary course of business. However, the directors of the Offeror retain and reserve the right and flexibility at any time to consider any options and opportunities in relation to the Sunningdale Group which may present themselves and which they may regard to be in the interests of the Offeror.”

4. IRREVOCABLE UNDERTAKINGS

Each of the Undertaking Shareholders has given an irrevocable undertaking to the Offeror (the “**Deed of Undertaking**”) to, *inter alia*:

- (a) vote in favour of the Scheme at the Scheme Meeting;
- (b) vote against and reject any and all resolutions or proposals to approve, implement, carry out or give effect to any Competing Offer (subject in the case of BH, to his fiduciary duties as a director of the Company);
- (c) comply with certain non-solicitation and no-talk provisions, in its or his capacity as Shareholder (subject in the case of BH, to his fiduciary duties as a director of the Company);
- (d) in the event that the Offeror exercises its Switch Option and makes the Offer in compliance with **paragraph 2.5** above, (i) in the case of Yarwood and GSH, tender its or his Shares in acceptance of the Offer, and (ii) in the case of each Identified Participating Management (except in the case of Chua Toh Choon⁹), tender all of his or her Shares (including any Shares which he or she may receive pursuant to the vesting of his or her outstanding Share Awards) in acceptance of the Offer. Further details of each Identified Participating Management are set out in **Schedule F** of the Offeror’s Letter;
- (e) in the case of each of Yarwood and GSH only, elect to accept the Scrip Consideration in respect of its or his Shares; and
- (f) in the case of each Identified Participating Management (except in the case of Chua Toh Choon¹⁰), elect to accept the Cash Consideration in respect of all his or her Shares (including any Shares which he or she may receive pursuant to the vesting of his or her outstanding Share Awards) and to defer and reinvest part or all such Cash Consideration to subscribe for HoldCo Shares pursuant to the Management Reinvestment.

9 In the case of Chua Toh Choon, her Deed of Undertaking is given only in respect of the 225,500 Shares held solely by her, and does not include the Shares which she holds jointly with her spouse. As set out in **Schedule F** of the Offeror’s Letter, of the 227,500 Shares held by Chua Toh Choon, 2,000 Shares are held jointly by Chua Toh Choon and her spouse, Cheong Yian Kee. Accordingly, her undertaking to tender her Shares in the event that the Offeror exercises its Switch Option is only in respect of the 225,500 Shares held solely by her.

10 In the case of Chua Toh Choon, her Deed of Undertaking is given only in respect of the 225,500 Shares held solely by her, and does not include the Shares which she holds jointly with her spouse. As set out in **Schedule F** of the Offeror’s Letter, of the 227,500 Shares held by Chua Toh Choon, 2,000 Shares are held jointly by Chua Toh Choon and her spouse, Cheong Yian Kee. Accordingly, her undertaking to elect to accept the Cash Consideration and to defer and reinvest all or part of such Cash Consideration pursuant to the Management Reinvestment is only in respect of the 225,500 Shares held solely by her.

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As at the Latest Practicable Date, the Undertaking Shareholders have each given the relevant Deed of Undertaking to the Offeror in respect of an aggregate of 41,222,336 Shares held legally and/or beneficially by the Undertaking Shareholders, representing in aggregate approximately 21.40 per cent. of all the issued Shares, to vote their Shares in favour of the Scheme. The Undertaking Shareholders who are Identified Participating Management have also agreed to defer and reinvest the Cash Consideration in respect of such number of Shares as set out in column 6 of the table in **paragraph 1** of **Schedule F** of the Offeror's Letter.

Further details of the Deeds of Undertaking and the Shares held by the Undertaking Shareholders are set out in **paragraph 4** of the Explanatory Statement.

5. MANAGEMENT INCENTIVE ARRANGEMENTS

5.1 Management Reinvestment Scheme

HoldCo has established a management reinvestment scheme (the "**Management Reinvestment**") to allow selected senior management of the Company (including the Identified Participating Management) to subscribe for HoldCo Shares, with the amount of HoldCo Shares to be issued pursuant to such scheme not exceeding 10 per cent. of the Enlarged Share Capital, based on the Issue Price (the "**Management Reinvestment Pool**"), or such other limit as all Controlling Shareholders may agree in writing. For the avoidance of doubt, the HoldCo Shares to be issued pursuant to the Management Reinvestment do not form part of the Maximum Number of HoldCo Shares to be issued as Scrip Consideration. The Maximum Number of HoldCo Shares to be issued as Scrip Consideration is to be allocated solely to Entitled Scheme Shareholders who have elected for the Scrip Consideration.

As at the Latest Practicable Date, BH and the senior management set out in **Schedule F** of the Offeror's Letter (collectively, the "**Identified Participating Management**") have been offered, and have agreed to enter into, the Management Reinvestment. Please refer to **Schedule F** of the Offeror's Letter for further details of the Identified Participating Management, including the number of Shares held by each Identified Participating Management, the number of Shares for which the Cash Consideration will be deferred and applied towards subscription of HoldCo Shares and his or her expected shareholding in HoldCo on Completion and following the issuance of HoldCo Shares pursuant to the Consortium and Shareholders' Agreement, the Management Reinvestment and the Rollover Agreement.

As set out in column (6) of the table in **paragraph 1** of **Schedule F** of the Offeror's Letter, the total number of Shares for which the Cash Consideration will be deferred and reinvested pursuant to the Management Reinvestment is 10,579,031 Shares (the "**Identified Participating Management Shares**").

It is contemplated that the opportunity to participate in the Management Reinvestment may also be offered (both during and after the offer period) to other senior management of Sunningdale (any such senior management who agrees to participate in the Management Reinvestment, the "**Participating Management**").

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5.2 Reinvestment by the Identified Participating Management

Pursuant to the Deeds of Undertaking given by the Identified Participating Management and the subscription agreements entered into between the Offeror and each Identified Participating Management, each Identified Participating Management has agreed to defer and reinvest some or all of his or her Cash Consideration (arising from the sale of his or her Shares pursuant to the Scheme) to subscribe for HoldCo Shares. Further details of each Identified Participating Management are set out in **Schedule F** of the Offeror's Letter.

As stated in the Offeror's Letter, the number of HoldCo Shares to be issued to the Participating Management in connection with the Management Reinvestment will not be subject to the Adjustment Mechanism.

Further details of the Management Arrangements are set out in **paragraph 5** of the Explanatory Statement.

6. **HOLDCO EMPLOYEE SHARE OPTION SCHEME**

As stated in the Offeror's Letter, following the Effective Date, it is contemplated that HoldCo will put in place an employee share option scheme to incentivise employees of the Sunningdale Group and to align their interests with the HoldCo Shareholders (the "**ESOS**"). The terms and conditions of such ESOS shall be approved by the board of HoldCo and the shareholding percentage represented by the number of HoldCo Shares which may be granted under the ESOS should not exceed 7.5 per cent. of the HoldCo Shares assuming (i) an Enlarged Share Capital and (ii) the full issuance of HoldCo Shares under the ESOS, or such other limit as the Controlling Shareholders may approve in writing.

7. **SHAREHOLDING STRUCTURE AND SHAREHOLDER ARRANGEMENT OF HOLDCO ON COMPLETION**

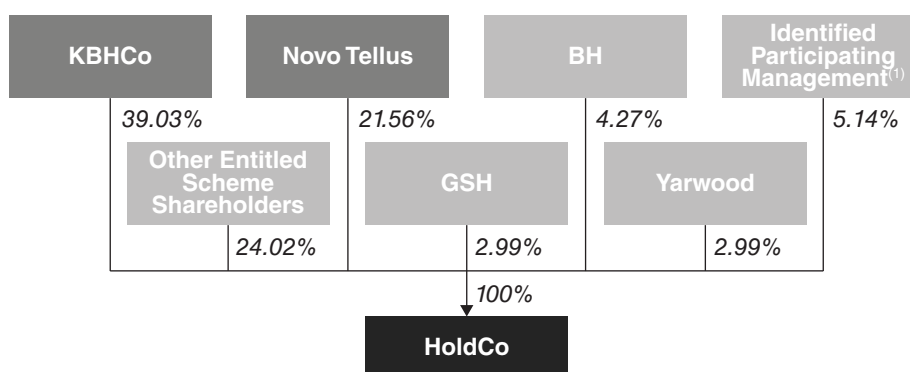
7.1 Capital Structure of HoldCo on Completion

On Completion, including the issuance of the HoldCo Shares to the Entitled Scheme Shareholders that have elected for the Scrip Consideration (including Yarwood and GSH), and following the issuance of the HoldCo Shares pursuant to (i) the Consortium and Shareholders' Agreement (which sets out, *inter alia*, the equity contribution from KBHCo and Novo Tellus for the subscription of the HoldCo Shares); (ii) the reinvestment of the Cash Consideration in respect of the Identified Participating Management Shares in accordance with the Management Reinvestment; and (iii) the Rollover Agreement:

- (a) the Company will be a wholly owned indirect subsidiary of HoldCo;
- (b) assuming that no Entitled Scheme Shareholders other than Yarwood and GSH elect for the Scrip Consideration, the expected shareholding structure of HoldCo will be as follows:
 - (i) KBHCo: 41.81 per cent. of HoldCo;
 - (ii) Novo Tellus: 21.56 per cent. of HoldCo;
 - (iii) Yarwood: 13.61 per cent. of HoldCo;

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- (iv) GSH: 13.61 per cent. of HoldCo;
- (v) BH: 4.27 per cent. of HoldCo; and
- (vi) Identified Participating Management (other than BH): 5.14 per cent. of HoldCo; and
- (c) assuming that all the Entitled Scheme Shareholders (including Yarwood and GSH) elect for the Scrip Consideration, the expected shareholding structure of HoldCo will be as follows:
- (i) KBHCo: 39.03 per cent. of HoldCo;
- (ii) Novo Tellus: 21.56 per cent. of HoldCo;
- (iii) Yarwood: 2.99 per cent. of HoldCo;
- (iv) GSH: 2.99 per cent. of HoldCo;
- (v) BH: 4.27 per cent. of HoldCo;
- (vi) Identified Participating Management (other than BH): 5.14 per cent. of HoldCo; and
- (vii) Other Entitled Scheme Shareholders: 24.02 per cent. of HoldCo.



Note:

(1) Identified Participating Management, excluding BH.

*Graphical representation of the expected shareholding structure of HoldCo on Completion for the scenario in **paragraph 7.1(c)** above.*

Entitled Scheme Shareholders who elect for Scrip Consideration will receive HoldCo Shares. Entitled Scheme Shareholders should note that the net asset value of each Scheme Share is not directly comparable to that of each HoldCo Share, as HoldCo will have a different debt and equity capital structure. Entitled Scheme Shareholders who elect for Scrip Consideration should be prepared to take the risks associated with an investment as a minority shareholder of an unlisted private company. Some of the risk factors relating principally to the business of HoldCo in general and to the ownership of HoldCo Shares are set out in Schedule C of the Offeror's Letter.

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7.2 Shareholder Arrangement

On and from the Effective Date, the governance of HoldCo will be governed by (i) the Consortium and Shareholders' Agreement setting out, *inter alia*, the agreement between the Consortium Parties in relation to the affairs of HoldCo and (ii) the HoldCo Constitution, which constitution shall bind all HoldCo Shareholders (including any Entitled Scheme Shareholder who receives Scrip Consideration pursuant to the Scheme). The key terms relating to the governance arrangements of HoldCo are set out in **Schedule B** of the Offeror's Letter.

8. **NO CASH OUTLAY**

Scheme Shareholders should note that no cash outlay (including any stamp duties or brokerage expenses) will be required from the Entitled Scheme Shareholders under the Scheme.

9. **WAIVER OF RIGHTS TO A GENERAL OFFER**

Scheme Shareholders should note that by voting in favour of the Scheme, Scheme Shareholders will be regarded as having waived their rights to a general offer by the Offeror Concert Party Group to acquire the Shares under the Code and are agreeing to the Offeror Concert Party Group acquiring or consolidating effective control of the Company without having to make a general offer.

10. **APPROVALS REQUIRED**

10.1 Scheme Meeting and Court Sanction

The Scheme will require, *inter alia*, the following approvals:

- (a) the approval of the Scheme by a majority in number of the Scheme Shareholders representing three-fourths in value of the Scheme Shares held by Scheme Shareholders present and voting by proxy at the Scheme Meeting; and
- (b) the grant of the Court Order sanctioning the Scheme and such Court Order having become final.

In addition, the Scheme will only come into effect if all the Scheme Conditions have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement and a copy of the Court Order has been lodged with ACRA.

10.2 Confirmations/Rulings from the SIC

An application was made by the Offeror to the SIC to seek certain rulings in relation to the Scheme (the "**Application**"). The SIC has by way of an email dated 2 November 2020, confirmed, *inter alia*, that:

- (a) the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29, 33.2 and Note 1(b) on Rule 19 of the Code, subject to the following conditions:
 - (i) the common substantial shareholders of the Offeror and its concert parties on the one hand, and the Company on the other hand, abstain from voting on the Scheme;

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- (ii) the Offeror and its concert parties (which includes the Conflicted Directors) abstain from voting on the Scheme;
 - (iii) the directors of the Company who are also directors of the Offeror (namely, the Conflicted Directors) abstain from making a recommendation on the Scheme to the Scheme Shareholders;
 - (iv) the Scheme Document contains advice to the effect that by voting for the Scheme, the Scheme Shareholders are agreeing to the Offeror and its concert parties acquiring or consolidating effective control of the Company without having to make a general offer for the Company;
 - (v) the Scheme Document discloses the names of the Offeror and its concert parties, their current voting rights in the Company as of the Latest Practicable Date and their voting rights in HoldCo, the Offeror and the Company after the Scheme; and
 - (vi) the Scheme being completed within five (5) months from the Joint Announcement Date;
- (b) it has no objections to the Scheme Conditions;
 - (c) it has no objections should the Offeror exercise the Switch Option at any time prior to the Scheme Meeting in the event of a Competing Offer, subject to, *inter alia*, the Offer being on same or better terms as those which apply to the Scheme and consultation with Council to determine the offer timetable that should apply to the Offer following the exercise of the Switch Option; and
 - (d) it has no objections to the Adjustment Mechanism.

11. DELISTING

As stated in the Offeror's Letter, upon the Scheme becoming effective and binding in accordance with its terms, the Company will become a wholly-owned subsidiary of the Offeror, and consequently will not be able to meet the listing requirements of the SGX-ST.

An application was made to seek approval-in-principle from the SGX-ST for the proposed delisting of the Company from the Official List of the SGX-ST upon the Scheme becoming effective and binding in accordance with its terms. The SGX-ST has advised that it has no objection to the Company's application for delisting from the Official List of the SGX-ST, subject to:

- (a) an unqualified opinion from an independent financial adviser that the financial terms of the Scheme are fair and reasonable to the Scheme Shareholders; and
- (b) the Scheme becoming effective.

The above decision of the SGX-ST is not to be taken as an indication of the merits of the delisting of the Company from the Official List of the SGX-ST upon completion of the Scheme.

SCHEME SHAREHOLDERS SHOULD NOTE THAT THE SHARES WILL BE DELISTED FROM THE OFFICIAL LIST OF THE SGX-ST IF THE SCHEME BECOMES EFFECTIVE AND BINDING IN ACCORDANCE WITH ITS TERMS.

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12. CONFIRMATION OF FINANCIAL RESOURCES

As stated in the Offeror's Letter, UOB, being a joint financial adviser to the Offeror in connection with the Acquisition and the Scheme, confirms that sufficient financial resources are available to the Offeror to satisfy in full the aggregate Cash Consideration payable by the Offeror for all the Scheme Shares to be acquired by the Offeror pursuant to the Scheme, excluding the Scheme Consideration payable for:

- (a) the Shares held by Yarwood and GSH, on the basis that each of Yarwood and GSH have elected to receive the Scrip Consideration; and
- (b) the Identified Participating Management Shares (which includes the Shares held by BH), on the basis that each of the Identified Participating Management has agreed to defer and reinvest the Cash Consideration payable for the Identified Participating Management Shares to subscribe for HoldCo Shares pursuant to the Management Reinvestment.

13. INDEPENDENT FINANCIAL ADVISER APPOINTED PURSUANT TO RULE 1309(2) OF THE LISTING MANUAL AS WELL AS TO ADVISE THE NON-CONFLICTED DIRECTORS IN RESPECT OF THE SCHEME

13.1 Appointment of IFA

Provenance Capital Pte. Ltd. has been appointed as the independent financial adviser pursuant to Rule 1309(2) of the Listing Manual as well as to advise the Non-conflicted Directors in respect of the Scheme. Scheme Shareholders should consider carefully the recommendation of the Non-conflicted Directors and the advice of the IFA to the Non-conflicted Directors before deciding whether or not to vote in favour of the Scheme. The advice of the IFA is set out in its letter dated 4 February 2021 (the "**IFA Letter**") in **Appendix 1** to this Scheme Document.

13.2 Factors Taken Into Consideration by the IFA

In arriving at its recommendation, the IFA has taken into account certain considerations (an extract of which is reproduced in italics below). Scheme Shareholders should read the following extract in conjunction with, and in the context of, the IFA Letter in its entirety as set out in **Appendix 1** to this Scheme Document. Unless otherwise defined or the context otherwise requires, all capitalised terms below shall have the same meanings ascribed to them in the IFA Letter.

"In arriving at our recommendation on the Scheme, we have assessed the financial terms of the Scheme after taking into consideration the following key considerations which we consider to be pertinent and which we consider may have a significant bearing on our assessment:

- (a) Historical share price performance and trading activity of the Sunningdale Shares;*
- (b) Financial analysis of the Sunningdale Group;*
- (c) Sunningdale share price performance compared to the reported NTA of the Sunningdale Group;*

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- (d) *Comparison with recently completed privatisation of companies listed on the SGX-ST;*
- (e) *Comparison of valuation ratios of selected SGX-ST listed companies which are broadly comparable to the Sunningdale Group;*
- (f) *Comparison with precedent M&A transactions of companies which are broadly comparable to the Sunningdale Group;*
- (g) *Assessment of the estimated market valuation of the Sunningdale Group;*
- (h) *Dividend track record of Sunningdale;*
- (i) *Scrip Consideration as an election in lieu of Cash Consideration; and*
- (j) *Other relevant considerations relating to the Scheme.”*

13.3 Views of the IFA on the HoldCo Shares

The IFA has also set out its views on the HoldCo Shares (an extract of which is reproduced in italics below). Scheme Shareholders should read the following extract in conjunction with, and in the context of, the IFA Letter in its entirety as set out in **Appendix 1** to this Scheme Document. Unless otherwise defined or the context otherwise requires, all capitalised terms shall have the same meanings ascribed to them in the IFA Letter.

“As disclosed in Section 3.1 of this Letter, HoldCo is an exempted company incorporated in the Cayman Islands on 14 October 2020 for the purpose of the Acquisition. HoldCo has an issued share capital of S\$0.10 comprising 100 HoldCo Shares of S\$0.001 each as at the Latest Practicable Date. These HoldCo Shares are held 64% by KBHCo and 36% by Novo Tellus.

Pursuant to the Acquisition, we understand that the consideration for the Acquisition of approximately S\$320 million will be funded by an estimated equity amount of S\$185.5 million and the balance of the consideration for the Acquisition will be funded by debt. As further described in Section 3.4 of this Letter, the equity will be funded by Novo Tellus (of approximately S\$40 million), the KBH Rollover Shares (of approximately S\$49.45 million), the Identified Participating Management (of approximately S\$17.46 million) and the balance of approximately S\$78.6 million will at least be funded by Yarwood and GSH (of approximately S\$50.5 million) who have elected for the Scrip Consideration if no other Entitled Scheme Shareholders elect for the Scrip Consideration and consequently the balance in cash (of approximately S\$28.1 million) by KBHCo.

Entitled Scheme Shareholders who elect for the Scrip Consideration will receive HoldCo Shares, which are to be issued at the same Issue Price as the HoldCo Shares issued to Novo Tellus, to KBHCo in respect of the KBH Rollover Shares and to the Identified Participating Management.

Entitled Scheme Shareholders should note that HoldCo will have a different debt and equity capital structure compared to the Sunningdale Group and hence, the net asset value of each Scheme Share is not directly comparable to that of each HoldCo Share. In addition, transaction costs in respect of the Acquisition, the Scheme and borrowings raised to fund the Acquisition will be incurred by HoldCo and shareholders of HoldCo will have to bear the proportionate share of these costs.

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Scheme Shareholders should elect the Cash Consideration if they wish to have certainty of the Scheme Consideration and if they are not confident of the future prospects of HoldCo or if they are not prepared to bear any of the risk of an investment in HoldCo, a company incorporated in the Cayman Islands. HoldCo Shares will not be listed on any securities exchange following completion of the Scheme.

Scheme Shareholders who wish to elect the Scrip Consideration should assess for themselves the future prospects of HoldCo, which will indirectly own the Sunningdale Group through the Offeror. Such Scheme Shareholders should also be prepared to take the risk associated with an investment as a minority shareholder of an unlisted privately held company including those risks set out in Section 8.9.4 of this Letter and in Schedule C of the Offeror's Letter."

13.4 Advice of the IFA

After having regard to the considerations set out in the IFA Letter, and based on the information available to the IFA as at the Latest Practicable Date, the IFA has made certain recommendations to the Non-conflicted Directors, an extract of which is reproduced in italics below.

Scheme Shareholders should read the following extract in conjunction with, and in the context of, the IFA Letter in its entirety as set out in **Appendix 1** to this Scheme Document. Unless otherwise defined or the context otherwise requires, all capitalised terms below shall have the same meanings ascribed to them in the IFA Letter.

"Based on our analysis and after having considered carefully the information available to us as at the Latest Practicable Date, overall and on balance, we are of the view that the financial terms of the Scheme are fair and reasonable. Accordingly, we advise the Non-conflicted Directors to recommend Scheme Shareholders to vote in favour of the Scheme. The Non-conflicted Directors should also highlight to Scheme Shareholders that the Scheme, when it becomes effective, will be binding on all Scheme Shareholders, whether or not they have attended or voted at the Scheme Meeting, and if they have attended and voted, whether or not they have voted in favour of the Scheme.

Scheme Shareholders should elect the Cash Consideration if they wish to have certainty of the Scheme Consideration and if they are not confident of the future prospects of HoldCo or if they are not prepared to bear any of the risk of an investment in HoldCo, a company incorporated in the Cayman Islands. HoldCo Shares will not be listed on any securities exchange following completion of the Scheme.

Scheme Shareholders who wish to elect the Scrip Consideration should assess for themselves the future prospects of HoldCo, which will indirectly own the Sunningdale Group through the Offeror. Such Scheme Shareholders should also be prepared to take the risk associated with an investment as a minority shareholder of an unlisted privately held company including those risks set out in Section 8.9.4 of this Letter and in Schedule C of the Offeror's Letter."

LETTER TO SHAREHOLDERS

14. NON-CONFLICTED DIRECTORS' RECOMMENDATION

14.1 Independence

The Conflicted Directors are exempted from making a recommendation on the Scheme to the Scheme Shareholders in accordance with the terms of the exemption granted by the SIC as described in **paragraph 11.1** of the Explanatory Statement for the reasons set out below:

- (a) KBH wholly owns, and is the sole director of, KBHCo; and
- (b) LWS is a director of Novo Tellus and NT GP, and also owns more than 50 per cent. of the shares in NT GP.

Accordingly, each of the Conflicted Directors would face, or may reasonably be perceived to face, a conflict of interest, that would render each of them inappropriate to join the Non-conflicted Directors in making a recommendation on the Scheme to the Scheme Shareholders.

The Conflicted Directors must, however, still assume responsibility for the accuracy of facts stated and opinions expressed in documents and advertisements issued by, or on behalf of, the Company to the Scheme Shareholders in connection with the Scheme.

14.2 Recommendation

The Non-conflicted Directors, having carefully considered the terms of the Scheme and the advice given by the IFA in the IFA Letter, concur with the recommendation of the IFA in respect of the Scheme. Accordingly, the Non-conflicted Directors unanimously recommend that Scheme Shareholders **VOTE IN FAVOUR** of the Scheme at the Scheme Meeting.

Scheme Shareholders should also be aware and note that there is no assurance that the trading volumes and market prices of the Scheme Shares will be maintained at the current levels prevailing as at the Latest Practicable Date if the Scheme does not become effective and binding for whatever reason. In the event the Scheme becomes effective, it will be binding on all Scheme Shareholders whether or not they were present in person or by proxy or voted to approve the Scheme at the Scheme Meeting. Scheme Shareholders should also be aware and note that there is currently no certainty that the Scheme will become effective and binding.

Scheme Shareholders should read and consider carefully this Scheme Document in its entirety, and in particular, the advice of the IFA as set out in **Appendix 1** to this Scheme Document, before deciding whether or not to vote in favour of the Scheme.

14.3 No Regard to Specific Objectives

The Non-conflicted Directors advise Scheme Shareholders, in deciding whether or not to vote in favour of the Scheme, to carefully consider the advice of the IFA and in particular, the various considerations highlighted by the IFA in the IFA Letter.

LETTER TO SHAREHOLDERS

In giving the above recommendation, the Non-conflicted Directors have not had regard to the specific objectives, financial situation, tax position, tax status, risk profiles or particular needs and constraints and circumstances of any individual Scheme Shareholder. As each Scheme Shareholder would have different investment objectives and profiles, the Non-conflicted Directors recommend that any individual Scheme Shareholder who may require advice in the context of his/her/its specific investment objectives or portfolio should consult his/her/its stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

15. DIRECTORS' INTENTIONS WITH RESPECT TO THEIR SCHEME SHARES

In accordance with the SIC's rulings as set out in **paragraph 10.2** of the Letter to Shareholders, the Conflicted Directors are required to abstain from voting at the Scheme Meeting.

All of the Directors who hold Scheme Shares as at the Latest Practicable Date (save for the Conflicted Directors), as set out in **paragraph 5.3** of **Appendix 3** to this Scheme Document, have informed the Company that they will **VOTE IN FAVOUR** of the Scheme in respect of all such Scheme Shares.

16. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Scheme Document (other than the information in **Appendices 1, 2, and 5** to this Scheme Document, and any information relating to or opinions expressed by the Offeror, the Relevant Persons, the Offeror Concert Party Group, the Valuers and/or the IFA) and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Scheme Document constitutes full and true disclosure of all material facts about the Acquisition, the Scheme and the Sunningdale Group, and the Directors are not aware of any facts the omission of which would make any statement in this Scheme Document misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from a named source (including, without limitation, the IFA Letter, the Offeror's Letter), 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 Scheme Document in its proper form and context.

In respect of the IFA Letter, the sole responsibility of the Directors has been to ensure that the facts stated with respect to the Sunningdale Group are fair and accurate.

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17. GENERAL INFORMATION

Your attention is drawn to the further relevant information in the Explanatory Statement and the Appendices to this Scheme Document.

Yours faithfully

For and on behalf of the Board of Directors of
SUNNINGDALE TECH LTD.

Mr. Khoo Boo Hor
Chief Executive Officer and Executive Director

EXPLANATORY STATEMENT
(in compliance with Section 211 of the Companies Act)

**PROPOSED ACQUISITION OF THE COMPANY BY THE OFFEROR
BY WAY OF THE SCHEME**

1. INTRODUCTION

1.1 Joint Announcement and Revision Announcement

On 9 November 2020, the Company and the Offeror jointly announced the proposed Acquisition of all the issued ordinary shares in the capital of the Company, other than the KBH Rollover Shares, to be effected by the Company by way of a scheme of arrangement under Section 210 of the Companies Act and in accordance with the Code and the terms and conditions of the Implementation Agreement.

On 19 January 2021, the Company and the Offeror jointly announced, *inter alia*, that the Scheme Consideration for each Scheme Share has been increased such that each Entitled Scheme Shareholder will now be entitled to receive, for each Scheme Share, at their election, S\$1.65 in cash, or in lieu thereof and subject to the Adjustment Mechanism, 1,650 HoldCo Shares at an issue price of S\$0.001 per HoldCo Share, subject to the terms set out in the Scheme Document.

Copies of the Joint Announcement and the Revision Announcement are available on the SGXNET at www.sgx.com.

1.2 Effect of the Scheme and the Delisting

Upon the Scheme becoming effective and binding in accordance with its terms, the Company will become a wholly-owned subsidiary of the Offeror, and consequently will not be able to meet the listing requirements of the SGX-ST.

An application was made to seek approval-in-principle from the SGX-ST for the proposed delisting of the Company from the Official List of the SGX-ST upon the Scheme becoming effective and binding in accordance with its terms. The SGX-ST has advised that it has no objection to the Company's application for delisting from the Official List of the SGX-ST, subject to:

- (a) an unqualified opinion from an independent financial adviser that the financial terms of the Scheme are fair and reasonable to the Scheme Shareholders; and
- (b) the Scheme becoming effective.

The above decision of the SGX-ST is not to be taken as an indication of the merits of the delisting of the Company from the Official List of the SGX-ST upon completion of the Scheme.

1.3 Explanatory Statement

This Explanatory Statement should be read in conjunction with the full text of this Scheme Document, including the Scheme as set out on pages 43 to 80 of this Scheme Document. Capitalised terms used in this Explanatory Statement which are not defined in this Explanatory Statement and the Scheme shall have the same meanings ascribed to them on pages 319 to 330 of this Scheme Document.

EXPLANATORY STATEMENT
(in compliance with Section 211 of the Companies Act)

2. THE SCHEME

2.1 Terms of the Scheme

The Scheme is proposed to all Scheme Shareholders.

The Acquisition will be effected by way of a scheme of arrangement pursuant to Section 210 of the Companies Act and in accordance with the Code and the terms and conditions of the Implementation Agreement.

Under the Scheme:

- (a) all the Scheme Shares held by the Entitled Scheme Shareholders will be transferred to the Offeror:
 - (i) fully paid up;
 - (ii) free from all Encumbrances; and
 - (iii) together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company to the Shareholders on or after the Joint Announcement Date.
- (b) In consideration of the transfer of the Scheme Shares referred to in **paragraph 2.1(a)** above, each Entitled Scheme Shareholder will be entitled to receive for each Scheme Share, at their election:
 - (i) the Cash Consideration; or
 - (ii) in lieu of the Cash Consideration, the Scrip Consideration, provided always that no more than the Maximum Number of HoldCo Shares may be issued as Scrip Consideration.

The increased Scheme Consideration is final and the Offeror will not further increase the Scheme Consideration.

- (c) In the event that Entitled Scheme Shareholders elect for Scrip Consideration in such amount which exceeds the Maximum Number:
 - (i) the Maximum Number will be allocated among the electing Entitled Scheme Shareholders on a pro-rata basis according to the number of Scheme Shares they hold, and will be rounded down to the nearest whole number; and
 - (ii) in respect of the balance number of Scheme Shares held by Entitled Scheme Shareholders that elected for Scrip Consideration in excess of the Maximum Number, each relevant Entitled Scheme Shareholder shall receive in cash such amount equivalent to the HoldCo Shares (based on the Issue Price) which cannot be allotted and issued to such Entitled Scheme Shareholder.

Further details on the Adjustment Mechanism are set out in **paragraph 2.3** of the Offeror's Letter.

EXPLANATORY STATEMENT

(in compliance with Section 211 of the Companies Act)

- (d) The Maximum Number of HoldCo Shares which may be issued as Scrip Consideration represents approximately 30 per cent. of the Enlarged Share Capital. If any dividends, rights or other distributions are declared, paid or made by the Company to the Shareholders on or after the Joint Announcement Date and before the Effective Date:
- (i) the Offeror reserves the right to reduce the Scheme Consideration by the amount of such dividends, rights or other distributions; and
 - (ii) as there will be a corresponding reduction in the equity commitment and the number of HoldCo Shares to be issued under the Consortium and Shareholders' Agreement, the Management Reinvestment and the Rollover Agreement, the Offeror will reduce the Maximum Number of HoldCo Shares such that the Maximum Number will represent approximately 30 per cent. of the Enlarged Share Capital.

To illustrate, if a dividend of S\$0.05 per Share is declared, paid or made:

(A) The Scheme Consideration payable will be reduced by: 193,956,836 Shares¹¹ x S\$0.05 = S\$9,697,841.80.

(B) This will correspondingly reduce the total equity contribution from the Consortium Parties¹², BH, the Participating Management and the Entitled Scheme Shareholders (including Yarwood and GSH) that elect for the Scrip Consideration by the same amount, being a drop of approximately 5.2 per cent. of the committed total equity contribution, which in turn reduces the Maximum Number of HoldCo Shares from 55,652,841,202 to 52,743,488,662 (i.e. a reduction of approximately 5.2 per cent.).

2.2 Scrip Consideration

The implied value of the Scrip Consideration (based on the Issue Price) will be the same as the Cash Consideration. As stated in the Offeror's Letter, the new HoldCo Shares to be allotted and issued pursuant to the Scheme shall be:

- (a) issued at S\$0.001 per HoldCo Share, being the same issue price per HoldCo Share to be issued to (i) each of Novo Tellus and KBHCo pursuant to the Consortium and Shareholders' Agreement, (ii) KBHCo pursuant to the Rollover Agreement and (iii) each Identified Participating Management pursuant to the Management Reinvestment Scheme; and
- (b) allotted and issued and credited as fully paid and, when allotted and issued, will rank *pari passu* in all respects with the then existing HoldCo Shares.

¹¹ This is the number of outstanding Shares assuming vesting and delivery of all the outstanding Share Awards.

¹² Such equity amount will be contributed by KBH under the Rollover Agreement and by the Consortium Parties in accordance with the Consortium and Shareholders' Agreement.

EXPLANATORY STATEMENT

(in compliance with Section 211 of the Companies Act)

The key terms relating to the governance arrangements of HoldCo, and the rights of holders of HoldCo Shares in respect of capital, dividends and voting, are set out in Schedule B of the Offeror's Letter. As set out in Schedule B to the Offeror's Letter, certain rights in respect of the HoldCo Shares are conferred only on a HoldCo Shareholder holding at least 12 per cent. of the HoldCo Shares (i.e. a "Controlling Shareholder"), e.g. the right of first offer, the tag-along right, the right to a default call option, the right to vote on and to veto certain reserved matters and the right to appoint a director. In addition, please also note that all HoldCo Shareholders (including those who are not Controlling Shareholders) are subject to a moratorium and restrictions on a transfer of the HoldCo Shares (as set out in Articles 12.1 to 12.3 of the HoldCo Constitution) and the Majority Shareholder's drag-along right (as set out in Article 12.5 of the HoldCo Constitution). Please refer to Schedule B of the Offeror's Letter for more details.

The HoldCo Shares will not be listed on any securities exchange following completion of the Scheme.

As stated in the Offeror's Letter, there are risks involved with investing in the HoldCo Shares. Some of these risks are set out in Schedule C of the Offeror's Letter. As stated in the IFA Letter, Entitled Scheme Shareholders should also note that the Consortium and Shareholders' Agreement sets out, *inter alia*, the agreement between KBHCo and Novo Tellus in relation to the affairs of HoldCo and the minority shareholders of HoldCo may not be able to participate fully or benefit fully from the Consortium and Shareholders' Agreement as they are not parties to it.

As stated in the Offeror's Letter, the HoldCo Shares will be issued to and registered in the name of the person/entity recorded in the Register of Members or the Depository Register as at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form), regardless of whether such Entitled Scheme Shareholder holds the Scheme Shares as custodian or nominee or otherwise.

For the avoidance of doubt, each Entitled Scheme Shareholder is only entitled to elect to receive the Cash Consideration or, in lieu thereof, the Scrip Consideration, for all the Scheme Shares registered in the Entitled Scheme Shareholder's name, but not a mixture of both. An Entitled Scheme Shareholder who wishes to elect to receive the Cash Consideration need not complete and return the Election Form. In the absence or failure of any valid election by an Entitled Scheme Shareholder to accept the Scrip Consideration, the Entitled Scheme Shareholder shall be deemed to have elected for the Cash Consideration for all the Scheme Shares registered in such Entitled Scheme Shareholder's name.

In respect of the Scrip Consideration, the aggregate number of HoldCo Shares which each electing Entitled Scheme Shareholder will be entitled to receive pursuant to the Scheme will be subject to the Adjustment Mechanism (if applicable) and will always be rounded down to the nearest whole number.

As stated in the Offeror's Letter, where Entitled Scheme Shareholders elect for Scrip Consideration in such amount which exceeds the Maximum Number, the Adjustment Mechanism shall apply, and an Entitled Scheme Shareholder who elected to receive the Scrip Consideration would not be entitled to re-elect to receive the Cash Consideration with respect to all the Scheme Shares registered in such Entitled Scheme Shareholder's name.

EXPLANATORY STATEMENT
(in compliance with Section 211 of the Companies Act)

The HoldCo Shares to be issued pursuant to the Scheme will, when issued, be validly authorised, validly issued and outstanding, fully paid and non-assessable and free from Encumbrances (other than restrictions arising out of applicable securities laws) and all consents, authorisations, approvals or waivers from any governmental agencies or third parties necessary for such issuance have been or will, prior to such issuance, be obtained.

2.3 Adjustment Mechanism

Where Entitled Scheme Shareholders elect for Scrip Consideration in such amount which exceeds the Maximum Number, the number of HoldCo Shares to be allotted and issued to an Entitled Scheme Shareholder who has elected to receive the Scrip Consideration shall be calculated in accordance with the following formula:

$$N = S/T \times M$$

where:

“N” is the number of HoldCo Shares to be allotted and issued to such Entitled Scheme Shareholder, rounded down to the nearest whole number;

“S” is the number of Scheme Shares held by such Entitled Scheme Shareholder;

“T” is the aggregate number of Scheme Shares held by Entitled Scheme Shareholders that have elected for Scrip Consideration; and

“M” is the Maximum Number.

As an example and purely for illustration purposes only, assuming all Entitled Scheme Shareholders (excluding the Identified Participating Management) holding an aggregate of 152,252,791¹³ Scheme Shares elected for the Scrip Consideration and an Entitled Scheme Shareholder elects to receive Scrip Consideration in respect of the 100,000 Scheme Shares held by him, the Scheme Consideration will be paid to such Entitled Scheme Shareholder in the following manner:

(a) *Number of HoldCo Shares received: $100,000/152,252,791 \times 55,652,841,202 =$*
36,552,920

(b) *Amount of cash received: $(100,000 \times S\$1.65) - S\$36,552.92^{14} =$* **S\$128,447.08**

13 This number assumes the vesting and delivery of all the outstanding Share Awards.

14 This is the implied value of the HoldCo Shares issued as Scrip Consideration based on the Issue Price.

EXPLANATORY STATEMENT
(in compliance with Section 211 of the Companies Act)

Based on the same assumptions above and applying the same formula as set out above, assuming all Entitled Scheme Shareholders (excluding the Identified Participating Management) elect for the Scrip Consideration, Entitled Scheme Shareholders holding the number of Scheme Shares set out in column (1) below would receive the Scheme Consideration in the number of HoldCo Shares and cash as set out in the corresponding columns below.

(1) Number of Scheme Shares held by an Entitled Scheme Shareholder	(2) Percentage of total number of issued Shares ¹⁵ (%)	(3) Number of HoldCo Shares received after the Adjustment Mechanism ¹⁶	(4) Paid up capital of the HoldCo Shares received based on the Issue Price (S\$)	(5) Percentage of total number of HoldCo Shares (%)	(6) Amount of cash received after Adjustment Mechanism ¹⁷ (S\$)	(7) Total value of Scheme Consideration received (S\$) ¹⁸
100,000	0.05	36,552,920	36,552.92	0.02	128,447.08	165,000.00
1,000,000	0.52	365,529,202	365,529.20	0.20	1,284,470.80	1,650,000.00
10,000,000	5.16	3,655,292,020	3,655,292.02	1.97	12,844,707.98	16,500,000.00

2.4 Election Process

(a) Each Entitled Scheme Shareholder:

- (i) who is holding Directly-Held Scheme Shares shall only be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Scrip Consideration for all of his/her/its Directly-Held Scheme Shares, but not a combination of both; and
- (ii) who is holding Indirectly-Held Scheme Shares, shall in respect of each such sub-account holder, be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Scrip Consideration for all the Indirectly-Held Scheme Shares held on behalf of such sub-account holder, but not a combination of both.

If an Entitled Scheme Shareholder holds both Directly-Held Scheme Shares and Indirectly-Held Scheme Shares through securities sub-account(s) with Depository Agent(s), such Entitled Scheme Shareholder shall elect to receive either the Cash Consideration or the Scrip Consideration (and not a combination of the two) in respect of all of his/her/its Directly-Held Scheme Shares, and shall direct his/her/its Depository Agent(s) to elect to receive the same form of the Scheme Consideration in respect of all of his/her/its Indirectly-Held Scheme Shares.

15 Computed based on number of outstanding Shares assuming vesting and delivery of all the outstanding Share Awards.

16 This number (which has been rounded down to the nearest whole number) is calculated based on the above formula where T is 152,252,791, being the number of Scheme Shares owned by all Entitled Scheme Shareholders (excluding the Identified Participating Management); and M is 55,652,841,202, being the Maximum Number.

17 Amount of cash received by the Entitled Scheme Shareholder is the balance of the Scheme Consideration, such that the sum of the value of the HoldCo Shares at the issue price of S\$0.001 and the cash payment will equal the total Scheme Consideration at S\$1.65 for each Scheme Share.

18 This is the sum of the amounts in columns (4) and (6). For the avoidance of doubt, this is the same amount that the relevant Entitled Scheme Shareholder would have received in cash had such Entitled Scheme Shareholder elected for the Cash Consideration.

EXPLANATORY STATEMENT
(in compliance with Section 211 of the Companies Act)

- (b) In the event that an Entitled Scheme Shareholder or a sub-account holder for each Entitled Depository Agent:
- (i) fails to elect to receive a Scheme Consideration within the Election Period, whether due to an absence or failure of a valid election;
 - (ii) to the extent applicable under the laws of the Cayman Islands and upon being notified by the Offeror, fails to provide such details and/or information as may be required to satisfy the requirements of the anti-money laundering regulations of the Cayman Islands;
 - (iii) elects to receive the Cash Consideration or Scrip Consideration in respect of some only and not all of its Scheme Shares;
 - (iv) holds both Directly-Held Scheme Shares and Indirectly-Held Scheme Shares through securities sub-account(s) with Depository Agent(s) and does not elect to receive and direct his/her/its Depository Agent(s) to elect to receive the same form of the Scheme Consideration in respect of all his/her/its Directly-Held Scheme Shares and Indirectly-Held Scheme Shares respectively, and the Offeror is notified of such occurrence; and/or
 - (v) maintains an address recorded in the Register of Members or the Depository Register or in the records of the Entitled Depository Agent (as the case may be) that is not within Singapore and does not provide the Company and the Share Registrar or CDP (as the case may be) with an address in Singapore by the Record Date,

such Entitled Scheme Shareholder or such sub-account holder for each Entitled Depository Agent shall be deemed to have elected to receive the Cash Consideration for all of its Scheme Shares, and shall be entitled only to receive the Cash Consideration for all of its Scheme Shares as at the Record Date.

In addition, if the Share Registrar or CDP (as the case may be) fails to receive, from an Entitled Scheme Shareholder or a sub-account holder for each Entitled Depository Agent an Election Form, Electronic Election or Sub-Account Holders Form, as the case may be, by the end of the Election Period or receives an Election Form, Electronic Election or Sub-Account Holders Form which does not comply with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form or the terms and conditions contained in this Scheme Document, or which is not complete or is invalid in any other respect, that Electing Party shall be deemed to have elected the Cash Consideration in exchange for all his/her/its Shares.

- (c) Further information about the election process as well as the settlement and registration of the Scheme Consideration can be found in **paragraphs 14 to 16** of the Explanatory Statement and **paragraphs 14 and 15** of the Offeror's Letter.

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(in compliance with Section 211 of the Companies Act)

2.5 Switch Option

- (a) Pursuant to the terms of the Implementation Agreement, in the event a Competing Offer or an intention to make a Competing Offer is announced (whether or not such Competing Offer is pre-conditional), the Offeror shall have the right at its sole discretion to elect to exercise the Switch Option, at any time prior to the date on which the Scheme Meeting is to be held.
- (b) If the Offeror exercises the Switch Option, the Offeror will make the Offer on the same or better terms as those which apply to the Scheme, including the same or a higher consideration than the Scheme Consideration, and conditional upon a level of acceptances to be determined with the consent of the SIC. In addition, the Offeror and the Company acknowledge that the acceptance condition determined in accordance with this **paragraph 2.5(b)** may be revised, subject to SIC's consent, if there are any legislative amendments to Section 215 of the Companies Act, to the extent that such legislative amendments come into force on or after the date of the Implementation Agreement and prior to the exercise of the Switch Option, and such amendments alter the shareholding percentage required to be held by the Offeror in order for the Offeror to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act.
- (c) In such event, Sunningdale and the Offeror have agreed that the Implementation Agreement shall terminate with effect from the date of announcement by or on behalf of the Offeror of a firm intention to make the Offer, save for the Surviving Provisions.

2.6 No Cash Outlay

Scheme Shareholders should note that no cash outlay (including any stamp duties or brokerage expenses) will be required from the Entitled Scheme Shareholders under the Scheme.

2.7 Waiver of Rights to a General Offer

Shareholders should note that by voting in favour of the Scheme, Shareholders will be regarded as having waived their rights to a general offer by the Offeror Concert Party Group to acquire the Shares under the Code and are agreeing to the Offeror Concert Party Group acquiring or consolidating effective control of the Company without having to make a general offer.

3. RATIONALE FOR THE ACQUISITION

The rationale for the Acquisition is set out in **paragraph 3** of the Offeror's Letter.

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(in compliance with Section 211 of the Companies Act)

4. IRREVOCABLE UNDERTAKINGS

4.1 Irrevocable Undertakings

Each of the Undertaking Shareholders have given a Deed of Undertaking to the Offeror to, *inter alia*:

- (a) vote in favour of the Scheme at the Scheme Meeting;
- (b) vote against and reject any and all resolutions or proposals to approve, implement, carry out or give effect to any Competing Offer (subject in the case of BH, to his fiduciary duties as a director of the Company);
- (c) comply with certain non-solicitation and no-talk provisions, in its or his capacity as Shareholder (subject in the case of BH, to his fiduciary duties as a director of the Company);
- (d) in the event that the Offeror exercises its Switch Option and makes the Offer in compliance with **paragraph 2.5** above, (i) in the case of Yarwood and GSH, tender its or his Shares in acceptance of the Offer, and (ii) in the case of each Identified Participating Management (except in the case of Chua Toh Choon¹⁹), tender all of his or her Shares (including any Shares which he or she may receive pursuant to the vesting of his or her outstanding Share Awards) in acceptance of the Offer. Further details of each Identified Participating Management are set out in **Schedule F** of the Offeror's Letter;
- (e) in the case of each of Yarwood and GSH only, elect to accept the Scrip Consideration in respect of its or his Shares; and
- (f) in the case of each Identified Participating Management (except in the case of Chua Toh Choon²⁰), elect to accept the Cash Consideration in respect of all his or her Shares (including any Shares which he or she may receive pursuant to the vesting of his or her outstanding Share Awards) and to defer and reinvest part or all such Cash Consideration to subscribe for HoldCo Shares pursuant to the Management Reinvestment.

19 In the case of Chua Toh Choon, her Deed of Undertaking is given only in respect of the 225,500 Shares held solely by her, and does not include the Shares which she holds jointly with her spouse. As set out in **Schedule F** of the Offeror's Letter, of the 227,500 Shares held by Chua Toh Choon, 2,000 Shares are held jointly by Chua Toh Choon and her spouse, Cheong Yian Kee. Accordingly, her undertaking to tender her Shares in the event that the Offeror exercises its Switch Option is only in respect of the 225,500 Shares held solely by her.

20 In the case of Chua Toh Choon, her Deed of Undertaking is given only in respect of the 225,500 Shares held solely by her, and does not include the Shares which she holds jointly with her spouse. As set out in **Schedule F** of the Offeror's Letter, of the 227,500 Shares held by Chua Toh Choon, 2,000 Shares are held jointly by Chua Toh Choon and her spouse, Cheong Yian Kee. Accordingly, her undertaking to elect to accept the Cash Consideration and to defer and reinvest all or part of such Cash Consideration pursuant to the Management Reinvestment is only in respect of the 225,500 Shares held solely by her.

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As at the Latest Practicable Date, the Undertaking Shareholders have each given the relevant Deed of Undertaking to the Offeror in respect of an aggregate of 41,222,336 Shares held legally and/or beneficially by the Undertaking Shareholders in the aggregate as at the Latest Practicable Date, representing in aggregate approximately 21.40 per cent. of all the issued Shares, to vote their Shares in favour of the Scheme. The Undertaking Shareholders who are Identified Participating Management have also agreed to defer and reinvest the Cash Consideration in respect of such number of Shares as set out in column 6 of the table in **paragraph 1 of Schedule F** of the Offeror's Letter.

The Deeds of Undertaking relate to the following Shares:

Name of Undertaking Shareholder	Description	Total Number of Scheme Shares Owned Legally and/or Beneficially	Number of Shares Owned Legally and/or Beneficially as a % of the Total Number of Shares
<i>Undertaking Shareholders who are not Identified Participating Management</i>			
GSH	Substantial shareholder of Sunningdale	15,301,600	7.94
Yarwood	Substantial shareholder of Sunningdale	15,301,600	7.94
<i>Undertaking Shareholders who are Identified Participating Management</i>			
BH	Chief Executive Officer and an Executive Director of Sunningdale	4,417,882 ²¹	2.29
Binoy Mathew	Senior Vice President (Business Development) of the Sunningdale Group)	114,000 ²²	0.06
Chan Tung Sing	Senior Vice President (Business Development) of the Sunningdale Group)	1,157,320 ²³	0.60
Chan Whye Mun	Senior Vice President and Chief Information Officer of the Sunningdale Group	832,400 ²⁴	0.43

21 In addition to the Shares, BH also holds a direct interest in 380,000 Share Awards.

22 In addition to the Shares, Binoy Mathew also holds a direct interest in 31,500 Share Awards.

23 In addition to the Shares, Chan Tung Sing also holds a direct interest in 48,000 Share Awards. Further and with reference to the announcement released by the Company dated 23 November 2020, the total shareholding of Chan Tung Sing should be 1,157,320 Shares instead of 1,132,320 Shares.

24 In addition to the Shares, Chan Whye Mun also holds a direct interest in 60,000 Share Awards.

EXPLANATORY STATEMENT
(in compliance with Section 211 of the Companies Act)

Name of Undertaking Shareholder	Description	Total Number of Scheme Shares Owned Legally and/or Beneficially	Number of Shares Owned Legally and/or Beneficially as a % of the Total Number of Shares
Chua Peng Swee	General Manager of a Sunningdale Group Entity	368,200 ²⁵	0.19
Chua Toh Choon	General Manager of a Sunningdale Group Entity	225,500 ²⁶	0.12
Goh Hock Kim	General manager of a Sunningdale Group Entity	63,000 ²⁷	0.03
Goh Yew Guan	Senior Manager and Head of R&D of a Sunningdale Group Entity	114,000 ²⁸	0.06
Hansraj Ramachandran	General Manager of a Sunningdale Group Entity	38,000 ²⁹	0.02
Kumar s/o P Suppiah	General Manager of a Sunningdale Group Entity	217,000 ³⁰	0.11
Lau Eng Kim	General Manager of a Sunningdale Group Entity	303,000 ³¹	0.16
Lee Chee Hon	General Manager of a Sunningdale Group Entity	42,000	0.02
Lim Boon Siong	Senior Vice President (Business Development) of the Sunningdale Group	113,800 ³²	0.06
Phua Wei Yong (Pan Weirong)	Senior Manager and Head of Internal Audit of a Sunningdale Group Entity	30,000 ³³	0.02

25 In addition to the Shares, Chua Peng Swee also holds a direct interest in 39,000 Share Awards. Further and with reference to the announcement released by the Company dated 23 November 2020, the total shareholding of Chua Peng Swee should be 368,200 Shares instead of 376,200 Shares.

26 In addition to the 225,500 Shares disclosed above, Chua Toh Choon also holds an additional 2,000 Shares jointly with her spouse, Cheong Yian Kee. The Deed of Undertaking given by Chua Toh Choon is given only in respect of the 225,500 Shares held solely by her, and out of such 225,500 Shares, the Cash Consideration to be paid in respect of only 215,000 Shares will be deferred and reinvested pursuant to the Management Reinvestment.

27 In addition to the Shares, Goh Hock Kim also holds a direct interest in 6,000 Share Awards.

28 In addition to the Shares, Goh Yew Guan also holds a direct interest in 18,000 Share Awards.

29 In addition to the Shares, Hansraj Ramachandran also holds a direct interest in 9,000 Share Awards.

30 In addition to the Shares, Kumar s/o P Suppiah also holds a direct interest in 45,000 Share Awards.

31 In addition to the Shares, Lau Eng Kim also holds a direct interest in 18,000 Share Awards.

32 In addition to the Shares, Lim Boon Siong also holds a direct interest in 22,500 Share Awards.

33 In addition to the Shares, Phua Wei Yong (Pan Weirong) also holds a direct interest in 18,000 Share Awards.

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Name of Undertaking Shareholder	Description	Total Number of Scheme Shares Owned Legally and/or Beneficially	Number of Shares Owned Legally and/or Beneficially as a % of the Total Number of Shares
Pua Siang Pai, Patricia	Chief Material Officer of the Sunningdale Group	72,900 ³⁴	0.04
Soh Hui Ling	Chief Financial Officer of the Sunningdale Group	540,605 ³⁵	0.28
Tan Bair Kion	Senior Vice President (Corporate Management) and Chief Technology Officer of the Sunningdale Group	563,529 ³⁶	0.29
Tan Eng Soon	General Manager of a Sunningdale Group Entity	42,000 ³⁷	0.02
Tan Kok Peng	Senior Vice President (Business Development) of the Sunningdale Group	303,500 ³⁸	0.16
Tan Tsu Ching	General Manager of a Sunningdale Group Entity	61,000 ³⁹	0.03
Tan Yong Huat	General manager of a Sunningdale Group Entity	240,000 ^{40, 41}	0.12
Teo Sock Chee	Senior Vice President (Business Development) of the Sunningdale Group	444,500 ⁴²	0.23
Valentina Karbone	General manager of a Sunningdale Group Entity	— ⁴³	—
Zhang Wei Xing	General Manager of a Sunningdale Group Entity	315,000 ⁴⁴	0.16

34 In addition to the Shares, Pua Siang Pai Patricia also holds a direct interest in 36,000 Share Awards.

35 In addition to the Shares, Soh Hui Ling also holds a direct interest in 60,000 Share Awards.

36 In addition to the Shares, Tan Bair Kion also holds a direct interest in 69,000 Share Awards.

37 In addition to the Shares, Tan Eng Soon also holds a direct interest in 27,000 Share Awards.

38 In addition to the Shares, Tan Kok Peng also holds a direct interest in 51,000 Share Awards.

39 In addition to the Shares, Tan Tsu Ching also holds a direct interest in 21,000 Share Awards.

40 Of the 240,000 Shares held by Tan Yong Huat, 150,000 Shares are held jointly by Tan Yong Huat and his spouse, Tang Piak Gek. The Deed of Undertaking given by Tan Yong Huat is given in respect of all the 240,000 Shares held solely/jointly by him. The Cash Consideration to be paid in respect of 120,000 Shares will be deferred and reinvested pursuant to the Management Reinvestment.

41 In addition to the Shares, Tan Yong Huat also holds a direct interest in 33,000 Share Awards.

42 In addition to the Shares, Teo Sock Chee also holds a direct interest in 51,000 Share Awards.

43 Valentina Karbone holds a direct interest in 16,500 Share Awards.

44 In addition to the Shares, Zhang Wei Xing also holds a direct interest in 54,000 Share Awards.

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4.2 Termination

The Deeds of Undertaking will terminate on the earliest of any of the following dates:

- (a) the date falling five (5) months from the Joint Announcement Date;
- (b) if the Implementation Agreement is not terminated, the Effective Date; and
- (c) if the Implementation Agreement lapses or is terminated, the earliest of:
 - (i) if the Switch Option is not exercised by the Offeror, the date the Implementation Agreement is terminated or lapses; and
 - (ii) if the Switch Option is exercised by the Offeror:
 - (A) the date the Offer lapses or is withdrawn without having become wholly unconditional for any reason other than a breach by the Undertaking Shareholders of their respective obligations under the Deeds of Undertaking; and
 - (B) in the event the Offer does not lapse or is not withdrawn for any reason, the date on which the Offer becomes unconditional.

4.3 Yarwood and GSH

(a) Yarwood

Yarwood is a company incorporated in Singapore and it has been a shareholder of Sunningdale since 2014.

Based on publicly available information, Yarwood is 100 per cent. owned by Kong Siang Group Holdings Pte. Ltd., a family business founded in Singapore in 1935 and which has grown from selling perishable and non-perishable products to regional liquor distribution, manufacturing, property development and management of a family office.

Yarwood is not an associate of either of the Consortium Parties.

(b) GSH

GSH has been a shareholder of Sunningdale since 2014.

Based on publicly available information, GSH is the executive chairman of Tee Yih Jia Food Manufacturing Pte Ltd and SGX Mainboard listed GSH Corporation Limited. GSH also holds directorships and appointments in several other companies, including Envictus International Holdings Limited, JB Foods Limited and Tung Lok Restaurants (2000) Ltd.

GSH is not an associate of either of the Consortium Parties.

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4.4 No Other Irrevocable Undertakings.

Save for the Deeds of Undertaking, neither the Offeror nor any Relevant Person has received any irrevocable undertaking from any party to vote in favour of the Scheme as at the Latest Practicable Date.

4.5 SIC Confirmations

Pursuant to the Application made by the Offeror to the SIC to seek certain rulings in relation to the Acquisition and the Scheme, the SIC has confirmed, *inter alia*, that:

- (a) the Deeds of Undertaking in relation to each of Yarwood and GSH do not constitute special deals under Rule 10 of the Code; and
- (b) the Deeds of Undertaking do not amount to an agreement, arrangement or understanding between the Offeror and each of Yarwood and GSH to co-operate to obtain or consolidate effective control of the Company. Accordingly, each of Yarwood and GSH will not be regarded as acting in concert with the Offeror in connection with the Acquisition by virtue of the Deeds of Undertaking.

Following from the above, each of Yarwood and GSH will not be precluded from attending and voting at the Scheme Meeting by virtue of the Deeds of Undertaking.

5. MANAGEMENT INCENTIVE ARRANGEMENTS

5.1 Management Reinvestment Scheme

HoldCo has established the Management Reinvestment scheme to allow selected senior management of the Company (including the Identified Participating Management) to subscribe for HoldCo Shares, with the amount of HoldCo Shares to be issued pursuant to such scheme not exceeding 10 per cent. of the Enlarged Share Capital, based on the Issue Price or such other limit as all Controlling Shareholders may agree in writing. For the avoidance of doubt, the HoldCo Shares to be issued pursuant to the Management Reinvestment do not form part of the Maximum Number of HoldCo Shares to be issued as Scrip Consideration. The Maximum Number of HoldCo Shares to be issued as Scrip Consideration is to be allocated solely to Entitled Scheme Shareholders who have elected for the Scrip Consideration.

As at the Latest Practicable Date, the Identified Participating Management have been offered, and have agreed to enter into, the Management Reinvestment. Please refer to **Schedule F** of the Offeror's Letter for further details of the Identified Participating Management, including the number of Shares held by each Identified Participating Management, the number of Shares for which the Cash Consideration will be deferred and applied towards subscription of HoldCo Shares and his or her expected shareholding in HoldCo on Completion and following the issuance of HoldCo Shares pursuant to the Consortium and Shareholders' Agreement, the Management Reinvestment and the Rollover Agreement.

As set out in column (6) of the table in **paragraph 1** of **Schedule F** of the Offeror's Letter, the total number of the Identified Participating Management Shares is 10,579,031 Shares.

It is contemplated that the opportunity to participate in the Management Reinvestment may also be offered (both during and after the offer period) to other senior management of Sunningdale.

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5.2 Reinvestment by the Identified Participating Management

Pursuant to the Deeds of Undertaking given by the Identified Participating Management and the subscription agreements entered into between the Offeror and each Identified Participating Management, each Identified Participating Management has agreed to defer and reinvest some or all of his or her Cash Consideration (arising from the sale of his or her Shares pursuant to the Scheme) to subscribe for HoldCo Shares. Further details of each Identified Participating Management are set out in **Schedule F** of the Offeror's Letter.

As stated in the Offeror's Letter, the number of HoldCo Shares to be issued to BH and any other Participating Management in connection with the Management Reinvestment will not be subject to the Adjustment Mechanism.

5.3 SIC Confirmations

Pursuant to the Application, the SIC has confirmed, *inter alia*, that:

- (a) the Management Arrangements do not constitute special deals under Rule 10 of the Code; and
- (b) the Management Arrangements do not amount to an agreement, arrangement or understanding between the Offeror and each of BH and any other Participating Management (whether or not they will be entering into a Deed of Undertaking) to obtain or consolidate effective control of the Company. Accordingly, BH and any other Participating Management will not be regarded as acting in concert with the Offeror in connection with the Acquisition by virtue of the Management Arrangements.

Following from the above, BH and any other Participating Management will not be precluded from attending and voting at the Scheme Meeting by virtue of the Management Arrangements.

6. HOLDCO EMPLOYEE SHARE OPTION SCHEME

Following the Effective Date, it is contemplated that HoldCo will put in place the ESOS to incentivise employees of the Sunningdale Group and to align their interests with the HoldCo Shareholders. The terms and conditions of such ESOS shall be approved by the board of HoldCo and the shareholding percentage represented by the number of HoldCo Shares which may be granted under the ESOS should not exceed 7.5 per cent. of the HoldCo Shares assuming (i) an Enlarged Share Capital and (ii) the full issuance of HoldCo Shares under the ESOS, or such other limit as the Controlling Shareholders may approve in writing.

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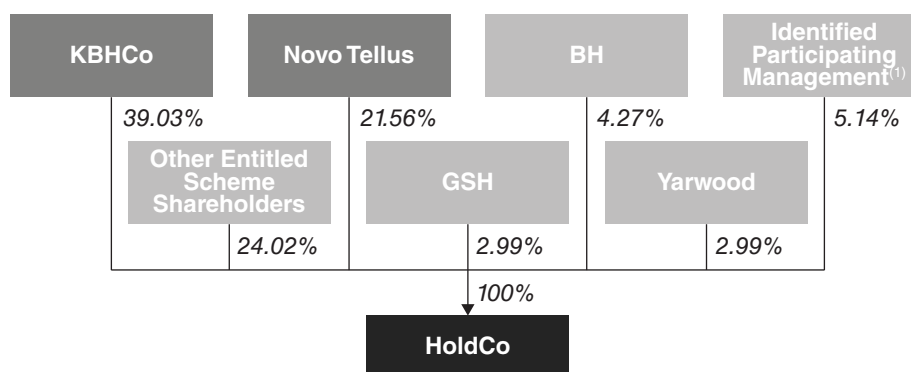
7. SHAREHOLDING STRUCTURE AND SHAREHOLDER ARRANGEMENT OF HOLDCO ON COMPLETION

7.1 Capital Structure of HoldCo on Completion

On Completion, including the issuance of the HoldCo Shares to the Scheme Shareholders that have elected for the Scrip Consideration (including Yarwood and GSH), and following the issuance of the HoldCo Shares pursuant to (i) the Consortium and Shareholders' Agreement (which sets out, inter alia, the equity contribution from KBHCo and Novo Tellus for the subscription of the HoldCo Shares); (ii) the reinvestment of the Cash Consideration in respect of the Identified Participating Management Shares in accordance with the Management Reinvestment; and (iii) the Rollover Agreement:

- (a) the Company will be a wholly owned indirect subsidiary of HoldCo;
- (b) assuming that no Entitled Scheme Shareholders other than Yarwood and GSH elect for the Scrip Consideration, the expected shareholding structure of HoldCo will be as follows:
 - (i) KBHCo: 41.81 per cent. of HoldCo;
 - (ii) Novo Tellus: 21.56 per cent. of HoldCo;
 - (iii) Yarwood: 13.61 per cent. of HoldCo;
 - (iv) GSH: 13.61 per cent. of HoldCo;
 - (v) BH: 4.27 per cent. of HoldCo; and
 - (vi) Identified Participating Management (other than BH): 5.14 per cent. of HoldCo; and
- (c) assuming that all the Entitled Scheme Shareholders (including Yarwood and GSH) elect for the Scrip Consideration, the expected shareholding structure of HoldCo will be as follows:
 - (i) KBHCo: 39.03 per cent. of HoldCo;
 - (ii) Novo Tellus: 21.56 per cent. of HoldCo;
 - (iii) Yarwood: 2.99 per cent. of HoldCo;
 - (iv) GSH: 2.99 per cent. of HoldCo;
 - (v) BH: 4.27 per cent. of HoldCo;
 - (vi) Identified Participating Management (other than BH): 5.14 per cent. of HoldCo; and
 - (vii) Other Entitled Scheme Shareholders: 24.02 per cent. of HoldCo.

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Note:

(1) Identified Participating Management, excluding BH.

*Graphical representation of the expected shareholding structure of HoldCo on Completion for the scenario in **paragraph 7.1(c)** above.*

Entitled Scheme Shareholders who elect for Scrip Consideration will receive HoldCo Shares. Entitled Scheme Shareholders should note that the net asset value of each Scheme Share is not directly comparable to that of each HoldCo Share, as HoldCo will have a different debt and equity capital structure. Entitled Scheme Shareholders who elect for Scrip Consideration should be prepared to take the risks associated with an investment as a minority shareholder of an unlisted private company. Some of the risk factors relating principally to the business of HoldCo in general and to the ownership of HoldCo Shares are set out in Schedule C of the Offeror's Letter.

7.2 Shareholder Arrangement

On and from the Effective Date, the governance of HoldCo will be governed by (i) the Consortium and Shareholders' Agreement setting out, *inter alia*, the Consortium Parties' agreement in relation to the affairs of HoldCo and (ii) the HoldCo Constitution, which constitution shall bind all HoldCo Shareholders (including any Entitled Scheme Shareholder who receives Scrip Consideration pursuant to the Scheme). The key terms relating to the governance arrangements of HoldCo are set out in **Schedule B** of the Offeror's Letter.

8. INFORMATION ON THE OFFEROR, HOLDCO, KBHCO AND NOVO TELLUS

Information on the Offeror, HoldCo, KBHCo and Novo Tellus, as well as the Offeror's rationale for the Acquisition and future plans for the Sunningdale Group, are set out at **paragraph 1.5** of the Letter to Shareholders and in the Offeror's Letter.

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9. SCHEME MEETING

9.1 Scheme Meeting

The Scheme, which is proposed pursuant to Section 210 of the Companies Act, is required to be approved by Scheme Shareholders at the Scheme Meeting.

By proposing that the Acquisition be implemented by way of a scheme of arrangement under Section 210 of the Companies Act, the Company is providing Scheme Shareholders with the opportunity to decide at the Scheme Meeting whether they consider the Scheme to be in their best interests.

The Scheme must be approved by a majority in number of Scheme Shareholders present and voting by proxy, at the Scheme Meeting, such majority representing not less than three-fourths in value of the Scheme Shares voted at the Scheme Meeting.

In the event the Scheme becomes effective, it will be binding on all Scheme Shareholders, whether or not they were present in person or by proxy or voted to approve the Scheme at the Scheme Meeting. Scheme Shareholders should also be aware and note that there is currently no certainty that the Scheme will become effective and binding.

9.2 Convening of Scheme Meeting

Pursuant to an application by the Company to the Court, the Court has ordered, amongst other things, that:

- (a) the Company be at liberty to convene the Scheme Meeting within three (3) months of 14 January 2021, for the purpose of considering, and if thought fit, approving (with or without modifications) the Scheme;
- (b) the Scheme Meeting shall be convened in the manner set out in **Appendix 12** to this Scheme Document; and
- (c) the Company be at liberty to apply for such further or other directions as may be necessary or desirable.

The Scheme Meeting will be convened and held by way of electronic means, in the manner set out in **Appendix 12** to this Scheme Document, on Friday, 19 February 2021 at 3.00 p.m. for the purpose of considering, and if thought fit, passing with or without modifications, the resolution of the Scheme Shareholders to approve the Scheme.

9.3 No Personal Attendance at the Scheme Meeting

The Scheme Meeting will be held by way of electronic means due to the current COVID-19 restriction orders in Singapore. Accordingly, Scheme Shareholders will **not** be able to attend the Scheme Meeting in person.

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9.4 Alternative Arrangements

Alternative arrangements have been put in place to allow Scheme Shareholders to participate in the Scheme Meeting by:

- (a) observing and/or listening to the Scheme Meeting proceedings via live audio-visual webcast or live audio-only stream;
- (b) submitting questions in advance of the Scheme Meeting; and/or
- (c) appointing the Chairman of the Scheme Meeting as proxy to attend, speak and vote on their behalf at the Scheme Meeting.

Scheme Shareholders should refer to the Company's announcement dated 4 February 2021 and titled "ELECTRONIC DESPATCH OF SCHEME DOCUMENT AND ALTERNATIVE ARRANGEMENTS RELATING TO THE SCHEME MEETING TO BE HELD ON 19 FEBRUARY 2021" (the "**Alternative Arrangements Announcement**"), which has been uploaded with this Scheme Document on the SGXNET for further information, including the steps to be taken by Scheme Shareholders to participate in the Scheme Meeting. Such announcement is also available on the website of the Company at <https://investor.sdaletech.com/scheme-of-arrangement.html>.

9.5 Notice

The Notice is set out in **Appendix 14** of this Scheme Document. You are requested to take note of the date and time of the Scheme Meeting.

10. CONDITIONS OF THE SCHEME

10.1 Scheme Conditions

(a) Scheme Conditions

The Acquisition is conditional upon the satisfaction (or, where applicable, the waiver) of all the Scheme Conditions by the Cut-Off Date.

A list of the Scheme Conditions is set out in **Appendix 6** to this Scheme Document.

(b) Update on Status of Scheme Conditions

Set out below is an update on the status of the Scheme Conditions:

- (i) the SIC has by way of an email dated 2 November 2020, confirmed, *inter alia*, that:
 - (A) the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29, 33.2 and Note 1(b) on Rule 19 of the Code, subject to certain conditions;

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- (B) the Consortium and Shareholders' Agreement and the Rollover Agreement do not constitute special deals under Rule 10 of the Code;
- (C) (1) the Deeds of Undertaking in relation to each of Yarwood and GSH do not constitute special deals under Rule 10 of the Code; and (2) the Deeds of Undertaking do not amount to an agreement, arrangement or understanding between the Offeror and each of Yarwood and GSH to co-operate to obtain or consolidate effective control of the Company. Accordingly, each of Yarwood and GSH will not be regarded as acting in concert with the Offeror in connection with the Acquisition by virtue of the Deeds of Undertaking; and
- (D) (1) the Management Arrangements do not constitute special deals under Rule 10 of the Code; and (2) the Management Arrangements do not amount to an agreement, arrangement or understanding between the Offeror and each of BH and any other Participating Management (whether or not they will be entering into a Deed of Undertaking) to obtain or consolidate effective control of the Company. Accordingly, BH and any other Participating Management will not be regarded as acting in concert with the Offeror in connection with the Acquisition by virtue of the Management Arrangements.

Following from paragraphs **10.1(b)(i)(C)** and **10.1(b)(i)(D)** above, each of Yarwood, GSH, BH and any other Participating Management will not be precluded from attending and voting at the Scheme Meeting by virtue of the Deeds of Undertaking or Management Arrangements (as the case may be).

Please refer to **paragraph 11.1** below for further details;

- (ii) the SGX-ST has on 25 February 2021 given its clearance for this Scheme Document and has also advised that it has no objection to the Company's application to delist from the Official List of the SGX-ST. Please refer to **paragraph 11.3** below for further details; and
- (iii) other than as set out in this **paragraph 10.1(b)**, none of the other Scheme Conditions have, as at the Latest Practicable Date, been satisfied or waived.

(c) Remaining Scheme Conditions

Accordingly, as at the Latest Practicable Date, the Scheme remains conditional upon the satisfaction (or, if applicable, waiver) of the remaining Scheme Conditions as set out in **Appendix 6** to this Scheme Document on or before 5.00 p.m. on the Cut-Off Date.

10.2 Non-fulfilment of Scheme Conditions

The Scheme will only become effective and binding if all the Scheme Conditions have been satisfied or, where applicable, waived, in accordance with the terms of the Implementation Agreement. The Scheme Shareholders should note that if any of the Scheme Conditions is not satisfied (or, if applicable, waived) on or before 5.00 p.m. on the Cut-Off Date, the Scheme will not become effective and binding.

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10.3 Benefits of Scheme Conditions

- (a) *Offeror's Benefit:* The Offeror alone may waive the Scheme Conditions in **paragraph 6** (in relation to any Prescribed Occurrence relating to the Company or any Sunningdale Group Company, as set out in **Part 2 of Appendix 7** to this Scheme Document), **paragraph 7** (in relation to any material breach of Warranties by the Company), **paragraph 9** (in relation to material adverse events relating to the Sunningdale Group) and **paragraph 10** (in relation to a loss of any Major Customer) of **Appendix 6** to this Scheme Document.
- (b) *The Company's Benefit:* The Company alone may waive the Scheme Conditions in **paragraph 6** (in relation to any Prescribed Occurrence relating to the Offeror, as set out in **Part 1 of Appendix 7** to this Scheme Document) and **paragraph 8** (in relation to any material breach of Warranties by the Offeror) of **Appendix 6** to this Scheme Document.
- (c) *Mutual Benefit:* The non-fulfilment of the Scheme Condition in **paragraph 5** (in relation to there being no illegality) of **Appendix 6** to this Scheme Document hereto is capable of being waived with the consent in writing of both Parties (to the extent legally permissible).
- (d) *Other Scheme Conditions:* For the avoidance of doubt, the Offeror and the Company agree that the Scheme Conditions in **paragraph 1** (in relation to approval of the Scheme by the Scheme Shareholders), **paragraph 2** (in relation to the grant of the Court Order), **paragraph 3** (in relation to the lodgement of the Court Order) and **paragraph 4** (in relation to Regulatory Approvals) of **Appendix 6** to this Scheme Document are not capable of being waived by either Party or both Parties.

10.4 Right to Terminate

- (a) If any of the Scheme Conditions set out in **paragraph 1** (in relation to approval of the Scheme by the Scheme Shareholders), **paragraph 2** (in relation to the grant of the Court Order), **paragraph 3** (in relation to the lodgement of the Court Order) or **paragraph 4** (in relation to Regulatory Approvals) of **Appendix 6** to the Scheme Document is not satisfied, or if the Scheme has not become effective in accordance with its terms on or before 5.00 p.m. on the Cut-Off Date, either the Offeror or the Company may immediately terminate the Implementation Agreement by notice in writing to the other party.
- (b) If the Scheme Condition set out in **paragraph 5** (in relation to there being no illegality) of **Appendix 6** to the Scheme Document is not satisfied, or is incapable of being satisfied, or if applicable, has not been or will not be waived, on or before 5.00 p.m. on the Cut-Off Date, either the Offeror or the Company may immediately terminate the Implementation Agreement by notice in writing to the other party.
- (c) If any of the Scheme Conditions set out in **paragraph 6** (in relation to any Prescribed Occurrences relating to the Company or any Sunningdale Group Company), **paragraph 7** (in relation to any material breach of Warranties by the Company), **paragraph 9** (in relation to material adverse events relating to the Sunningdale Group) and/or **paragraph 10** (in relation to a loss of any Major Customer) of **Appendix 6** to the Scheme Document is not satisfied, or is incapable of being satisfied, or if applicable, has not been or will not be waived, on or before 5.00 p.m. on the Cut-Off Date, the Offeror may terminate the Implementation Agreement by notice in writing to the Company.

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- (d) If any of the Scheme Conditions set out in **paragraph 6** (in relation to any Prescribed Occurrences relating to the Offeror) and/or **paragraph 8** (in relation to any material breach of Warranties by the Offeror) of **Appendix 6** to the Scheme Document is not satisfied, or is incapable of being satisfied, or if applicable, has not been or will not be waived, on or before 5.00 p.m. on the Cut-Off Date, the Company may terminate the Implementation Agreement by notice in writing to the Offeror.

For the avoidance of doubt, the Offeror and/or the Company (as the case may be) may only invoke the non-satisfaction of any of the Scheme Conditions to terminate the Implementation Agreement if it has first consulted the SIC and the SIC gives its approval for, or states that it has no objection to, such termination.

10.5 Effect of Termination

In the event of termination of the Implementation Agreement by either the Company or the Offeror (as the case may be) pursuant to the terms of the Implementation Agreement:

- (a) the Implementation Agreement shall cease to have any further force or effect (save for the Surviving Provisions); and
- (b) neither party shall have any further liability or obligation to the other party (save for the Surviving Provisions),

provided always that such termination shall not prejudice the rights of either party which have accrued or arisen prior to such termination.

11. **SCHEME CONDITIONS AND REGULATORY APPROVALS**

11.1 SIC

- (a) *Code*: The SIC has by way of an email dated 2 November 2020, confirmed, *inter alia*, that the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29, 33.2 and Note 1(b) on Rule 19 of the Code, subject to the following conditions:
- (i) the common substantial shareholders of the Offeror and its concert parties on the one hand, and the Company on the other hand, abstain from voting on the Scheme;
- (ii) the Offeror and its concert parties (which includes the Conflicted Directors) abstain from voting on the Scheme;
- (iii) the directors of the Company who are also directors of the Offeror (namely, the Conflicted Directors) abstain from making a recommendation on the Scheme to the Scheme Shareholders;
- (iv) the Scheme Document contains advice to the effect that by voting for the Scheme, the Scheme Shareholders are agreeing to the Offeror and its concert parties acquiring or consolidating effective control of the Company without having to make a general offer for the Company;
- (v) the Scheme Document discloses the names of the Offeror and its concert parties, their current voting rights in the Company as of the Latest Practicable Date and their voting rights in HoldCo, the Offeror and the Company after the Scheme; and
- (vi) the Scheme being completed within five (5) months from the Joint Announcement Date.

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As at the Latest Practicable Date:

- (A) based on the information available to the Company as at the Latest Practicable Date, save for KBH and any entity that has a deemed interest in both the Shares and the Offeror Shares through KBH, there are no other common substantial shareholders of the Offeror and its concert parties and the Company. As KBH is not a Scheme Shareholder, he will not be voting on the Scheme;
 - (B) to the extent that any member in the Offeror Concert Party Group holds Scheme Shares, such parties will abstain from voting their Scheme Shares on the Scheme at the Scheme Meeting; and
 - (C) the Conflicted Directors have abstained from making a recommendation on the Scheme to the Scheme Shareholders, in accordance with SIC's ruling as set out in **paragraph 11.1(a)(iii)**.
- (b) *Scheme Conditions*: The SIC has by way of an email dated 2 November 2020, confirmed, *inter alia*, that it has no objections to the Scheme Conditions.
- (c) *Recommendation to the Scheme Shareholders*: The SIC has by way of an email dated 2 November 2020, confirmed, *inter alia*, that each of the Conflicted Directors are exempted from the requirement to make a recommendation on the Scheme to the Scheme Shareholders. Each of the Conflicted Directors must, however, still assume responsibility for the accuracy of the facts stated and the completeness of information given by the Company to the Scheme Shareholders in connection with the Scheme.

11.2 Court

The Scheme is subject to the sanction of the Court as stated in **paragraph 2** of **Appendix 6** to this Scheme Document.

11.3 SGX-ST

As set out in **paragraph 13** below, an application was made to seek approval-in-principle from the SGX-ST for the proposed delisting of the Company from the Official List of the SGX-ST upon the Scheme becoming effective and binding in accordance with its terms.

12. **OBLIGATIONS OF THE COMPANY AND THE OFFEROR IN RELATION TO THE SCHEME**

Pursuant to the terms of the Implementation Agreement, the Company and the Offeror shall, in connection with the implementation of the Scheme, as expeditiously as practicable, comply with the obligations set out respectively in **Appendix 10** and **Appendix 11** to this Scheme Document, including the obligation to use its reasonable endeavours to procure that the Scheme is implemented on the terms set out in the Implementation Agreement and in the Scheme Document including complying with all procedures and processes imposed by the Court in connection with the Scheme.

The obligations of the Company in **Appendix 10** to this Scheme Document are subject to the fiduciary duties of its directors and compliance with all applicable Laws.

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13. EFFECT OF THE SCHEME AND DELISTING

Upon the Scheme becoming effective and binding in accordance with its terms, the Company will become a wholly-owned subsidiary of the Offeror, and will, subject to the approval of the SGX-ST, be delisted from the Official List of the SGX-ST.

An application was made to seek approval-in-principle from the SGX-ST for the proposed delisting of the Company from the Official List of the SGX-ST upon the Scheme becoming effective and binding in accordance with its terms. The SGX-ST has advised that it has no objection to the Company's application for delisting from the Official List of the SGX-ST, subject to:

- (a) an unqualified opinion from an independent financial adviser that the financial terms of the Scheme are fair and reasonable to the Scheme Shareholders; and
- (b) the Scheme becoming effective.

The above decision of the SGX-ST is not to be taken as an indication of the merits of the delisting of the Company from the Official List of the SGX-ST upon completion of the Scheme.

SCHEME SHAREHOLDERS SHOULD NOTE THAT THE SHARES WILL BE DELISTED FROM THE OFFICIAL LIST OF THE SGX-ST IF THE SCHEME BECOMES EFFECTIVE AND BINDING IN ACCORDANCE WITH ITS TERMS.

14. IMPLEMENTATION OF THE SCHEME

14.1 Application to Court for Sanction

If the Scheme is approved by a majority in number of Scheme Shareholders present and voting by proxy, at the Scheme Meeting, such majority representing not less than three-fourths in value of the Scheme Shares voted at the Scheme Meeting, an application will be made to the Court by the Company for the sanction of the Scheme.

14.2 Election

(a) **Election Forms**

Each Entitled Scheme Shareholder (other than Entitled Depository Agents) may elect to receive the Cash Consideration, or in lieu thereof, the Scrip Consideration, in respect of all its Scheme Shares, but not a mixture of both. The Election Forms will be despatched by the Offeror (or on its behalf) on the first day of the Election Period (which is expected to be 15 March 2021) to all Entitled Scheme Shareholders (other than Entitled Depository Agents), at their respective Singapore addresses shown in the records of CDP (in respect of Entitled Scheme Shareholders being Depositors) or the Register of Members (in respect of Entitled Scheme Shareholders not being Depositors), as the case may be, at their own risk. They can also be collected at the Share Registrar's office situated at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623 during the Election Period.

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The Entitled Scheme Shareholders (other than Entitled Depository Agents) should complete, sign and return the Election Forms in accordance with the procedures set out below and the provisions and instructions printed on the Election Forms during the Election Period:

(i) *Entitled Scheme Shareholders whose Shares are not deposited with CDP:* An Entitled Scheme Shareholder (not being a Depositor) who wishes to accept the Scrip Consideration should deliver the completed and signed Election Form to the Company in the following manner:

(A) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via email to the Share Registrar at srs.teamd@boardroomlimited.com; or

(B) if submitted by post, be sent to the office of the Share Registrar at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623,

in either case so as to arrive no later than the end of the Election Period.

(ii) *Scheme Shareholders whose Shares are deposited with CDP (other than Entitled Depository Agents):* An Entitled Scheme Shareholder (being a Depositor who is not a Depository Agent) who wishes to accept the Scrip Consideration should deliver the completed and signed Election Form to the Company by post, using the enclosed pre-addressed envelope at his/her/its own risk to Sunningdale Tech Ltd. c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1984, Singapore 903934, so as to arrive no later than the end of the Election Period.

If an Entitled Scheme Shareholder wishes to receive the Scheme Consideration wholly in the form of the Cash Consideration in respect of all of his/her/its Shares, he/she/it does not need to complete and return the Election Form.

(b) Entitled Depository Agents

Entitled Depository Agents may make elections on behalf of each sub-account holder who holds Scheme Shares via Electronic Election. Electronic Elections must be submitted no later than the end of the Election Period. CDP has been authorised by the Offeror to receive Electronic Elections on its behalf. Electronic Elections submitted will be deemed irrevocable and subject to each of the terms and conditions contained in the Election Form for Depositors and this Scheme Document (including the Offeror's Letter) as if the Election Form for Depositors had been completed and delivered to CDP. By submitting their Electronic Election, each Entitled Depository Agent confirms and represents to the Offeror that in relation to each sub-account holder in respect of which such Entitled Depository Agent exercises the election:

(i) such election has been exercised in respect of all (and not some) of the Scheme Shares held by the Entitled Depository Agent for such sub-account holder;

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- (ii) such sub-account holder has not elected to receive a combination of the Cash Consideration and the Scheme Consideration in respect of the Scheme Shares held by such Entitled Depository Agent on its behalf; and
- (iii) such sub-account holder has confirmed to such Entitled Depository Agent that it has not elected to receive a combination of the Cash Consideration and the Scrip Consideration in respect of, if applicable, any of his/her/its Directly-Held Scheme Shares or the Indirectly-Held Scheme Shares held on his/her/its behalf by any Entitled Depository Agent(s).

If an Entitled Depository Agent wishes to elect to receive the Scrip Consideration in respect of any of its sub-account holder's Scheme Shares, such Entitled Depository Agent must, in addition to making the relevant election via Electronic Election, complete and return the Sub-Account Holders Form which will be provided to Entitled Depository Agents by CDP electronically:

- (A) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via email to the Share Registrar at srs.teamd@boardroomlimited.com; or
- (B) if submitted by post, be sent to the office of the Share Registrar at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623,

in either case so as to arrive no later than the end of the Election Period.

Entitled Depository Agents do not have to complete or return the Sub-Account Holders Form if they wish to elect to receive the Cash Consideration in respect of all of their sub-account holders' Scheme Shares.

(c) Receipt

The Election Forms and Sub-Account Holders Forms must be received by the end of the Election Period, which is expected to be 29 March 2021 at 5.00 p.m.. No acknowledgement of receipt of any Election Form or Sub-Account Holders Form will be given by the Offeror, the Company, CDP or the Share Registrar. Each Entitled Scheme Shareholder is permitted to submit only one Election Form and any subsequent submission of any Election Forms will be disregarded and deemed as invalid. Each Entitled Depository Agent is permitted to submit only one Sub-Account Holders Form and any subsequent submission of any Sub-Account Holders Forms will be disregarded and deemed as invalid.

(d) Deemed Election

In the event that an Entitled Scheme Shareholder or a sub-account holder for each Entitled Depository Agent:

- (i) fails to elect to receive a Scheme Consideration within the Election Period, whether due to an absence or failure of a valid election;
- (ii) to the extent applicable under the laws of the Cayman Islands and upon being notified by the Offeror, fails to provide such details and/or information as may be required to satisfy the requirements of the anti-money laundering regulations of the Cayman Islands;

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- (iii) elects to receive the Cash Consideration or Scrip Consideration in respect of some only and not all of its Scheme Shares;
- (iv) holds both Directly-Held Scheme Shares and Indirectly-Held Scheme Shares through securities sub-account(s) with Depository Agent(s) and does not elect to receive and direct his/her/its Depository Agent(s) to elect to receive the same form of the Scheme Consideration in respect of all his/her/its Directly-Held Scheme Shares and Indirectly-Held Scheme Shares respectively, and the Offeror is notified of such occurrence; and/or
- (v) maintains an address recorded in the Register of Members or the Depository Register or in the records of the Entitled Depository Agent (as the case may be) that is not within Singapore and does not provide the Company and the Share Registrar or CDP (as the case may be) with an address in Singapore by the Record Date,

such Entitled Scheme Shareholder or such sub-account holder for each Entitled Depository Agent shall be deemed to have elected to receive the Cash Consideration for all of its Scheme Shares, and shall be entitled only to receive the Cash Consideration for all of its Scheme Shares as at the Record Date.

In addition, if the Share Registrar or CDP (as the case may be) fails to receive, from an Entitled Scheme Shareholder or a sub-account holder for each Entitled Depository Agent an Election Form, Electronic Election or Sub-Account Holders Form, as the case may be, by the end of the Election Period or receives an Election Form, Electronic Election or Sub-Account Holders Form which does not comply with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form or the terms and conditions contained in this Scheme Document, or which is not complete or is invalid in any other respect, that Electing Party shall be deemed to have elected the Cash Consideration in exchange for all his/her/its Shares.

(e) Discretion

The Offeror and the Company each reserves the right to treat Election Forms and Sub-Account Holders Forms as valid if received by or on behalf of either of them at any place or places determined by them otherwise than as stated in this Scheme Document, the Election Form or the Sub-Account Holders Form, as the case may be, or if made otherwise than in accordance with the provisions of this Scheme Document, the Election Form or the Sub-Account Holders Form. CDP and the Share Registrar take no responsibility for any decision made by the Offeror and/or the Company.

(f) Disclaimer

The Offeror, the Company, CDP and the Share Registrar will each be authorised and entitled, in its absolute discretion, to reject any Election Form, Electronic Election or Sub-Account Holders Form which is not entirely in order or does not comply with this Scheme Document or the provisions and instructions printed on the Election Form, Electronic Election or the Sub-Account Holders Form (as the case may be), or which is otherwise incomplete, incorrect, unsigned or invalid in any respect. The Offeror shall not be required to notify any Entitled Scheme Shareholder or Entitled Depository Agent if his/her/its Election Form, Electronic Election or Sub-Account Holders Form is not received or is not in compliance with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be), or is

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otherwise incomplete or invalid in any other respect. If you wish to receive the Scrip Consideration, it is your responsibility to ensure that the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) is properly completed in all respects, signed and all required supporting documents, where applicable, are provided. Any decision to reject any Election Form, Electronic Election or Sub-Account Holders Form will be final and binding and none of the Offeror, the Company, CDP or the Share Registrar accepts any responsibility or liability in relation to such rejection, including the consequences thereof.

(g) Correspondences

All communications, certificates, notices, documents and remittances to be delivered or sent to you (or your designated agent or, in the case of joint Shareholders who have not designated any agent, to the one first named in the Register of Members) will be sent by ordinary post to your respective mailing addresses as maintained with CDP or as they appear in the Register of Members, as the case may be, at the risk of the person entitled hereto. The attention of Overseas Shareholders is also drawn to **paragraph 19** below and **paragraph 13** of the Offeror's Letter.

14.3 Procedure for Implementation

If the Court sanctions the Scheme, the Offeror, HoldCo and the Company will (subject to the satisfaction (or, if applicable, waiver) of all the Scheme Conditions on or before 5.00 p.m. on the Cut-Off Date) take the necessary steps to render the Scheme effective and binding in accordance with its terms, and the following will be implemented:

- (a) the Scheme Shares held by Entitled Scheme Shareholders will be transferred to the Offeror for either (i) the Cash Consideration to be paid by the Offeror, or (ii) the HoldCo Shares to be issued by HoldCo pursuant to the Scrip Consideration and, if the Adjustment Mechanism applies, the cash to be paid by the Offeror for the balance number of Scheme Shares held by Entitled Scheme Shareholders that elected for Scrip Consideration in excess of the Maximum Number ("**Balance Cash Consideration**"), as the case may be, to the Entitled Scheme Shareholders for each Scheme Share, in the following manner:
- (i) in the case of Entitled Scheme Shareholders (not being Depositors), the Company shall authorise any person to execute or effect on behalf of all such Entitled Scheme Shareholders an instrument or instruction of transfer of all the Scheme Shares held by such Entitled Scheme Shareholders and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Entitled Scheme Shareholder; and
 - (ii) in the case of Entitled Scheme Shareholders (being Depositors), the Company shall instruct CDP, for and on behalf of such Entitled Scheme Shareholders, to debit, not later than seven (7) Business Days after the Effective Date, all the Scheme Shares standing to the credit of the Securities Account of such Entitled Scheme Shareholders and credit all of such Scheme Shares to the Securities Account of the Offeror or such Securities Account(s) as directed by the Offeror;
- (b) from the Effective Date, all existing share certificates relating to the Scheme Shares held by the Entitled Scheme Shareholders (not being Depositors) will cease to be evidence of title of the Scheme Shares represented thereby;

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- (c) Entitled Scheme Shareholders (not being Depositors) are required to forward their existing share certificates relating to their Scheme Shares to the Share Registrar's office at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623, as soon as possible, but not later than seven (7) Business Days after the Effective Date for cancellation; and
- (d) the Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Scheme Shares set out in **paragraph 14.3(a)** above:
- (i) Cash Consideration

The Offeror shall pay cash to the Entitled Scheme Shareholders who elect to (or are deemed to have elected to) and are entitled to receive the Scheme Consideration in the form of Cash Consideration for all their Scheme Shares as follows:

(A) Entitled Scheme Shareholders whose Scheme Shares are not deposited with CDP

The Offeror shall pay each Entitled Scheme Shareholder (not being a Depositor) by sending a cheque for the Cash Consideration payable to and made out in favour of such Entitled Scheme Shareholder by ordinary post to his/her/its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such Entitled Scheme Shareholder, or in the case of joint Entitled Scheme Shareholders, to both joint Entitled Scheme Shareholders made out in favour of such joint Entitled Scheme Shareholders by ordinary post to the address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such joint Entitled Scheme Shareholders; and

(B) Entitled Scheme Shareholders whose Scheme Shares are deposited with CDP

The Offeror shall pay each Entitled Scheme Shareholder (being a Depositor) by making payment of the Cash Consideration payable to such Entitled Scheme Shareholder to CDP. CDP shall:

- (1) in the case of an Entitled Scheme Shareholder (being a Depositor) who has registered for CDP's direct crediting service, credit the Cash Consideration payable to such Entitled Scheme Shareholder, to the designated bank account of such Entitled Scheme Shareholder; and
- (2) in the case of an Entitled Scheme Shareholder (being a Depositor) who has not registered for CDP's direct crediting service, credit the Cash Consideration to such Entitled Scheme Shareholder's Cash Ledger and such Cash Consideration shall be subject to the same terms and conditions as applicable to "Cash Distributions" under CDP's "The Central Depository (Pte) Limited Operation of Securities Account with the Depository Terms and Conditions" as amended, modified or supplemented from time to time, copies of which will be available from CDP.

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Assuming that the Scheme becomes effective and binding on 8 April 2021, the crediting by CDP of the Cash Consideration into the designated bank accounts of the Entitled Scheme Shareholders (in the case of the Entitled Scheme Shareholders being Depositors and who have registered with CDP for its direct crediting service), the crediting by CDP of the Cash Consideration into the Cash Ledger of the Entitled Scheme Shareholders (in the case of the Entitled Scheme Shareholders being Depositors and who have not registered with CDP for its direct crediting service) or the posting of cheques for the Cash Consideration in the manner set out in **paragraph 14.3(d)(i)(A)** above, as the case may be, is expected to take place on or before 19 April 2021.

The despatch of payment by the Offeror to each Entitled Scheme Shareholder's address and/or CDP (as the case may be) in accordance with the above shall discharge the Offeror from any liability in respect of those payments.

(ii) Scrip Consideration

Subject to the Adjustment Mechanism and **paragraph 13.3** of the Offeror's Letter, HoldCo shall allot and issue new HoldCo Shares, credited as fully-paid, on the basis of 1,650 new HoldCo Shares at the Issue Price per new HoldCo Share for every one Scheme Share held by such Entitled Scheme Shareholder who elects to and is entitled to receive the Scheme Consideration in the form of the Scrip Consideration for all of their Scheme Shares, and the share certificates in respect of such HoldCo Shares will be delivered to the relevant person/entity recorded in the Register of Members or the Depository Register as at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form), regardless of whether such Entitled Scheme Shareholder holds the Scheme Shares as custodian or nominee or otherwise. If the Adjustment Mechanism applies, the Offeror shall pay the Balance Cash Consideration by sending a cheque in the manner set out in **paragraphs 14.3(d)(ii)(A) and 14.3(d)(ii)(B)** below, not later than seven (7) Business Days after the Effective Date.

(A) Entitled Scheme Shareholders whose Scheme Shares are not deposited with CDP

The Offeror shall send the share certificates representing the relevant number of new HoldCo Shares ("**HoldCo Share Certificates**") to each Entitled Scheme Shareholder (not being a Depositor) by ordinary post to his/her/its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such Entitled Scheme Shareholder, or in the case of joint Entitled Scheme Shareholders, to the first named Entitled Scheme Shareholder by ordinary post to his/her/its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such joint Entitled Scheme Shareholders, save that in all cases, no HoldCo Share Certificates will, in the case of Overseas Shareholders, be despatched in or into any overseas jurisdiction (please refer to **paragraph 13** of the Offeror's Letter for more information on the arrangements for Overseas Shareholders).

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If the Adjustment Mechanism applies, the Offeror shall pay the Balance Cash Consideration by sending a cheque for the Balance Cash Consideration payable to and made out in favour of such Entitled Scheme Shareholder by ordinary post to his/her/its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such Entitled Scheme Shareholder, or in the case of joint Entitled Scheme Shareholders, to both joint Entitled Scheme Shareholders made out in favour of such joint Entitled Scheme Shareholders by ordinary post to the address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such joint Entitled Scheme Shareholders.

(B) Entitled Scheme Shareholders whose Scheme Shares are deposited with CDP

The Offeror shall send the HoldCo Share Certificates representing the relevant number of new HoldCo Shares to each Entitled Scheme Shareholder (being a Depositor) by ordinary post to his/her/its address as appearing in the Depository Register at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form), at the sole risk of such Entitled Scheme Shareholder, or in the case of joint Entitled Scheme Shareholders, to the first named Entitled Scheme Shareholder by ordinary post to his/her/its address as appearing in the Depository Register at the close of business on the Record Date, at the sole risk of such joint Entitled Scheme Shareholders, save that in all cases, no HoldCo Share Certificates will, in the case of Overseas Shareholders, be despatched in or into any overseas jurisdiction (please refer to **paragraph 13** of the Offeror's Letter for more information on the arrangements for Overseas Shareholders).

If the Adjustment Mechanism applies, the Offeror shall pay the Balance Cash Consideration by sending a cheque for the Balance Cash Consideration payable to and made out in favour of such Entitled Scheme Shareholder by ordinary post to his/her/its address as appearing in the Depository Register at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form), at the sole risk of such Entitled Scheme Shareholder, or in the case of joint Entitled Scheme Shareholders, to the first named Entitled Scheme Shareholder by ordinary post to his/her/its address as appearing in the Depository Register at the close of business on the Record Date, at the sole risk of such joint Entitled Scheme Shareholders.

Assuming that the Scheme becomes effective and binding on 8 April 2021, the posting of the HoldCo Share Certificates representing the new HoldCo Shares to be allotted and issued pursuant to the Scheme and, if the Adjustment Mechanism applies, the posting of the cheques to Entitled Scheme Shareholders for the Balance Cash Consideration in the manner set out in **paragraphs 14.3(d)(ii)(A)** and **14.3(d)(ii)(B)** above, are expected to take place on or before 19 April 2021.

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The despatch of the HoldCo Share Certificates and, if applicable, the posting of the cheques for the Balance Cash Consideration to each Entitled Scheme Shareholder's address in accordance with the above shall discharge the Offeror from any liability in respect of the delivery of the said certificates and such payments.

The new HoldCo Shares to be allotted and issued pursuant to the Scheme shall be allotted and issued and credited as fully paid and, when allotted and issued, will rank *pari passu* in all respects with the then existing HoldCo Shares.

The terms of the HoldCo Shares are set out in the Consortium and Shareholders' Agreement and are incorporated in the amended HoldCo Constitution, which shall take effect on and from the Effective Date. An extract of some of these terms can be found in **Schedule B** of the Offeror's Letter.

Please refer to **paragraph 2.3** of the Offeror's Letter for an illustration of the operation of the Adjustment Mechanism in the event that Entitled Scheme Shareholders elect for the Scrip Consideration in such amount which exceeds the Maximum Number.

14.4 Retention and Release of Proceeds

In relation to Entitled Scheme Shareholders, on and after the day being six (6) calendar months after the posting of such cheques relating to the Scheme Consideration, the Offeror shall have the right to cancel or countermand payment of any such cheque which has not been cashed (or has been returned uncashed) and shall place all such moneys in a bank account in the Company's name with a licensed bank in Singapore selected by the Company.

The Company or its successor entity shall hold such moneys until the expiration of six (6) years from the Effective Date and shall prior to such date make payments therefrom of the sums payable pursuant to **Clause 3.4** of the Scheme as set out in **Appendix 13** to this Scheme Document to persons who satisfy the Company or its successor entity that they are respectively entitled thereto and that the cheques referred to in **Clause 3.4** of the Scheme as set out in **Appendix 13** to this Scheme Document for which they are payees have not been cashed. Any such determination shall be conclusive and binding upon all persons claiming an interest in the relevant moneys, and any payments made by the Company thereunder shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to **Clause 3.1** of the Scheme as set out in **Appendix 13** to this Scheme Document.

On the expiry of six (6) years from the Effective Date, each of the Company and the Offeror shall be released from any further obligation to make any payments of the Scheme Consideration under the Scheme and the Company or its successor entity shall transfer to the Offeror the balance (if any) of the sums then standing to the credit of the bank account referred to in **Clause 3.6(a)** of the Scheme as set out in **Appendix 13** to this Scheme Document including accrued interest, subject, if applicable, to the deduction of interest, tax or any withholding tax or any other deduction required by law and subject to the deduction of any expenses.

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(in compliance with Section 211 of the Companies Act)

15. CLOSURE OF BOOKS

15.1 Notice of Record Date

Subject to the approval of the Scheme by the Scheme Shareholders at the Scheme Meeting and the sanction of the Scheme by the Court, notice of the Record Date will be given in due course for the purposes of determining the entitlements of the Entitled Scheme Shareholders to the Scheme Consideration under the Scheme.

The Record Date is tentatively scheduled to be 10 March 2021 at 5.00 p.m.. The Company will make a further announcement in due course of the Record Date.

15.2 Transfer of Scheme Shares after Record Date

No transfer of the Scheme Shares where the certificates relating thereto are not deposited with CDP may be effected after the Record Date, unless such transfer is made pursuant to the Scheme.

15.3 Trading in Shares on the SGX-ST

The Scheme is tentatively scheduled to become effective and binding on or about 8 April 2021 and accordingly (assuming the Scheme becomes effective and binding on 8 April 2021), the Shares are expected to be delisted and withdrawn from the Official List of the SGX-ST after payment of the Scheme Consideration. It is therefore expected that, subject to the approval of the SGX-ST, the Shares will cease to be traded on the SGX-ST on or about 8 March 2021 at 5.00 p.m., being two (2) Market Days before the expected Record Date.

Scheme Shareholders (not being Depositors) who wish to trade in their Scheme Shares on the SGX-ST are required to deposit with CDP their certificates relating to their Scheme Shares, together with the duly executed instruments of transfer in favour of CDP, 15 Market Days prior to the tentative last day for trading of the Shares.

16. SETTLEMENT AND REGISTRATION PROCEDURES

Subject to the Scheme becoming effective and binding in accordance with its terms, the following settlement and registration procedures will apply:

16.1 Entitled Scheme Shareholders whose Scheme Shares are not deposited with CDP

Entitlements to the Scheme Consideration will be determined on the basis of Entitled Scheme Shareholders (not being Depositors) and their holdings of Scheme Shares appearing in the Register of Members as at 5.00 p.m. on the Record Date.

Entitled Scheme Shareholders (not being Depositors) who have not already done so are requested to take the necessary action to ensure that the Scheme Shares owned by them are registered in their names with the Share Registrar by 5.00 p.m. on the Record Date.

From the Effective Date, each existing share certificate representing a former holding of Scheme Shares by Entitled Scheme Shareholders (not being Depositors) will cease to be evidence of title of the Scheme Shares represented thereby.

Within seven (7) Business Days of the Effective Date, the Offeror shall make payment of the Scheme Consideration to each Entitled Scheme Shareholder (not being a Depositor) based on his/her/its holding of the Scheme Shares as at 5.00 p.m. on the Record Date.

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16.2 Entitled Scheme Shareholders whose Scheme Shares are deposited with CDP

Entitlements to the Scheme Consideration will be determined on the basis of Entitled Scheme Shareholders (being Depositors) and the number of Scheme Shares standing to the credit of their Securities Account as at 5.00 p.m. on the Record Date.

Entitled Scheme Shareholders (being Depositors) who have not already done so are requested to take the necessary action to ensure that the Scheme Shares owned by them are credited to their Securities Account by 5.00 p.m. on the Record Date.

Following the Effective Date, CDP will debit all the Scheme Shares standing to the credit of each relevant Securities Account of each Entitled Scheme Shareholder (being a Depositor) and credit all of such Scheme Shares to the Securities Account of the Offeror or such Securities Account(s) as directed by the Offeror.

Within seven (7) Business Days of the Effective Date, CDP and the Offeror shall make payment of the Scheme Consideration to each Entitled Scheme Shareholder (being a Depositor) based on the number of Scheme Shares standing to the credit of his/her/its Securities Account as at 5:00 p.m. on the Record Date.

17. DIRECTORS' INTERESTS

The interests of the Directors in the Shares as at the Latest Practicable Date are set out in **paragraph 5.3 of Appendix 3** to this Scheme Document.

18. ELECTRONIC DESPATCH OF SCHEME DOCUMENT

In line with the current COVID-19 restriction orders in Singapore, no printed copies of the Scheme Document will be despatched to the Scheme Shareholders. Instead, only printed copies of the Notice and the Proxy Form will be despatched to the Scheme Shareholders.

Electronic copies of the Scheme Document (enclosing the Notice) and the Proxy Form are available on the website of the SGX-ST at www.sgx.com/securities/company-announcements and on the website of the Company at <https://investor.sdaletech.com/scheme-of-arrangement.html>. A Scheme Shareholder will need an internet browser and PDF reader to view these documents on the websites of the SGX-ST and the Company.

Scheme Shareholders may obtain printed copies of this Scheme Document by completing and returning the request form accompanying the Notice and the Proxy Form to the Company by 10 February 2021. A printed copy of this Scheme Document will be sent to the address in Singapore specified by the Scheme Shareholder at his/her/its own risk.

An Overseas Shareholder may write in to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623, to request for this Scheme Document and any related documents to be sent to an address in Singapore by ordinary post at his/her/its own risk, up to three (3) Market Days prior to the date of the Scheme Meeting.

EXPLANATORY STATEMENT
(in compliance with Section 211 of the Companies Act)

19. OVERSEAS SHAREHOLDERS

Overseas Shareholders who are in doubt about their positions should consult their own professional advisers in the relevant jurisdictions.

19.1 Overseas Shareholders

The applicability of the Acquisition and the Scheme to Overseas Shareholders, whose addresses are outside Singapore, as shown on the Register of Members, or as the case may be, in the records of CDP, may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Shareholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

19.2 Copies of Scheme Document

The Constitution provides that Shareholders who have not supplied to the Company or the CDP (as the case may be) an address within Singapore for the service of notices shall not be entitled to receive notices from the Company. Accordingly, the Scheme Document has not been and will not be sent to any Overseas Shareholder.

Scheme Shareholders (including Overseas Shareholders) may obtain copies of this Scheme Document and any related documents. Please refer to **paragraph 18** above for more information.

For the avoidance of doubt, the Acquisition and the Scheme are being proposed to all Scheme Shareholders (including Overseas Shareholders), including those to whom the Scheme Document will not be, or may not be, sent, provided that the Scheme Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Acquisition and the Scheme are not being proposed in any jurisdiction in which the introduction or implementation of the Acquisition and the Scheme would not be in compliance with the laws of such jurisdiction.

19.3 Payment and Delivery of HoldCo Share Certificates to Overseas Shareholders

Overseas Shareholders who wish to elect to receive the Scrip Consideration are required to provide the Share Registrar or CDP (as the case may be) an address within Singapore for purposes of service of notices and delivery by the Offeror of the HoldCo Share Certificates by the Record Date.

Entitled Scheme Shareholders whose addresses as recorded in the Register of Members or the Depository Register (as the case may be) are not within Singapore and who do not provide the Company, CDP or the Share Registrar (as the case may be) with an address in Singapore by the Record Date will be deemed to have elected the Cash Consideration in respect of all their Scheme Shares.

EXPLANATORY STATEMENT
(in compliance with Section 211 of the Companies Act)

19.4 Notice

The Offeror and the Company each reserves the right to notify any matter, including the fact that the Acquisition and the Scheme have been proposed, to any or all Scheme Shareholders (including Overseas Shareholders) by announcement to the SGX-ST or paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Scheme Shareholder (including any Overseas Shareholders) to receive or see such announcement or advertisement. For the avoidance of doubt, for as long as the Company remains listed on the SGX-ST, the Company will continue to notify all Scheme Shareholders (including Overseas Shareholders) of any matter relating to the Acquisition and the Scheme by announcement via the SGXNET.

Notwithstanding that such Overseas Shareholder may not receive the notice of the Scheme Meeting, they shall be bound by the Scheme if the Scheme becomes effective.

19.5 Foreign Jurisdiction

It is the responsibility of any Overseas Shareholder who wishes to request for the Scheme Document and any related documents or participate in the Scheme to satisfy himself/herself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. In requesting for the Scheme Document and any related documents or participating in the Scheme, the Overseas Shareholder represents and warrants to the Offeror and the Company that he/she/it is in full observance of the laws of the relevant jurisdiction in that connection, and that he/she/it is in full compliance with all necessary formalities or legal requirements. **Overseas Shareholders who are in doubt about their positions should consult their own professional advisers in the relevant jurisdictions.**

20. ACTION TO BE TAKEN BY SCHEME SHAREHOLDERS

Due to the current COVID-19 restriction orders in Singapore, a Scheme Shareholder will not be able to attend the Scheme Meeting in person. A Scheme Shareholder who has Scheme Shares entered against his/her/its name in (a) the Register of Members; or (b) the Depository Register as at the cut-off time being 72 hours prior to the time of the Scheme Meeting, as the case may be (being the time at which the name of the Scheme Shareholder must appear in the Register of Members or the Depository Register, in order for him/her/it to be considered to have Scheme Shares entered against his/her/its name in the said registers), shall be entitled to participate in the Scheme Meeting by:

- (i) observing and/or listening to the Scheme Meeting proceedings via live audio-visual webcast or live audio-only stream;
- (ii) submitting questions in advance of the Scheme Meeting; and/or
- (iii) appointing the Chairman of the Scheme Meeting as proxy to attend, speak and vote on his/her/its behalf at the Scheme Meeting.

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If a Scheme Shareholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the Scheme Meeting, he/she/it must appoint the Chairman of the Scheme Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Scheme Meeting.

In appointing the Chairman of the Scheme Meeting as proxy, a Scheme Shareholder must give specific instructions in the respective proxy form as to voting, or abstention from voting, in respect of the Scheme, failing which the appointment of the Chairman of the Scheme Meeting as proxy for the Scheme Meeting will be treated as invalid. A Scheme Shareholder may only cast all the votes he/she/it uses at the Scheme Meeting in one way.

Scheme Shareholders who wish to exercise their voting rights at the Scheme Meeting are requested to complete the Proxy Form in accordance with the instructions printed thereon and submit them to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:

- (a) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via email to the Share Registrar at srs.teamd@boardroomlimited.com; or
- (b) if submitted by post, be lodged at the office of the Share Registrar at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623,

in either case, not less than 48 hours before the time fixed for the Scheme Meeting.

Persons who hold Scheme Shares through relevant intermediaries and who wish to participate in the Scheme Meeting by (a) observing and/or listening to the Scheme Meeting proceedings through the live audio-visual webcast or live audio-only stream; (b) submitting questions in advance of the Scheme Meeting; and/or (c) appointing the Chairman of the Scheme Meeting as proxy to attend, speak and vote on their behalf at the Scheme Meeting, should contact the relevant intermediary through which they hold such Scheme Shares as soon as possible in order to make the necessary arrangements for them to participate in the Scheme Meeting.

21. INFORMATION RELATING TO CPFIS INVESTORS AND SRS INVESTORS

CPFIS Investors and SRS Investors should refer to the Alternative Arrangements Announcement for further information, including the steps to be taken by CPFIS Investors and SRS Investors to participate in the Scheme Meeting.

CPFIS Investors and SRS Investors who wish to participate in the Scheme Meeting are advised to consult their respective CPF Agent Banks and SRS Agent Banks for further information and if they are in any doubt as to the action they should take, CPFIS Investors and SRS Investors should seek independent professional advice.

22. ADVICE OF THE INDEPENDENT FINANCIAL ADVISER

The IFA Letter setting out the advice of the IFA to the Non-conflicted Directors is set out in **Appendix 1** to this Scheme Document.

EXPLANATORY STATEMENT
(in compliance with Section 211 of the Companies Act)

23. NON-CONFLICTED DIRECTORS' RECOMMENDATION

The recommendation of the Non-conflicted Directors in relation to the Scheme is set out in **paragraph 14** of the Letter to Shareholders.

24. GENERAL INFORMATION

Your attention is drawn to the further relevant information, including the interests in the Scheme Shares of the Directors, which are set out in the Appendices to this Scheme Document. These Appendices form part of this Scheme Document. This Explanatory Statement should be read in conjunction with, and is qualified by, the full text of this Scheme Document, including the Scheme as set out on pages 319 to 330 of this Scheme Document.

APPENDIX 1

LETTER FROM THE IFA TO THE NON-CONFLICTED DIRECTORS

PROVENANCE CAPITAL PTE. LTD.

(Company Registration Number: 200309056E)
(Incorporated in the Republic of Singapore)
96 Robinson Road #13-01 SIF Building
Singapore 068899

4 February 2021

To: The Non-conflicted Directors of Sunningdale Tech Ltd.

Mr Khoo Boo Hor (Chief Executive Officer and Executive Director)
Mr Gabriel Teo Chen Thye (Independent Director)
Mr Kaka Singh S/O Dalip Singh (Lead Independent Director)
Mrs Eileen Tay-Tan Bee Kiew (Independent Director)

Dear Sirs/Mdm,

PROPOSED ACQUISITION BY SUNRISE TECHNOLOGY INVESTMENT HOLDING PTE. LTD. OF ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF SUNNINGDALE TECH LTD. (OTHER THAN THE KBH ROLLOVER SHARES) BY WAY OF A SCHEME OF ARRANGEMENT

*Unless otherwise defined or the context otherwise requires, all terms used in this letter ("**Letter**") have the same meanings as defined in the scheme document of Sunningdale Tech Ltd. dated 4 February 2021 ("**Scheme Document**").*

1. INTRODUCTION

1.1 On 9 November 2020 ("**Joint Announcement Date**"), Sunningdale Tech Ltd. ("**Company**" or "**Sunningdale**") and Sunrise Technology Investment Holding Pte. Ltd. ("**Offeror**") jointly announced ("**Joint Announcement**") the proposed acquisition ("**Acquisition**") of all the issued and paid-up ordinary shares in the capital of Sunningdale ("**Sunningdale Shares**"), other than the KBH Rollover Shares (as defined in Section 3.2 below) ("**Scheme Shares**"), by the Offeror, to be effected by Sunningdale by way of a scheme of arrangement ("**Scheme**") under Section 210 of the Companies Act, Chapter 50 of Singapore ("**Companies Act**") and in accordance with the Singapore Code on Take-overs and Mergers ("**Code**").

Upon the Scheme becoming effective and binding in accordance with its terms, Sunningdale will become a wholly-owned subsidiary of the Offeror, and subject to the conditions set out in the approval-in-principle of the SGX-ST for the proposed delisting of Sunningdale as set out in Section 6.5 of this Letter, Sunningdale will be delisted from the Official List of the SGX-ST.

The sole shareholder of the Offeror is Sunrise Technology Investment Holding (Cayman) Pte Ltd ("**HoldCo**"), an exempted company incorporated in the Cayman Islands, which in-turn is owned by the following shareholders as at the Latest Practicable Date:

- (a) Sunrise Technology Investment Holding II Pte. Ltd. ("**KBHCo**"), an entity wholly-owned by Mr Koh Boon Hwee ("**KBH**"), holding 64% of the issued shares in HoldCo ("**HoldCo Shares**"); and
- (b) NT SPV 9 ("**Novo Tellus**", together with KBHCo, the "**Consortium Parties**"), a wholly-owned subsidiary of Novo Tellus PE Fund 2, L.P. ("**NT PE Fund 2**"), holding 36% of the HoldCo Shares.

KBH and Mr Loke Wai San ("**LWS**"), who are directors of Sunningdale ("**Sunningdale Directors**"), are also directors of HoldCo and the Offeror. KBH and LWS are regarded as acting

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in concert with the Offeror in relation to the Scheme and the Acquisition. Further details on the Offeror, HoldCo and shareholders of HoldCo are set out in Section 3 of this Letter.

In connection with the Scheme, the Offeror and Sunningdale had, on 9 November 2020, entered into an implementation agreement (“**Implementation Agreement**”) setting out the terms and conditions on which the Offeror and Sunningdale will implement the Scheme.

The Scheme is subject to various conditions precedent in the Implementation Agreement (“**Scheme Conditions**”) which include, *inter alia*, the approval of the Scheme by a majority in number of the Scheme Shareholders (as defined below) representing three-fourths in value of the Scheme Shares held by the Scheme Shareholders present and voting by proxy at the scheme meeting to be convened (“**Scheme Meeting**”), the grant of the Court Order sanctioning the Scheme and other regulatory approvals.

In this regard, as at the Latest Practicable Date, substantial shareholders of Sunningdale, namely, Yarwood Engineering & Trading Limited (“**Yarwood**”), Mr Goi Seng Hui (“**GSH**”), and certain senior management of Sunningdale including Mr Khoo Boo Hor (“**BH**”) have each given an irrevocable undertaking to the Offeror to, *inter alia*, vote in favour of the Scheme (“**Deeds of Undertaking**”).

Further details on the Deeds of Undertaking are set out in Section 4 of this Letter.

- 1.2** As set out in the Joint Announcement dated 9 November 2020, in consideration of the transfer of the Scheme Shares to the Offeror, each shareholder of Sunningdale other than KBH (each, a “**Scheme Shareholder**”) as at 5.00 p.m. on the Record Date (each, an “**Entitled Scheme Shareholder**”) will be entitled to receive for each Scheme Share (“**Scheme Consideration**”), at their election (a) S\$1.55 in cash or (b) in lieu of the cash consideration, 1,550 HoldCo Shares, which HoldCo shall allot and issue, duly authorised, fully paid and free from all Encumbrances, at an issue price of S\$0.001 per HoldCo Share (“**Issue Price**”) subject to the Adjustment Mechanism as set out in the terms of the Scheme.

On 19 January 2021, the Company and the Offeror made a joint announcement (“**Revision Announcement**”) in relation to, *inter alia*, the increase of the Scheme Consideration from S\$1.55 to S\$1.65 in cash (“**Cash Consideration**”) or in lieu of the Cash Consideration, 1,650 HoldCo Shares (“**Scrip Consideration**”) from 1,550 HoldCo Shares at the Issue Price, subject to the Adjustment Mechanism. The aforementioned increased Scheme Consideration is final and the Offeror has stated that it will not further increase the Scheme Consideration.

Further details on the key terms of the Scheme and the Adjustment Mechanism are set out in Section 6 of this Letter.

- 1.3** Under the Code, Sunningdale is required to appoint an independent financial adviser (“**IFA**”) to advise its directors who are considered to be independent for the purpose of making a recommendation to the Scheme Shareholders in respect of the Scheme (“**Non-conflicted Directors**”). KBH and LWS, who are Sunningdale Directors, are also directors of the Offeror and HoldCo, and are considered to be acting in concert with the Offeror in relation to the Scheme and the Acquisition. Accordingly, they will abstain from making a recommendation on the Scheme to the Scheme Shareholders.

In addition, as the Scheme would result in the delisting of Sunningdale from the SGX-ST, pursuant to Rule 1309(2) of the listing manual of the SGX-ST (“**Listing Manual**”), Sunningdale is required to appoint an IFA to opine on the exit offer.

Arising from the above, the Company has appointed Provenance Capital Pte. Ltd. (“**Provenance Capital**”) as the IFA pursuant to Rule 1309(2) of the Listing Manual as well as

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LETTER FROM THE IFA TO THE NON-CONFLICTED DIRECTORS

to advise the Non-conflicted Directors for the purpose of making a recommendation to the Scheme Shareholders in respect of the Scheme.

The Non-conflicted Directors consist of the Sunningdale Directors excluding KBH and LWS, namely, Mr Khoo Boo Hor, Mr Gabriel Teo Chen Thye, Mr Kaka Singh S/O Dalip Singh and Mrs Eileen Tay-Tan Bee Kiew who are considered to be independent for the purposes of making a recommendation to the Scheme Shareholders in respect of the Scheme.

This Letter is therefore addressed to the Non-conflicted Directors and sets out, *inter alia*, our views and evaluation of the Scheme and our recommendations. This Letter forms part of the Scheme Document which provides, *inter alia*, the details of the Scheme and the recommendations of the Non-conflicted Directors in respect of the Scheme.

2. TERMS OF REFERENCE

Provenance Capital has been appointed as the IFA pursuant to Rule 1309(2) of the Listing Manual as well as to advise the Non-conflicted Directors in respect of their recommendation to the Scheme Shareholders in relation to the Scheme.

We have confined our evaluation and assessment to the financial terms of the Scheme and related matters and have not taken into account the commercial risks or commercial merits of the Scheme and other related matters. In addition, we have not been requested, and we do not express any advice or give any opinion on the merits of the Scheme relative to any other alternative. We were not involved in the negotiations pertaining to the Scheme nor were we involved in the deliberation leading up to the decision to put forth the Scheme.

The scope of our appointment does not require us to express, and we do not express, any view on the future growth prospects, financial position or earnings potential of Sunningdale and its subsidiaries ("**Sunningdale Group**"). Such evaluation or comments remain the responsibility of the Sunningdale Directors although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our opinion. The opinion set forth herein is based solely on publicly available information as well as information provided by the Sunningdale Directors, and is predicated upon the economic and market conditions prevailing as at 26 January 2021, being the Latest Practicable Date as referred to in the Scheme Document. This Letter therefore does not reflect any projections on the future financial performance of the Sunningdale Group and we do not express any views as to the prices at which the Sunningdale Shares may trade if the Scheme does not proceed to completion.

We have not been requested or authorised to solicit, and we have not solicited, any indications of interest from any third party with respect to the Sunningdale Shares. In this regard, we have not addressed the relative merits of the Scheme in comparison with any alternative transaction that Sunningdale may consider in the future. Therefore, we do not express any views in these areas in arriving at our recommendation.

In formulating our opinion and recommendation, we have held discussions with the Non-conflicted Directors, the management of the Company ("**Management**") and their professional advisers and have relied to a considerable extent on the information set out in the Scheme Document, other public information collated by us and the information, representations, opinions, facts and statements provided to us, whether written or verbal, by the Company and its professional advisers. Whilst care has been exercised in reviewing the information we have relied upon, we have not independently verified the information both written and verbal and accordingly cannot and do not make any representation or warranty, expressly or impliedly, in respect of, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information. We nevertheless have made such enquiry and judgment as were deemed

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necessary and have found no reason to doubt the accuracy of the information and representations.

We have not made an independent evaluation or appraisal of the assets or liabilities of the Company or the Sunningdale Group (including without limitation, property, plant and equipment). In connection with the Scheme, the Company had commissioned Savills Valuation and Professional Services (S) Pte Ltd (“**Savills**” or “**Valuer**”) to carry out an independent market valuation, as at 30 September 2020, of selected properties of the Sunningdale Group (“**Properties**”), which had significant revaluation surpluses or deficits. The aggregate net book value of these Properties as at 30 September 2020 was S\$38.8 million. Pursuant to the independent valuation, these Properties had a net revaluation surplus of S\$31.7 million. Details on the independent valuation are set out in Section 8.2.3 of this Letter. Copies of the valuation certificates dated 10 December 2020 are attached as Appendix 5 to the Scheme Document.

We are not experts in the evaluation or appraisal of the assets concerned and we have placed sole reliance on the independent valuations by Savills for such asset appraisal and have not made any independent verification of the contents thereof. In particular, we do not assume any responsibility to enquire about the basis of the valuation contained in their valuation certificates or if the contents thereof have been prepared and/or included in the Scheme Document in accordance with all applicable regulatory requirements including the Code.

The information which we relied on in the assessment of the Scheme was based on market, economic, industry, monetary and other conditions prevailing as at the Latest Practicable Date, which may change significantly over a relatively short period of time. We assume no responsibility to update, revise or reaffirm our opinion or assumptions in light of any subsequent development after the Latest Practicable Date that may affect our opinion or assumptions contained herein. Scheme Shareholders should take note of any announcements relevant to their consideration of the Scheme which may be released after the Latest Practicable Date.

In rendering our advice and giving our recommendation, we have not had regard to the specific investment objectives, financial situation, tax position, risk profiles or particular needs and constraints of any Scheme Shareholder. As each Scheme Shareholder may have different investment objectives and profile, we advise the Non-conflicted Directors to recommend that any Scheme Shareholder who may require specific advice in relation to his investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

The Company has been separately advised by its own professional advisers in the preparation of the Scheme Document. We have had no role or involvement and have not and will not provide any advice (financial or otherwise) in the preparation, review and verification of the Scheme Document. Accordingly, we take no responsibility for and express no view, whether express or implied, on the contents of the Scheme Document (other than this Letter).

Whilst a copy of this Letter may be reproduced in the Scheme Document for the purpose of the Scheme Meeting and for the purpose of the Scheme, neither the Company, the Sunningdale Directors nor any other person may reproduce, disseminate or quote this Letter (or any part thereof) for any other purpose, at any time and in any manner without the prior written consent of Provenance Capital in each specific case.

We have prepared this Letter as required under the Code and pursuant to Rule 1309(2) of the Listing Manual as well as addressed this Letter to the Non-conflicted Directors for their benefit and deliberation of the Scheme. The recommendation made to the Scheme Shareholders on the Scheme shall remain the responsibility of the Non-conflicted Directors.

Our recommendation in relation to the Scheme should be considered in the context of the entirety of this Letter and the Scheme Document.

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Responsibility Statement by the Sunningdale Directors

The Sunningdale Directors have confirmed, after making all reasonable enquiries that to the best of their knowledge and belief, all material information in connection with the Scheme and related matters, the Company and/or the Sunningdale Group have been disclosed to us, that such information is true, complete and accurate in all material respects and that there is no other material information or fact, the omission of which would cause any information disclosed to us or the facts of or in relation to the Company and/or Sunningdale Group stated in the Scheme Document to be inaccurate, incomplete or misleading in any material respect. The Sunningdale Directors have jointly and severally accepted full responsibility for such information described herein.

3. INFORMATION ON THE OFFEROR, HOLDCO AND SHAREHOLDERS OF HOLDCO

Detailed information on the Offeror, HoldCo and shareholders of HoldCo is set out in paragraph 1.5 of the Letter to Shareholders in the Scheme Document (“**Letter to Shareholders**”) and Schedule A of the letter from the Offeror to the shareholders of Sunningdale as set out in Appendix 2 to the Scheme Document (“**Offeror’s Letter**”).

3.1 Offeror and HoldCo

The Offeror is a company incorporated in Singapore on 18 June 2020. The issued share capital of the Offeror is S\$1.00 comprising 1 ordinary share of S\$1.00. The Offeror has not carried on any business since its incorporation.

The sole shareholder of the Offeror is HoldCo, an exempted company incorporated in the Cayman Islands on 14 October 2020 for the purpose of the Acquisition. As at the Latest Practicable Date, the issued share capital of HoldCo is S\$0.10 comprising 100 shares of S\$0.001 each, and the shareholders of HoldCo (“**HoldCo Shareholders**”) are (a) KBHCo, holding 64% of the issued HoldCo Shares; and (b) Novo Tellus, holding 36% of the issued HoldCo Shares. HoldCo does not have a principal office in Singapore.

The directors of the Offeror and HoldCo are KBH and LWS, who are also Sunningdale Directors. As at the Latest Practicable Date, the Offeror and HoldCo do not have any interest in the issued Sunningdale Shares.

3.2 KBHCo and KBH

KBHCo is a company incorporated in Singapore and is wholly-owned by KBH. KBH has been a long-term shareholder of Sunningdale and a Sunningdale Director since 2003, and has played a key role in the strategic direction, management and development of the Sunningdale Group.

To consolidate the shareholdings of KBH and his spouse, 22,008 Sunningdale Shares held by KBH’s spouse were transferred to KBH on 19 January 2021 for a consideration lower than the Cash Consideration payable under the Scheme. As at the Latest Practicable Date, KBH has a direct interest in 29,969,409 Sunningdale Shares (“**KBH Rollover Shares**”), representing in aggregate 15.56% of the existing issued Sunningdale Shares.

Pursuant to the subscription and rollover agreement dated 9 November 2020 entered into amongst KBH, KBHCo, the Offeror and HoldCo in relation to, *inter alia*, the transfer of the KBH Rollover Shares by KBH to the Offeror (“**Rollover Agreement**”) in consideration for the issuance of HoldCo Shares to KBHCo, KBH shall, on or shortly after the date on which the Scheme becomes effective in accordance with its terms (“**Effective Date**”), transfer or procure the transfer of the KBH Rollover Shares to the Offeror, in exchange for HoldCo Shares to be

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issued to KBHCo (“**Rollover**”) which will represent approximately 26.66% in HoldCo based on the estimated equity funding for HoldCo as set out in Section 3.4 below.

3.3 Novo Tellus and NT PE Fund 2

Novo Tellus is an exempted company incorporated in the Cayman Islands, incorporated for the purposes of the Acquisition and is a wholly-owned subsidiary of NT PE Fund 2, an exempted limited partnership incorporated in the Cayman Islands.

NT PE Fund 2 is an investment fund which focuses on private equity investments in the technology and industrial sectors in Southeast Asia. NT PE Fund 2 currently has two investments, namely ISDN Holdings Limited and Procurri Corporation Ltd, both listed on the SGX-ST. The general partner of NT PE Fund 2 is New Earth Group 2 Ltd (“**NT GP**”).

As at the Latest Practicable Date, neither Novo Tellus nor NT PE Fund 2 has any interest in the issued Sunningdale Shares.

LWS, the Non-Independent Non-Executive Sunningdale Director, is a founder and CEO of the private equity fund adviser, Novo Tellus Capital Partners. LWS is also a director of Novo Tellus and NT GP, and owns more than 50% interest in NT GP.

3.4 Funding of HoldCo

We understand that the Consortium Parties have arranged for the funding for the Acquisition and related costs and expenses by a combination of debt (of up to S\$145 million) and an estimated equity of S\$185.5 million for HoldCo. Under the Rollover arrangement, the KBH Rollover Shares which are valued at the Scheme Consideration of S\$1.65 for each Scheme Share and amounting to S\$49.45 million, will be rolled-over into the HoldCo Shares which represents approximately 26.66% shareholding interest in HoldCo based on the estimated equity funding of S\$185.5 million.

Novo Tellus is investing an equity amount of S\$40 million in HoldCo which represents 21.56% shareholding interest in HoldCo based on the estimated equity funding of S\$185.5 million.

Management Reinvestment

HoldCo has established a management reinvestment scheme (“**Management Reinvestment**”) to allow selected senior management of Sunningdale (including BH) to subscribe for HoldCo Shares, with the amount of HoldCo Shares to be issued pursuant to such scheme not exceeding 10% of the Enlarged Share Capital of HoldCo (as defined below), based on the Issue Price (“**Management Reinvestment Pool**”) or such other limit as all shareholders of HoldCo, each holding at least 12% of the HoldCo Shares (each, a “**Controlling Shareholder of HoldCo**”), may agree in writing.

Enlarged Share Capital is defined as the sum of (a) number of HoldCo Shares in issue as at the Joint Announcement Date, (b) the number of HoldCo Shares to be issued pursuant to the terms of the Scheme and (c) the number of HoldCo Shares to be issued on completion of the subscriptions under the consortium and shareholders’ agreement between KBHCo and Novo Tellus dated 9 November 2020 (“**Consortium and Shareholders’ Agreement**”), the Management Reinvestment and the Rollover Agreement.

Further details of the Management Reinvestment are set out in paragraph 5 of the Letter to Shareholders.

As at the Latest Practicable Date, BH and certain senior management of Sunningdale as set out in Schedule F of the Offeror’s Letter (“**Identified Participating Management**”) have been

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offered and have agreed to enter into the Management Reinvestment and have also given their respective Deeds of Undertaking to, *inter alia*, vote in favour of the Scheme at the Scheme Meeting in respect of their Sunningdale Shares as set out against each of his/her name in the third column of the table in paragraph 4.1 of the Explanatory Statement to the Scheme Document. Details of the Deeds of Undertaking are set out in Section 4 of this Letter.

As set out in Schedule F of the Offeror's Letter, the total number of Sunningdale Shares for which the Cash Consideration will be deferred and reinvested pursuant to the Management Reinvestment is 10,579,031 Sunningdale Shares ("**Identified Participating Management Shares**"). Based on the Cash Consideration of S\$1.65 for each Sunningdale Share, the deferment and reinvestment of the Cash Consideration into HoldCo Shares by these Identified Participating Management Shares amounts to S\$17.46 million, which represents approximately 9.41% shareholding interest in HoldCo based on the estimated equity funding for HoldCo of S\$185.5 million. Of these Identified Participating Management, BH's shareholding interest in HoldCo would be approximately 4.27% of the Enlarged Share Capital as he has agreed to reinvest all of his Cash Consideration to subscribe for HoldCo Shares. The rest of the Identified Participating Management (other than BH) would hold approximately 5.14% of the Enlarged Share Capital arising from the Management Reinvestment. These Participating Management are not subject to the Adjustment Mechanism under the Scheme. The terms of the Scheme and the Adjustment Mechanism are described in Section 6 of this Letter.

It is contemplated that the opportunity to participate in the Management Reinvestment may also be offered (both during and after the offer period) to other senior management of Sunningdale (any such senior management who agrees to participate in the Management Reinvestment, the "**Participating Management**").

Following the Effective Date, HoldCo may implement an employee share option scheme to incentivise employees of the Sunningdale Group and to align their interests with the HoldCo Shareholders ("**ESOS**"). The terms and conditions of such ESOS shall be approved by the board of HoldCo. The shareholding represented by the number of HoldCo Shares which may be granted under the ESOS shall not exceed 7.5% of the HoldCo Shares assuming (i) an Enlarged Share Capital and (ii) the full issuance of HoldCo Shares under the ESOS, or such other limit as the Controlling Shareholders of HoldCo may approve in writing.

Scheme Shareholders

Besides the committed equity investment by Novo Tellus (of approximately S\$40 million), the KBH Rollover Shares (of approximately S\$49.45 million) and the Identified Participating Management (of approximately S\$17.46 million), the remaining equity in HoldCo of approximately S\$78.6 million (based on the total estimated equity of approximately S\$185.5 million), is to be funded mainly from (a) Entitled Scheme Shareholders who elect for the Scrip Consideration, subject to the Adjustment Mechanism which will be capped at the maximum limit of 30% of the Enlarged Share Capital held by such Scheme Shareholders as described in Section 6 of this Letter; and (b) the balance by KBHCo in cash.

Pursuant to the Deeds of Undertaking given by Yarwood and GSH, as Scheme Shareholders, each of Yarwood and GSH has agreed to elect to accept the Scrip Consideration for its or his respective Scheme Shares. Their allocation of the HoldCo Shares will be subject to the Adjustment Mechanism, if applicable.

Further details of the Deeds of Undertaking are set out in paragraph 4 of the Letter to Shareholders and Section 4 of this Letter.

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3.5 Shareholding Structure of HoldCo on Completion

Upon completion of the Scheme (“**Completion**”), Sunningdale will become an indirect wholly-owned subsidiary of HoldCo, through the Offeror as the intermediate holding company. The shareholding structure of HoldCo on Completion based on the estimated equity of HoldCo of S\$185.5 million under the two extreme scenarios are as follows:

Shareholders of HoldCo	Scenario A (%)	Scenario B (%)
KBHCo	41.81	39.03
Novo Tellus	21.56	21.56
Yarwood	13.61	2.99
GSH	13.61	2.99
Identified Participating Management	9.41	9.41
Other Entitled Scheme Shareholders	-	24.02
Total	100.00	100.00

Scenario A

This scenario assumes that no Entitled Scheme Shareholders, other than Yarwood and GSH, elect for the Scrip Consideration. Yarwood and GSH’s combined interest in HoldCo is 27.22%, which is below the 30% maximum limit and hence the Adjustment Mechanism will not apply.

KBHCo’s interest in the HoldCo Shares would be increased from 26.66% to 41.81% as he would need to subscribe for more HoldCo Shares to fund the Cash Consideration for the Entitled Scheme Shareholders (other than Yarwood and GSH) who have not elected for the Scrip Consideration.

KBHCo and Novo Tellus, being the Consortium Parties, will own approximately 63.37% of the HoldCo Shares.

Scenario B

This scenario assumes that all the Entitled Scheme Shareholders, including Yarwood and GSH but excluding the Identified Participating Management, elect for the Scrip Consideration.

Under this scenario, the Entitled Scheme Shareholders (other than the Identified Participating Management) have elected for the Scrip Consideration in such amount that exceeds the 30% maximum limit. As a result, under this scenario, the Adjustment Mechanism will take effect and the HoldCo Shares will be allocated among such Entitled Scheme Shareholders on a *pro-rata* basis according to the number of Scheme Shares they hold as at the Record Date, and the balance of their Scheme Consideration will be paid in cash. Under this scenario, each of Yarwood’s and GSH’s interests in HoldCo will, in accordance with the Adjustment Mechanism, be reduced to 2.99% of all the HoldCo Shares.

As a result, under this Scenario B, KBHCo’s interest in the HoldCo Shares would be increased from 26.66% to 39.03% of the HoldCo Shares. The combined interest of Yarwood, GSH and all other Entitled Scheme Shareholders (other than the Identified Participating Management) in the Enlarged Share Capital would be capped at 30%, being the maximum interest in HoldCo allocated for Entitled Scheme Shareholders (other than the Identified Participating Management) under the Scheme.

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KBHCo and Novo Tellus, being the Consortium Parties, will own approximately 60.59% of the HoldCo Shares. The Identified Participating Management will own approximately 9.41% of HoldCo Shares and the Entitled Scheme Shareholders (other than the Identified Participating Management) will own the maximum limit of 30% of HoldCo Shares.

4. DEEDS OF UNDERTAKING

As at the Latest Practicable Date, Yarwood, GSH and the Identified Participating Management (“**Undertaking Shareholders**”) have each given their respective Deeds of Undertaking to, *inter alia*, vote in favour of the Scheme at the Scheme Meeting in respect of their Sunningdale Shares as set out against each of his/her name in the third column of the table in paragraph 4.1 of the Explanatory Statement to the Scheme Document.

As at the Latest Practicable Date, the Deeds of Undertaking relate to the following Sunningdale Shares:

Sunningdale Shareholders	Description	No. of Sunningdale Shares held directly and indirectly	% shareholding interest ⁽³⁾
Yarwood	Substantial shareholder of Sunningdale	15,301,600	7.94
GSH	Substantial shareholder of Sunningdale	15,301,600	7.94
BH ⁽¹⁾	CEO and Executive Director of Sunningdale (who is also part of the Identified Participating Management)	4,417,882	2.29
Others ^{(1), (2)}	Identified Participating Management (other than BH)	6,201,254	3.22
Total		41,222,336	21.40⁽⁴⁾

Notes:

- (1) As at the Latest Practicable Date, the Identified Participating Management hold an aggregate direct interest in 1,113,500 share awards (“**Share Awards**”) granted under the Sunningdale Restricted Share Plan 2014. These Share Awards would be delivered to the Identified Participating Management, contingent upon the approval of the Scheme by a majority in number representing three-fourths in value of the Scheme Shareholders present and voting at the Scheme Meeting, in accordance with the provisions of the Sunningdale Restricted Share Plan 2014, as explained in Section 5.1 below. Therefore, the number of Sunningdale Shares which these Identified Participating Management have undertaken to vote in favour of the Scheme excludes these Share Awards;
- (2) In respect of one of the Identified Participating Management, namely, Ms Chua Toh Choon, her Deed of Undertaking is given only in respect of the 225,500 Sunningdale Shares held solely by her, and does not include the 2,000 Sunningdale Shares which she holds jointly with her spouse;
- (3) Based on the total number of 192,622,836 Sunningdale Shares as at the Latest Practicable Date; and
- (4) Does not add up to 21.40% due to rounding.

In the case of Yarwood and GSH, they have each elected to accept the Scrip Consideration under the Scheme in respect of their Sunningdale Shares. Based on the Scheme Consideration and their respective number of Sunningdale Shares, each amounting to S\$25,247,640, each of Yarwood’s and GSH’s interests in HoldCo will represent approximately 13.61% of the Enlarged Share Capital (assuming that the Adjustment Mechanism is not applied). In the event that the Adjustment Mechanism is applied, Yarwood’s and GSH’s shareholding interests in HoldCo will be adjusted downwards.

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In the case of BH, BH has, pursuant to the Management Reinvestment, elected to accept the Cash Consideration under the Scheme in respect of all his Sunningdale Shares (including any Sunningdale Shares which he may receive pursuant to the delivery of his outstanding 380,000 Share Awards) and has agreed to defer and reinvest all such Cash Consideration to subscribe for HoldCo Shares. Based on the Cash Consideration and his total holdings of 4,797,882 Sunningdale Shares (including Sunningdale Shares arising from the delivery of his outstanding Share Awards), amounting to S\$7,916,505, this will represent approximately 4.27% of the Enlarged Share Capital.

Similarly, other Identified Participating Management (except in the case of Ms Chua Toh Choon as mentioned in Note 2 above) have also elected to accept the Cash Consideration under the Scheme in respect of all their Sunningdale Shares (including any Sunningdale Shares which they may receive pursuant to the delivery of their outstanding Share Awards) and have agreed to defer and reinvest part or all such Cash Consideration to subscribe for HoldCo Shares.

As described in Section 3.4 of this Letter, these Identified Participating Management are not subject to the Adjustment Mechanism.

In summary, the Identified Participating Management have given their respective undertakings to vote in favour of the Scheme in respect of a total of 10,619,136 Sunningdale Shares, representing 5.51% of the existing issued share capital of Sunningdale. Together with the vesting and delivery of the 1,113,500 outstanding Share Awards, these Identified Participating Management have agreed to accept the Cash Consideration and to defer and reinvest the Cash Consideration in respect of 10,579,031 Sunningdale Shares by subscribing for the HoldCo Shares.

Details of the Identified Participating Management who have been offered, and have agreed to enter into the Management Reinvestment are set out in Schedule F of the Offeror's Letter.

Save for the above Deeds of Undertaking, neither the Offeror nor any Relevant Person has received any irrevocable undertaking from any party to vote in favour of the Scheme as at the Latest Practicable Date.

5. INFORMATION ON SUNNINGDALE AND SUNNINGDALE GROUP

- 5.1** Sunningdale was incorporated in Singapore on 5 December 1995 and has been listed on the Mainboard of the SGX-ST since October 2003.

The Sunningdale Group is a manufacturer of precision plastic components headquartered out of Singapore and serves customers across various industry segments (including automotive, consumer/IT and healthcare) and geographies.

Based on Sunningdale's last voluntary announcement in relation to the unaudited business update of the Sunningdale Group for the third quarter ended 30 September 2020 ("3Q2020"), Sunningdale has 191,941,836 issued Sunningdale Shares as at 30 September 2020. On 23 November 2020, 681,000 new Sunningdale Shares were issued upon the delivery of the Share Awards pursuant to the Sunningdale Restricted Share Plan 2014.

As at the Latest Practicable Date, Sunningdale has 192,622,836 issued Sunningdale Shares, no treasury shares and 1,334,000 outstanding Share Awards. In this regard, the Remuneration Committee of Sunningdale had, in accordance with the provisions of the Sunningdale Restricted Share Plan 2014, approved the acceleration of the vesting and delivery of all the remaining outstanding Share Awards contingent upon the approval of the Scheme by a majority in number representing three-fourths in value of the Scheme Shareholders present and voting at the Scheme Meeting.

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Save for the above mentioned 1,334,000 outstanding Share Awards, as at the Latest Practicable Date, Sunningdale has no outstanding instruments convertible into, rights to subscribe for, and options in respect of, the Sunningdale Shares or securities which carry voting rights in Sunningdale.

Based on the Scheme Consideration of S\$1.65 for each Sunningdale Share and the enlarged 193,956,836 Sunningdale Shares (taking into consideration the vesting and delivery of all the outstanding Share Awards), the implied market capitalisation of Sunningdale is approximately S\$320.03 million ("**Implied Market Capitalisation**").

5.2 The Sunningdale Directors are:

- (a) KBH (Non-Executive Chairman and Non-Executive Director)
- (b) BH (Chief Executive Officer and Executive Director)
- (c) Mr Gabriel Teo Chen Thye (Independent Director)
- (d) Mr Kaka Singh S/O Dalip Singh (Lead Independent Director)
- (e) Mrs Eileen Tay-Tan Bee Kiew (Independent Director)
- (f) LWS (Non-Independent Non-Executive Director)

KBH and LWS are also directors of the Offeror and HoldCo. LWS was re-designated from Non-Executive Independent Director to Non-Independent Non-Executive Director on 12 November 2020 in view of his participation in the Scheme. Accordingly, save for KBH and LWS, the remaining Sunningdale Directors are considered as Non-conflicted Directors for the purposes making a recommendation to the Scheme Shareholders in respect of the Scheme.

5.3 Holding Announcement

On 9 September 2020 ("**Holding Announcement Date**"), after trading hours, Sunningdale announced that it has been approached in relation to a possible transaction ("**Possible Transaction**") involving the Sunningdale Shares ("**Holding Announcement**"). On 7 October 2020, Sunningdale further announced that it was in confidential discussions in relation to the Possible Transaction.

As such, we recognised that 9 September 2020, being the Holding Announcement Date, could be considered as the last undisturbed trading date. We note that the last transacted price on the Sunningdale Shares on the Holding Announcement Date was S\$1.25.

Subsequently, Sunningdale released the Joint Announcement on 9 November 2020 in relation to the Acquisition and the Scheme, which set out, *inter alia*, the Scheme Consideration of (a) S\$1.55 in cash for each Sunningdale Share or (b) in lieu of the cash consideration, 1,550 HoldCo Shares for each Sunningdale Share. The last transacted price on the Sunningdale Shares prior to the mid-day trading halt on 9 November 2020 and the release of the Joint Announcement, was S\$1.68.

On 19 January 2021, Sunningdale released the Revision Announcement on, *inter alia*, the revision of the (a) Cash Consideration from S\$1.55 to S\$1.65 for each Sunningdale Share and (b) Scrip Consideration from 1,550 HoldCo Shares to 1,650 HoldCo Shares for each Sunningdale Share. The last transacted price on the Sunningdale Shares on 15 January 2021, being the last trading day prior to the trading halt on 18 January 2021 and the release of the Revision Announcement, was S\$1.56.

Additional information on Sunningdale and the Sunningdale Group is set out in paragraph 1.4 of the Letter to Shareholders and Appendix 3 to the Scheme Document.

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6. THE SCHEME

The detailed terms of the Scheme are set out in paragraph 2 of the Letter to Shareholders, paragraphs 2 and 9 of the Explanatory Statement to the Scheme Document, Appendix 2, Appendices 6 to 14 to the Scheme Document. The key terms of the Scheme and the related matters are set out below in this section for your reference.

6.1 Key Terms of the Scheme

6.1.1 Under the Scheme, all the Scheme Shares held by Entitled Scheme Shareholders as at the Record Date will be transferred to the Offeror:

- (i) fully paid up;
- (ii) free from all Encumbrances (as defined in the Scheme Document); and
- (iii) together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by Sunningdale to the Scheme Shareholders on or after the Joint Announcement Date.

6.1.2 In consideration of the transfer of the Scheme Shares referred to in Section 6.1.1 above, each Entitled Scheme Shareholder will be entitled to receive for each Scheme Share, at their election:

- (a) the **Cash Consideration of S\$1.65**; or
- (b) in lieu of the Cash Consideration, the **Scrip Consideration of 1,650 HoldCo Shares**, which HoldCo shall allot and issue at the Issue Price of S\$0.001 per HoldCo Share, provided always that no more than 55,652,841,202 HoldCo Shares, subject to the Adjustment Mechanism, may be elected for the Scrip Consideration ("**Maximum Number**")⁽¹⁾.

Note:

- (1) Representing approximately 30% of the estimated equity funding of HoldCo.

The Offeror has stated that the increased Scheme Consideration is final and the Offeror will not further increase the Scheme Consideration.

The implied value of the Scrip Consideration (based on the Issue Price) is the same as the Cash Consideration. **The HoldCo Shares will not be listed on any securities exchange following completion of the Scheme.**

For the avoidance of doubt, each Entitled Scheme Shareholder is only entitled to receive the Cash Consideration or, in lieu thereof, the Scrip Consideration, for all the Scheme Shares registered in the Entitled Scheme Shareholder's name, but not a mixture of both. In the absence or failure of any valid election by an Entitled Scheme Shareholder to accept the Cash Consideration or the Scrip Consideration, the Entitled Scheme Shareholder shall be deemed to have elected for the Cash Consideration for all the Scheme Shares registered in such Entitled Scheme Shareholders' name.

6.1.3 In the event that the aggregate number of Scheme Shares that are elected for the Scrip Consideration exceeds the Maximum Number, the **Adjustment Mechanism** will be effected as follows:

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- (aa) the Maximum Number will be allocated among the electing Entitled Scheme Shareholders on a *pro-rata* basis according to the number of Scheme Shares they hold; and
- (bb) in respect of the balance number of Scheme Shares held by the Entitled Scheme Shareholder that elected for Scrip Consideration in excess of the Maximum Number, each relevant Entitled Scheme Shareholder shall receive in cash such amount equivalent to the HoldCo Shares (based on the Issue Price) which cannot be allotted and issued to such Entitled Scheme Shareholder.

Subject to the Adjustment Mechanism, in respect of the Scrip Consideration, the aggregate number of HoldCo Shares which each electing Entitled Scheme Shareholder will be entitled to receive pursuant to the Scheme will be rounded down to the nearest whole number.

The Maximum Number of HoldCo Shares which may be issued as Scrip Consideration represents approximately 30% of the Enlarged Share Capital, being the cap on the HoldCo Shares allocated for the Entitled Scheme Shareholders (other than the Identified Participating Management) under the Scheme.

The shareholding structures of HoldCo after Completion under the two extreme scenarios are set out in Section 3.5 of this Letter: Scenario A - where no Entitled Scheme Shareholders (other than Yarwood and GSH) elect for the Scrip Consideration; and Scenario B - where all Entitled Scheme Shareholders (other than the Identified Participating Management) elect for the Scrip Consideration.

6.1.4 If any dividends, rights or other distributions are declared, paid or made by Sunningdale to the Sunningdale Shareholders on or after the Joint Announcement Date and before the Effective Date:

- (i) the Offeror reserves the right to reduce the Scheme Consideration by the amount of such dividends, rights or other distributions; and
- (ii) as there will be a corresponding reduction in the equity commitment and the number of HoldCo Shares to be issued under the Consortium and Shareholders' Agreement, the Management Reinvestment and the Rollover Agreement, the Offeror will reduce the Maximum Number of HoldCo Shares such that the Maximum Number will represent approximately 30% of the Enlarged Share Capital.

Sunningdale had not made or declared any dividend, rights or other distributions after the Joint Announcement and up to the Latest Practicable Date.

6.2 Switch Option

Pursuant to the terms of the Implementation Agreement, in the event a competing offer or an intention to make a competing offer is announced (whether or not such competing offer is pre-conditional), the Offeror shall have the right at its sole discretion to elect to proceed by way of a voluntary conditional cash offer or a pre-conditional voluntary cash offer made for and on behalf of the Offeror to acquire all the Sunningdale Shares on such terms and conditions to be set out in the offer document issued for or on behalf of the Offeror ("**Offer**") in lieu of proceeding with the Acquisition by way of the Scheme ("**Switch Option**"), at any time prior to the date on which the Scheme Meeting is to be held.

If the Offeror exercises the Switch Option, the Offeror will make the Offer on the same or better terms as those which apply to the Scheme, including the same or a higher consideration than the Scheme Consideration, and conditional upon a level of acceptances to be determined with the consent of the Securities Industry Council of Singapore ("**SIC**").

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In such an event, Sunningdale and the Offeror have agreed that the Implementation Agreement shall terminate with effect from the date of announcement of the Offer, save for certain surviving provisions such as those relating to confidentiality, costs and expenses and governing law.

6.3 Scheme Conditions

The Acquisition is subject to a number of conditions precedent which are set out in Appendix 6 to the Scheme Document including the following:

- (a) the approval of the Scheme by a majority in number of Scheme Shareholders representing not less than three-fourths in value of the Scheme Shares held by Scheme Shareholders present and voting either in person or by proxy at the Scheme Meeting; and
- (b) grant of the Court Order sanctioning the Scheme and such Court Order having become final;
- (c) lodgement of the Court order with ACRA;
- (d) relevant regulatory approvals;
- (e) no material adverse event which will cause a decline in NAV of the Sunningdale Group to an amount below S\$300 million; and
- (f) no loss of Major Customers of the Sunningdale Group (as defined in the Joint Announcement).

Upon the Scheme becoming effective, it will be binding on all Scheme Shareholders, whether or not they have attended or voted at the Scheme Meeting, and if they have attended and voted, whether or not they have voted in favour of the Scheme.

Scheme Shareholders should note that by voting for the Scheme, they are agreeing to the Offeror and its concert parties acquiring or consolidating effective control of Sunningdale without having to make a general offer for Sunningdale.

6.4 SIC Confirmation

The details of the SIC confirmation are set out in paragraph 10.2 of the Letter to Shareholders.

In particular, the SIC has confirmed *inter alia* that KBH and LWS have to abstain from making a recommendation on the Scheme to the Scheme Shareholders, and they and the other concert parties of the Offeror have to abstain from voting on the Scheme.

In addition, the Scheme has to be completed within five (5) months from the Joint Announcement Date.

6.5 Delisting from the SGX-ST

Upon the Scheme becoming effective and binding in accordance with its terms, Sunningdale will become a wholly-owned subsidiary of the Offeror and subject to the conditions set out in the approval-in-principle of the SGX-ST for the proposed delisting of Sunningdale set out below, Sunningdale will be delisted from the Official List of the SGX-ST.

An application was made to seek approval-in-principle from the SGX-ST for the proposed delisting of Sunningdale from the Official List of the SGX-ST upon the Scheme becoming

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effective and binding in accordance with its terms. The SGX-ST had, via its letter dated 25 January 2021, advised that it has no objection to Sunningdale's application for delisting from the Official List of the SGX-ST, subject to:

- (a) an unqualified opinion from an independent financial adviser that the financial terms of the Scheme are fair and reasonable to the Scheme Shareholders; and
- (b) the Scheme becoming effective.

The above decision of the SGX-ST is not to be taken as an indication of the merits of the delisting of the Company from the Official List of the SGX-ST upon completion of the Scheme.

Details of the delisting of Sunningdale from the SGX-ST are set out in paragraph 11 of the Letter to Shareholders.

7. OFFEROR'S RATIONALE FOR THE ACQUISITION AND FUTURE PLANS FOR SUNNINGDALE

The full text of the Offeror's rationale for the Acquisition and future plans for Sunningdale is set out in paragraphs 3.1 to 3.5 of the Offeror's Letter.

8. ASSESSMENT OF THE FINANCIAL TERMS OF THE SCHEME

In evaluating and assessing the financial terms of the Scheme, we have taken into account the pertinent factors set out below which we consider to have a significant bearing on our assessment:

- (a) Historical share price performance and trading activity of the Sunningdale Shares;
- (b) Financial analysis of the Sunningdale Group;
- (c) Sunningdale share price performance compared to the reported NTA of the Sunningdale Group;
- (d) Comparison with recently completed privatisation of companies listed on the SGX-ST;
- (e) Comparison of valuation ratios of selected SGX-ST listed companies which are broadly comparable to the Sunningdale Group;
- (f) Comparison with precedent M&A transactions of companies which are broadly comparable to the Sunningdale Group;
- (g) Assessment of the estimated market valuation of the Sunningdale Group;
- (h) Dividend track record of Sunningdale;
- (i) Scrip Consideration as an election in lieu of Cash Consideration; and
- (j) Other relevant considerations relating to the Scheme.

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8.1 Historical share price performance and trading activity of the Sunningdale Shares

As described in Section 5.3 of this Letter, the Company had made the Holding Announcement after trading hours on 9 September 2020, and an update of the Holding Announcement on 7 October 2020.

During the mid-day trading halt on the Sunningdale Shares on 9 November 2020, the Company released the Joint Announcement on the Acquisition and the terms of the Scheme, and the voluntary business update of the Sunningdale Group for 3Q2020. In particular, the Scheme Consideration was then set at (a) S\$1.55 in cash for each Sunningdale Share or (b) in lieu of the cash consideration, 1,550 HoldCo Shares for each Sunningdale Share.

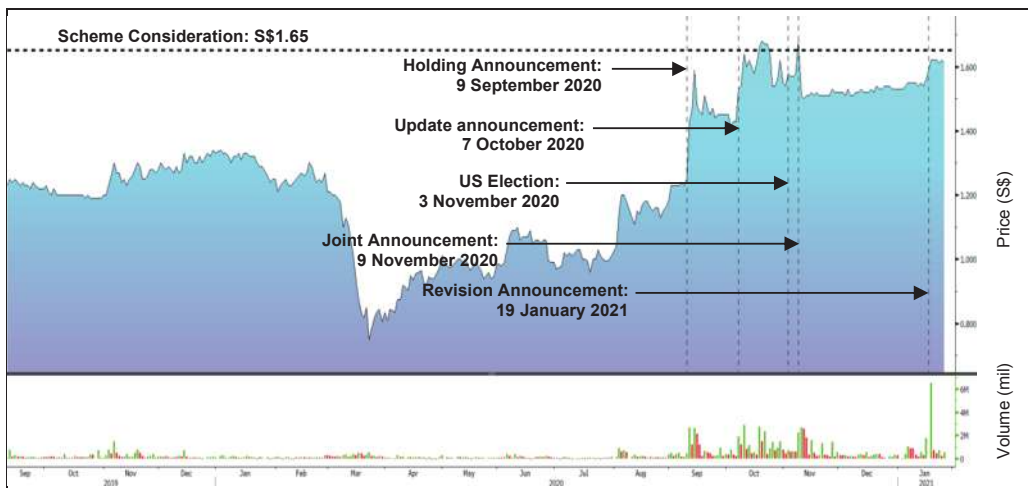
Trading on the Sunningdale Shares was halted on 18 January 2021 until 11.30 a.m. on 19 January 2021. During the trading halt, Sunningdale released the Revision Announcement on, *inter alia*, the revision of the (a) Cash Consideration from S\$1.55 to S\$1.65 for each Sunningdale Share and (b) Scrip Consideration from 1,550 HoldCo Shares to 1,650 HoldCo Shares for each Sunningdale Share. The Offeror had stated that the increased Scheme Consideration is final and will not further increase the Scheme Consideration.

We have compared the Scheme Consideration against the historical market price performance of the Sunningdale Shares and considered the historical trading volume of the Sunningdale Shares from 10 September 2019 to 9 September 2020 (being the 1-year period prior to the release of the Holding Announcement), and up to the Latest Practicable Date ("**Period under Review**").

Share Price Chart

We set out below a chart showing the Scheme Consideration relative to the daily last transacted prices and trading volume of the Sunningdale Shares for the Period under Review:

**Price movement and trading volume of the Sunningdale Shares
for the Period Under Review**



Source: Bloomberg L.P.

Undisturbed period

As can be seen from the Sunningdale share price chart above, the Sunningdale Shares have been trading well below the Scheme Consideration for the last 1-year period prior to the release

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of the Holding Announcement. The last traded Sunningdale share price prior to the release of the Holding Announcement on 9 September 2020, was S\$1.25.

The final Scheme Consideration (as announced on 19 January 2021) represents a premium of 32% above the last undisturbed transacted price of S\$1.25 on 9 September 2020.

Holding Announcement, Update on Holding Announcement and United States general election

Post the Holding Announcement Date, the Sunningdale share prices had continued to climb with increased trading volume up to a high (based on daily last transacted prices) of S\$1.68 on 19 and 20 October 2020 which could possibly be in reaction to the Holding Announcement on 9 September 2020 and the announcement of the update on the Holding Announcement on 7 October 2020.

We noted that general market sentiments on the SGX-ST had appeared to have reacted positively to the general election in the United States which took place on 3 November 2020 (Tuesday) and the ensuing election results that follow over the weekend, in particular, after the market had resumed trading on Monday, 9 November 2020. The Sunningdale Shares (had until its mid-day trading halt on 9 November 2020) as well as several of its trading peers appeared to have reacted in line with the general market sentiments on the SGX-ST on 9 November 2020. As an illustration, the Straits Times Index had closed at 2,443.13 points on 2 November 2020 (day before the United States general election) and 2,609.36 points on 9 November 2020 (day after the results of the United States general election), representing an increase of 6.8% during this period.

It is likely that, *inter alia*, the Holding Announcement, the update on the Holding Announcement and the United States general election may have, *inter alia*, driven the market sentiments on the Sunningdale share price performance during this period. As an illustration, the Sunningdale Shares were last transacted at S\$1.54 on 2 November 2020 (prior to the United States general election) and at S\$1.68 prior to its mid-day trading halt on 9 November 2020. The Offeror had announced during the trading halt on 9 November 2020 the then Scheme Consideration at S\$1.55 for each Sunningdale Share, which represents a discount of 7.7% to the last transacted Sunningdale share price of S\$1.68 on 9 November 2020.

Post the Joint Announcement

On 10 November 2020, the trading day immediately after the release of the Joint Announcement, the Sunningdale Shares had traded below S\$1.55 and had closed at S\$1.51.

Post the Joint Announcement Date and up to 14 January 2021, the Sunningdale Shares had traded up to S\$1.55. On 14 January 2021, Sunningdale received an open letter from Quarz Capital management sharing their concerns, *inter alia*, on the Scheme Consideration of S\$1.55. On 15 January 2021, the Sunningdale Shares traded to a high of S\$1.58 and closed at S\$1.56.

Trading on the Sunningdale Shares was halted on 18 January 2021 until 11.30 a.m. on 19 January 2021. During the trading halt on 19 January 2021, Sunningdale released the Revision Announcement on, *inter alia*, the increase in the Scheme Consideration, which the Offeror has stated will be final. The final Scheme Consideration represents a premium of 5.8% above the last done price of S\$1.56 on 15 January 2021 prior to the above trading halt, and a premium of 32% above the last undisturbed transacted price of S\$1.25 on 9 September 2020.

As at the Latest Practicable Date, the last transacted price of the Sunningdale Shares was S\$1.61.

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Market Statistics

In addition to the share price chart above, we have tabulated below selected statistical information on the share price performance and trading liquidity of the Sunningdale Shares from 10 September 2019 to 9 September 2020 (being the 1-year period prior to the release of the Holding Announcement), and up to the Latest Practicable Date, based on the final Scheme Consideration.

Reference period	Highest traded price (S\$)	Lowest traded price (S\$)	VWAP ⁽¹⁾ (S\$)	Premium/(Discount) of Scheme Consideration over/(to) VWAP (%)	Number of traded days ⁽²⁾	Average daily trading volume ⁽³⁾ ('000)	Average daily trading volume as a percentage of free float ⁽⁴⁾ (%)
<u>Prior to the release of the Holding Announcement</u>							
Last 1 year	1.360	0.735	1.1569	42.6	250	162	0.13
Last 6 months	1.270	0.735	1.0434	58.2	124	151	0.12
Last 3 months	1.270	0.960	1.1376	45.0	63	160	0.13
Last 1 month	1.270	1.090	1.1866	39.1	22	209	0.17
9 September 2020 (prior to the release of the Holding Announcement)	1.270	1.230	1.2450	32.5	1	452	0.36
<u>After the Holding Announcement to the Latest Practicable Date</u>							
From 10 September 2020 to the Latest Practicable Date	1.750	1.380	1.5578	5.9	96	818	0.66
Latest Practicable Date	1.62	1.61	1.6136	2.3	1	568	0.46

Source: Bloomberg L.P.

Notes:

- (1) The volume-weighted average price ("VWAP") for the respective periods are calculated based on the aggregate daily turnover value of the Sunningdale Shares divided by the aggregate daily trading volume of the Sunningdale Shares for the respective periods as extracted from Bloomberg L.P.. Off market transactions are excluded from the calculation;
- (2) Traded days refer to the number of days on which the Sunningdale Shares were traded on the SGX-ST during the period, and 9 November 2020 and 19 January 2021 are each regarded as 0.5 traded day as the Sunningdale Shares were halted for approximately half a day on these dates;
- (3) The average daily trading volume of the Sunningdale Shares is computed based on the total volume of Sunningdale Shares traded on the SGX-ST (excluding off market transactions) during the relevant periods, divided by the number of market trading days (excluding full day and half day trading halt) during that period; and
- (4) Free float refers to the Sunningdale Shares other than those Sunningdale Shares that the Sunningdale Directors and substantial shareholders of the Company have a direct or indirect interest in. For the purposes of computing the average daily trading volume as a percentage of free float, we have used the free float of approximately 123.98 million Sunningdale Shares based on the free float of 64.59% as disclosed in Sunningdale's FY2019 annual report.

We observed the following with regard to the share price performance from 10 September 2019 and up to the Latest Practicable Date:

- (a) The Sunningdale Shares did not trade above the final Scheme Consideration during the 1-year period up to the Holding Announcement Date. Over the 1-year period up to the Holding Announcement Date, the Sunningdale Shares have traded between a low of S\$0.735 and a high of S\$1.360. The final Scheme Consideration represents a premium

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of S\$0.915 (or 124.5%) and S\$0.290 (or 21.3%) above the lowest and highest transacted prices of the Sunningdale Shares respectively during this period;

- (b) The final Scheme Consideration represents a premium of 42.6%, 58.2%, 45.0% and 39.1% over the VWAP of the Sunningdale Shares for the 1-year, 6-month, 3-month and 1-month periods, up to the Holding Announcement Date respectively;
- (c) The final Scheme Consideration represents a premium of 32.0% above the last transacted price of the Sunningdale Shares of S\$1.25 on 9 September 2020, prior to the release of the Holding Announcement;
- (d) During the period following the Holding Announcement Date and up to the Latest Practicable Date, the Sunningdale Shares had traded between a low of S\$1.38 and a high of S\$1.75. The final Scheme Consideration represents a premium of S\$0.27 (or 19.6%) above the lowest transacted price of the Sunningdale Shares and a discount of S\$0.10 (or 5.7%) to the highest transacted price of the Sunningdale Shares. It is to be noted that during this period, the trading on the Sunningdale Share could be affected by, *inter alia*, the Holding Announcement, the update of the Holding Announcement, the United States general election and the Revision Announcement; and
- (e) As at the Latest Practicable Date, the last transacted price of the Sunningdale Shares was S\$1.61. The final Scheme Consideration represents a premium of 2.5% above the last transacted price of the Sunningdale Shares of S\$1.61 on the Latest Practicable Date.

We observed the following with regard to the trading liquidity of the Sunningdale Shares:

- (i) Over the 1-year period prior to the Holding Announcement Date, the Sunningdale Shares were traded on 250 days out of a total of 251 trading days during the period. However, the average daily trading volume of the Sunningdale Shares for the 1-year, 6-month, 3-month and 1-month periods up to the Holding Announcement Date, represent 0.13%, 0.12%, 0.13% and 0.17% of the free float of the Sunningdale Shares respectively; and
- (ii) For the period following the Holding Announcement and up to the Latest Practicable Date, the Sunningdale Shares were more actively traded. The average daily trading volume of the Sunningdale Shares during this period was 818,000 Sunningdale Shares, representing 0.66% of the free float of the Sunningdale Shares.

8.2 Financial analysis of the Sunningdale Group

8.2.1 Financial Performance of the Sunningdale Group

We set out below a summary of the key financial results of the Sunningdale Group for the last three financial years ended 31 December (“FY”), i.e. FY2017, FY2018 and FY2019, the nine-month period ended 30 September 2020 (“9M2020”) and the corresponding period for 2019 (“9M2019”):

S\$'000	Audited			Unaudited	
	FY2017	FY2018	FY2019	9M2019	9M2020
Revenue	724,545	726,795	673,791	506,440	455,674
Gross profit	105,533	87,133	74,321	55,801	60,355
Other income	5,043	19,370	6,237	4,593	9,117
Net profit after tax	31,360	29,758	7,988	5,282	18,646

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Source: Sunningdale's annual reports for FY2018 and FY2019, voluntary announcement of its unaudited business update for 3Q2020 and Management (in relation to other income for 9M2020 which is disclosed in paragraph 4 of Appendix 3 to the Scheme Document).

Sunningdale also discloses in its annual reports and results announcements its “**Core Net Profit**” based on its net profit after tax and after excluding, *inter alia*, foreign exchange (gain)/loss, gain on the disposal of property, plant and equipment (“**PPE**”), allowance for / (reversal of) impairment loss on PPE, transaction costs relating to the acquisition of a subsidiary and retrenchment costs, onerous rental, government grant on COVID-19 and reduction and exemption of social security contribution and foreign workers level (collectively “**Adjustments**”). Management had computed the Core Net Profit to better reflect the operational performance of the Sunningdale Group without the impact of these Adjustments. The Core Net Profit after Adjustments for the relevant periods are summarised in the table below:

S\$'000	FY2017	FY2018	FY2019	9M2019	9M2020
Net profit after tax	31,360	29,758	7,988	5,282	18,646
Adjustments:					
Net foreign exchange loss/(gain)	10,647	(657)	1,145	141	748
(Gain)/loss on disposal of PPE	(342)	(12,925)	(172)	(194)	176
(Reversal of)/allowance for/(reversal of) impairment on PPE	(99)	552	709	491	71
Transaction costs relating to acquisition of a subsidiary	-	260	-	-	-
Retrenchment costs	367	3,926	1,346	670	322
Onerous rental	-	-	483	416	-
Penalty on the early termination of rental contract	-	-	354	-	-
Government grant on COVID-19	-	-	-	-	(4,705)
Reduction and exemption on social security contribution and foreign worker levy	-	-	-	-	(4,590)
Total Adjustments	10,573	(8,844)	3,865	1,524	(7,978)
Core Net Profit	41,933	20,914	11,853	6,806	10,668

Source: Sunningdale's annual reports for FY2018 and FY2019, unaudited interim results for half year ended 30 June 2020 (“6M2020”) and voluntary announcement of its unaudited business update 3Q2020.

Review of Operation Results

FY2018 vs FY2017

The Sunningdale Group recorded a marginal increase in revenue by S\$2.3 million (or 0.3%) from S\$724.5 million in FY2017 to S\$726.8 million in FY2018 due mainly to an increase in revenue from all business segments except for the Consumer/IT segment as certain projects in the Consumer/IT segment reached their end-of-life and the Company made a strategic long-term decision to exit from low-margin projects.

However, gross profit decreased by S\$18.4 million (or 17.4%) from S\$105.5 million in FY2017 to S\$87.1 million in FY2018, resulting in a decline in the gross profit margin from 14.6% in

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FY2017 to 12.0% in FY2018. This was due mainly to the increase in labour costs, utility costs, raw material costs, lower manufacturing yield for certain new projects during the initial ramp up stage and price pressure from customers.

The Sunningdale Group had significant other income of S\$19.4 million in FY2018 compared to S\$5.0 million in FY2017 due mainly to a gain on the disposal of property amounting to S\$13.1 million in FY2018.

An overall decrease in operating expenses from S\$69.5 million in FY2017 to S\$66.6 million in FY2018 was due mainly to a foreign exchange loss of S\$10.6 million in FY2017 compared to a small foreign exchange gain of S\$0.6 million in FY2018.

Overall, the Sunningdale Group reported a slight decrease in net profit by S\$1.6 million (or 5%) from S\$31.4 million in FY2017 to S\$29.8 million in FY2018.

However, the Core Net Profit, after taking into account the Adjustments, decreased significantly by S\$21.0 million (or 50.1%) from S\$41.9 million in FY2017 to S\$20.9 million in FY2018.

FY2019 vs FY2018

Revenue decreased by S\$53.0 million (or 7.3%) from S\$726.8 million in FY2018 to S\$673.8 million in FY2019 as a result of decrease in revenue from all business segments except for the Healthcare segment, as the Group faced weakening demand from customers from its Automotive, Consumer/IT and Mould Fabrication segments.

Gross profit decreased by S\$12.8 million (or 14.7%) from S\$87.1 million in FY2018 to S\$74.3 million in FY2019 and gross profit margin also declined from 12.0% in FY2018 to 11.0% in FY2019. This was due mainly to lower utilisation as a result of the decline in orders, lower levels of utilisation during the initial start-up phase at the Sunningdale Group's new plant in Penang and the relocation of one of its plastic component operations in Shanghai to Chuzhou.

Other income amounted to S\$6.2 million in FY2019 compared to S\$19.4 million in FY2018 as there was no similar gain on disposal of property in FY2019 compared to FY2018.

Operating expenses declined further from S\$66.6 million in FY2018 to S\$63.7 million in FY2019, due mainly to lower retrenchment costs of S\$1.3 million in FY2019 compared to S\$3.9 million in FY2018. Conversely, operating expenses in FY2019 were affected by several items like higher foreign exchange losses, penalty on early termination of rental contracts due to the consolidation of two operating locations into one location in Tianjin, rental payment for the operations in Shanghai and Thailand despite shifting operations out of these locations.

Overall, the Sunningdale Group recorded a significant decrease in net profit by S\$21.8 million (59.6%) from S\$29.8 million in FY2018 to S\$8.0 million in FY2019.

After taking into account the Adjustments, the Core Net Profit of the Sunningdale Group also showed a decline in profits by S\$9.1 million (or 43.3%) from S\$20.9 million in FY2018 to S\$11.9 million in FY2019.

9M2020 vs 9M2019

Revenue for the 9 months decreased by S\$50.7 million (or 10.0%) from S\$506.4 million in 9M2019 to S\$455.7 million in 9M2020 due mainly to decrease in revenue from all business segments except for the Healthcare segment which recorded a slight increase in revenue driven mainly by increase in orders secured amid COVID-19 and launch of new projects in 6M2020.

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However, gross profit increased by S\$4.5 million (or 8.2%) from S\$55.8 million in 9M2019 to S\$60.4 million in 9M2020, and gross profit margin improved from 11.0% in 9M2019 to 13.2% in 9M2020, due mainly to (i) the completion of the relocation of the Shanghai operations to Chuzhou; (ii) change in product mix; (iii) tightening of cost, pay cuts and the implementation of shorter work weeks in plants where orders were low; (iv) improvement in operational efficiency; (v) reduction and exemption of social security contribution by the Human Resource and Social Security Bureau in China; and (vi) waiver of foreign worker levy in Singapore. Without the reduction and exemption on social security contribution and waiver of foreign worker levy, the gross margin would have been at 12.4%.

The increase in other income in 9M2020 compared to 9M2019 was attributable mainly to various government grants amounting to S\$4.7 million due to the COVID-19 pandemic.

Operating expenses declined further from S\$47.0 million in 9M2019 to S\$40.2 million in 9M2020, due mainly to tightening of costs, pay cuts and the implementation of shorter work weeks in plants where customer orders were low.

Overall, net profit of Sunningdale Group increased significantly by S\$13.4 million (or 253.0%) from S\$5.3 million in 9M2019 to S\$18.6 million in 9M2020.

Core Net Profit of the Sunningdale Group, after taking into account the Adjustments, increased by S\$3.9 million (or 56.7%) from S\$6.8 million in 9M2019 to S\$10.7 million in 9M2020.

Price-Earnings Ratio implied by the Scheme Consideration

Price-earnings ratio (“**PER**”) illustrates the valuation ratio of the current market value of a company’s shares relative to its consolidated basic earnings per share as stated in its financial statements. The PER is affected by, *inter alia*, the capital structure of a company, its tax position as well as its accounting policies relating to depreciation and intangible assets. The PER is commonly used for the purpose of illustrating the profitability and hence the valuation of a company as a going concern.

For the purpose of our analysis, we have evaluated the implied PER of the Sunningdale Group based on the Implied Market Capitalisation of Sunningdale of S\$320.03 million and the Sunningdale Group's net profit after tax (“**PAT**”) for the trailing twelve months ended 30 September 2020 (“**T12M**”).

The Sunningdale Group's T12M PAT is S\$21.36 million, based on the aggregate reported profit after tax of S\$2.71 million for the fourth quarter ended 31 December 2019 (“**4Q2019**”) and S\$18.65 million for 9M2020. The implied PER of the Sunningdale Group based on T12M PAT is **14.99 times**.

We note that during this T12M period, many industries were affected adversely by the global COVID-19 pandemic, and as a result, some of these companies may have benefitted from one-off government grants and other related exemptions.

The Sunningdale Group was also affected by the COVID-19 pandemic which had impacted its financial performance during 9M2020. The Sunningdale Group had benefitted from the one-off government grants of S\$4.71 million and reduction and exemption on social security contribution and foreign worker levy of S\$4.59 million, totalling S\$9.30 million, which is not expected to be a recurring item. Hence, after excluding this one-off item, the adjusted PAT for T12M (“**Adjusted PAT**”) is S\$12.06 million. The implied PER of the Sunningdale Group based on the Adjusted PAT is therefore **26.54 times**. This is the PER of the Sunningdale Group which we have used in our analysis in Sections 8.5 and 8.6 of this Letter.

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EV/EBITDA ratio implied by the Scheme Consideration

EV/EBITDA ratio illustrates the ratio of the market value of a company's business relative to its historical pre-tax operating cash flow performance, without regard to the company's existing capital structure.

For the purpose of our analysis, we have evaluated the enterprise value (“**EV**”) of the Sunningdale Group based on the Implied Market Capitalisation of Sunningdale, and adding back bank borrowings and deducting cash and bank balances of the Sunningdale Group; and **EBITDA** of the Sunningdale Group is based on its PAT or Adjusted PAT, as the case may be, and adding back income tax expense, depreciation and amortisation expense and net finance costs of the Sunningdale Group.

The EV of the Sunningdale Group implied by the Scheme Consideration is S\$299.93 million.

The T12M EBITDA of the Sunningdale Group based on T12M PAT is S\$61.24 million. Based on this, the Scheme Consideration values the Sunningdale Group on an EV/EBITDA ratio of **4.90 times**.

After excluding the one-off items arising from the COVID-19 pandemic as described above, the EBITDA based on the Adjusted PAT (“**Adjusted EBITDA**”) is S\$51.95 million. Based on this, the Scheme Consideration values the Sunningdale Group on an EV/EBITDA ratio of **5.77 times**. This is the EV/EBITDA ratio of the Sunningdale Group which we have used in our analysis in Sections 8.5 and 8.6 of this Letter.

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8.2.2 Financial Position of the Sunningdale Group

A summary of the latest available unaudited financial position of the Sunningdale Group as at 30 September 2020 is set out below:

S\$'000	Unaudited as at 30 September 2020
Non-Current Assets	
Property, plant and equipment	173,565
Right-of-use assets	36,496
Intangible assets	12,682
Other investments	1,539
Investment in joint venture	8,632
Deferred tax assets	4,106
	237,020
Current assets	
Inventories	102,045
Contract assets	39,811
Prepayments	3,784
Trade and other receivables	232,598
Cash and short-term deposits	123,272
	501,510
Total assets	738,530
Current liabilities	
Trade and other payables	187,087
Contract liabilities	28,478
Loans and borrowings	65,102
Lease liabilities	6,985
Tax payable	6,771
	294,423
Non-current liabilities	
Other liabilities	1,679
Loans and borrowings	38,066
Lease liabilities	11,107
Deferred tax liabilities	8,789
	59,641
Total liabilities	354,064
Total equity	384,466

Source: Paragraph 4 of Appendix 3 to the Scheme Document.

Summary	
Net asset value (" NAV ") of the Sunningdale Group (S\$)	384,466,000
Net tangible asset value (" NTA ") of the Sunningdale Group (S\$) (after deducting intangible assets of S\$12,682,000)	371,784,000
Number of issued Sunningdale Shares as at 30 September 2020	191,941,836
NAV per Share (S\$)	2.00
NTA per Share (S\$)	1.94
Number of enlarged Sunningdale Shares (taking into consideration the vesting and delivery of all outstanding Share Awards since 30 September 2020)	193,956,836
Adjusted NAV per Share (S\$)	1.98
Adjusted NTA per Share (S\$)	1.92

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Review of Financial Position

As at 30 September 2020

Total assets of the Sunningdale Group of S\$738.5 million comprise current assets of S\$501.5 million (67.9% of total assets) and non-current assets of S\$237.0 million (32.1% of total assets).

Current assets comprise mainly trade and other receivables of S\$232.6 million (46.4% of current assets), cash and short-term deposits of S\$123.3 million (24.6% of current assets) and inventories of S\$102.0 million (20.3% of current assets).

Non-current assets comprise mainly the property, plant and equipment (“**PPE**”) of S\$173.6 million (73.2% of non-current assets) and right-of-use assets of S\$36.5 million (15.4% of non-current assets). PPE is in relation mainly to freehold land and buildings \$67.7 million), leasehold improvements on rented premises (S\$10.9 million), and plant and equipment (S\$88.3 million). Right-of-use assets are in relation mainly to land use rights on land in China and JTC leased properties (totalling S\$22.0 million), as well as leasehold buildings on rented premises (S\$14.3 million), which are accounted for under right-of-use assets in accordance with SFRS(I) 16 - Leases.

For the purposes of the Scheme, the Company had commissioned an independent valuation as at 30 September 2020, of the Properties which had significant revaluation surpluses or deficits. Please see Section 8.2.3 below for further details on the independent valuation of the Properties.

Total liabilities of the Sunningdale Group totalling S\$354.1 million comprise mainly trade and other payables of S\$187.1 million (52.8% of total liabilities) and loans and borrowings of S\$103.2 million (29.1% of total liabilities). Total equity amounting to S\$384.5 million consists of paid-up share capital and retained earnings.

The Sunningdale Group is in a net cash position of S\$20.1 million as at 30 September 2020, based on its cash and short-term deposits less total loans and borrowings.

Accordingly, the NAV of the Sunningdale Group was S\$384.4 million as at 30 September 2020, representing S\$2.00 per Sunningdale Share based on 191,941,836 issued Sunningdale Shares outstanding as at 30 September 2020. After deducting intangible assets of S\$12.7 million, the NTA of the Sunningdale Group was S\$371.8 million, representing S\$1.94 per Sunningdale Share as at *30 September 2020*.

The Company has outstanding 2,015,000 Share Awards as at 30 September 2020.

On 23 November 2020, Sunningdale announced the issuance of 681,000 new Sunningdale Shares in connection with the delivery of 681,000 Share Awards in accordance with the Sunningdale Restricted Share Plan 2014. The Remuneration Committee had, in accordance with the provisions of the Sunningdale Restricted Share Plan 2014, approved the acceleration of the vesting and delivery of all remaining outstanding 1,334,000 Share Awards contingent upon the approval of the Scheme by a majority in number representing three-fourths in value of the Scheme Shareholders present and voting at the Scheme Meeting. The enlarged number of Sunningdale Shares would therefore represent an increase of 2,015,000 Sunningdale Shares from 191,941,836 Sunningdale Shares (as at the Joint Announcement Date) to 193,956,836 Sunningdale Shares. The adjusted NAV and NTA of the Sunningdale Group after taking into consideration the vesting and delivery of all the outstanding Share Awards (“**Adjusted NAV**” and “**Adjusted NTA**” respectively) will decrease slightly to S\$1.98 and S\$1.92 per Sunningdale Share as at 30 September 2020 respectively.

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8.2.3 Independent valuation of the Properties

In connection with the Scheme, the Company had commissioned the Valuer to carry out an independent market valuation of selected properties of the Sunningdale Group in Singapore, Malaysia and China i.e. the freehold land and buildings, land use rights and JTC leased properties which are factory buildings owned by the Sunningdale Group as at 30 September 2020. These Properties are wholly-owned by the Sunningdale Group. These Properties were selected to be revalued as they have significant revaluation surpluses or deficits. The aggregate net book value of these Properties as at 30 September 2020 was S\$38.8 million, representing approximately 43% of the aggregate net book value of all the properties owned by the Sunningdale Group. Pursuant to the independent valuation, these Properties had a net revaluation surplus of S\$31.7 million. No independent valuation was considered necessary for the remaining properties as Management has represented that, overall, there is no material difference between the indicative market value and the net book value of the remaining properties as at 30 September 2020 as such difference is less than S\$0.5 million.

The purpose of the valuation exercise is to determine the overall net revaluation surplus arising from the independent market valuation of the Properties and to assess its impact on the revalued net tangible asset value (“**RNTA**”) of the Sunningdale Group. It is to be noted that the assessment of net revaluation surplus, if any, is before taking into consideration the Company’s intentions on these Properties and the quantifiable and non-quantifiable costs associated with a hypothetical sale of any of the Properties as further expanded below under the caption “Company’s representation”.

No independent valuation was commissioned for the plant and equipment of the Sunningdale Group which amounted to S\$88.3 million as at 30 September 2020, as Management has represented that there is no material difference between the market value and the net book value of these plant and equipment as at 30 September 2020.

Market value is defined as “*the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion*”.

In arriving at their opinion of market value, the Valuer has adopted the Market (Direct Comparison) Approach and Income Approach for the properties in China and Singapore, whilst the Cost Approach has been adopted for the properties in Malaysia, as summarised below:

The **Market Approach** is based on comparing the subject asset with identical or similar assets for which price information is available, such as a comparison with market transactions in the same, or closely similar, type of asset within an appropriate time horizon.

The **Income Approach** is based on capitalisation or conversion of present and predicted income (cash flows), which may take a number of different forms, to produce a single current capital value. Among the forms taken, capitalisation of a conventional market-based income or discounting of a specific income projection can both be considered appropriate depending on the type of asset and whether such an approach would be adopted by market participants.

The **Cost Approach** is based on the economic principle that a purchaser will pay no more for an asset than the cost to obtain one of equal utility whether by purchase or construction.

Details of the valuation of the respective Properties are set out in the valuation certificates (“**Valuation Certificates**”) as prepared by the Valuer, copies of which are attached as Appendix 5 to the Scheme Document.

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The table below sets out a summary of Properties, their respective NBV, market value and the net revaluation surplus/(deficit) arising from the independent valuation of the Properties as at 30 September 2020:

	Property and location	Primary Valuation Approach	NBV as at 30 September 2020 (S\$'000)	Market value as at 30 September 2020 ('000) ⁽¹⁾	Net revaluation surplus/ (deficit) (S\$'000) ⁽²⁾
	Singapore				
1.	51 Joo Koon Circle, Singapore 629069	Direct Comparison Approach	3,377	S\$8,800	5,423
2.	18 Joo Koon Crescent, Singapore 629019		4,005	S\$9,800	5,795
3.	1 Joo Koon Crescent, Singapore 629027		6,166	S\$5,000	(1,166)
	Malaysia				
4.	Bdr Tenggara Industrial Area, 81440 Bdr Tenggara, Johor, Malaysia	Cost Approach			
	• Lot PTB 272 & 2174, Jln Tun Mutalib 1		177	MYR2,400 (S\$791)	549
	• Lot PTB 1260, 1261 & 1262, Jln Tun Mutahir		3,356	MYR32,100 (S\$10,577)	6,257
	• Lot PTB 1257, Jln Tun Mutahir 1		96	MYR6,800 (S\$2,241)	1,921
	• Lot PTB 281, Jln Tun Mutalib 1		105	MYR2,400 (S\$791)	617
5.	Lingkar Cassia Selatan, Taman Perindustrian Batu Kawan, 14100 Bandar Cassia Seberang Perai Selatan, Penang, Malaysia		12,606	MYR23,700 (S\$7,809)	(4,797)
6.	No 3, Jln. Indah Gemilang 2, Tmn. Perindustrian Gemilang, 81800 Ulu Tiram, Johor, Malaysia		3,161	MYR13,600 (S\$4,481)	1,188
	China				
7.	No. 14 Qianjin 2nd Road, Tanzhou Town, Zhongshan City, Guangdong Province, PRC	Direct Comparison Approach and Income Approach	5,784	RMB151,400 (S\$30,431)	15,960
	Total				
	- NBV of the Properties		38,832⁽³⁾		
	- Market value of the Properties			80,721	
	- Net revaluation surplus of the Properties				31,749⁽³⁾

Source: Valuation Certificates and Management.

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Notes:

- (1) Based on foreign exchange rates of MYR1.00:S\$0.3295 and RMB1.00:S\$0.201 on 30 September 2020;
- (2) The net revaluation surplus/(deficit) of the respective property is arrived at based on the difference between the market value and the net book value of the property as at 30 September 2020, after taking into consideration potential tax liabilities on the revaluation surplus assuming a hypothetical sale of the property for the purpose of Rule 26.3 of the Code, based on the relevant applicable taxes in Malaysia and China. There is no capital gains tax in Singapore; and
- (3) Does not add up due to rounding.

We have computed the estimated RNTA per Sunningdale Share as at 30 September 2020 after taking into account the net revaluation surplus of the Properties as follows:

Estimated RNTA of the Sunningdale Group	S\$'000	Per Sunningdale Share ⁽¹⁾ (S\$)
Unaudited NTA of the Sunningdale Group as at 30 September 2020	371,784	1.92
Add: net revaluation surplus arising from the valuation of the Properties	31,749	0.16
Estimated RNTA of the Sunningdale Group as at 30 September 2020	403,533	2.08

Note:

- (1) Based on the enlarged number of 193,956,836 Sunningdale Shares (taking into consideration the vesting and delivery of all the outstanding Share Awards).

Price-to-NTA ratio implied by the Scheme Consideration

The net asset backing of the Sunningdale Group is measured by its NAV, NTA or RNTA value.

The NAV/NTA based valuation approach provides an estimate of the value of a company assuming the hypothetical sale of all its assets over a reasonable period of time and would be more relevant for asset-based companies or where the subject company intends to realise or convert the uses of all or most of its assets. Such a valuation approach would be particularly appropriate when applied in circumstances where the business is to cease operations or where the profitability of the business being valued is not sufficient to sustain an earnings-based valuation.

The NTA based valuation approach shows the extent to which the value of each Sunningdale Share is backed by the Sunningdale Group's NTA. NTA is derived by deducting intangible assets from the NAV.

The implied price-to-NTA ratio of the Sunningdale Group based on the Scheme Consideration and:

- the Adjusted NTA per Sunningdale Share of S\$1.92 as at 30 September 2020, is **0.86 times ("P/NTA")**; and
- the estimated RNTA per Sunningdale Share of S\$2.08 as at 30 September 2020, is **0.79 times ("P/RNTA")**.

Company's representation

The Company has represented that the Properties which are factories and industrial properties are used for its existing manufacturing operations and are not held for sale, and therefore

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unlikely in the near term to realise any of these net revaluation surpluses. In addition, any relocation of operations from these Properties would incur, *inter alia*, significant relocation costs, compensation to employees, disruptions to customer service and customers' supply chain. Presently, the Company has no intention to relocate any of its existing operations in these Properties, and/or to cease operations and convert the use of any of these Properties. The disposal of these Properties without a cost-effective suitable replacement will affect the Sunningdale Group's production capacity, deliverables to its customers and consequently will also affect its financial performance adversely.

In view of the above, we have shown both the P/NTA and the P/RNTA ratios implied by the Scheme Consideration for the purpose of our analysis in Section 8.3 to Section 8.7 below. However, the comparison with the P/RNTA ratio implied by the Scheme Consideration should be read in the context of the above Company's representation, in particular, that the net revaluation surplus is unlikely to be realisable in the near term without affecting its existing operations.

8.2.4 Confirmation by the Company

Besides the independent valuation by the Valuer on the Properties which have been analysed above, in our evaluation of the financial terms of the Scheme, we have also considered whether there are any other tangible assets which should be valued at an amount that is materially different from that which were recorded in the unaudited statement of financial position of the Sunningdale Group as at 30 September 2020, and whether there are any factors which have not been otherwise disclosed in the financial information of the Sunningdale Group that are likely to impact the NTA as at 30 September 2020.

In respect of the above, the Sunningdale Directors and the Management have confirmed to us that as at the Latest Practicable Date, to the best of their knowledge and belief:

- (a) there are no material differences between the realisable value of the Sunningdale Group's assets and their respective book values as at 30 September 2020 which would have a material impact on the NTA of the Sunningdale Group;
- (b) other than that already provided for or disclosed in the Sunningdale Group's financial information as at 30 September 2020, there are no other contingent liabilities, bad or doubtful debts or material events which are likely to have a material impact on the NTA of the Sunningdale Group as at the Latest Practicable Date;
- (c) there is no litigation, claim or proceeding pending or threatened against Sunningdale or any subsidiaries of the Sunningdale Group or any fact likely to give rise to any proceeding which might materially and adversely affect the financial position of the Sunningdale Group taken as a whole as at 30 September 2020;
- (d) there are no other intangible assets which ought to be disclosed in the unaudited statement of financial position of the Sunningdale Group as at 30 September 2020 in accordance with the Singapore Financial Reporting Standards (International) and which have not been so disclosed and where such intangible assets would have a material impact on the overall financial position of the Sunningdale Group as at 30 September 2020; and
- (e) there are no material acquisitions and disposals of assets by the Sunningdale Group between 30 September 2020 and the Latest Practicable Date, and the Sunningdale Group does not have any immediate plans for any such impending material acquisition or disposal of assets, conversion of the use of its material assets or material change in the nature of the Sunningdale Group's business.

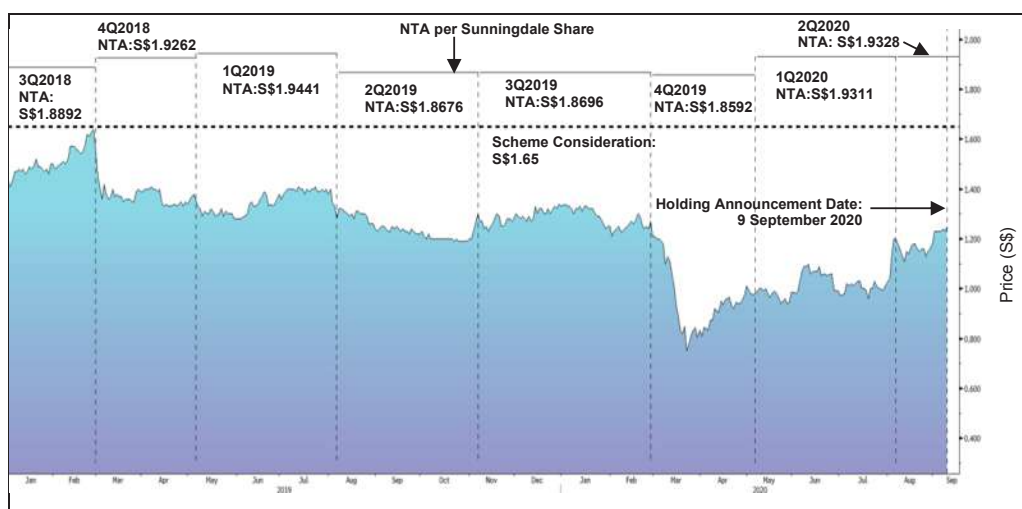
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8.3 Sunningdale share price performance compared to the reported NTA of the Sunningdale Group

We note that the Sunningdale Shares have historically been trading at significant discounts to the reported NTA per Sunningdale Share. In this regard, we have tracked the quarterly reported NTA per Sunningdale Share against the Sunningdale share price performance from 1 January 2019 and up to the Holding Announcement Date, and assessed the range of discounts that the Shares have been trading at, compared to the NTA of the Sunningdale Group for the relevant periods.

Sunningdale share price vs quarterly reported NTA per Sunningdale Share



Source: Bloomberg L.P. and Sunningdale's results announcements and voluntary business updates for the relevant periods.

	Discount of the average share price to the reported NTA per Sunningdale Share for the relevant period
Maximum	48.6%
Minimum	20.0%
Mean	33.5%
Median	31.0%
Based on the Scheme Consideration of S\$1.65	14.1% (based on Adjusted NTA per Sunningdale Share of S\$1.92 as at 30 September 2020)
	20.7% (based on RNTA per Sunningdale Group of S\$2.08 as at 30 September 2020)

From the above, we note that:

- (a) the Sunningdale Shares have been trading at significant discounts to the respective quarterly reported NTA per Sunningdale Share for the relevant period, with the mean and median discounts of 33.5% and 31.0% respectively; and
- (b) the Scheme Consideration is at a discount of 14.1% to the Adjusted NTA per Sunningdale Share as at 30 September 2020 compared to the mean and median discounts to reported NTA per Sunningdale Share of 33.5% and 31.0% respectively; and

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- (c) the Scheme Consideration is at a discount of 20.7% to the RNTA per Sunningdale Share as at 30 September 2020 compared to the mean and median discounts to NTA per Sunningdale Share of 33.5% and 31.0% respectively.

8.4 Comparison with recently completed privatisation of companies listed on the SGX-ST

In assessing the Scheme Consideration, we have compared the financial terms of the Scheme with those of the selected successful privatisation transactions announced since January 2019 and up to the Latest Practicable Date, which were carried out either by way of voluntary delisting exit offers under Rule 1307 of the Listing Manual of the SGX-ST, offers being made by way of a scheme of arrangement under Section 210 of the Companies Act or general takeover offers under the Code where the offeror has stated its intention to delist the listed company from the SGX-ST ("**Precedent Privatisation Transactions**").

This analysis serves as a general indication of the relevant premium/discount that the offerors had paid in order to acquire the target companies without having regard to their specific industry characteristics or other considerations, and the comparison sets out:

- (a) the premium or discount represented by each of the respective offer prices to the last transacted prices and VWAPs over the 1-month and 3-month periods prior to the announcement of the Precedent Privatisation Transactions; and
- (b) the premium or discount represented by each of the respective offer prices to the NTA of the respective target companies. We note that certain Precedent Privatisation Transactions had undertaken revaluations and/or adjustments to their assets which may have a material impact on their latest announced book values. In this respect, we have compared the offer price with the revalued NTA or adjusted NTA of the Precedent Privatisation Transactions, where applicable.

We wish to highlight that the target companies involved in the Precedent Privatisation Transactions as set out in the analysis below may not be directly comparable to the Sunningdale Group in terms of market capitalisation, size of operations, composition of business activities, asset base, geographical spread, track record, operating and financial leverage, risk profile, liquidity, accounting policies, future prospects and other relevant criteria. Each transaction must be judged on its own commercial and financial merits. The premium or discount that an offeror pays in any particular privatisation transaction varies in different specific circumstances depending on, *inter alia*, factors such as the potential synergy the offeror can gain by acquiring the target, the prevailing market conditions and sentiments, attractiveness and profitability of the target's business and assets, the possibility of a significant revaluation of the assets to be acquired, the availability of substantial cash reserves, the liquidity in the trading of the target company's shares, the presence or absence of competing bids for the target company, and the existing and desired level of control in the target company. The list of the Precedent Privatisation Transactions is by no means exhaustive and as such any comparison made only serves as an illustration. Conclusions drawn from the comparisons made may not necessarily reflect the perceived or implied market valuation of Sunningdale.

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Name of company	Sector	Date of announcement	Premium/(discount) of offer price over/(to)			P/NTA (times)
			Last transacted price prior to announcement (%)	VWAP for 1-month period prior to announcement (%)	VWAP for 3-month period prior to announcement (%)	
PCI Limited	Electronics manufacturing services	4 Jan 2019	27.9	44.0	47.2	2.0 ⁽¹⁾
DeClout Limited	Investment holding, strategic management and corporate shared services	7 Jan 2019	62.5	66.7	66.7	1.3 ⁽²⁾
Courts Asia Limited	Electrical, IT and furniture retailer	18 Jan 2019	34.9	35.8	34.0	0.6 ⁽³⁾
Kingboard Copper Foil Holdings Limited	Manufacture and trading of polyvinyl butyral and related products and licensing business	4 Apr 2019	11.3	16.1	25.3	0.9 ⁽⁴⁾
800 Super Holdings Limited	Environmental services provider	6 May 2019	16.1	30.8	31.2	1.8 ⁽⁵⁾
Memtech International Ltd.	Precision plastic components manufacturing	14 May 2019	23.9	31.5	31.6	1.1 ⁽⁶⁾
Boardroom Limited	Providers of corporate secretarial, share registry, business solutions and advisory (accounting, taxation and payroll) services.	15 May 2019	14.3	18.9	16.1	2.0 ⁽⁷⁾
Hupsteel Limited	Trading in industrial steel products and investment holding	28 Jun 2019	51.9	58.3	58.6	0.6 ⁽⁸⁾
Delong Holdings Limited	Manufacture and sale of steel products	29 Jul 2019	16.5	18.6	19.0	0.6 ⁽⁹⁾
Star Pharmaceutical Holdings Limited	Manufacturing and sales of both western and TCM-formulated prescription drugs.	5 Aug 2019	157.1 ⁽²⁶⁾	160.1 ⁽²⁶⁾	176.1 ⁽²⁶⁾	0.7 ⁽¹⁰⁾
PS Group Holdings Ltd.	Supplier of quality fasteners	20 Aug 2019	195.0 ⁽²⁶⁾	266.7 ⁽²⁶⁾	267.5 ⁽²⁶⁾	0.6 ⁽¹¹⁾
Avic International Maritime Holdings Limited	Provides services including shipbuilding project management and consultancy, design and engineering, shipbuilding as well as ship-trading.	27 Aug 2019	37.6	66.7	65.6	82.5 ⁽¹²⁾⁽²⁶⁾
San Teh Ltd	Property development and investment, hotel, and PVC pipes and fittings businesses.	5 Sep 2019	81.8	90.5	83.0	0.4 ⁽¹³⁾
PACC Offshore Services Holdings Ltd.	Offshore marine services provider	5 Nov 2019	69.3	99.4	93	1.0 ⁽¹⁴⁾
Citic Envirotech Ltd.	Environmental solutions provider	6 Nov 2019	48.6	61.6	68.5	1.2 ⁽¹⁵⁾
BreadTalk Group Limited	A global food and beverage lifestyle group	24 Feb 2020	19.4	30.1	24.0	6.0 ⁽¹⁶⁾⁽²⁶⁾
Elec & Eltek International Holdings Limited	Manufacturers of conventional as well as technology advanced high density interconnects and backplane printed circuit boards	3 Apr 2020	93.0	61.3	43.8	1.0 ⁽¹⁷⁾
Dynamic Colours Limited	Sale of plastic resins and polyethylene packaging materials	1 Jun 2020	13.6	22.8	29.1	0.9 ⁽¹⁸⁾

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Name of company	Sector	Date of announcement	Premium/(discount) of offer price over/(to)			P/NTA (times)
			Last transacted price prior to announcement (%)	VWAP for 1-month period prior to announcement (%)	VWAP for 3-month period prior to announcement (%)	
Perennial Real Estate Holdings Limited	Integrated real estate and healthcare company	12 Jun 2020	88.1	105.2	124.2	0.6 ⁽¹⁹⁾
Luzhou Bio-Chem Technology Limited	Corn refiner and producers of maltose-related products and other corn sweeteners	30 Jun 2020	100.0 ⁽²⁶⁾	87.5 ⁽²⁶⁾	130.8 ⁽²⁶⁾	n.a. ⁽²⁰⁾
Teckwah Industrial Corporation Ltd	Providing leading-edge packaging and printing solutions, demand chain and aftermarket logistics services and large format printing and design and build services for retail and showcase experience	13 Aug 2020	17.8	23.1	25.0	0.8 ⁽²¹⁾
China Jishan Holdings Limited	Printing and dyeing, sale of garments, leasing of property and equipment, property development and management for general commercial and residential buildings	20 Aug 2020	84.2	101.3	106.4	0.8 ⁽²²⁾
SK Jewellery Group Limited	Retail sale of jewellery, watches and luxury goods.	2 Sep 2020	70.5	90.2	94.8	1.3 ⁽²³⁾
LCT Holdings Limited	Property investment, value-added services, and professional and investment consultancy services	16 Sep 2020	39.5	60.8	61.7	0.9 ⁽²⁴⁾
Hi-P International Limited	Integrated contract manufacturing services provider	18 Dec 2020	13.6	23.2	42.3	2.6 ⁽²⁵⁾

High	195.0	266.7	267.5	82.5
Low	11.3	16.1	16.1	0.4
Mean	42.6	52.6	54.1	1.1
Median	36.3	51.2	45.5	0.9

Sunningdale (implied by the Scheme Consideration of S\$1.65)⁽²⁷⁾	9 Sep 2020 (Holding Announcement Date)	32.0	39.1	45.0	0.9 (based on P/NTA)
					0.8 (based on P/RNTA)

Source: SGX-ST announcements and circulars to shareholders in relation to the Precedent Privatisation Transactions.

Notes:

- (1) Based on the NTA per share of PCI Limited as at 31 December 2018;
- (2) Based on the pro forma NTA per share of DeClout Limited as at 30 September 2018;
- (3) Based on the NAV per share of Courts Asia Limited as at 31 December 2018;
- (4) Based on the revalued NAV per share of Kingboard Copper Foil Holdings Limited as at 31 December 2018;
- (5) Based on the NAV per Share of 800 Super Holdings Limited as at 31 March 2019;
- (6) Based on the NAV per share of Memtech International Ltd. as at 31 March 2019;

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- (7) Based on the adjusted NAV per share of Boardroom Limited as at 31 March 2019;
- (8) Based on the revalued NAV per share of Hupsteel Limited as at 31 March 2019;
- (9) Based on the NAV per share of Delong Holdings Limited as at 30 June 2019;
- (10) Based on the revalued NTA per share of Star Pharmaceutical Holdings Limited as at 30 June 2019;
- (11) Based on the revalued NAV per share of PS Group Holdings Ltd. as at 30 June 2019;
- (12) Based on the NTA per share of Avic International Maritime Holdings Limited as at 30 September 2019;
- (13) Based on the revalued NAV per share of San Teh Ltd as at 30 June 2019;
- (14) Based on the revalued NAV per share of PACC Offshore Services Holdings Ltd. as at 30 September 2019;
- (15) Based on the NAV per share of Citic Envirotech Ltd. as at 30 September 2019;
- (16) Based on the adjusted NTA per share of BreadTalk Group Limited as at 31 December 2019;
- (17) Based on the adjusted revalued NTA per share of Elec & Eltek International Holdings Limited as at 31 December 2019;
- (18) Based on the adjusted NAV per share of Dynamic Colours Limited as at 31 December 2019;
- (19) Based on the adjusted revalued NAV per share of Perennial Real Estate Holdings Limited as at 31 December 2019;
- (20) Luzhou Bio-Chem is at a NTL and revalued NTL position as at 31 December 2019;
- (21) Based on the revalued NAV per share of Teckwah Industrial Corporation Ltd as at 30 June 2020;
- (22) Based on the revalued NAV per share of China Jishan Holdings Limited as at 30 June 2020;
- (23) Based on the NAV of SK Jewellery Group Limited as at 30 June 2020;
- (24) Based on the adjusted NAV per Share of LCT Holdings Limited as at 30 June 2020;
- (25) Based on the NAV per share of Hi-P International Limited (“**Hi-P**”) as at 30 June 2020. We have included Hi-P as one of the Precedent Privatisation Transactions even though the offer for Hi-P is not completed as at the Latest Practicable Date on the basis that on 13 January 2021, the offeror for Hi-P had announced that it is entitled to and will in due course exercise its rights to compulsorily acquire all shares of Hi-P from dissenting shareholders following the close of the offer on 18 February 2021;
- (26) Excluded as statistical outlier in the mean and median computations; and
- (27) The market premia implied by the Scheme Consideration of S\$1.65 were computed based on prices prior to the Holding Announcement Date when Sunningdale first announced that it had been approached in relation to a possible transaction involving the Sunningdale Shares. The P/NTA and R/RNTA of the Sunningdale Shares are rounded to 1 decimal place for comparison purposes with the Precedent Privatisation Transactions.

Based on the above, we note that:

- (a) the premia implied by the Scheme Consideration over the last transacted price prior to the release of the Holding Announcement, VWAP for 1-month period prior to the Holding Announcement and VWAP for 3-month period prior to the Holding Announcement are within the range but lower than the mean and median of the corresponding premia of the Precedent Privatisation Transactions; and
- (b) the P/NTA and P/RNTA ratios of 0.9 times and 0.8 times respectively implied by the Scheme Consideration are within the range of P/NTA ratios and close to the median but lower than the mean of the corresponding P/NTA ratios of the Precedent Privatisation Transactions. As disclosed in Section 8.2.3 of this Letter, the Company has represented that the net revaluation surplus is unlikely to be realisable in the near term without affecting its existing operations. Hence, the P/RNTA ratio is only for illustration purposes.

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Scheme Shareholders should note that the above comparison with the Precedent Privatisation Transactions is for illustration purposes only, as the target companies involved in the Precedent Privatisation Transactions may not be directly comparable to the Sunningdale Group.

8.5 Comparison of valuation ratios of selected SGX-ST listed companies which are broadly comparable to the Sunningdale Group

The Sunningdale Group is engaged principally in the manufacturing of precision plastic components. For the purpose of assessing the valuation of Sunningdale implied by the Scheme Consideration against its trading peers, a more direct comparable would be the SGX-ST listed companies of comparable market capitalisation which are principally engaged in the manufacturing of plastic components (“**Plastics**”) and are profitable.

8.5.1 At the time of the Joint Announcement

At the time of the Joint Announcement, there was only one such comparable company, namely Fu Yu (as defined below). We have therefore expanded our analysis to include profitable SGX-ST listed companies which are principally engaged in the manufacturing of precision metal components and machining (“**Metal Components & Machining**”) as well as SGX-ST listed companies which are also engaged in a broader range of plastic and metal components and machining, i.e. diversified manufacturers (“**Diversified**”) (collectively, the “**Comparable Companies**”). For a more meaningful comparison, we have selected Comparable Companies with market capitalisations of up to S\$1.0 billion as at 2 November 2020. There were in total 8 of such Comparable Companies.

Our analysis is based on market statistics as at 2 November 2020, being a recent date prior to the Joint Announcement, in order to filter out the possible disturbances during this period as explained in Section 8.1 of this Letter.

We have had discussions with the Management on the suitability and reasonableness of the selected Comparable Companies acting as a basis for comparison with the Sunningdale Group. Relevant information has been extracted from Bloomberg L.P. and publicly available information. We make no representations or warranties, expressed or implied, as to the accuracy or completeness of such information. The accounting policies of the Comparable Companies with respect to the values for which the assets or the revenue and cost are recorded may differ from that of the Sunningdale Group.

We wish to highlight that the selected Comparable Companies may not be exhaustive and it should be noted that there may not be any listed company that is directly comparable to the Sunningdale Group in terms of location, business activities, customer base, size of operations, asset base, geographical spread of activities, geographical markets, track record, financial performance, operating and financial leverage, future prospects, liquidity, quality of earnings, accounting policies, risk profile and other relevant criteria. As such, any comparison made is necessarily limited and it may be difficult to place reliance on the comparison of valuation statistics for these selected Comparable Companies. Therefore, any comparison made serves only as an illustrative guide.

A brief description of the Comparable Companies, as extracted from Bloomberg L.P., is set out below:

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Sector	Name	Principal business
Plastics	Fu Yu Corp Ltd ("Fu Yu")	Fu Yu manufactures and sells precision plastic injection molds and plastic components. Fu Yu also manufactures and sells plastic, aluminium parts, electronic products and equipment for medical use.
Metal Components & Machining	UMS Holdings Ltd ("UMS")	UMS provides equipment manufacturing and engineering services to Original Equipment Manufacturers (OEMs) of semiconductors and related products. UMS manufactures high precision components and complex electromechanical assembly and final testing services. UMS supports the electronic, machine tools and oil and gas industries.
Metal Components & Machining	JEP Holdings Ltd ("JEP")	JEP, through its subsidiaries, manufactures machined parts. JEP produces parts for the aerospace, electronics and machine tool industries, as well as manufactures aircraft inconel engine rings and titanium aero structure components. JEP serves customers in Singapore.
Metal Components & Machining	Spindex Industries Ltd ("Spindex")	Spindex manufactures, imports, exports, and deals mechanical, electrical, and electronic parts. Spindex also manufactures and trades precision machine parts, plastic molds and injections, and other related plastic and engineering materials.
Metal Components & Machining	Grand Venture Technology Ltd ("GVTL")	GVTL manufactures fabricated metal products. GVTL focuses on manufacturing precision machining and sheet metal components for the semiconductor, analytical and life science, oil and gas electronics, and industrial automation industries. GVTL serves customers in Singapore.
Metal Components & Machining	InnoTek Ltd ("InnoTek")	InnoTek, through its subsidiaries, manufactures metal components. InnoTek offers metal stamping, commercial tool and die fabrications, sub-assembly work and frame manufacturing. InnoTek primarily serves customers in Japan and Europe.
Diversified	Valuetronics Holdings Ltd ("Valuetronics")	Valuetronics offers original equipment manufacturing and original design manufacturing services. Valuetronics serves customers in the telecommunications, industrial, commercial electronic products and consumer electronic products industries.
Diversified	Hi-P International Ltd ("Hi-P")	Hi-P is an integrated contract manufacturing services provider. Hi-P specializes in precision plastic injection molding, mold design and fabrication, assembly, ancillary value-added services and precision metal stamping. Hi-P also provides turnkey contract manufacturing services.

For the purpose of our evaluation and for illustration, we have made a comparison between the Sunningdale Group and the selected Comparable Companies on a historical basis using the following metrics:

- (i) PER which is commonly used for the purpose of illustrating the valuation of a profitable company as a going concern;
- (ii) EV/EBITDA multiple which illustrates the valuation of a company's profitable business relative to its pre-tax operating cash flow performance, without regard to the company's capital structure; and
- (iii) P/NTA ratio which illustrates the extent that the valuation of a company is backed by its NTA.

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Comparable Companies	Last financial year-end	Market capitalisation as at 2 November 2020 (\$' million)	PER ⁽¹⁾ (times)	EV/EBITDA ⁽²⁾⁽³⁾ (times)	P/NTA ⁽⁴⁾ (times)
Plastic Comparable Company					
Fu Yu	31 Dec 2019	173.2	12.62	2.73	1.06
Metal Components & Machining Comparable Companies					
UMS	31 Dec 2019	498.8	12.39	9.16	2.74
JEP	31 Dec 2019	66.6	11.51	6.33	1.42
Spindex	30 Jun 2020	100.4	8.23	2.08	0.79
GVTL	31 Dec 2019	64.4	21.48	8.28	2.04
InnoTek	31 Dec 2019	106.4	8.40	2.61	0.65
Diversified Comparable Companies					
Valuetronics	31 Mar 2020	234.9	7.45	1.24	1.08
Hi-P ⁽⁵⁾	31 Dec 2019	936.1	12.22	4.17	1.60
Overall					
High			21.48	9.16	2.74
Low			7.45	1.24	0.65
Mean			11.79	4.57	1.42
Median			11.87	3.45	1.25
Sunningdale Group (implied by the final Scheme Consideration)	31 Dec 2019	320.0⁽⁶⁾	26.54	5.77	0.86 (based on P/NTA) 0.79 (based on P/RNTA)

Source: Bloomberg L.P., annual reports and latest publicly available financial information of the Comparable Companies.

Notes:

- (1) The PERs of the Comparable Companies were computed based on their T12M basic consolidated earnings per share as set out in their latest available published interim results or latest full year results, whichever is applicable, as at 2 November 2020. Similar to our analysis of the Sunningdale Group, COVID-19 related grants, if any, that were received by these Comparable Companies and publicly disclosed by these Comparable Companies were also excluded for the purpose of computing their earnings and their respective PERs. The PER of the Sunningdale Group implied by the Scheme Consideration is computed as shown in Section 8.2.1 above;
- (2) The EV of the respective Comparable Companies were based on (i) their market capitalisation as at 2 November 2020 as extracted from Bloomberg L.P.; and (ii) their preferred equity, minority interests and net debt (if any), as set out in their respective latest available financial results as at 2 November 2020;
- (3) Based on T12M EBITDA of the Comparable Companies as set out in their latest available published interim results or latest full year results, whichever is applicable, as at 2 November 2020. Similarly, COVID-19 related

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grants, if publicly disclosed by these Comparable Companies, were excluded in determining the respective EBITDA of these Comparable Companies. The EV/EBITDA of the Sunningdale Group implied by the Scheme Consideration is computed as shown in Section 8.2.1 above;

- (4) Based on the NTA of the respective Comparable Companies as set out in their latest available published interim results, voluntary business updates or latest full year results, whichever is applicable, as at 2 November 2020;
- (5) We have included Hi-P as one of the Comparable Companies as at 2 November 2020 as the takeover offer for Hi-P was subsequently announced on 18 December 2020; and
- (6) Based on the Implied Market Capitalisation of Sunningdale.

Based on the above, we note the following:

- (i) on an overall basis, the PER of the Sunningdale Group of 26.54 times implied by the Scheme Consideration is higher than the upper end of the range and hence, significantly above the mean and median of the PER of the Comparable Companies; while the EV/EBITDA multiple of the Sunningdale Group of 5.77 times implied by the Scheme Consideration is within the range and higher than the mean and median of the EV/EBITDA of the Comparable Companies; and
- (ii) the P/NTA and P/RNTA ratios of the Sunningdale Group of 0.86 times and 0.79 times respectively implied by the Scheme Consideration are within the range but below the mean and median of the P/NTA ratios of the Comparable Companies. As disclosed in Section 8.2.3 of this Letter, the Company had represented that the net revaluation surplus is unlikely to be realisable in the near term without affecting its existing operations. Hence, the P/RNTA ratio is only for illustration purposes.

It should be noted that the earnings approach is a more appropriate approach in assessing the valuation of the Sunningdale Group as a profitable going concern compared to the asset-backed valuation approach which is more appropriate for asset-based companies, which the Sunningdale Group is not. In fact, the non-current assets of the Sunningdale Group as analysed in Section 8.2.2 of this Letter, pertain mainly to the Sunningdale Group's PPE and right-of-use assets i.e. factories, and plant and equipment which are used for and/or are an integral part of its existing manufacturing operations. Unless the Sunningdale Group intends to cease operations and realise or convert the uses of all or most of these assets, the assessment of the valuation of the Sunningdale Shares based solely or primarily on the asset-backed approach, as represented by its P/NTA ratio, may not be an appropriate valuation approach.

8.5.2 Update – At the time of the Revision Announcement

During the period from the Joint Announcement Date and up to 18 January 2021, being the last trading day prior to the release of the Revision Announcement, we note that 3 of the Comparable Companies, namely Fu Yu, GVTL and Hi-P, were the subject of corporate actions which appeared to have significantly improved the market valuation of these companies. We have set out in Section 8.5.3 below our observations of the corporate actions on these 3 companies which may have improved their market valuations.

For the purpose of our comparison with the Comparable Companies, we have reassessed the valuation ratios of the remaining 5 Comparable Companies as at 18 January 2021 as follows:

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Comparable Companies	Last financial year-end	Market capitalisation as at 18 January 2021 (\$\$' million)	PER ⁽¹⁾ (times)	EV/EBITDA ⁽²⁾⁽³⁾ (times)	P/NTA ⁽⁴⁾ (times)
UMS	31 Dec 2019	661.5	15.11	11.61	3.74
JEP	31 Dec 2019	82.0	14.15	7.47	1.74
Spindex	30 Jun 2020	114.2	9.37	2.67	0.89
InnoTek	31 Dec 2019	152.3	12.03	4.87	0.93
Valuetronics	31 Mar 2020	298.0	9.94	2.71	1.37
Overall					
High			15.11	11.61	3.74
Low			9.37	2.67	0.89
Mean			12.12	5.87	1.74
Median			12.03	4.87	1.37
Sunningdale Group (implied by the final Scheme Consideration)	31 Dec 2019	320.0⁽⁵⁾	26.54	5.77	0.86 (based on P/NTA) 0.79 (based on P/RNTA)

Source: Bloomberg L.P., annual reports and latest publicly available financial information of the Comparable Companies.

Notes:

- (1) The PERs of the Comparable Companies were computed based on their T12M basic consolidated earnings per share as set out in their latest available published interim results, voluntary business updates or latest full year results, whichever is applicable, as at 18 January 2021. Similar to our analysis of the Sunningdale Group, COVID-19 related grants, if any, that were received by these Comparable Companies and publicly disclosed by these Comparable Companies were also excluded for the purpose of computing their earnings and their respective PERs. The PER of the Sunningdale Group implied by the Scheme Consideration is computed as shown in Section 8.2.1 above;
- (2) The EV of the respective Comparable Companies were based on (i) their market capitalisation as at 18 January 2021 as extracted from Bloomberg L.P.; and (ii) their preferred equity, minority interests and net debt (if any), as set out in their respective latest available financial results as at 18 January 2021;
- (3) Based on T12M EBITDA of the Comparable Companies as set out in their latest available published interim results, voluntary business updates or latest full year results, whichever is applicable, as at 18 January 2021. Similarly, COVID-19 related grants, if publicly disclosed by these Comparable Companies, were excluded in determining the respective EBITDA of these Comparable Companies. The EV/EBITDA of the Sunningdale Group implied by the Scheme Consideration is computed as shown in Section 8.2.1 above;
- (4) Based on the NTA of the respective Comparable Companies as set out in their latest available published interim results, voluntary business updates or latest full year results, whichever is applicable, as at 18 January 2021; and
- (5) Based on the Implied Market Capitalisation of Sunningdale.

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We note that:

- (a) the PER of the Sunningdale Group of 26.54 times implied by the Scheme Consideration is higher than the upper end of the range and hence, significantly above the mean and median of the PER of the remaining 5 Comparable Companies; while the EV/EBITDA multiple of the Sunningdale Group of 5.77 times implied by the Scheme Consideration is within the range, close to the mean and higher than the median of the EV/EBITDA of these Comparable Companies; and
- (c) the P/NTA and P/RNTA ratios of the Sunningdale Group of 0.86 times and 0.79 times respectively implied by the Scheme Consideration are close to but below the lower end of the range and hence below the mean and median of the P/NTA ratios of the remaining 5 Comparable Companies. As disclosed in Section 8.2.3 of this Letter, the Company had represented that the net revaluation surplus is unlikely to be realisable in the near term without affecting its existing operations. Hence, the P/RNTA ratio is only for illustration purposes.

8.5.3 Likely impact of corporate actions relating to Hi-P, GVTL and Fu Yu on their market valuations

We set out below our observations of the corporate actions relating to Fu Yu, GVTL and Hi-P that may have significantly improved the market valuation of these companies during the period from the Joint Announcement Date and up to 18 January 2021:

Hi-P

On 18 December 2020, the major shareholder of Hi-P made an announcement on the takeover offer for Hi-P at the offer price of S\$2.00 in cash for each Hi-P share, which values Hi-P at the implied market capitalisation of S\$1,614.9 million. This is an increase of 72.5% above the market capitalisation of Hi-P as at 2 November 2020. As disclosed in the offeree circular of Hi-P, the PER, EV/EBITDA and P/NAV as implied by the offer price are 20.3 times, 7.3 times and 2.6 times respectively, as compared to 12.22 times, 4.17 times and 1.60 times respectively as at 2 November 2020 as set out in Section 8.5.1 above.

We have excluded Hi-P as one of the Comparable Companies in Section 8.5.2 and included it as a Precedent Privatisation Transaction in Section 8.4 as the offeror for Hi-P has, on 13 January 2021, announced that it is entitled to and will in due course exercise its rights to compulsorily acquire all shares of Hi-P from dissenting shareholders following the close of the offer on 18 February 2021.

GVTL

On 4 January 2021, GVTL made a holding announcement of a possible transaction. On 12 January 2021, GVTL announced a proposed conditional placement to a placee, NT SPV 12, for 71,527,000 GVTL shares at the issue price of S\$0.33 for each GVTL share, and concurrently a conditional sale by the controlling shareholder of GVTL of 19,000,000 GVTL shares to the placee at the same price of S\$0.33 for each GVTL share. The placee would own 29.6% of the enlarged share capital of GVTL upon completion of the transactions. The above transactions have not been completed as at 18 January 2021.

On 18 January 2021, GVTL announced that its controlling shareholder had, on 14 January 2021, sold 7.52 million GVTL shares (which represents 3.2% of existing share capital of GVTL) to another substantial shareholder at S\$0.33 for each GVTL share.

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The last transacted share price of GVTL was S\$0.275 on 2 November 2020, S\$0.35 on 4 January 2021, S\$0.39 on 11 January 2021, S\$0.445 on 14 January 2021 and S\$0.525 on 18 January 2021.

The market capitalisation of GVTL had increased by 90.9% from 2 November 2020 to 18 January 2021.

Based on the market share price of S\$0.525 on 18 January 2021, the implied PER, EV/EBITDA and P/NTA are 41.01 times, 13.80 times and 3.89 times respectively, as compared to 21.48 times, 8.28 times and 2.04 times respectively as at 2 November 2020 as set out in Section 8.5.1 above.

Fu Yu

On 18 January 2021, following queries from the SGX-ST, Fu Yu called for a trading halt at 4.30 p.m. on that day. Among other things, notification of change of substantial shareholder was released on the SGXNET on 18 January 2021 in relation to the sale and purchase agreement dated 13 January 2021 involving the purchase by an investor of 224,392,511 Fu Yu shares from several vendors at S\$0.26 for each Fu Yu share. The sale shares represent 29.8% of the issued capital of Fu Yu.

The last transacted share price of Fu Yu was S\$0.23 on 2 November 2020 and S\$0.31 on 18 January 2021 (before trading halt).

The market capitalisation of Fu Yu had increased by 34.8% from 2 November 2020 to 18 January 2021.

Based on the market share price of S\$0.31 on 18 January 2021, the implied PER, EV/EBITDA and P/NTA are 15.85 times, 5.02 times and 1.39 times respectively, as compared to 12.62 times, 2.73 times and 1.06 times respectively as at 2 November 2020 as set out in Section 8.5.1 above.

8.6 Comparison with precedent M&A transactions of companies which are broadly comparable to the Sunningdale Group

We have also attempted to make a comparison of the relevant financial terms of selected completed M&A transactions involving acquisitions of equity interests in companies which are in the business of the manufacture of precision plastic components (“**Precedent M&A Transactions**”). These Precedent M&A Transactions include acquisitions made over the last 5 years in connection with the privatisation of companies listed on the SGX-ST including Sunningdale’s acquisition of a privately-owned precision plastic manufacturer in 2014. However, publicly available information on these Precedent M&A Transactions may be limited and may not include the relevant financial information necessary for our comparison purposes.

We have had discussions with the Management about the suitability and reasonableness of the Precedent M&A Transactions for comparison with the Sunningdale Group. Relevant information has been extracted from Bloomberg L.P. and/or public announcements of the Precedent M&A Transactions, where available. We make no representations or warranties, expressed or implied, as to the accuracy or completeness of such information.

We wish to highlight that the Precedent M&A Transactions may not be exhaustive and the target companies may not be directly comparable to the Sunningdale Group in terms of location, business activities, customer base, size of operations, asset base, geographical spread of activities, geographical markets, track record, financial performance, operating and financial leverage, future prospects, liquidity, quality of earnings, accounting policies, risk profile and other relevant criteria. As such, any comparison made herein is necessarily limited and it may

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be difficult to place reliance on the comparison of the valuation statistics for these Precedent M&A Transactions. Therefore, any comparison made serves only as an illustrative guide.

A brief description of the Precedent M&A Transactions is set out below:

Target	Announcement Date	Description	Historical PER (times)	EV/EBITDA (times)	Historical P/NAV (times)
Anchorage Singapore Holdings Pte. Ltd. (" Anchorage ") ⁽¹⁾	3 Sep 2014	Anchorage which owned First Engineering Limited, was principally involved in the manufacture and sale of precision moulds and precision engineering components. Sunningdale acquired 100% of the shares of Anchorage, private unlisted company, in November 2014.	19.4	4.7	1.17
Chosen Holdings Limited (" Chosen Holdings ") ⁽²⁾⁽³⁾	2 Sep 2015	Chosen Holdings is principally engaged in the business of plastic injection moulding and sub-assembly as well as secondary processes and sale of plastic components mainly for computer peripherals, consumer electronics, automotive, medical devices, communication, semiconductor and disk drive industries. Third party investor made a voluntary offer for 100% of the outstanding listed shares of Chosen Holdings. Chosen Holdings was delisted in Dec 2015.	17.4	5.3	0.85
Fischer Tech Ltd. (" Fischer Tech ") ⁽²⁾⁽⁴⁾	5 Apr 2017	Fischer Tech was engaged in the business of manufacture of precision plastic injection moulds, high precision plastic injection moulding, laser marking and decorative finishing for engineering components for the automotive, computer peripherals, healthcare and consumer products industries. Third party investor acquired 100% of Fisher Tech via a scheme of arrangement. Fischer Tech was delisted in November 2017.	12.9	Not available	1.54
Memtech International Ltd (" Memtech ") ⁽²⁾⁽⁵⁾	14 May 2019	Memtech was engaged in the business of precision components manufacturing, providing high-tech solutions to the automotive, consumer electronics, telecommunications, industrial and medical industries.	20.9	6.8	1.09

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Target	Announce- ment Date	Description	Historical PER (times)	EV/EBITDA (times)	Historical P/NAV (times)
		A consortium, including the major shareholder and key management, had made a general takeover offer for the listed shares of Memtech, subject to the 90% acceptance condition. Memtech was delisted in August 2019.			
High			20.9	6.8	1.54
Low			12.9	4.7	0.85
Mean			17.7	5.6	1.16
Median			18.4	5.3	1.13
Sunningdale Group (implied by the Scheme Consideration)	9 Nov 2020		26.54	5.77	0.86 (based on P/NTA) 0.79 (based on P/RNTA)

Source: Bloomberg L.P. and publicly available information on the respective Precedent M&A Transactions.

Notes:

- (1) The PER, EV/EBITDA and P/NAV statistics in relation to the acquisition of Anchorage are extracted from Sunningdale's announcement dated 3 September 2014;
- (2) The PER, EV/EBITDA and P/NAV statistics, where applicable, are extracted from the respective IFA letters issued in connection with the acquisition of Chosen Holdings, Fischer Tech and Memtech;
- (3) The P/NAV ratio for Chosen Holdings is based on the revalued NAV per share of Chosen Holdings as at 30 June 2015;
- (4) The P/NTA ratio for Fischer Tech is based on the adjusted revalued NTA per share of Fischer Tech as at 31 March 2017; and
- (5) The P/NAV ratio for Memtech is based on the NAV per share of Memtech as at 31 March 2019.

Based on the above, we note the following:

- (i) in comparison with the Precedent M&A Transactions, the PER of the Sunningdale Group implied by the Scheme Consideration is higher than the upper end of the range and hence above the mean and median of the PER of the Precedent M&A Transactions; while the EV/EBITDA multiple of the Sunningdale Group implied by the Scheme Consideration is within the range of the EV/EBITDA multiples of the Precedent M&A Transactions, and comparable to the mean/median EV/EBITDA statistics of the Precedent M&A Transactions; and
- (ii) the P/NTA and P/RNTA ratios of the Sunningdale Group implied by the Scheme Consideration are close to the lower end of the range of the P/NTA ratios of the Precedent M&A Transactions and, hence lower than the mean and median of the P/NAV ratios of the Precedent M&A Transactions.

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As disclosed in Section 8.2.3 of this Letter, the Company had represented that the net revaluation surplus is unlikely to be realisable in the near term without affecting its existing operations. Hence, the P/RNTA ratio is only for illustration purposes.

In addition, for reasons as pointed out in Section 8.5 above, it is not appropriate to use the asset-backed valuation approach, as represented by P/NTA or P/RNTA ratios, as the sole or primary basis to assess the valuation of the Sunningdale Group.

8.7 Assessment of the estimated market valuation of the Sunningdale Group

We have in Section 8.2 to Section 8.6 of this Letter evaluated the financial terms of the Scheme, in particular the Scheme Consideration. In considering the estimated valuation of the Sunningdale Group, we have selected the earnings approach based on the EV/EBITDA multiple as our primary valuation methodology, as the Sunningdale Group is a profitable going concern.

We have also considered the asset-backed approach to show the extent the value of each Sunningdale Share is backed by its NTA and RNTA. The P/NTA and P/RNTA ratios of the Sunningdale Group implied by the Scheme Consideration are 0.86 times and 0.79 times respectively. We noted the Company's representation as set out in Section 8.2.3 of this Letter, its intention on the Properties and that the net revaluation surplus (in arriving at the RNTA per Sunningdale Share) is unlikely to be realisable in the near term without affecting its existing operations.

We are therefore of the view that the earnings approach is a more appropriate valuation approach compared to the asset-backed valuation approach as the Sunningdale Group is not an asset heavy or asset-based company like in a real estate or property development company. On the contrary, the main non-current assets of the Sunningdale Group pertain mainly to its factories, and plant and equipment which are used for and are an integral part of its existing manufacturing operations. Unless the Sunningdale Group intends to cease operations and realise or convert the uses of all or most of these assets, the assessment of the valuation of the Sunningdale Shares based solely or primarily on the asset-backed approach may not be an appropriate valuation approach.

In arriving at our opinion of the fair estimated valuation range of the Sunningdale Shares, we have taken into account the following key considerations:

- (a) EV/EBITDA statistics of the Precedent M&A Transactions as set out in Section 8.6 of this Letter with the mean and median at 5.6 and 5.3 times respectively – these precedent transactions pertain to takeover of 100% equity interest of entities (of which one is a private company and 3 are SGX-ST listed companies) which are engaged in similar businesses as the Sunningdale Group; and
- (b) EV/EBITDA statistics of the Comparable Companies as set out in Section 8.5 of this Letter with the mean and median at 5.87 and 4.87 times respectively.

Applying the above EV/EBITDA multiples to the Sunningdale Group based on its Adjusted EBITDA of S\$51.95 million and taking into consideration the net cash position of S\$20.1 million as at 30 September 2020, the estimated valuation of the Sunningdale Shares is between S\$1.55 and S\$1.68.

Hence, we are of the opinion that overall, on balance, the Scheme Consideration is fair and reasonable, as the Scheme Consideration is within our estimated valuation range of the Sunningdale Shares.

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8.8 Dividend track record of Sunningdale

We set out below the information on the dividend per Sunningdale Share as declared by Sunningdale for the last three financial years and 6M2020:

Dividend declared (S\$)	FY2017	FY2018	FY2019	6M2020
Interim tax-exempt dividend per Sunningdale Share	0.025	0.03	0.03	0.018
Final tax-exempt dividend per Sunningdale Share	0.045	0.05	0.05	n.a. ⁽³⁾
Total	0.07	0.08	0.08	0.018
Average Sunningdale share price ⁽¹⁾	1.795	1.540	1.341	1.080
Dividend yield ⁽²⁾	3.9%	5.2%	6.0%	1.7%

Source: Bloomberg L.P., Sunningdale's annual reports and announcements on SGXNET.

Notes:

- (1) Based on the daily closing prices of the Sunningdale Shares for the respective financial year or period;
- (2) Computed based on dividend per Sunningdale Share divided by the average Sunningdale share price; and
- (3) n.a. denotes not applicable.

Based on the above, we note that Sunningdale has a consistent record of paying dividends during FY2017 to FY2019 with the total annual dividend per Sunningdale Share of between S\$0.07 and S\$0.08. Dividend yield ranges from approximately 3.9% and 6.0% per annum for the above period.

For the current FY2020, Sunningdale had declared a lower interim dividend of S\$0.018 in its results announcement for 6M2020 compared to the corresponding period in 2019. Sunningdale has not declared any dividend since the results announcement for 6M2020 to the Latest Practicable Date.

The Sunningdale Directors have confirmed to us that Sunningdale does not have a formal dividend policy. In considering the level of dividend payments, the Sunningdale Directors will take into account various factors including the level of available cash, projected levels of capital expenditure and other investment plans, return on equity and retained earnings, working capital requirements, market conditions and opportunities for growth through inorganic growth initiatives.

We wish to highlight that the above dividend analysis of Sunningdale serves only as an illustrative guide and is not an indication of Sunningdale's future dividend policy. If the Scheme does not become effective, there is no assurance that Sunningdale will continue to pay dividend in future and/or maintain the level of dividend paid in the past periods. If the Scheme becomes effective, Sunningdale will be wholly-owned by the Offeror, and the decision on any dividend payment will be decided by the directors and Controlling Shareholders of HoldCo.

8.9 Scrip Consideration as an election in lieu of Cash Consideration

- 8.9.1 We have set out in Sections 8.1 to 8.7 of this Letter our evaluation of the financial terms of the Scheme, and we have assessed that, overall and on balance, the Scheme Consideration is fair and reasonable.

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Pursuant to the Scheme, Entitled Scheme Shareholders are entitled to receive the Scheme Consideration either in cash or, in lieu of the Cash Consideration, the Scrip Consideration, subject to the Adjustment Mechanism. The value of the Scrip Consideration is equivalent to the Cash Consideration as 1,650 HoldCo Shares will be issued at the Issue Price of S\$0.001 for each HoldCo Share.

As disclosed in the Offeror's Letter, the Offeror recognises that different shareholders have different investment objectives and had tailored the Scheme to provide Scheme Shareholders with a choice of consideration that may best suit their investment needs.

Entitled Scheme Shareholders are therefore given the option if they wish to remain invested in Sunningdale over the long-term by electing the Scrip Consideration, subject to the Adjustment Mechanism. However, it should be noted that the HoldCo Shares are in a private offshore entity, with different debt and equity capital structure and subject to certain risks and restrictions. The details of these risks are elaborated in Schedules B and C of the Offeror's Letter, and a summary of the headline risks are set out in Section 8.9.4 below.

It is to be noted that the Identified Participating Management who hold the Scheme Shares and who have agreed to accept the Cash Consideration and reinvest the Cash Consideration in HoldCo by subscribing for the HoldCo Shares at the Issue Price are not subject to the Adjustment Mechanism. The Offeror has allocated up to 10% of the HoldCo Shares for these Participating Management as an incentive scheme for senior management of the Sunningdale Group. Based on information as at the Latest Practicable Date, the Identified Participating Management under the Management Reinvestment would hold 9.41% of the Enlarged Share Capital.

8.9.2 Adjustment Mechanism

As explained in Sections 3.4 and 3.5 of this Letter, the Consortium Parties have planned for a combination of debt and equity to fund the Acquisition (of approximately S\$320.0 million based on the Scheme Consideration) and related costs and expenses. The estimated equity funding amount for HoldCo is approximately S\$185.5 million. The Consortium Parties will own, in aggregate, approximately 60.6% to 63.4% of the HoldCo Shares after Completion under the two extreme scenarios. They will collectively have majority control of HoldCo.

The Identified Participating Management will own 9.41% of HoldCo and up to a maximum of 30% of HoldCo (or equivalent value of equity of approximately S\$55.65 million, being 30% of S\$185.5 million) will be available for Entitled Scheme Shareholders (other than the Identified Participating Management) who wish to elect for the Scrip Consideration.

As an illustration, based on the enlarged number of issued Sunningdale Shares of 193,956,836 (taking into consideration the vesting and delivery of all outstanding Share Awards), Entitled Scheme Shareholders (excluding the Identified Participating Management who will hold 11,734,636 Sunningdale Shares after the vesting and delivery of the Share Awards) will own approximately 152.25 million Sunningdale Shares, representing approximately 78.5% of the enlarged number of issued Sunningdale Shares. Based on the Scheme Consideration of S\$1.65, should all these Entitled Scheme Shareholders elect for the Scrip Consideration, these Scheme Shares would amount to approximately S\$251.2 million, which is far in excess of the available equity allocation of S\$55.65 million in HoldCo for participation by the Entitled Scheme Shareholders. Hence, under certain scenarios of Entitled Scheme Shareholders electing the Scrip Consideration, there is a need for the Adjustment Mechanism to allocate the HoldCo Shares on a *pro-rata* basis to the Entitled Scheme Shareholders who elect for the Scrip Consideration. Such *pro-rata* allocation will be according to the number of Scheme Shares they hold as at the Record Date. The remaining amount of the Scheme Consideration which is not satisfied by the Scrip Consideration will be paid in cash.

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Yarwood and GSH have elected for the Scrip Consideration in respect of their Scheme Shares, are also subject to the Adjustment Mechanism. Hence, Entitled Scheme Shareholders who elect for the Scrip Consideration are being treated equally amongst themselves in the event the Adjustment Mechanism is invoked.

Applicable Formula when the Adjustment Mechanism is invoked

Where Entitled Scheme Shareholders elect for Scrip Consideration in such amount which exceeds the Maximum Number which is set at 55,652,841,202 HoldCo Shares as stated in Section 6.1.2(b) of this Letter, the following formula is used to determine the number of HoldCo Shares to be allotted and issued to an Entitled Scheme Shareholder who has elected to receive the Scrip Consideration:

$$N = S/T \times M$$

where:

N is the number of HoldCo Shares to be allotted and issued to such Entitled Scheme Shareholder, rounded down to the nearest number;

S is the number of Scheme Shares held by such Entitled Scheme Shareholder;

T is the aggregate number of Scheme Shares held by Entitled Scheme Shareholders that have elected for Scrip Consideration; and

M is the Maximum Number, i.e. 55,652,841,202 HoldCo Shares.

Each Scheme Shareholder is entitled to receive the Cash Consideration or, in lieu thereof, the Scrip Consideration, for all his Scheme Shares but not a mixture of both. Hence, the Entitled Scheme Shareholder who elects for the Scrip Consideration will have the Scheme Consideration be paid (a) partly in the HoldCo Shares (in accordance with the formula above) and (b) partly in cash (being the balance of the Scheme Consideration).

Scenario X - Maximum adjustment scenario

As an illustration, assuming all Entitled Scheme Shareholders (other than the Identified Participating Management) holding approximately 152.25 million Scheme Shares elect for the Scrip Consideration, these Entitled Scheme Shareholders would be paid in the following manner:

Sunningdale Shares		HoldCo Shares		Balance Cash Consideration ⁽²⁾
Number of Scheme Shares held ("S")	(A) Value of Scheme Consideration (\$\$)	Number of HoldCo Shares allocated ⁽¹⁾ ("N")	(B) Value of HoldCo Shares at Issue Price (\$\$)	Amount based on (A) less (B) (\$\$)
100,000	165,000	36,552,920	36,552.92	128,447.08
1,000,000	1,650,000	365,529,202	365,529.20	1,284,470.80
10,000,000	16,500,000	3,655,292,020	3,655,292.02	12,844,707.98

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Notes:

- (1) "N" is calculated based on the above formula where "S" is 100,000 (as an example), "T" is approximately 152.25 million and M is 55,652,841,202; and
- (2) The balance cash consideration received by the Entitled Scheme Shareholder is the Scheme Consideration, less the value of the HoldCo Shares at the Issue Price of S\$0.001.

Based on the above maximum adjustment scenario where all the Entitled Scheme Shareholders (excluding the Identified Participating Management) elect for the Scrip Consideration, these Entitled Scheme Shareholders, who own approximately 78.5% shareholding interest in Sunningdale, will collectively own 30% shareholding interest in HoldCo upon Completion, as illustrated under Scenario B in Section 3.5 of this Letter.

Under this maximum adjustment scenario, on a proportionate basis, Entitled Scheme Shareholder will be paid 77.8% in cash and 22.2% in HoldCo Shares.

Scenario Y - No adjustment scenario

As shown in the above illustration, the adjustment formula is dependent on **T**, which in turn is dependent on the extent of the Entitled Scheme Shareholders who elect for Scrip Consideration.

As an illustration, on the other extreme scenario where less than approximately 33.7 million Sunningdale Shares held by Entitled Scheme Shareholders elect for Scrip Consideration, then there will not be any adjustment. All these Entitled Scheme Shareholders will be allotted and issued their full allocation of the HoldCo Shares. As at the Latest Practicable Date, Yarwood and GSH, who hold, in aggregate, 30.6 million Sunningdale Shares, have each elected to accept the Scrip Consideration under the Scheme in respect of their Sunningdale Shares pursuant to their respective Deeds of Undertaking.

Scenario Z – Another adjustment scenario

On another scenario where half of the Entitled Shareholders holding approximately 76.13 million Scheme Shares elect for the Scrip Consideration, these Entitled Scheme Shareholders would be paid in the following manner:

Sunningdale Shares		HoldCo Shares		Balance Cash Consideration
Number of Scheme Shares held ("S")	(A) Value of Scheme Consideration (S\$)	Number of HoldCo Shares allocated ⁽¹⁾ ("N")	(B) Value of HoldCo Shares at Issue Price (S\$)	Amount based on (A) less (B) (S\$)
100,000	165,000	73,105,840	73,105.84	91,894.16
1,000,000	1,650,000	731,058,408	731,058.41	918,941.59
10,000,000	16,500,000	7,310,584,088	7,310,584.09	9,189,415.91

Note:

- (1) "N" is calculated based on the above formula where "S" is 100,000 (as an example), "T" is approximately 76.13 million and M is 55,652,841,202.

Based on the above adjustment scenario where half of the Entitled Scheme Shareholders (excluding the Identified Participating Management) elect for the Scrip Consideration, these Entitled Scheme Shareholders, who own approximately 39.2% shareholding interest in Sunningdale, will collectively own 30% shareholding interest in HoldCo upon Completion.

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Under this adjustment scenario, on a proportionate basis, Entitled Scheme Shareholder will be paid 55.7% in cash and 44.3% in HoldCo Shares.

8.9.3 HoldCo Shares

As disclosed in Section 3.1 of this Letter, HoldCo is an exempted company incorporated in the Cayman Islands on 14 October 2020 for the purpose of the Acquisition. HoldCo has an issued share capital of S\$0.10 comprising 100 HoldCo Shares of S\$0.001 each as at the Latest Practicable Date. These HoldCo Shares are held 64% by KBHCo and 36% by Novo Tellus.

Pursuant to the Acquisition, we understand that the consideration for the Acquisition of approximately S\$320 million will be funded by an estimated equity amount of S\$185.5 million and the balance of the consideration for the Acquisition will be funded by debt. As further described in Section 3.4 of this Letter, the equity will be funded by Novo Tellus (of approximately S\$40 million), the KBH Rollover Shares (of approximately S\$49.45 million), the Identified Participating Management (of approximately S\$17.46 million) and the balance of approximately S\$78.6 million will at least be funded by Yarwood and GSH (of approximately S\$50.5 million) who have elected for the Scrip Consideration if no other Entitled Scheme Shareholders elect for the Scrip Consideration and consequently the balance in cash (of approximately S\$28.1 million) by KBHCo.

Entitled Scheme Shareholders who elect for the Scrip Consideration will receive HoldCo Shares, which are to be issued at the same Issue Price as the HoldCo Shares issued to Novo Tellus, to KBHCo in respect of the KBH Rollover Shares and to the Identified Participating Management.

Entitled Scheme Shareholders should note that HoldCo will have a different debt and equity capital structure compared to the Sunningdale Group and hence, the net asset value of each Scheme Share is not directly comparable to that of each HoldCo Share. In addition, transaction costs in respect of the Acquisition, the Scheme and borrowings raised to fund the Acquisition will be incurred by HoldCo and shareholders of HoldCo will have to bear the proportionate share of these costs.

Scheme Shareholders should elect the Cash Consideration if they wish to have certainty of the Scheme Consideration and if they are not confident of the future prospects of HoldCo or if they are not prepared to bear any of the risk of an investment in HoldCo, a company incorporated in the Cayman Islands. HoldCo Shares will not be listed on any securities exchange following completion of the Scheme.

Scheme Shareholders who wish to elect the Scrip Consideration should assess for themselves the future prospects of HoldCo, which will indirectly own the Sunningdale Group through the Offeror. Such Scheme Shareholders should also be prepared to take the risk associated with an investment as a minority shareholder of an unlisted privately held company including those risks set out in Section 8.9.4 of this Letter and in Schedule C of the Offeror's Letter.

8.9.4 Governance arrangements and investment risks in relation to the HoldCo Shares

Governance arrangements in relation to the HoldCo Shares

On and from the Effective Date, the governance of HoldCo will be governed by (i) the Consortium and Shareholders' Agreement between KBHCo and Novo Tellus dated 9 November 2020 setting out, *inter alia*, the agreement between the Consortium Parties in relation to the affairs of HoldCo and (ii) the constitution of HoldCo, which constitution will bind all shareholders of HoldCo (including any Entitled Scheme Shareholder who receives Scrip Consideration pursuant to the Scheme). The key terms relating to the governance arrangements of HoldCo are set out in Schedule B of the Offeror's Letter.

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Some of these governance arrangements include the following¹:

(i) Board seats

The board of HoldCo will comprise a maximum of 8 directors, with each Controlling Shareholder having the right to appoint one director for every multiple of 12% of HoldCo Shares held.

(ii) Moratorium

Subject to certain permitted transfers, each shareholder of HoldCo ("**HoldCo Shareholder**") shall not, without the prior written consent of the other Controlling Shareholders and the board of HoldCo, transfer all or part of their HoldCo Shares for the time being to any person within a period of three years after the Effective Date ("**Moratorium Period**").

(iii) Right of First Offer

After the Moratorium Period, subject to the permitted transfers, any HoldCo Shareholder who desire to transfer their HoldCo Shares, shall give to HoldCo and the Controlling Shareholders (other than the transferor) the right of first offer to purchase all (and not some only) of the sale shares on no less favourable terms than the Prescribed Terms (as defined in Schedule B of the Offeror's Letter).

(iv) Tag along rights by Controlling Shareholders

In the event that KBHCo desires to transfer any of its HoldCo Shares to a third party buyer which would result in KBHCo holding less than 80% of the HoldCo Shares held by it as at or shortly after the Effective Date, the Controlling Shareholders will have certain tag-along rights to sell a proportionate number of their HoldCo Shares to the third party purchaser on terms no less favourable as those offered to KBHCo.

(v) Drag along rights

In the event where any HoldCo Shareholder or HoldCo Shareholders collectively holding more than 50% of the HoldCo Shares ("**Majority Shareholder**") desires to sell all (but not less than all) of its HoldCo Shares to a third party purchaser ("**Drag-Along Purchaser**"), the Majority Shareholder shall have first offered its HoldCo Shares to the Controlling Shareholders in compliance with the provision in point (iii) above, and provided that Controlling Shareholders do not apply to purchase all (but not less than all) of these HoldCo Shares, the Majority Shareholder may by notice in writing to all other HoldCo Shareholders ("**Dragged-Along Shareholders**") require them to sell all (and not some only of) their HoldCo Shares. The Majority Shareholder shall be permitted to sell the Majority Shareholders' HoldCo Shares and the Dragged-Along Shareholders shall be bound to sell such HoldCo Shares only if the Equity Value of the Group is not less than S\$195 million. In addition, the Dragged-Along Shareholders shall be bound to sell such HoldCo Shares if the terms are no less favourable to the Dragged-Along Shareholders than those offered to the Majority Shareholder.

¹ The terms set out in Sections 8.9.4 (i) to (v) will be set out in the constitution of HoldCo on and from the Effective Date and the terms set out in Section 8.9.4(vi) are set out in the Consortium and Shareholders' Agreement.

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(vi) Liquidity event

Under the terms of the Consortium and Shareholders' Agreement, KBHCo, Novo Tellus and HoldCo shall, subject to market conditions and at a price acceptable to all the Controlling Shareholders, jointly work towards achieving a liquidity event ("**Liquidity Event**") within 5 years of the Effective Date, which Liquidity Event may include but shall not be limited to an initial public offering or a trade sale, in each case on terms which must be approved by all the Controlling Shareholders.

Investment risks in holding HoldCo Shares

There are various investment risks for Scheme Shareholders who elect the Scrip Consideration and are allocated and issued the HoldCo Shares.

We wish to highlight some of these investment risks which include the following:

(a) Potential difficulties in exiting the HoldCo Shares as unlisted securities

The Scheme Document has highlighted that the HoldCo Shares will not be listed on any securities exchange following completion of the Scheme. Scheme Shareholders who have elected and are allotted the HoldCo Shares should therefore note that shares of unlisted companies are generally valued at a discount to the shares of comparable listed companies due to the lack of marketability. In addition, they will face difficulties in disposing their HoldCo Shares in the absence of a public market as there is no arrangement or a public platform for HoldCo Shareholders to exit. Even if they are able to sell their HoldCo Shares, they may likely receive a lower price as compared with the market prices of the shares of comparable listed companies.

(b) Minority shareholding interest in a privately held company

As set out in Section 3.4 and Section 6.1.3 of this Letter, Entitled Scheme Shareholders (other than the Identified Participating Management) who elect for the Scrip Consideration are allocated HoldCo Shares capped at the maximum limit of 30% of the Enlarged Share Capital and subject to the Adjustment Mechanism. They will be minority shareholders of HoldCo and will have to accept the restricted rights of a minority shareholder in a privately held company, as the Consortium Parties will have majority control of HoldCo.

We note that upon Completion, HoldCo will indirectly, through the Offeror, own the Sunningdale Group and hence the underlying businesses of the Sunningdale Group will continue under HoldCo. Entitled Scheme Shareholders who elect the Scrip Consideration would have elected to reinvest indirectly in the Sunningdale Group, through HoldCo. Entitled Scheme Shareholders should only opt for such an election if they are confident of the future prospects of the Sunningdale Group held under HoldCo and under the new Controlling Shareholders of HoldCo. In addition, Entitled Scheme Shareholders should be made aware of the risk associated with investment in an unlisted privately held company, and in the case of HoldCo, a company incorporated in the Cayman Islands.

Entitled Scheme Shareholders should note that there is a Consortium and Shareholders' Agreement setting out, *inter alia*, their agreement in relation to the affairs of HoldCo, and the minority shareholders of HoldCo may not be able to participate fully in or benefit fully from it as they are not parties to the agreement. However, they will be bound by the constitution of HoldCo as HoldCo Shareholders.

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- (c) No fixed dividend policy

We note that HoldCo does not currently have a fixed dividend policy and there is no assurance that HoldCo will pay dividends in future.

- (d) Bear the proportionate share of the transaction costs for the Acquisition

We understand that HoldCo will be funding the Acquisition through a combination of equity and borrowings. In addition, transaction costs in respect of the Acquisition, the Scheme and borrowings raised to fund the Acquisition will be incurred by HoldCo. As shareholders of HoldCo, they will have to bear the proportionate share of these costs.

Salient risk factors of investing in HoldCo are also set out in Schedule C of the Offeror's Letter and include the following:

- The business of HoldCo is different from the business of Sunningdale;
- HoldCo has no track record;
- HoldCo is subject to risks relating to the economic, political, legal or social environments of the Cayman Islands;
- HoldCo is subject to risks associated with debt financing;
- HoldCo Shares will not be publicly traded upon the Scheme becoming effective;
- HoldCo Shares are not freely transferable due to the governance arrangements including, *inter alia*, the moratorium on the HoldCo Shares, right of first refusal, tag along rights and drag along rights as set out in (ii) to (v) above, and accordingly, Entitled Scheme Shareholders who elect the Scrip Consideration should be cognizant of the risk of investing in the HoldCo Shares;
- There is no assurance that HoldCo will declare dividends on HoldCo Shares;
- There is no assurance that a Liquidity Event will be effectuated;
- Control by certain HoldCo Shareholders whose interests may differ from that of the other HoldCo Shareholders may limit the ability of such other shareholders to influence the outcome of decisions requiring the approval of shareholders;
- HoldCo is not subject to the same corporate disclosure requirements that Sunningdale has been subjected to.
- Shareholders of HoldCo Shares may face difficulty in enforcing their rights as shareholders; and
- HoldCo is subject to Cayman tax laws.

8.10 Other relevant considerations relating to the Scheme

8.10.1 Effect of the Scheme and Delisting

The Acquisition is presently being proposed to be effected by way of the Scheme. Upon the Scheme becoming effective and binding, Sunningdale will become a wholly-owned subsidiary of the Offeror, and subject to the conditions set out in the approval-in-principle of the SGX-ST for the proposed delisting of Sunningdale as set out in Section 6.5 of this Letter, Sunningdale will be delisted from the Official List of the SGX-ST.

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Upon the Scheme becoming effective, it will be binding on all Scheme Shareholders, whether or not they attended or voted at the Scheme Meeting, and if they attended and voted, whether or not they voted in favour of the Scheme.

Scheme Shareholders should note that by voting for the Scheme, they are agreeing to the Offeror and its concert parties acquiring or consolidating effective control of Sunningdale without having to make a general offer for Sunningdale.

8.10.2 Voting on the Scheme

The Scheme is subject to the approval of the Scheme by a majority in number of Scheme Shareholders holding at least 75% in value of the Scheme Shares, present and voting by proxy at the Scheme Meeting.

The Undertaking Shareholders holding, in aggregate, 41,222,336 Sunningdale Shares, representing approximately 21.40% of the total issued Sunningdale Shares, have each given their respective Deeds of Undertaking to vote in favour of the Scheme at the Scheme Meeting. In addition, in the event the Offeror exercises the Switch Option, they will in accordance with the terms of their Deeds of Undertaking, tender their respective Sunningdale Shares in acceptance of the Offer.

KBH, who has an aggregate 15.56% interest in the Sunningdale Shares, will abstain from voting on the Scheme.

As disclosed in paragraph 15 of the Letter to Shareholders, all the Directors who hold Schemes Shares as at the Latest Practicable Date (save for KBH and LWS who are the Conflicted Directors) have informed the Company that they will vote in favour of the Scheme in respect of all such Scheme Shares.

8.10.3 No other competing offers as at the Latest Practicable Date

The Sunningdale Directors have confirmed that the Company has not received any other offer for the Sunningdale Shares in the past 6 months prior to the Joint Announcement Date, and they have also not conducted a sale process in relation to a potential sale of the Sunningdale Shares. The Sunningdale Directors also confirm that since the Joint Announcement Date and up to the Latest Practicable Date, they have not received any other offers for the Sunningdale Shares.

We also note that there is no publicly available evidence of any alternative or competing offer for the Sunningdale Shares from any third party since the Joint Announcement Date and up to the Latest Practicable Date.

8.10.4 No certainty of share price trading performance

As the Acquisition is being proposed to be effected by way of the Scheme, in the event that the Scheme is not approved by the requisite majority of the Scheme Shareholders at the Scheme Meeting, no part of the Acquisition will be further proceeded with.

If the Scheme does not proceed to completion and Sunningdale remains listed on the SGX-ST, there is no certainty that the Sunningdale share price will trade at or close to the Scheme Consideration.

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8.10.5 Commentary by Sunningdale in its business update for 3Q2020

Sunningdale had made the following comments in relation to its business outlook in its voluntary business update for 3Q2020:

“The Group continues to face headwinds in the form of pricing pressure and market uncertainties due to the US-China trade war. In addition, the COVID-19 pandemic continues to cause considerable uncertainties for the Group’s ongoing operations, especially with a second wave emerging from countries such as the US and Europe with stricter measures being imposed.

During the first half of the year, the Group was impacted due to mandatory government closures of its facilities in China, Singapore, Malaysia, Mexico and India. Although all of the Group’s operations have since resumed, uncertainties regarding the possibility of future lockdowns remain. The Group is closely monitoring the situation across all of the locations where its plants are located, especially in Malaysia and Mexico where there have recently been stricter measures enforced by local governments.

On a segmental basis, the Automotive segment, which was impacted due to the global decline in automotive sales, has shown gradual signs of recovery. Due to the prevailing market uncertainties however, some automotive OEMs are deferring new launches, resulting in fewer new projects.

The Consumer/IT segment experienced a general improvement in 3Q2020, partly due to customers trying to replenish inventory following the lockdowns in 2Q2020 and pull-up in preparation for the seasonal holidays.

The Group’s fastest growing healthcare segment experienced flat growth in 3Q2020 due to some project delays by customers, lower end-demand for non-essential surgical procedures during the COVID-19 period and worldwide material shortages.

Notwithstanding the current market conditions, the Group continues to receive enquiries from both new and existing customers for new projects in the Healthcare and Consumer/IT segments.

The Group will remain vigilant as we are unable to predict if lock ups and shut downs will recur, nor are we able to quantify the economic impact on end-demand due to market uncertainties as visibility is poor and forecasts remain volatile in the short-term.”

9. OUR RECOMMENDATION TO THE NON-CONFLICTED DIRECTORS ON THE SCHEME

In arriving at our recommendation on the Scheme, we have assessed the financial terms of the Scheme after taking into consideration the following key considerations which we consider to be pertinent and which we consider may have a significant bearing on our assessment:

- (a) Historical share price performance and trading activity of the Sunningdale Shares;
- (b) Financial analysis of the Sunningdale Group;
- (c) Sunningdale share price performance compared to the reported NTA of the Sunningdale Group;
- (d) Comparison with recently completed privatisation of companies listed on the SGX-ST;

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- (e) Comparison of valuation ratios of selected SGX-ST listed companies which are broadly comparable to the Sunningdale Group;
- (f) Comparison with precedent M&A transactions of companies which are broadly comparable to the Sunningdale Group;
- (g) Assessment of the estimated market valuation of the Sunningdale Group;
- (h) Dividend track record of Sunningdale;
- (i) Scrip Consideration as an election in lieu of Cash Consideration; and
- (j) Other relevant considerations relating to the Scheme.

Based on our analysis and after having considered carefully the information available to us as at the Latest Practicable Date, overall and on balance, we are of the view that the financial terms of the Scheme are fair and reasonable. Accordingly, we advise the Non-conflicted Directors to recommend Scheme Shareholders to vote in favour of the Scheme. The Non-conflicted Directors should also highlight to Scheme Shareholders that the Scheme, when it becomes effective, will be binding on all Scheme Shareholders, whether or not they have attended or voted at the Scheme Meeting, and if they have attended and voted, whether or not they have voted in favour of the Scheme.

Scheme Shareholders should elect the Cash Consideration if they wish to have certainty of the Scheme Consideration and if they are not confident of the future prospects of HoldCo or if they are not prepared to bear any of the risk of an investment in HoldCo, a company incorporated in the Cayman Islands. HoldCo Shares will not be listed on any securities exchange following completion of the Scheme.

Scheme Shareholders who wish to elect the Scrip Consideration should assess for themselves the future prospects of HoldCo, which will indirectly own the Sunningdale Group through the Offeror. Such Scheme Shareholders should also be prepared to take the risk associated with an investment as a minority shareholder of an unlisted privately held company including those risks set out in Section 8.9.4 of this Letter and in Schedule C of the Offeror's Letter.

In rendering our advice and giving our recommendation, we did not have regard to the specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any Scheme Shareholder. As each Scheme Shareholder may have different investment objectives and profile, we recommend that any Scheme Shareholder who may require specific advice in relation to his investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

Our opinion, as disclosed in this Letter, is based solely on publicly available information and information provided by the Sunningdale Directors and the Management and therefore does not reflect any projections of future financial performance of the Company or the Sunningdale Group after the completion of the Scheme. In addition, our opinion is based on the economic and market conditions prevailing as at the Latest Practicable Date and is solely confined to our views on the Scheme.

Our opinion is required pursuant to Rule 1309(2) of the Listing Manual as well as addressed to the Non-conflicted Directors for their benefit and for the purpose of their consideration of the Scheme. The recommendation to be made by them to the Scheme Shareholders shall remain the responsibility of the Non-conflicted Directors. Whilst a copy of this Letter may be reproduced in the Scheme Document for the purpose of the Scheme Meeting and for the purpose of the Scheme, neither the Company, the Sunningdale Directors nor any other person may reproduce,

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disseminate or quote this Letter (or any part thereof) for any other purpose, at any time and in any manner without the prior written consent of Provenance Capital in each specific case.

This Letter is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully
For and on behalf of
PROVENANCE CAPITAL PTE. LTD.

Wong Bee Eng
Chief Executive Officer

APPENDIX 2 LETTER FROM THE OFFEROR TO THE SCHEME SHAREHOLDERS

SUNRISE TECHNOLOGY INVESTMENT HOLDING PTE. LTD.

(Incorporated in Singapore)
(Company Registration Number: 202016956E)

4 February 2021

To: The Shareholders of Sunningdale Tech Ltd.

Dear Sir/Madam

PROPOSED ACQUISITION BY SUNRISE TECHNOLOGY INVESTMENT HOLDING PTE. LTD. OF ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF SUNNINGDALE TECH LTD. (OTHER THAN THE KBH ROLLOVER SHARES) BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 210 OF THE COMPANIES ACT

1. INTRODUCTION

1.1 Acquisition

On 9 November 2020 (the “**Joint Announcement Date**”), Sunrise Technology Investment Holding Pte. Ltd. (the “**Offeror**”) and Sunningdale Tech Ltd. (the “**Company**” or “**Sunningdale**”) jointly announced the proposed acquisition (the “**Acquisition**”) of all the Scheme Shares by the Offeror to be effected by the Company by way of a scheme of arrangement under Section 210 of the Companies Act and in accordance with the Code.

On 19 January 2021, the Offeror and the Company jointly announced, *inter alia*, that the Scheme Consideration for each Scheme Share has been increased such that each Entitled Scheme Shareholder will now be entitled to receive, for each Scheme Share, at their election, S\$1.65 in cash, or in lieu thereof and subject to the Adjustment Mechanism, 1,650 HoldCo Shares at an issue price of S\$0.001 per HoldCo Share, subject to the terms set out in the Scheme Document.

1.2 Implementation Agreement

In connection with the Scheme, the Offeror and the Company entered into the implementation agreement dated 9 November 2020, as amended by the deed of amendment dated 19 January 2021, setting out the terms and conditions on which the Offeror and the Company will implement the Scheme (the “**Implementation Agreement**”).

1.3 Scheme Document

This Letter from the Offeror (the “**Offeror’s Letter**”) to shareholders of the Company (“**Shareholders**”) should be read and construed together with, and in the context of, the scheme document dated 4 February 2021 (“**Scheme Document**”) issued by the Company to the Shareholders containing details of the Scheme. Unless otherwise stated, terms used but not defined in this Offeror’s Letter shall have the same meanings as defined in the Scheme Document.

If you are in any doubt about this Offeror’s Letter or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

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LETTER FROM THE OFFEROR TO THE SCHEME SHAREHOLDERS

2. THE ACQUISITION AND THE SCHEME

2.1 Terms of the Scheme

The Acquisition will be effected by way of a scheme of arrangement pursuant to Section 210 of the Companies Act and in accordance with the Code and the terms and conditions of the Implementation Agreement.

Under the Scheme:

- (a) all the Scheme Shares held by the Entitled Scheme Shareholders as at the Record Date will be transferred to the Offeror:
 - (i) fully paid up;
 - (ii) free from all Encumbrances; and
 - (iii) together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company to the Scheme Shareholders on or after the Joint Announcement Date.

- (b) In consideration of the transfer of the Scheme Shares referred to in **paragraph 2.1(a)** above, each Entitled Scheme Shareholder will be entitled to receive for each Scheme Share (the “**Scheme Consideration**”), at their election:
 - (i) S\$1.65 in cash (the “**Cash Consideration**”); or
 - (ii) in lieu of the Cash Consideration, 1,650 HoldCo Shares, which HoldCo shall allot and issue, duly authorised, fully paid and free from all Encumbrances, at an issue price of S\$0.001 per HoldCo Share (the “**Issue Price**”, and such consideration the “**Scrip Consideration**”), provided always that no more than 55,652,841,202 HoldCo Shares, subject to the adjustment in **paragraph 2.1(d)** below, may be issued as Scrip Consideration (the “**Maximum Number**”).

The increased Scheme Consideration is final and the Offeror will not further increase the Scheme Consideration.

- (c) In the event that Entitled Scheme Shareholders elect for Scrip Consideration in such amount which exceeds the Maximum Number (the “**Adjustment Mechanism**”):
 - (i) the Maximum Number will be allocated among the electing Entitled Scheme Shareholders on a pro-rata basis according to the number of Scheme Shares they hold, and will be rounded down to the nearest whole number; and

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- (ii) in respect of the balance number of Scheme Shares held by Entitled Scheme Shareholders that elected for Scrip Consideration in excess of the Maximum Number, each relevant Entitled Scheme Shareholder shall receive in cash such amount equivalent to the HoldCo Shares (based on the Issue Price) which cannot be allotted and issued to such Entitled Scheme Shareholder.

- (d) The Maximum Number of HoldCo Shares which may be issued as Scrip Consideration represents approximately 30 per cent. of such number of HoldCo Shares comprising the sum of (I) the number of HoldCo Shares in issue as at the Joint Announcement Date, (II) the number of HoldCo Shares to be issued pursuant to the terms of the Scheme and (III) the number of HoldCo Shares to be issued on completion of the subscriptions under the Consortium and Shareholders' Agreement, the Management Reinvestment and the Rollover Agreement (the "**Enlarged Share Capital**"). If any dividends, rights or other distributions are declared, paid or made by Sunningdale to the Shareholders on or after the Joint Announcement Date and before the Effective Date:
 - (i) the Offeror reserves the right to reduce the Scheme Consideration by the amount of such dividends, rights or other distributions; and
 - (ii) as there will be a corresponding reduction in the equity commitment and the number of HoldCo Shares to be issued under the Consortium and Shareholders' Agreement, the Management Reinvestment and the Rollover Agreement, the Offeror will reduce the Maximum Number of HoldCo Shares such that the Maximum Number will represent approximately 30 per cent. of the Enlarged Share Capital.

To illustrate, if a dividend of S\$0.05 per Share is declared, paid or made:

- (A) *The Scheme Consideration payable will be reduced by: 193,956,836 Shares¹ x S\$0.05 = S\$9,697,841.80.*

- (B) *This will correspondingly reduce the total equity contribution from the Consortium Parties², BH, the Participating Management and the Entitled Scheme Shareholders (including Yarwood and GSH) that elect for the Scrip Consideration by the same amount, being a drop of approximately 5.2 per cent. of the committed total equity contribution, which in turn reduces the Maximum Number of HoldCo Shares from 55,652,841,202 to 52,743,488,662 (i.e. a reduction of approximately 5.2 per cent.).*

¹ This is the number of outstanding Shares assuming vesting and delivery of all the outstanding Share Awards.

² Such equity amount will be contributed by KBH under the Rollover Agreement and by the Consortium Parties in accordance with the Consortium and Shareholders' Agreement.

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2.2 Scrip Consideration

The implied value of the Scrip Consideration (based on the Issue Price) will be the same as the Cash Consideration. The new HoldCo Shares to be allotted and issued pursuant to the Scheme shall be:

2.2.1 issued at S\$0.001 per HoldCo Share, being the same issue price per HoldCo Share to be issued to (i) each of Novo Tellus and KBHCo pursuant to the Consortium and Shareholders' Agreement, (ii) KBHCo pursuant to the Rollover Agreement and (iii) each Identified Participating Management pursuant to the Management Reinvestment Scheme; and

2.2.2 allotted and issued and credited as fully paid and, when allotted and issued, will rank *pari passu* in all respects with the then existing HoldCo Shares.

The key terms relating to the governance arrangements of HoldCo, and the rights of holders of HoldCo Shares in respect of capital, dividends and voting, are set out in Schedule B of this Offeror's Letter. As set out in Schedule B to this Offeror's Letter, certain rights in respect of the HoldCo Shares are conferred only on a HoldCo Shareholder holding at least 12 per cent. of the HoldCo Shares (i.e. a "Controlling Shareholder"), e.g. the right of first offer, the tag-along right, the right to a default call option, the right to vote on and to veto certain reserved matters and the right to appoint a director. In addition, please also note that all HoldCo Shareholders (including those who are not Controlling Shareholders) are subject to a moratorium and restrictions on a transfer of the HoldCo Shares (as set out in Articles 12.1 to 12.3 of the proposed HoldCo Constitution) and the Majority Shareholder's drag-along right (as set out in Article 12.5 of the proposed HoldCo Constitution). Please refer to Schedule B of this Offeror's Letter for more details.

The HoldCo Shares will not be listed on any securities exchange following completion of the Scheme.

There are risks involved with investing in the HoldCo Shares. Some of these risks are set out in Schedule C of this Offeror's Letter.

The HoldCo Shares will be issued to and registered in the name of the person/entity recorded in the Register of Members or the Depository Register as at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form), regardless of whether such Entitled Scheme Shareholder holds the Scheme Shares as custodian or nominee or otherwise.

For the avoidance of doubt, each Entitled Scheme Shareholder is only entitled to elect to receive the Cash Consideration or, in lieu thereof, the Scrip Consideration, for all the Scheme Shares registered in the Entitled Scheme Shareholder's name, but not a mixture of both. An Entitled Scheme Shareholder who wishes to elect to receive the Cash Consideration need not complete and return the Election Form. In the absence or failure of any valid election by an Entitled Scheme Shareholder to accept the Scrip Consideration, the Entitled Scheme Shareholder shall be deemed to have elected for the Cash Consideration for all the Scheme Shares registered in such Entitled Scheme Shareholder's name.

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In respect of the Scrip Consideration, the aggregate number of HoldCo Shares which each electing Entitled Scheme Shareholder will be entitled to receive pursuant to the Scheme will be subject to the Adjustment Mechanism (if applicable) and will always be rounded down to the nearest whole number.

Where Entitled Scheme Shareholders elect for Scrip Consideration in such amount which exceeds the Maximum Number, the Adjustment Mechanism shall apply, and an Entitled Scheme Shareholder who elected to receive the Scrip Consideration would not be entitled to re-elect to receive the Cash Consideration with respect to all the Scheme Shares registered in such Entitled Scheme Shareholder's name.

The HoldCo Shares to be issued pursuant to the Scheme will, when issued, be validly authorised, validly issued and outstanding, fully paid and non-assessable and free from Encumbrances (other than restrictions arising out of applicable securities laws) and all consents, authorisations, approvals or waivers from any governmental agencies or third parties necessary for such issuance have been or will, prior to such issuance, be obtained.

2.3 Adjustment Mechanism

Where Entitled Scheme Shareholders elect for Scrip Consideration in such amount which exceeds the Maximum Number, the number of HoldCo Shares to be allotted and issued to an Entitled Scheme Shareholder who has elected to receive the Scrip Consideration shall be calculated in accordance with the following formula:

$$N = S/T \times M$$

where:

“N” is the number of HoldCo Shares to be allotted and issued to such Entitled Scheme Shareholder, rounded down to the nearest whole number;

“S” is the number of Scheme Shares held by such Entitled Scheme Shareholder;

“T” is the aggregate number of Scheme Shares held by Entitled Scheme Shareholders that have elected for Scrip Consideration; and

“M” is the Maximum Number.

As an example and purely for illustration purposes only, assuming all Entitled Scheme Shareholders (excluding the Identified Participating Management) holding an aggregate of 152,252,791³ Scheme Shares elected for the Scrip Consideration and an Entitled Scheme Shareholder elects to receive Scrip Consideration in respect of the 100,000 Scheme Shares held by him, the Scheme Consideration will be paid to such Entitled Scheme Shareholder in the following manner:

- (a) *Number of HoldCo Shares received: $100,000/152,252,791 \times 55,652,841,202 =$ **36,552,920***
- (b) *Amount of cash received: $(100,000 \times S\$1.65) - S\$36,552.92^4 =$ **S\$128,447.08***

3 This number assumes the vesting and delivery of all the outstanding Share Awards.

4 This is the implied value of the HoldCo Shares issued as Scrip Consideration based on the Issue Price.

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Based on the same assumptions above and applying the same formula as set out above, assuming all Entitled Scheme Shareholders (excluding the Identified Participating Management) elect for the Scrip Consideration, Entitled Scheme Shareholders holding the number of Scheme Shares set out in column (1) below would receive the Scheme Consideration in the number of HoldCo Shares and cash as set out in the corresponding columns below.

(1) Number of Scheme Shares held by an Entitled Scheme Shareholder	(2) Percentage of total number of issued Shares ⁵ (%)	(3) Number of HoldCo Shares received after the Adjustment Mechanism ⁶	(4) Paid up capital of the HoldCo Shares received based on the Issue Price (S\$)	(5) Percentage of total number of HoldCo Shares (%)	(6) Amount of cash received after Adjustment Mechanism ⁷ (S\$)	(7) Total value of Scheme Consideration received (S\$) ⁸
100,000	0.05	36,552,920	36,552.92	0.02	128,447.08	165,000.00
1,000,000	0.52	365,529,202	365,529.20	0.20	1,284,470.80	1,650,000.00
10,000,000	5.16	3,655,292,020	3,655,292.02	1.97	12,844,707.98	16,500,000.00

2.4 Scheme Conditions

The Acquisition is conditional upon the satisfaction (or, where applicable, the waiver) of the Scheme Conditions on or before 5.00 p.m. on the Cut-Off Date. Additional information on the Scheme Conditions is set out in **paragraph 10** of the Explanatory Statement. The Scheme Conditions are reproduced in **Appendix 6** to the Scheme Document.

2.5 Switch Option

- (a) Pursuant to the terms of the Implementation Agreement, in the event a Competing Offer or an intention to make a Competing Offer is announced (whether or not such Competing Offer is pre-conditional), the Offeror shall have the right at its sole discretion to elect to proceed by way of an Offer in lieu of proceeding with the Acquisition by way of the Scheme (the “**Switch Option**”), at any time prior to the date on which the Scheme Meeting is to be held.

⁵ Computed based on number of outstanding Shares assuming vesting and delivery of all the outstanding Share Awards.

⁶ This number (which has been rounded down to the nearest whole number) is calculated based on the above formula where T is 152,252,791, being the number of Scheme Shares owned by all Entitled Scheme Shareholders (excluding the Identified Participating Management); and M is 55,652,841,202, being the Maximum Number.

⁷ Amount of cash received by the Entitled Scheme Shareholder is the balance of the Scheme Consideration, such that the sum of the value of the HoldCo Shares at the issue price of S\$0.001 and the cash payment will equal the total Scheme Consideration at S\$1.65 for each Scheme Share.

⁸ This is the sum of the amounts in columns (4) and (6). For the avoidance of doubt, this is the same amount that the relevant Entitled Scheme Shareholder would have received in cash had such Entitled Scheme Shareholder elected for the Cash Consideration.

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- (b) If the Offeror exercises the Switch Option, the Offeror will make the Offer on the same or better terms as those which apply to the Scheme, including the same or a higher consideration than the Scheme Consideration, and conditional upon a level of acceptances to be determined with the consent of the SIC. In addition, the Offeror and the Company acknowledge that the acceptance condition determined in accordance with this **paragraph 2.5(b)** may be revised, subject to SIC's consent, if there are any legislative amendments to Section 215 of the Companies Act, to the extent that such legislative amendments come into force on or after the date of the Implementation Agreement and prior to the exercise of the Switch Option, and such amendments alter the shareholding percentage required to be held by the Offeror in order for the Offeror to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act.
- (c) In such event, Sunningdale and the Offeror have agreed that the Implementation Agreement shall terminate with effect from the date of announcement by or on behalf of the Offeror of a firm intention to make the Offer, save for the Surviving Provisions.

2.6 Termination of the Implementation Agreement

In the event of termination of the Implementation Agreement by either the Company or the Offeror (as the case may be) pursuant to the terms of the Implementation Agreement:

- (a) the Implementation Agreement shall cease to have any further force or effect (save for the Surviving Provisions); and
- (b) neither party shall have any further liability or obligation to the other party (save for the Surviving Provisions),

provided always that such termination shall not prejudice the rights of either party which have accrued or arisen prior to such termination.

Please refer to **paragraph 10.4** of the Explanatory Statement for additional details on the termination rights under the Implementation Agreement.

2.7 Effect of Scheme

In the event the Scheme becomes effective, it will be binding on all Scheme Shareholders whether or not they were present in person or by proxy or voted to approve the Scheme at the Scheme Meeting. Scheme Shareholders should also be aware and note that there is currently no certainty that the Scheme will become effective and binding.

3. THE OFFEROR'S RATIONALE FOR THE ACQUISITION AND FUTURE PLANS FOR THE COMPANY

3.1 Changing market conditions driving long-term investment needs

The Acquisition represents an opportunity for the Offeror to acquire control of a company in the precision plastic manufacturing sector with a footprint across various industry segments (including automotive, consumer/IT and healthcare) and geographies.

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The onset of the global COVID-19 pandemic combined with persistent global trade tensions between US and China have impacted Sunningdale's market. Customers are managing risk actively by adjusting supply chains away from concentrated production in Asia towards more diversified regional and local production worldwide. To remain competitive in this changing market, the Offeror is of the view that Sunningdale will need to make significant long-term investments to diversify and increase its manufacturing footprint beyond Asia. While these long-dated investments are needed to protect the Company's competitiveness and shareholder value in the long run, they will likely result in substantial upfront cash outlay that may generate little near-term payoff. This in-turn may increase the likelihood of more volatility to earnings and free cashflow generation over the near term.

As a result of the changing risk profile of the Company, the Offeror believes a privatisation of Sunningdale will provide the Company with the necessary flexibility to optimise its resources and allow it to make strategic, long dated investment decisions to protect the long-term competitiveness of the business. Delisting will also help Sunningdale to save considerable resources and costs associated with maintaining its listed status.

3.2 Providing Entitled Scheme Shareholders with choice

The Offeror recognises that different shareholders have different investment objectives and has tailored the Scheme to provide Entitled Scheme Shareholders with a choice of consideration that may best suit their investment needs.

For Entitled Scheme Shareholders who prefer to receive a cash premium to the historical share price, the option of the Cash Consideration provides the choice to receive S\$1.65 in cash per Scheme Share, representing a 42.6 per cent. premium over the VWAP of the Shares for the last year (as detailed in **paragraph 3.3(a)** below).

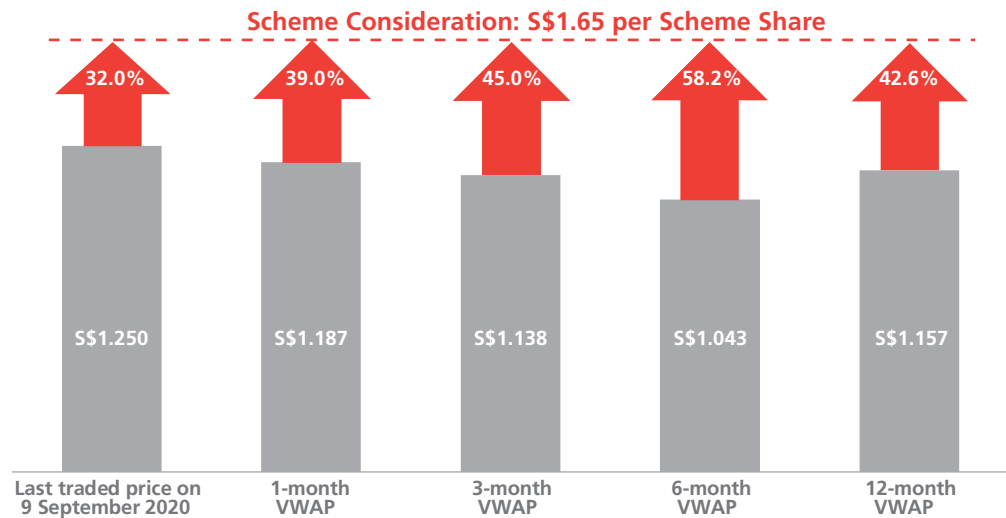
For Entitled Scheme Shareholders who prefer a long-term return and can accept the risks of being a minority shareholder in a private unlisted company, subject to the Maximum Number of HoldCo Shares that may be issued as Scrip Consideration and the Adjustment Mechanism, such Entitled Scheme Shareholders will have the option to elect for the Scrip Consideration. However, it should be noted that the HoldCo Shares are in a private offshore entity and subject to certain risks and restrictions which are elaborated on in **Schedules B and C** of this Offeror's Letter.

3.3 Opportunity for Entitled Scheme Shareholders to Exit at a Premium to Historical Traded Prices without incurring Brokerage Fees

- (a) The Scheme Consideration represents a premium to the historical traded prices as set out in **paragraph 4** below.

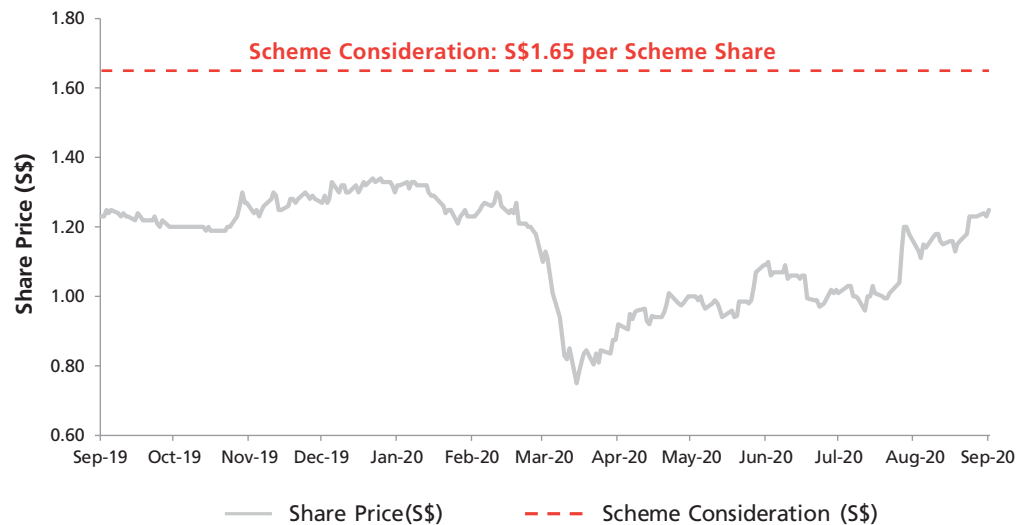
Against the backdrop of negative market sentiments due to continuing US-China tensions and an uncertain business environment due to the COVID-19 pandemic, the Acquisition represents an opportunity for Entitled Scheme Shareholders to realise their investments in Sunningdale for a cash consideration at a premium of approximately 39.0 per cent., 45.0 per cent., 58.2 per cent. and 42.6 per cent. over the VWAP of the Shares for the one-month, three-month, six-month and twelve-month periods respectively prior to and including 9 September 2020, being the last full trading day immediately before Sunningdale released the announcement in respect of a possible transaction involving the Shares on the Holding Announcement Date.

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Source: Bloomberg L.P.

The Scheme Consideration exceeds the highest closing price of the Shares in the 12-month period prior to and including the Holding Announcement Date. It represents a premium ranging between 23.1 per cent. and 120.0 per cent. to the closing prices of the Shares during this period.



Source: Bloomberg L.P.

- (b) Further, the Acquisition provides an opportunity for Entitled Scheme Shareholders to achieve an exit of their investment in Sunningdale, which was made difficult previously due to the generally low trading liquidity in the Shares.

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The historical trading liquidity of the Shares has been low, with an average daily trading volume of 209,341 Shares, 160,427 Shares, and 150,772 Shares traded during the one-month, three-month and six-month periods respectively up to and including the Holding Announcement Date. These represent only 0.11 per cent., 0.08 per cent. and 0.08 per cent. of the total number of issued Shares as at the Joint Announcement Date for each of the respective aforementioned relevant periods.

Period prior to and including the Holding Announcement Date	Average Daily Trading Volume ⁽¹⁾	Percentage of total number of issued Shares ⁽²⁾⁽³⁾ (%)
Last one month	209,341	0.11
Last three months	160,427	0.08
Last six months	150,772	0.08

Notes:

- (1) The figures in the table above are based on data extracted from Bloomberg L.P.. The average daily trading volume is computed based on the total trading volume of the Shares for all Market Days for the relevant periods immediately prior to and including the Holding Announcement Date, divided by the total number of Market Days during the respective periods.
- (2) Computed based on 191,941,836 Shares, being the total number of issued Shares as at the Joint Announcement Date.
- (3) Rounded to the nearest two decimal places.

Pursuant to the Scheme, Entitled Scheme Shareholders who found it difficult to exit their investment in Sunningdale as a result of the low trading volume in the Shares are presented with an opportunity to liquidate and realise their investment in Sunningdale if they elect to receive the Cash Consideration.

3.4 No further approaches and only offer currently available to fully realise return

Since the release of the Joint Announcement, there have been no other approaches or submissions of interest from potential investors in respect of an alternative proposal for the Company.

Accordingly, the Scheme is the only offer available to date which provides Entitled Scheme Shareholders with the opportunity to achieve a full exit of their investment for cash at a premium to trading value. In the past, the low historical trading volume in the Shares may have presented Entitled Scheme Shareholders with difficulty in exiting a full position at trading value.

3.5 The Offeror's Future Plans

Save as set out above (including the Offeror's intentions in **paragraph 3.1** that the Company should make significant long-dated investments to maintain its competitiveness), the Offeror currently has no other intention (i) of making material changes to the business of the Sunningdale Group, (ii) to re-deploy the fixed assets of the Sunningdale Group, other than in the ordinary course of business, or (iii) to discontinue the employment of the existing employees of the Sunningdale Group, other than in the ordinary course of business. However, the directors of the Offeror retain and reserve the right and flexibility at any time to consider any options and opportunities in relation to the Sunningdale Group which may present themselves and which they may regard to be in the interests of the Offeror.

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4. FINANCIAL EVALUATION OF THE SCHEME CONSIDERATION

The Scheme Consideration for each Scheme Share is either (i) the Cash Consideration, being S\$1.65 in cash, or (ii) the Scrip Consideration, which has an implied value (based on the Issue Price) equal to the Cash Consideration.

The figures set out in this paragraph are based on data extracted from Bloomberg L.P. as at the Latest Practicable Date.

The implied premium of the Scheme Consideration over the relevant closing prices and VWAP of the Company is as follows:

Description	Benchmark Price (S\$) ⁽¹⁾	Premium over Benchmark Price (%) ⁽²⁾
VWAP of the Shares traded on the SGX-ST for the twelve-month period prior to and including the Holding Announcement Date	1.157	42.6
VWAP of the Shares traded on the SGX-ST for the six-month period prior to and including the Holding Announcement Date	1.043	58.2
VWAP of the Shares traded on the SGX-ST for the three-month period prior to and including the Holding Announcement Date	1.138	45.0
VWAP of the Shares traded on the SGX-ST for the one-month period prior to and including the Holding Announcement Date	1.187	39.0
Closing price on the Holding Announcement Date	1.250	32.0
Closing price on 6 November 2020, being the last full trading day immediately prior to the Joint Announcement Date	1.580	4.4
Closing price on 15 January 2021, being the last full trading day on which the Shares were traded prior to the date of the Revision Announcement	1.560	5.8
Closing price on the Latest Practicable Date	1.610	2.5

Notes:

(1) Rounded to the nearest three decimal places.

(2) For the purposes of the table above, all percentage figures are rounded to the nearest one decimal place.

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The Offeror also wishes to highlight that it does not believe that it is meaningful to focus on only the net asset value of each Scheme Share, being only one valuation metric, when analysing the appropriateness of the Scheme Consideration. The Offeror notes that in determining whether the Scheme Consideration is fair and reasonable, the IFA has considered several valuation metrics, further details of which are set out in Section 8 of the IFA Letter. The Offeror also notes that the IFA has indicated on pages A-28 to A-29 of the IFA Letter that comparison with the P/RNTA (as defined therein) ratio implied by the Scheme Consideration should be read in the context of the Company's representation that the net revaluation surplus is unlikely to be realisable in the near term without affecting its existing operations.

5. IRREVOCABLE UNDERTAKINGS

5.1 Irrevocable Undertakings

Each of the Undertaking Shareholders have given a Deed of Undertaking to the Offeror to, *inter alia*:

- (a) vote in favour of the Scheme at the Scheme Meeting;
- (b) vote against and reject any and all resolutions or proposals to approve, implement, carry out or give effect to any Competing Offer (subject in the case of BH, to his fiduciary duties as a director of the Company);
- (c) comply with certain non-solicitation and no-talk provisions, in its or his capacity as Shareholder (subject in the case of BH, to his fiduciary duties as a director of the Company);
- (d) in the event that the Offeror exercises its Switch Option and makes the Offer in compliance with **paragraph 2.5** above, (i) in the case of Yarwood and GSH, tender its or his Shares in acceptance of the Offer, and (ii) in the case of each Identified Participating Management (as defined in **paragraph 6.1** below) (except in the case of Chua Toh Choon⁹), tender all of his or her Shares (including any Shares which he or she may receive pursuant to the vesting of his or her outstanding Share Awards) in acceptance of the Offer. Further details of each Identified Participating Management are set out in **Schedule F** of this Offeror's Letter;
- (e) in the case of each of Yarwood and GSH only, elect to accept the Scrip Consideration in respect of its or his Shares; and
- (f) in the case of each Identified Participating Management (except in the case of Chua Toh Choon¹⁰), elect to accept the Cash Consideration in respect of all his or her Shares (including any Shares which he or she may receive pursuant to the vesting of his or her outstanding Share Awards) and to defer and reinvest part or all such Cash Consideration to subscribe for HoldCo Shares pursuant to the Management Reinvestment.

Please refer to **paragraph 4** of the Explanatory Statement for further details of the Deeds of Undertakings.

9 In the case of Chua Toh Choon, her Deed of Undertaking is given only in respect of the 225,500 Shares held solely by her, and does not include the Shares which she holds jointly with her spouse. As set out in **Schedule F** of this Offeror's Letter, of the 227,500 Shares held by Chua Toh Choon, 2,000 Shares are held jointly by Chua Toh Choon and her spouse, Cheong Yian Kee. Accordingly, her undertaking to tender her Shares in the event that the Offeror exercises its Switch Option is only in respect of the 225,500 Shares held solely by her.

10 In the case of Chua Toh Choon, her Deed of Undertaking is given only in respect of the 225,500 Shares held solely by her, and does not include the Shares which she holds jointly with her spouse. As set out in **Schedule F** of this Offeror's Letter, of the 227,500 Shares held by Chua Toh Choon, 2,000 Shares are held jointly by Chua Toh Choon and her spouse, Cheong Yian Kee. Accordingly, her undertaking to elect to accept the Cash Consideration and to defer and reinvest all or part of such Cash Consideration pursuant to the Management Reinvestment is only in respect of the 225,500 Shares held solely by her.

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5.2 Yarwood and GSH

5.2.1 **Yarwood.** Yarwood is a company incorporated in Singapore and it has been a shareholder of Sunningdale since 2014.

Based on publicly available information, Yarwood is 100 per cent. owned by Kong Siang Group Holdings Pte. Ltd., a family business founded in Singapore in 1935 and which has grown from selling perishable and non-perishable products to regional liquor distribution, manufacturing, property development and management of a family office.

Yarwood is not an associate of either of the Consortium Parties.

5.2.2 **GSH.** GSH has been a shareholder of Sunningdale since 2014.

Based on publicly available information, GSH is the executive chairman of Tee Yih Jia Food Manufacturing Pte Ltd and SGX Mainboard listed GSH Corporation Limited. GSH also holds directorships and appointments in several other companies, including Envictus International Holdings Limited, JB Foods Limited and Tung Lok Restaurants (2000) Ltd.

GSH is not an associate of either of the Consortium Parties.

5.3 No Other Irrevocable Undertakings

Save for the Deeds of Undertaking, none of (a) the Offeror and HoldCo, (b) KBHCo and KBH, (c) Novo Tellus and NT PE Fund 2, (d) the directors of each of the aforementioned companies and (e) either of the Joint Financial Advisers have received any irrevocable undertaking from any party to vote in favour of the Scheme as at the Latest Practicable Date.

5.4 SIC Confirmations

Pursuant to the Application made by the Offeror to the SIC to seek certain rulings in relation to the Acquisition and the Scheme, the SIC has confirmed, *inter alia*, that:

- (a) the Deeds of Undertaking in relation to each of Yarwood and GSH do not constitute special deals under Rule 10 of the Code; and
- (b) the Deeds of Undertaking do not amount to an agreement, arrangement or understanding between the Offeror and each of Yarwood and GSH to co-operate to obtain or consolidate effective control of the Company. Accordingly, each of Yarwood and GSH will not be regarded as acting in concert with the Offeror in connection with the Acquisition by virtue of the Deeds of Undertaking.

Following from the above, each of Yarwood and GSH will not be precluded from attending and voting at the Scheme Meeting by virtue of the Deeds of Undertakings.

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6. MANAGEMENT INCENTIVE ARRANGEMENTS

6.1 Management Reinvestment Scheme

HoldCo has established a management reinvestment scheme (the “**Management Reinvestment**”) to allow selected senior management of the Company (including the Identified Participating Management) to subscribe for HoldCo Shares, with the amount of HoldCo Shares to be issued pursuant to such scheme not exceeding 10 per cent. of the Enlarged Share Capital, based on the Issue Price (the “**Management Reinvestment Pool**”), or such other limit as all Controlling Shareholders may agree in writing. For the avoidance of doubt, the HoldCo Shares to be issued pursuant to the Management Reinvestment do not form part of the Maximum Number of HoldCo Shares to be issued as Scrip Consideration. The Maximum Number of HoldCo Shares to be issued as Scrip Consideration is to be allocated solely to Entitled Scheme Shareholders who have elected for the Scrip Consideration.

As at the Latest Practicable Date, BH and the senior management set out in **Schedule F** of this Offeror’s Letter (collectively, the “**Identified Participating Management**”) have been offered, and have agreed to enter into, the Management Reinvestment. Please refer to **Schedule F** of this Offeror’s Letter for further details of the Identified Participating Management, including the number of Shares held by each Identified Participating Management, the number of Shares for which the Cash Consideration will be deferred and applied towards subscription of HoldCo Shares and his or her expected shareholding in HoldCo on Completion and following the issuance of HoldCo Shares pursuant to the Consortium and Shareholders’ Agreement, the Management Reinvestment and the Rollover Agreement.

As set out in column (6) of the table in **paragraph 1** of **Schedule F** of this Offeror’s Letter, the total number of Shares for which the Cash Consideration will be deferred and reinvested pursuant to the Management Reinvestment is 10,579,031 Shares (the “**Identified Participating Management Shares**”).

It is contemplated that the opportunity to participate in the Management Reinvestment may also be offered (both during and after the offer period) to other senior management of Sunningdale (any such senior management who agrees to participate in the Management Reinvestment, the “**Participating Management**”).

6.2 Reinvestment by the Identified Participating Management

Pursuant to the Deeds of Undertaking given by the Identified Participating Management and the subscription agreements entered into between the Offeror and each Identified Participating Management, each Identified Participating Management has agreed to defer and reinvest some or all of his or her Cash Consideration (arising from the sale of his or her Shares pursuant to the Scheme) to subscribe for HoldCo Shares. Further details of each Identified Participating Management are set out in **Schedule F** of this Offeror’s Letter.

The number of HoldCo Shares to be issued to the Participating Management in connection with the Management Reinvestment will not be subject to the Adjustment Mechanism.

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6.3 SIC Confirmations

Pursuant to the Application, the SIC has confirmed, *inter alia*, that:

- (a) the Management Arrangements do not constitute special deals under Rule 10 of the Code; and
- (b) the Management Arrangements do not amount to an agreement, arrangement or understanding between the Offeror and each of BH and any other Participating Management (whether or not they will be entering into a Deed of Undertaking) to obtain or consolidate effective control of the Company. Accordingly, BH and any other Participating Management will not be regarded as acting in concert with the Offeror in connection with the Acquisition by virtue of the Management Arrangements.

Following from the above, BH and any other Participating Management will not be precluded from attending and voting at the Scheme Meeting by virtue of the Management Arrangements.

7. **HOLDCO EMPLOYEE SHARE OPTION SCHEME**

Following the Effective Date, it is contemplated that HoldCo will put in place the ESOS to incentivise employees of the Sunningdale Group and to align their interests with the HoldCo Shareholders. The terms and conditions of such ESOS shall be approved by the board of HoldCo and the shareholding percentage represented by the number of HoldCo Shares which may be granted under the ESOS should not exceed 7.5 per cent. of the HoldCo Shares assuming (i) an Enlarged Share Capital and (ii) the full issuance of HoldCo Shares under the ESOS, or such other limit as the Controlling Shareholders may approve in writing.

8. **SHAREHOLDING STRUCTURE AND SHAREHOLDER ARRANGEMENT OF HOLDCO ON COMPLETION**

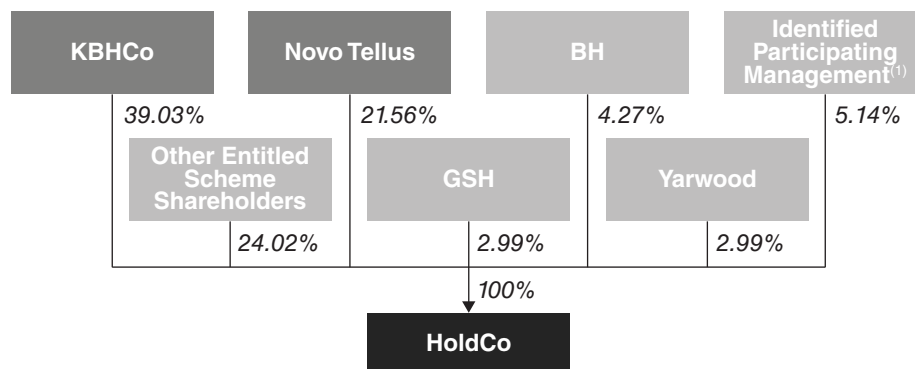
8.1 Capital Structure of HoldCo on Completion

On Completion, including the issuance of the HoldCo Shares to the Scheme Shareholders that have elected for the Scrip Consideration (including Yarwood and GSH), and following the issuance of the HoldCo Shares pursuant to (i) the Consortium and Shareholders' Agreement (which sets out, *inter alia*, the equity contribution from KBHCo and Novo Tellus for the subscription of the HoldCo Shares); (ii) the reinvestment of the Cash Consideration in respect of the Identified Participating Management Shares in accordance with the Management Reinvestment; and (iii) the Rollover Agreement:

- (a) the Company will be a wholly owned indirect subsidiary of HoldCo;
- (b) assuming that no Entitled Scheme Shareholders other than Yarwood and GSH elect for the Scrip Consideration, the expected shareholding structure of HoldCo will be as follows:
 - (i) KBHCo: 41.81 per cent. of HoldCo;

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- (ii) Novo Tellus: 21.56 per cent. of HoldCo;
 - (iii) Yarwood: 13.61 per cent. of HoldCo;
 - (iv) GSH: 13.61 per cent. of HoldCo;
 - (v) BH: 4.27 per cent. of HoldCo; and
 - (vi) Identified Participating Management (other than BH): 5.14 per cent. of HoldCo; and
- (c) assuming that all the Entitled Scheme Shareholders (including Yarwood and GSH) elect for the Scrip Consideration, the expected shareholding structure of HoldCo will be as follows:
- (i) KBHCo: 39.03 per cent. of HoldCo;
 - (ii) Novo Tellus: 21.56 per cent. of HoldCo;
 - (iii) Yarwood: 2.99 per cent. of HoldCo;
 - (iv) GSH: 2.99 per cent. of HoldCo;
 - (v) BH: 4.27 per cent. of HoldCo;
 - (vi) Identified Participating Management (other than BH): 5.14 per cent. of HoldCo; and
 - (vii) Other Entitled Scheme Shareholders: 24.02 per cent. of HoldCo.



Note:

(1) Identified Participating Management, excluding BH.

*Graphical representation of the expected shareholding structure of HoldCo on Completion for the scenario in **paragraph 8.1(c)** above.*

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Entitled Scheme Shareholders who elect for Scrip Consideration will receive HoldCo Shares. Entitled Scheme Shareholders should note that the net asset value of each Scheme Share is not directly comparable to that of each HoldCo Share, as HoldCo will have a different debt and equity capital structure. Entitled Scheme Shareholders who elect for Scrip Consideration should be prepared to take the risks associated with an investment as a minority shareholder of an unlisted private company. Some of the risk factors relating principally to the business of HoldCo in general and to the ownership of HoldCo Shares are set out in Schedule C of this Offeror's Letter.

8.2 Shareholder Arrangement

On and from the Effective Date, the governance of HoldCo will be governed by (i) the Consortium and Shareholders' Agreement setting out, *inter alia*, the agreement between the Consortium Parties in relation to the affairs of HoldCo and (ii) the proposed HoldCo Constitution, which constitution shall bind all HoldCo Shareholders (including any Entitled Scheme Shareholder who receives Scrip Consideration pursuant to the Scheme). The key terms relating to the governance arrangements of HoldCo are set out in **Schedule B** of this Offeror's Letter.

9. **DELISTING**

Upon the Scheme becoming effective and binding in accordance with its terms, the Company will become a wholly-owned subsidiary of the Offeror, and consequently will not be able to meet the listing requirements of the SGX-ST.

An application was made to seek approval-in-principle from the SGX-ST for the proposed delisting of the Company from the Official List of the SGX-ST upon the Scheme becoming effective and binding in accordance with its terms. The SGX-ST has advised that it has no objection to the Company's application for delisting from the Official List of the SGX-ST, subject to:

- (a) an unqualified opinion from an independent financial adviser that the financial terms of the Scheme are fair and reasonable to the Scheme Shareholders; and
- (b) the Scheme becoming effective.

The above decision of the SGX-ST is not to be taken as an indication of the merits of the delisting of the Company from the Official List of the SGX-ST upon completion of the Scheme.

10. **INFORMATION RELATING TO THE COMPANY**

10.1 Material Changes in the Financial Position of the Company

Save as disclosed in the Scheme Document, the unaudited business update of the Sunningdale Group for 9M2020 and any other information on the Sunningdale Group which is publicly available (including, without limitation, the announcements released by the Company on the SGXNET), and save for the costs and expenses incurred or to be incurred in connection with the Scheme, as at the Latest Practicable Date, to the

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knowledge of the Offeror after making reasonable enquiries, there have been no material changes to the financial position or prospects of the Company since 31 December 2019, being the date of the last published audited consolidated financial statements of the Sunningdale Group laid before the Shareholders in general meeting.

10.2 Transfer Restrictions

The Constitution does not contain any restrictions on the right to transfer the Scheme Shares in connection with the Acquisition or the Scheme.

10.3 Additional Information

Additional information relating to the Company is set out in **Appendix 3** to the Scheme Document.

11. **INFORMATION RELATING TO THE OFFEROR, HOLDCO, KBHCO AND NOVO TELLUS**

11.1 The Offeror and HoldCo

The Offeror is a company incorporated in Singapore on 18 June 2020. The sole shareholder of the Offeror is HoldCo, an exempted company incorporated in the Cayman Islands. As at the Latest Practicable Date, the shareholders of HoldCo are, in turn:

- (a) KBHCo, an entity wholly owned by KBH, holding 64 per cent. of the HoldCo Shares; and
- (b) Novo Tellus, a wholly owned subsidiary of Novo Tellus PE Fund 2, L.P., holding 36 per cent. of the HoldCo Shares.

Each of KBH and LWS are directors of the boards of the Offeror and HoldCo.

11.2 KBHCo and KBH, Internal Transfer and Rollover by KBH

KBHCo is a company incorporated in Singapore and is wholly owned by KBH. KBH has been a long term shareholder of Sunningdale and a director of Sunningdale since 2003, and has played a key role in the strategic direction, management and development of Sunningdale.

In order to consolidate the shareholdings of KBH and his spouse, KBH had on 19 January 2021 transferred the 22,008 Shares held by Mdm Leong Siew Fong to himself for a consideration lower than the Cash Consideration payable under the Scheme. As at the Latest Practicable Date, KBH has a direct interest in 29,969,409 Shares, representing in aggregate 15.56 per cent. of the issued Shares.

Pursuant to the Rollover Agreement and assuming a Cash Consideration of S\$1.65 per Scheme Share, KBH shall, on or shortly after the Effective Date, transfer or procure the transfer of the KBH Rollover Shares to the Offeror, in exchange for 49,449,524,850 HoldCo Shares (the "**Rollover**"). In the event that any dividends, rights or other distributions are declared, paid or made by Sunningdale to the Shareholders on or after the Joint Announcement Date and before the Effective Date, the Offeror reserves the right

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to reduce the Scheme Consideration (as particularised in **paragraph 2.1(d)** of this Offeror's Letter) and this will consequently affect the number of HoldCo Shares to be issued to KBHCo pursuant to the Rollover.

11.3 Novo Tellus and NT PE Fund 2

Novo Tellus is an exempted company incorporated in the Cayman Islands, incorporated for the purposes of the Acquisition. Novo Tellus is a wholly owned subsidiary of NT PE Fund 2, an exempted limited partnership incorporated in the Cayman Islands and which focuses on private equity investments in the technology and industrials sectors in Southeast Asia. As at the Latest Practicable Date, NT PE Fund 2 has two investments: (i) a stake in SGX Mainboard listed ISDN Holdings Limited, a company providing industrial automation solutions to enterprise customers throughout Asia; and (ii) a stake in SGX Mainboard listed Procurri Corporation Limited, a company providing data centre hardware solutions to enterprise customers worldwide.

As at the Latest Practicable Date, neither Novo Tellus nor NT PE Fund 2 has any interest in the issued Shares.

11.4 Further Details

Schedule A of this Offeror's Letter sets out certain additional information relating to each of the Offeror and HoldCo.

11.5 Consortium and Shareholders' Agreement

Under the terms of the Consortium and Shareholders' Agreement:

11.5.1 each of the Consortium Parties has agreed to provide their agreed proportion of the equity funding required for the implementation of the Scheme by way of a subscription for HoldCo Shares ("**CSA Subscriptions**"). The total equity funding required for the Scheme will depend on the number of Entitled Scheme Shareholders who elect for Scrip Consideration as well as the proportion of the allocated Management Reinvestment Pool that is taken up. In this regard, (i) Novo Tellus has agreed to fund S\$40,000,000 by subscribing for HoldCo Shares at the Issue Price and (ii) KBHCo has agreed to fund the balance of up to S\$28,109,264.58 by subscribing for HoldCo Shares at the Issue Price. The amount of balance equity to be contributed by KBHCo and consequently the number of HoldCo Shares to be issued to KBHCo pursuant to the terms of the Consortium and Shareholders' Agreement will vary depending on the eventual number of HoldCo Shares to be issued to Entitled Scheme Shareholders and the Participating Management. The expected resultant shareholding in HoldCo in various scenarios following Completion and the provision of equity funding under the Consortium and Shareholders' Agreement are set out in **paragraphs 8.1(b) and 8.1(c)** of this Offeror's Letter. In addition, the Offeror has also taken on S\$145,000,000 in financing in connection with the funding required for the implementation of the Scheme, as further described in **paragraph 9** of **Schedule A** of this Offeror's Letter;

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- 11.5.2** until the earlier of (i) the completion of the CSA Subscriptions; (ii) the date on which the Scheme lapses or is withdrawn without the Switch Option being exercised; and (iii) if applicable, the date on which the Offer lapses or is withdrawn, all decisions in relation to the Acquisition and its conduct, including any revisions to the terms of the Scheme, shall be made unanimously by the board of HoldCo or the Consortium Parties;
- 11.5.3** the governance of HoldCo on and from the Effective Date are particularised in **Schedule B** of this Offeror's Letter;
- 11.5.4** the Consortium Parties acknowledge and agree that HoldCo intends to establish the Management Reinvestment, further details of which are particularised in **paragraph 6.1** of this Offeror's Letter; and
- 11.5.5** following the Effective Date, it is contemplated that HoldCo will put in place the ESOS, further details of which are particularised in **paragraph 7** of this Offeror's Letter.

11.6 SIC Confirmations

Pursuant to the Application, the SIC has confirmed, *inter alia*, that the Rollover Agreement and the Consortium and Shareholders' Agreement do not constitute special deals under Rule 10 of the Code.

12. DISCLOSURE OF INTERESTS

12.1 Holdings of and Dealings in Sunningdale Securities

As at the Latest Practicable Date, save as disclosed in **Schedule D** of this Offeror's Letter and in the Scheme Document:

- (a) none of the Offeror, its directors, or parties acting in concert with it owns, controls or has agreed (other than pursuant to the Implementation Agreement and the Rollover Agreement) to acquire any Sunningdale Securities; and
- (b) none of (i) the Offeror, its directors, or parties acting in concert with it or (ii) to the knowledge of the Offeror after making reasonable enquiries, the Undertaking Shareholders, has dealt for value in the Sunningdale Securities during the period commencing from 9 August 2020 and ending on the Latest Practicable Date.

Upon the Scheme becoming effective in accordance with its terms and the completion of the Rollover, the Offeror will hold and control all the voting rights in the Company.

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12.2 Holdings of and Dealings in Offeror Securities

As at the Latest Practicable Date, save as disclosed in **Schedule A** and **Schedule D** of this Offeror's Letter and in the Scheme Document:

- (a) none of (i) the directors of the Offeror, or parties acting in concert with the Offeror or (ii) the Undertaking Shareholders owns, controls or has agreed to acquire any Offeror Securities; and
- (b) none of (i) the directors of the Offeror, or parties acting in concert with the Offeror or (ii) the Undertaking Shareholders, has dealt for value in the Offeror Securities during the period commencing from 9 August 2020 and ending on the Latest Practicable Date.

12.3 Holdings of and Dealings in HoldCo Securities

As at the Latest Practicable Date, save as disclosed in **Schedule D** of this Offeror's Letter and in the Scheme Document:

- (a) none of (i) the Offeror, its directors, or parties acting in concert with it or (ii) the Undertaking Shareholders owns, controls or has agreed to acquire any HoldCo Securities; and
- (b) none of (i) the Offeror, its directors, or parties acting in concert with it or (ii) the Undertaking Shareholders, has dealt for value in the HoldCo Securities during the period commencing from 9 August 2020 and ending on the Latest Practicable Date.

12.4 Other Arrangements

As at the Latest Practicable Date, save as disclosed in **Schedule D** of this Offeror's Letter and in the Scheme Document:

- (a) save for the Deeds of Undertakings, no person has given any irrevocable undertaking to the Offeror or its concert parties to vote in favour of the Scheme at the Scheme Meeting;
- (b) there are no Sunningdale Securities, Offeror Securities or HoldCo Securities held by any persons with whom the Offeror or any party acting in concert with it which are subject to any arrangement of the kind referred to in Note 7 on Rule 12 of the Code, including indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to the Sunningdale Securities, Offeror Securities or HoldCo Securities which may be an inducement to deal or refrain from dealing in the Sunningdale Securities, Offeror Securities or HoldCo Securities; and
- (c) save that (I) the shares in the Offeror will be charged by HoldCo, and (II) the Shares acquired by the Offeror post-Completion will be charged by the Offeror, in each case as security granted to UOB in connection with the financing arrangements undertaken by the Offeror for the Acquisition, neither the Offeror nor any party acting in concert with it has (i) granted a security interest relating to any Sunningdale Securities to another person, whether through a charge, pledge or otherwise, (ii) borrowed any Sunningdale Securities from another person (excluding borrowed Sunningdale Securities which have been on-lent or sold) or (iii) lent any Sunningdale Securities to another person.

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13. OVERSEAS SHAREHOLDERS

13.1 Overseas Shareholders

The applicability of the Scheme to Overseas Shareholders may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Shareholders should inform themselves about, and observe, any applicable requirements in their own jurisdictions.

13.2 Copies of Scheme Document

The Constitution provides that Shareholders who have not supplied to the Company or the CDP (as the case may be) an address within Singapore for the service of notices shall not be entitled to receive notices from the Company. Accordingly, the Scheme Document has not been and will not be sent to any Overseas Shareholder.

Scheme Shareholders (including Overseas Shareholders) may obtain copies of the Scheme Document and any related documents during normal business hours and up to the date of the Scheme Meeting from the Share Registrar at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623. Alternatively, an Overseas Shareholder may write in to the Share Registrar at the same address to request for the Scheme Document and any related documents to be sent to an address in Singapore by ordinary post at his/her/its own risk, up to three (3) Market Days prior to the date of the Scheme Meeting.

For the avoidance of doubt, the Acquisition and the Scheme are being proposed to all Scheme Shareholders (including Overseas Shareholders), including those to whom the Scheme Document will not be, or may not be, sent, provided that the Scheme Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Acquisition and the Scheme are not being proposed in any jurisdiction in which the introduction or implementation of the Acquisition and the Scheme would not be in compliance with the laws of such jurisdiction.

It is the responsibility of any Overseas Shareholder who wishes to request for the Scheme Document and any related documents to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. In requesting for the Scheme Document and any related documents or participating in the Scheme, the Overseas Shareholder represents and warrants to the Offeror and the Company that he/she/it is in full observance of the laws of the relevant jurisdiction in that connection, and that he/she/it is in full compliance with all necessary formalities or legal requirements. **Overseas Shareholders who are in doubt about their positions should consult their own professional advisers in the relevant jurisdictions.**

13.3 Payment and Delivery of HoldCo Share Certificates to Overseas Shareholders

Overseas Shareholders who wish to elect to receive the Scrip Consideration are required to provide the Share Registrar or CDP (as the case may be) an address within Singapore for purposes of service of notices and delivery by the Offeror of the HoldCo Share Certificates by the Record Date.

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Entitled Scheme Shareholders whose addresses as recorded in the Register of Members or the Depository Register (as the case may be) are not within Singapore and who do not provide the Company, CDP or the Share Registrar (as the case may be) with an address in Singapore by the Record Date will be deemed to have elected the Cash Consideration in respect of all their Scheme Shares.

13.4 Notice

The Offeror and the Company each reserves the right to notify any matter, including the fact that the Acquisition and the Scheme have been proposed, to any or all Scheme Shareholders (including Overseas Shareholders) by announcement to the SGX-ST or paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Scheme Shareholder (including any Overseas Shareholders) to receive or see such announcement or advertisement. For the avoidance of doubt, for as long as the Company remains listed on the SGX-ST, the Company will continue to notify all Scheme Shareholders (including Overseas Shareholders) of any matter relating to the Acquisition and the Scheme by announcement via the SGXNET.

Notwithstanding that such Overseas Shareholder may not receive the notice of the Scheme Meeting, they shall be bound by the Scheme if the Scheme becomes effective.

14. ELECTION

14.1 Election Process

Save as otherwise specified in **paragraph 14.3** below in respect of Entitled Depository Agents, each Entitled Scheme Shareholder:

- (a) who is holding Directly-Held Scheme Shares shall only be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Scrip Consideration for all of his/her/its Directly-Held Scheme Shares, but not a combination of both; and
- (b) who is holding Indirectly-Held Scheme Shares, shall in respect of each such sub-account holder, be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Scrip Consideration for all the Indirectly-Held Scheme Shares held on behalf of such sub-account holder, but not a combination of both.

If an Entitled Scheme Shareholder holds both Directly-Held Scheme Shares and Indirectly-Held Scheme Shares through securities sub-account(s) with Depository Agent(s), such Entitled Scheme Shareholder shall elect to receive either the Cash Consideration or the Scrip Consideration (and not a combination of the two) in respect of all of his/her/its Directly-Held Scheme Shares, and shall direct his/her/its Depository Agent(s) to elect to receive the same form of the Scheme Consideration in respect of all of his/her/its Indirectly-Held Scheme Shares.

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14.2 Election Forms

Each Entitled Scheme Shareholder (other than Entitled Depository Agents) may elect to receive the Cash Consideration, or in lieu thereof, the Scrip Consideration, in respect of all its Scheme Shares, but not a mixture of both. The Election Forms will be despatched by the Offeror (or on its behalf) on the first day of the Election Period (which is expected to be 15 March 2021) to all Entitled Scheme Shareholders (other than Entitled Depository Agents), at their respective Singapore addresses shown in the records of CDP (in respect of Entitled Scheme Shareholders being Depositors) or the Register of Members (in respect of Entitled Scheme Shareholders not being Depositors), as the case may be, at their own risk. They can also be collected at the Share Registrar's office situated at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623 during the Election Period.

The Entitled Scheme Shareholders (other than Entitled Depository Agents) should complete, sign and return the Election Forms in accordance with the procedures set out below and the provisions and instructions printed on the Election Forms during the Election Period:

- (a) *Entitled Scheme Shareholders whose Shares are not deposited with CDP:* An Entitled Scheme Shareholder (not being a Depositor) who wishes to accept the Scrip Consideration should deliver the completed and signed Election Form to the Company in the following manner:
- (i) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via email to the Share Registrar at srs.teamd@boardroomlimited.com; or
 - (ii) if submitted by post, be sent to the office of the Share Registrar at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623,

in either case so as to arrive no later than the end of the Election Period.

- (b) *Scheme Shareholders whose Shares are deposited with CDP (other than Entitled Depository Agents):* An Entitled Scheme Shareholder (being a Depositor who is not a Depository Agent) who wishes to accept the Scrip Consideration should deliver the completed and signed Election Form to the Company by post, using the enclosed pre-addressed envelope at his/her/its own risk to Sunningdale Tech Ltd. c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1984, Singapore 903934, so as to arrive no later than the end of the Election Period.

If an Entitled Scheme Shareholder wishes to receive the Scheme Consideration wholly in the form of the Cash Consideration in respect of all of his/her/its Shares, he/she/it does not need to complete and return the Election Form.

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14.3 Entitled Depository Agents

Entitled Depository Agents may make elections on behalf of each sub-account holder who holds Scheme Shares via Electronic Election. Electronic Elections must be submitted no later than the end of the Election Period. CDP has been authorised by the Offeror to receive Electronic Elections on its behalf. Electronic Elections submitted will be deemed irrevocable and subject to each of the terms and conditions contained in the Election Form for Depositors and this Scheme Document (including this Offeror's Letter) as if the Election Form for Depositors had been completed and delivered to CDP. By submitting their Electronic Election, each Entitled Depository Agent confirms and represents to the Offeror that in relation to each sub-account holder in respect of which such Entitled Depository Agent exercises the election:

- (a) such election has been exercised in respect of all (and not some) of the Scheme Shares held by the Entitled Depository Agent for such sub-account holder;
- (b) such sub-account holder has not elected to receive a combination of the Cash Consideration and the Scheme Consideration in respect of the Scheme Shares held by such Entitled Depository Agent on its behalf; and
- (c) such sub-account holder has confirmed to such Entitled Depository Agent that it has not elected to receive a combination of the Cash Consideration and the Scrip Consideration in respect of, if applicable, any of his/her/its Directly-Held Scheme Shares or the Indirectly-Held Scheme Shares held on his/her/its behalf by any Entitled Depository Agent(s).

If an Entitled Depository Agent wishes to elect to receive the Scrip Consideration in respect of any of its sub-account holder's Scheme Shares, such Entitled Depository Agent must, in addition to making the relevant election via Electronic Election, complete and return the Sub-Account Holders Form which will be provided to Entitled Depository Agents by CDP electronically:

- (A) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via email to the Share Registrar at srs.teamd@boardroomlimited.com; or
- (B) if submitted by post, be sent to the office of the Share Registrar at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623,

in either case so as to arrive no later than the end of the Election Period.

Entitled Depository Agents do not have to complete or return the Sub-Account Holders Form if they wish to elect to receive the Cash Consideration in respect of all of their sub-account holders' Scheme Shares.

14.4 Receipt

The Election Forms and Sub-Account Holders Forms must be received by the end of the Election Period, which is expected to be 29 March 2021 at 5.00 p.m.. No acknowledgement of receipt of any Election Form or Sub-Account Holders Form will be

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given by the Offeror, the Company, CDP or the Share Registrar. Each Entitled Scheme Shareholder is permitted to submit only one Election Form and any subsequent submission of any Election Forms will be disregarded and deemed as invalid. Each Entitled Depository Agent is permitted to submit only one Sub-Account Holders Form and any subsequent submission of any Sub-Account Holders Forms will be disregarded and deemed as invalid.

14.5 Deemed Election

In the event that an Entitled Scheme Shareholder or a sub-account holder for each Entitled Depository Agent:

- (a) fails to elect to receive a Scheme Consideration within the Election Period, whether due to an absence or failure of a valid election;
- (b) to the extent applicable under the laws of the Cayman Islands and upon being notified by the Offeror, fails to provide such details and/or information as may be required to satisfy the requirements of the anti-money laundering regulations of the Cayman Islands;
- (c) elects to receive the Cash Consideration or Scrip Consideration in respect of some only and not all of its Scheme Shares;
- (d) holds both Directly-Held Scheme Shares and Indirectly-Held Scheme Shares through securities sub-account(s) with Depository Agent(s) and does not elect to receive and direct his/her/its Depository Agent(s) to elect to receive the same form of the Scheme Consideration in respect of all his/her/its Directly-Held Scheme Shares and Indirectly-Held Scheme Shares respectively, and the Offeror is notified of such occurrence; and/or
- (e) maintains an address recorded in the Register of Members or the Depository Register or in the records of the Entitled Depository Agent (as the case may be) that is not within Singapore and does not provide the Company and the Share Registrar or CDP (as the case may be) with an address in Singapore by the Record Date,

such Entitled Scheme Shareholder or such sub-account holder for each Entitled Depository Agent shall be deemed to have elected to receive the Cash Consideration for all of its Scheme Shares, and shall be entitled only to receive the Cash Consideration for all of its Scheme Shares as at the Record Date.

In addition, if the Share Registrar or CDP (as the case may be) fails to receive, from an Entitled Scheme Shareholder or a sub-account holder for each Entitled Depository Agent an Election Form, Electronic Election or Sub-Account Holders Form, as the case may be, by the end of the Election Period or receives an Election Form, Electronic Election or Sub-Account Holders Form which does not comply with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form or the terms and conditions contained in this Scheme Document, or which is not complete or is invalid in any other respect, that Electing Party shall be deemed to have elected the Cash Consideration in exchange for all his/her/its Shares.

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14.6 Discretion

The Offeror and the Company each reserves the right to treat Election Forms and Sub-Account Holders Forms as valid if received by or on behalf of either of them at any place or places determined by them otherwise than as stated in the Scheme Document, the Election Form or the Sub-Account Holders Form, as the case may be, or if made otherwise than in accordance with the provisions of the Scheme Document, the Election Form or Sub-Account Holders Form. CDP and the Share Registrar take no responsibility for any decision made by the Offeror and/or the Company.

14.7 Disclaimer

The Offeror, the Company, CDP and the Share Registrar will each be authorised and entitled, in its absolute discretion, to reject any Election Form, Electronic Election or Sub-Account Holders Form which is not entirely in order or does not comply with the Scheme Document or the provisions and instructions printed on the Election Form, Electronic Election or the Sub-Account Holders Form (as the case may be), or which is otherwise incomplete, incorrect, unsigned or invalid in any respect. The Offeror shall not be required to notify any Entitled Scheme Shareholder or Entitled Depository Agent if his/her/its Election Form, Electronic Election or Sub-Account Holders Form is not received or is not in compliance with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be), or is otherwise incomplete or invalid in any other respect. If you wish to receive the Scrip Consideration, it is your responsibility to ensure that the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) is properly completed in all respects, signed and all required supporting documents, where applicable, are provided. Any decision to reject any Election Form, Electronic Election or Sub-Account Holders Form will be final and binding and none of the Offeror, the Company, CDP or the Share Registrar accepts any responsibility or liability in relation to such rejection, including the consequences thereof.

14.8 Correspondences

All communications, certificates, notices, documents and remittances to be delivered or sent to you (or your designated agent or, in the case of joint Shareholders who have not designated any agent, to the one first named in the Register of Members) will be sent by ordinary post to your respective mailing addresses as maintained with CDP or as they appear in the Register of Members, as the case may be, at the risk of the person entitled hereto. The attention of Overseas Shareholders is also drawn to **paragraph 13** above and **paragraph 19** of the Explanatory Statement.

15. SETTLEMENT AND REGISTRATION

15.1 Entitlements

Entitlements to the Scheme Consideration will be determined on the basis of the Entitled Scheme Shareholders and their holdings of Shares appearing in the Register of Members or Securities Account (as the case may be) as at 5.00 p.m. on the Record Date.

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Entitled Scheme Shareholders who have not already done so are requested to take the necessary action to ensure that the Shares owned by them are registered in their names with the Share Registrar or credited to their Securities Account (as the case may be) by 5.00 p.m. on the Record Date.

15.2 Procedure for Implementation

If the Court sanctions the Scheme, the Offeror, HoldCo and the Company will (subject to the satisfaction (or, if applicable, waiver) of all the Scheme Conditions on or before 5.00 p.m. on the Cut-Off Date) take the necessary steps to render the Scheme effective and binding in accordance with its terms, and the following will be implemented:

- (a) the Scheme Shares held by Entitled Scheme Shareholders will be transferred to the Offeror for either (i) the Cash Consideration to be paid by the Offeror, or (ii) the HoldCo Shares to be issued by HoldCo pursuant to the Scrip Consideration, and, if the Adjustment Mechanism applies, the cash to be paid by the Offeror for the balance number of Scheme Shares held by Entitled Scheme Shareholders that elected for Scrip Consideration in excess of the Maximum Number (“**Balance Cash Consideration**”), as the case may be, to the Entitled Scheme Shareholders for each Scheme Share, in the following manner:
 - (i) in the case of Entitled Scheme Shareholders (not being Depositors), the Company shall authorise any person to execute or effect on behalf of all such Entitled Scheme Shareholders an instrument or instruction of transfer of all the Scheme Shares held by such Entitled Scheme Shareholders and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Entitled Scheme Shareholder; and
 - (ii) in the case of Entitled Scheme Shareholders (being Depositors), the Company shall instruct CDP, for and on behalf of such Entitled Scheme Shareholders, to debit, not later than seven (7) Business Days after the Effective Date, all the Scheme Shares standing to the credit of the Securities Account of such Entitled Scheme Shareholders and credit all of such Scheme Shares to the Securities Account of the Offeror or such Securities Account(s) as directed by the Offeror;
- (b) from the Effective Date, all existing share certificates relating to the Scheme Shares held by the Entitled Scheme Shareholders (not being Depositors) will cease to be evidence of title of the Scheme Shares represented thereby;
- (c) Entitled Scheme Shareholders (not being Depositors) are required to forward their existing share certificates relating to their Scheme Shares to the Share Registrar’s office at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623, as soon as possible, but not later than seven (7) Business Days after the Effective Date for cancellation; and

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(d) the Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Scheme Shares set out in **paragraph 15.2(a)** above:

(i) Cash Consideration

The Offeror shall pay cash to the Entitled Scheme Shareholders who elect to (or are deemed to have elected to) and are entitled to receive the Scheme Consideration in the form of Cash Consideration for all their Scheme Shares as follows:

(A) Entitled Scheme Shareholders whose Scheme Shares are not deposited with CDP

The Offeror shall pay each Entitled Scheme Shareholder (not being a Depositor) by sending a cheque for the Cash Consideration payable to and made out in favour of such Entitled Scheme Shareholder by ordinary post to his/her/its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such Entitled Scheme Shareholder, or in the case of joint Entitled Scheme Shareholders, to both joint Entitled Scheme Shareholders made out in favour of such joint Entitled Scheme Shareholders by ordinary post to the address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such joint Entitled Scheme Shareholders; and

(B) Entitled Scheme Shareholders whose Scheme Shares are deposited with CDP

The Offeror shall pay each Entitled Scheme Shareholder (being a Depositor) by making payment of the Cash Consideration payable to such Entitled Scheme Shareholder to CDP. CDP shall:

(I) in the case of an Entitled Scheme Shareholder (being a Depositor) who has registered for CDP's direct crediting service, credit the Cash Consideration payable to such Entitled Scheme Shareholder, to the designated bank account of such Entitled Scheme Shareholder; and

(II) in the case of an Entitled Scheme Shareholder (being a Depositor) who has not registered for CDP's direct crediting service, credit the Cash Consideration to such Entitled Scheme Shareholder's Cash Ledger and such Cash Consideration shall be subject to the same terms and conditions as applicable to "*Cash Distributions*" under CDP's "*The Central Depository (Pte) Limited Operation of Securities Account with the Depository Terms and Conditions*" as amended, modified or supplemented from time to time, copies of which will be available from CDP.

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Assuming that the Scheme becomes effective and binding on 8 April 2021, the crediting by CDP of the Cash Consideration into the designated bank accounts of the Entitled Scheme Shareholders (in the case of the Entitled Scheme Shareholders being Depositors and who have registered with CDP for its direct crediting service), the crediting by CDP of the Cash Consideration into the Cash Ledger of the Entitled Scheme Shareholders (in the case of the Entitled Scheme Shareholders being Depositors and who have not registered with CDP for its direct crediting service) or the posting of cheques for the Cash Consideration in the manner set out in **paragraph 15.2(d)(i)(A)** above, as the case may be, is expected to take place on or before 19 April 2021.

The despatch of payment by the Offeror to each Entitled Scheme Shareholder's address and/or CDP (as the case may be) in accordance with the above shall discharge the Offeror from any liability in respect of those payments.

(ii) Scrip Consideration

Subject to the Adjustment Mechanism and **paragraph 13.3** above, HoldCo shall allot and issue new HoldCo Shares, credited as fully-paid, on the basis of 1,650 new HoldCo Shares at the Issue Price per new HoldCo Share for every one Scheme Share held by such Entitled Scheme Shareholder who elects to and is entitled to receive the Scheme Consideration in the form of the Scrip Consideration for all of their Scheme Shares, and the share certificates in respect of such HoldCo Shares will be delivered to the relevant person/entity recorded in the Register of Members or the Depository Register as at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form), regardless of whether such Entitled Scheme Shareholder holds the Scheme Shares as custodian or nominee or otherwise. If the Adjustment Mechanism applies, the Offeror shall pay the Balance Cash Consideration by sending a cheque in the manner set out in **paragraphs 15.2(d)(ii)(A)** and **15.2(d)(ii)(B)** below, not later than seven (7) Business Days after the Effective Date.

(A) Entitled Scheme Shareholders whose Scheme Shares are not deposited with CDP

The Offeror shall send the HoldCo Share Certificates representing the relevant number of new HoldCo Shares to each Entitled Scheme Shareholder (not being a Depositor) by ordinary post to his/her/its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such Entitled Scheme Shareholder, or in the case of joint Entitled Scheme Shareholders, to the first named Entitled Scheme Shareholder by ordinary post to his/her/its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such joint Entitled Scheme Shareholders, save that in all cases, no HoldCo Share Certificates will, in the case of Overseas Shareholders, be despatched in or into any overseas jurisdiction (please refer to **paragraph 13** above for more information on the arrangements for Overseas Shareholders).

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If the Adjustment Mechanism applies, the Offeror shall pay the Balance Cash Consideration by sending a cheque for the Balance Cash Consideration payable to and made out in favour of such Entitled Scheme Shareholder by ordinary post to his/her/its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such Entitled Scheme Shareholder, or in the case of joint Entitled Scheme Shareholders, to both joint Entitled Scheme Shareholders made out in favour of such joint Entitled Scheme Shareholders by ordinary post to the address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such joint Entitled Scheme Shareholders.

(B) Entitled Scheme Shareholders whose Scheme Shares are deposited with CDP

The Offeror shall send the HoldCo Share Certificates representing the relevant number of new HoldCo Shares to each Entitled Scheme Shareholder (being a Depositor) by ordinary post to his/her/its address as appearing in the Depository Register at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form), at the sole risk of such Entitled Scheme Shareholder, or in the case of joint Entitled Scheme Shareholders, to the first named Entitled Scheme Shareholder by ordinary post to his/her/its address as appearing in the Depository Register at the close of business on the Record Date, at the sole risk of such joint Entitled Scheme Shareholders, save that in all cases, no HoldCo Share Certificates will, in the case of Overseas Shareholders, be despatched in or into any overseas jurisdiction (please refer to **paragraph 13** above for more information on the arrangements for Overseas Shareholders).

If the Adjustment Mechanism applies, the Offeror shall pay the Balance Cash Consideration by sending a cheque for the Balance Cash Consideration payable to and made out in favour of such Entitled Scheme Shareholder by ordinary post to his/her/its address as appearing in the Depository Register at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form), at the sole risk of such Entitled Scheme Shareholder, or in the case of joint Entitled Scheme Shareholders, to the first named Entitled Scheme Shareholder by ordinary post to his/her/its address as appearing in the Depository Register at the close of business on the Record Date, at the sole risk of such joint Entitled Scheme Shareholders.

Assuming that the Scheme becomes effective and binding on 8 April 2021, the posting of the HoldCo Share Certificates representing the new HoldCo Shares to be allotted and issued pursuant to the Scheme and, if the Adjustment Mechanism applies, the posting of the cheques to Entitled Scheme Shareholders for the Balance Cash Consideration in the manner set out in **paragraphs 15.2(d)(ii)(A)** and **15.2(d)(ii)(B)** above, are expected to take place on or before 19 April 2021.

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The despatch of the HoldCo Share Certificates and, if applicable, the posting of the cheques for the Balance Cash Consideration to each Entitled Scheme Shareholder's address in accordance with the above shall discharge the Offeror from any liability in respect of the delivery of the said certificates and such payments.

The new HoldCo Shares to be allotted and issued pursuant to the Scheme shall be allotted and issued and credited as fully paid and, when allotted and issued, will rank *pari passu* in all respects with the then existing HoldCo Shares.

The holders of the HoldCo Shares are subject to the terms set out in the proposed HoldCo Constitution. An extract of the key terms can be found in **Schedule B** of this Offeror's Letter.

Please refer to **paragraph 2.3** above for an illustration of the operation of the Adjustment Mechanism in the event that Entitled Scheme Shareholders elect for the Scrip Consideration in such amount which exceeds the Maximum Number.

15.3 Settlement

The procedures for settlement are more particularly described in **paragraphs 14.3** and **16** of the Explanatory Statement.

16. **GENERAL INFORMATION**

Schedule D of this Offeror's Letter sets out certain additional general information relating to the Scheme.

17. **FINANCIAL ADVISERS AND CONFIRMATION OF FINANCIAL RESOURCES**

17.1 Appointment of Joint Financial Advisers

Rippledot Capital Advisers Pte. Ltd. and UOB have been appointed as the joint financial advisers to the Offeror in respect of the Acquisition and the Scheme.

17.2 Confirmation of Financial Resources

UOB, being a joint financial adviser to the Offeror in connection with the Acquisition and the Scheme, confirms that sufficient financial resources are available to the Offeror to satisfy in full the aggregate Cash Consideration payable by the Offeror for all the Scheme Shares to be acquired by the Offeror pursuant to the Scheme, excluding the Scheme Consideration payable for:

- (a) the Shares held by Yarwood and GSH, on the basis that each of Yarwood and GSH have elected to receive the Scrip Consideration; and
- (b) the Identified Participating Management Shares (which includes the Shares held by BH), on the basis that each of the Identified Participating Management has agreed to defer and reinvest the Cash Consideration payable for the Identified Participating Management Shares to subscribe for HoldCo Shares pursuant to the Management Reinvestment.

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18. RESPONSIBILITY STATEMENT

The directors of the Offeror and HoldCo (including any who may have delegated detailed supervision of the preparation of this Offeror's Letter) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Offeror's Letter (excluding any information relating to or opinions expressed by the Company, the Valuers and/or the IFA) are fair and accurate and that, where appropriate, no material facts in relation thereto have been omitted from this Offeror's Letter, and the directors of the Offeror and HoldCo jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, the sole responsibility of the directors of the Offeror and HoldCo has been to ensure that, through reasonable enquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Offeror's Letter. The directors of the Offeror and HoldCo do not accept any responsibility for any information relating to or any opinion expressed by the Company.

Yours faithfully

For and on behalf of the Board of Directors of
SUNRISE TECHNOLOGY INVESTMENT HOLDING PTE. LTD.

Koh Boon Hwee
Director

APPENDIX 2
LETTER FROM THE OFFEROR TO THE SCHEME SHAREHOLDERS

SCHEDULE A
INFORMATION RELATING TO THE OFFEROR AND HOLDCO

(A) INFORMATION RELATING TO THE OFFEROR

1. DIRECTORS OF THE OFFEROR

The relevant information of the directors of the Offeror as at the Latest Practicable Date is set out below:

Name	Address	Designation
Koh Boon Hwee	c/o Sunrise Technology Investment Holding II Pte. Ltd., 2 Fusionopolis Way, #15-03 Innovis, Singapore 138634	Director
Loke Wai San	c/o NT SPV 9, 76 Peck Seah Street, #02-00, Singapore 079331	Director

2. PRINCIPAL ACTIVITIES

The Offeror is a company incorporated in Singapore on 18 June 2020. The registered office of the Offeror is at 33A Chander Road, Singapore 219539.

The Offeror has not carried on any business since its incorporation.

3. SHARE CAPITAL

3.1 Share Capital and Shareholders

As at the Latest Practicable Date:

- (a) the issued share capital of the Offeror is S\$1.00, comprising 1 ordinary share of S\$1.00; and
- (b) the sole shareholder of the Offeror is HoldCo.

3.2 Changes to Share Capital

On 27 October 2020, KBH transferred one Offeror Share to HoldCo at S\$1.00 per Offeror Share. Save for the foregoing, there is no material change to the issued share capital of the Offeror since the date of its incorporation and ending on the Latest Practicable Date.

4. FINANCIAL INFORMATION ON THE OFFEROR

As the Offeror was newly incorporated on 18 June 2020 for the purpose of the Acquisition, no audited or unaudited financial statements of the Offeror have been prepared as at the Latest Practicable Date for inclusion in this Offeror's Letter.

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As no audited or unaudited financial statements of the Offeror have been prepared since the date of its incorporation, there are no significant accounting policies to be noted.

Save in relation to and in connection with the Acquisition and the Scheme (including financing the Acquisition and the Scheme and the costs and expenses incurred or to be incurred in connection with the Acquisition and the Scheme), there has been no known material change in the financial position of the Offeror since its incorporation.

(B) INFORMATION RELATING TO HOLDCO

5. DIRECTORS OF HOLDCO

The relevant information of the directors of HoldCo as at the Latest Practicable Date is set out below:

Name	Address	Designation
Koh Boon Hwee	c/o Sunrise Technology Investment Holding II Pte. Ltd., 2 Fusionopolis Way, #15-03 Innovis, Singapore 138634	Director
Loke Wai San	c/o NT SPV 9, 76 Peck Seah St, Level 2, Singapore 079331	Director

6. PRINCIPAL ACTIVITIES

HoldCo is an exempted company incorporated in the Cayman Islands on 14 October 2020 for the purpose of the Acquisition. The registered office of HoldCo is c/o Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. HoldCo does not have a principal office in Singapore.

7. SHARE CAPITAL

7.1 Share Capital

As at the Latest Practicable Date:

- (a) there is only one class of shares in the capital of HoldCo, namely the HoldCo Shares;
- (b) the authorised share capital of HoldCo is S\$200,000,000, divided into 200,000,000,000 shares of a nominal or par value of S\$0.001 each; and
- (c) the issued share capital of HoldCo is S\$0.10, comprising 100 HoldCo Shares of S\$0.001 each.

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7.2 Shareholders

The shareholders of HoldCo are:

- (a) KBHCo, an entity wholly owned by KBH, holding 64 HoldCo Shares representing 64 per cent. of the HoldCo Shares; and
- (b) Novo Tellus, a wholly owned subsidiary of Novo Tellus PE Fund 2, L.P., holding 36 HoldCo Shares representing 36 per cent. of the HoldCo Shares.

The HoldCo Shares are not listed on any securities exchange.

7.3 Illustrative Resultant Shareholdings in HoldCo

As set out in **paragraphs 5.1(e), 5.1(f) and 6.2** of this Offeror's Letter, Yarwood, GSH and the Identified Participating Management have agreed in their respective Deeds of Undertaking to (i) (in the case of Yarwood and GSH) elect to accept the Scrip Consideration in respect of its or his Shares and (ii) in the case of each Identified Participating Management, to defer and reinvest the Cash Consideration in respect of some or all of his or her Shares (including any Shares which he or she may receive pursuant to the vesting of his or her outstanding Share Awards) to subscribe for HoldCo Shares pursuant to the Management Reinvestment.

For purely illustrative purposes only, the expected shareholding structure of HoldCo on Completion and following the issuance of HoldCo Shares pursuant to the Consortium and Shareholders' Agreement, the Management Reinvestment and the Rollover Agreement are set out in **paragraphs 8.1(b) and 8.1(c)** of this Offeror's Letter based on the scenarios described therein.

7.4 HoldCo Shares

The HoldCo Shares, which have identical rights in all respects, rank equally with one another. All HoldCo Shares in issue immediately following the Scheme will be fully paid-up or credited as paid-up.

7.5 HoldCo Constitution

The rights and privileges attaching to the HoldCo Shares are set out in the Consortium and Shareholders' Agreement and are incorporated in the amended HoldCo Constitution, which shall take effect on and from the Effective Date. Extracts of the proposed HoldCo Constitution relating to (i) certain transfer restrictions in respect of HoldCo Shares, and (ii) the rights of holders of HoldCo Shares in respect of capital, dividends and voting are set out in **Schedule B** of this Offeror's Letter, and will be adopted in substantially the form annexed.

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7.6 Changes to Share Capital

Since the date of incorporation of HoldCo and ending on the Latest Practicable Date, the material changes to the issued share capital of HoldCo are as follows:

- (a) on 14 October 2020, Sharon Pierson transferred one HoldCo Share to KBHCo at S\$0.001 per HoldCo Share;
- (b) on 4 November 2020, 63 new HoldCo Shares of S\$0.001 each were issued to KBHCo and 36 new HoldCo Shares of S\$0.001 each were issued to Novo Tellus; and
- (c) on 9 November 2020, the authorised share capital of HoldCo was increased from S\$60,000 (divided into 60,000,000 HoldCo Shares) to S\$200,000,000 (divided into 200,000,000,000 HoldCo Shares) by the creation of additional 199,940,000,000 HoldCo Shares of a nominal or par value of S\$0.001 each.

7.7 Convertible Instruments

As at the Latest Practicable Date, save as disclosed in the Scheme Document, there are no outstanding instruments convertible into, rights to subscribe for, and options or derivatives in respect of, HoldCo Shares or securities which carry voting rights in HoldCo.

8. **FINANCIAL INFORMATION ON HOLDCO**

As the HoldCo was newly incorporated on 14 October 2020 for the purpose of the Acquisition, no audited or unaudited financial statements of HoldCo have been prepared as at the Latest Practicable Date for inclusion in this Offeror's Letter.

As no audited or unaudited financial statements of HoldCo have been prepared since the date of its incorporation, there are no significant accounting policies to be noted.

Save in relation to and in connection with the Acquisition and the Scheme (including financing the Acquisition and the Scheme and the costs and expenses incurred or to be incurred in connection with the Acquisition and the Scheme), there has been no known material change in the financial position of HoldCo since its incorporation.

(C) **GENERAL**

9. **INDEBTEDNESS**

The Offeror (as borrower) has entered into a facility agreement in connection with its financing arrangements for the Acquisition for an amount of up to S\$145,000,000 (the "**Facilities**"). It has also obtained commitments to refinance, if required, certain facilities of the Company, if the Scheme becomes effective.

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LETTER FROM THE OFFEROR TO THE SCHEME SHAREHOLDERS

The Facilities are secured over, inter alia, (a) an equitable share mortgage by HoldCo in respect of its shares in the Offeror, (b) an equitable share mortgage by the Offeror in respect of its shares in the Company, (c) a charge over certain bank accounts of the Offeror, and (d) a debenture by the Offeror over all its assets, in each case in favour of the lender.

Save as disclosed above, as at the Latest Practicable Date, each of the Offeror and HoldCo does not have any outstanding bank overdrafts or loans, or other similar indebtedness, mortgages, charges, guarantees or other material contingent liabilities save in respect of costs and expenses incurred in the ordinary course of implementing the Acquisition. The costs and expenses to be incurred by the Offeror and HoldCo in aggregate are expected to be approximately S\$11,000,000 (excluding goods and services tax).

10. MATERIAL LITIGATION

As at the Latest Practicable Date:

- 10.1** neither the Offeror nor HoldCo is engaged in any material litigation, either as plaintiff or defendant, which might materially or adversely affect the financial position of the Offeror; and
- 10.2** none of the directors of the Offeror or HoldCo are aware of any litigation, claims or proceedings pending or threatened against the Offeror, or of any facts likely to give rise to any litigation, claims or proceedings which might materially and adversely affect the financial position of the Offeror.

11. MATERIAL CONTRACTS WITH INTERESTED PERSONS

As at the Latest Practicable Date and save as disclosed in this Offeror's Letter and the Scheme Document, there are no material contracts entered into between the Offeror or HoldCo and an interested person (within the meaning of Note 1 to Rule 23.12 of the Code), save for contracts relating to the capital contributions and financing arrangements for the Acquisition, as disclosed in this Offeror's Letter and the Scheme Document.

APPENDIX 2 LETTER FROM THE OFFEROR TO THE SCHEME SHAREHOLDERS

SCHEDULE B EXTRACTS OF THE GOVERNANCE ARRANGEMENTS IN RELATION TO THE HOLDCO SHARES AS SET OUT IN (I) THE HOLDCO CONSTITUTION AND (II) THE CONSORTIUM AND SHAREHOLDERS' AGREEMENT

Extracts of the (i) proposed HoldCo Constitution and (ii) the Consortium and Shareholders' Agreement¹¹ relating to the key governance arrangements of HoldCo including certain transfer restrictions in respect of HoldCo Shares, and the rights of holders of HoldCo Shares in respect of capital, dividends and voting as extracted and reproduced from the proposed HoldCo Constitution (which will be in effect on and from the Effective Date) and, where relevant, from the Consortium and Shareholders' Agreement are set out below.

All capitalised terms used in the following extracts shall have the same meanings given to them in the proposed HoldCo Constitution, a copy of which is available for inspection at the registered office of the Company during normal business hours from the date of the Scheme Document up to the Effective Date. A copy of the Consortium and Shareholders' Agreement, insofar as it relates to the governance arrangements after the Effective Date is also available for inspection at the registered office of the Company during the aforesaid period.

(A) TRANSFER RESTRICTIONS IN RESPECT OF HOLDCO SHARES

12. Transfer of Registered Shares

12.1 **Moratorium on Transfer.** Notwithstanding anything contained in the SHA or these Articles, but subject to Article 12.6, each Member shall not, without the prior written consent of the other Controlling Shareholders and the Board, transfer all or any part of the shares held by it for the time being to any person within a period of three years after the Effective Date.

12.2 Restriction on Transfer

- (a) Subject to Article 12.6, no Member shall transfer all or any part of the shares held by it or otherwise sell, dispose of or deal with all or any part of its interest in such shares unless and until the rights of pre-emption conferred by Article 12.3 have been exhausted.
- (b) No Member shall, without the prior written consent of the other Controlling Shareholders, create or have outstanding any Encumbrance or security interest on or over any shares or any part of its interest in such shares (otherwise than by a transfer of such shares in accordance with the SHA and these Articles).

¹¹ The Consortium and Shareholders' Agreement is referred to as the "SHA" in the proposed HoldCo Constitution. Other than section (E) of this **Schedule B**, all terms set out in **sections (A) to (D)** of this **Schedule B** will be set out in the proposed HoldCo Constitution on and from the Effective Date, and the reference to Articles herein refer to the Articles of the proposed HoldCo Constitution, a copy which is available for inspection at the registered office of the Company during normal business hours from the date of the Scheme Document up to the Effective Date.

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12.3 Right of First Offer

- (a) Every Member who desires to transfer any share or shares (the “**Transferor**”) shall give to the Company and the Controlling Shareholders (other than the Transferor, if the Transferor is also a Controlling Shareholder) (the “**Other Shareholders**”) notice in writing of such desire (a “**Transfer Notice**”), which notice shall specify the number of shares proposed to be sold and transferred (the “**Sale Shares**”).
- (b) Within 21 days of the receipt of the Transfer Notice, each Other Shareholder (“**ROFO Offeror**”) may exercise its right of first offer to purchase all (and not some only) of the Sale Shares (the “**ROFO Offer**”) by issuance and delivery of a written notice (the “**ROFO Notice**”) to the Transferor, stating:
- (i) that the Other Shareholder wishes to purchase the Sale Shares;
 - (ii) the price per Sale Share (the “**ROFO Price**”) in cash at which the Other Shareholder intends to purchase the Sale Shares; and
 - (iii) any other terms and conditions of such purchase (if any) (the “**Prescribed Terms**”).

If any Other Shareholder fails to serve a ROFO Notice in accordance with this Article 12.3, it shall be deemed to have irrevocable and unconditionally waived its right to issue and deliver a ROFO Notice and/or to make a ROFO Offer.

- (c) Each ROFO Notice shall constitute a binding offer by the ROFO Offeror to purchase the Sale Shares on the terms set out in such ROFO Notice. The ROFO Notice and ROFO Offer contained therein is irrevocable and may not be withdrawn without the prior written consent of the Transferor.
- (d) Upon receipt by the Transferor of a ROFO Notice, the Transferor may, by written notice to be delivered to the ROFO Offeror on or prior to the expiry of 21 days after receipt of such ROFO Notice:
- (i) accept the ROFO Offer contained in such ROFO Notice, stating that the Transferor agrees to sell the Sale Shares to such ROFO Offeror on the terms set out in such ROFO Notice (the “**ROFO Acceptance Notice**”); or
 - (ii) decline to accept the ROFO Offer,

provided that in the event there are multiple ROFO Offers and the Transferor wishes to accept a ROFO Offer, it must always accept the ROFO Offer with the highest ROFO Price.

The Transferor’s ROFO Acceptance Notice is irrevocable and may not be withdrawn without the prior written consent of the ROFO Offeror. If the Transferor fails to deliver a ROFO Acceptance Notice in accordance with this Article 12.3(d) the Transferor shall be deemed to have declined the ROFO Offeror’s ROFO Offer.

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- (e) Subject to Article 12.3(f), upon receipt by the ROFO Offeror of the Transferor's ROFO Acceptance Notice:
- (i) the Transferor shall be bound to sell; and
 - (ii) the ROFO Offeror shall be bound to purchase,
- the Sale Shares on the terms set out in the ROFO Offeror's ROFO Notice, on a date falling 10 days (or such other date as the Transferor and ROFO Offeror may agree) after the date of receipt by the ROFO Offeror of the Transferor's ROFO Acceptance Notice.
- (f) In the event that the Transferor has received ROFO Offers from multiple ROFO Offerors at an identical ROFO Price, the Transferor shall sell the Sale Shares to such ROFO Offerors in accordance with the ROFO Offerors' respective Shareholding Percentages *inter se* as at the expiry of the deadline for the Other Shareholders to submit their ROFO Offer.
- (g) In the event the Transferor declines to accept the ROFO Offer(s), the Transferor shall be entitled to sell the Sale Shares to a *bona fide* third party purchaser, within six months after the last date on which a ROFO Notice may be given, at a price not less than the highest ROFO Price and on terms no less favourable than the Prescribed Terms (if any), except that the Transferor may provide representations, warranties, covenants and indemnities customary for such transfer to such third party purchaser.
- (h) If the Other Shareholders within the said period of 21 days referred to in Article 12.3(b) do not submit a ROFO Offer, the Transferor shall be entitled to sell the Sale Shares to a *bona fide* third party purchaser within six months after the last date on which a ROFO Notice may be given.
- (i) The Transferor shall be bound to transfer the Sale Shares comprised in a ROFO Acceptance Notice to the purchasers named therein at the time and place therein specified by the delivery of duly executed transfer forms together with the relative share certificates in respect of such Sale Shares and, if required by the purchasers, the Stamp Duty Documents and, if it shall fail to do so, a person appointed by the Board shall be deemed to have been appointed attorney of the Transferor with full power to execute, complete and deliver, in the name and on behalf of the Transferor, transfers of the Sale Shares to the purchaser thereof against payment of the price to the Company. On payment of the price to the Company the purchaser shall be deemed to have obtained a good quittance for such payment and on execution and delivery of the transfer the purchaser shall be entitled to insist upon its name being entered in the Company's register of members as the holder by transfer of the Sale Shares. The Company shall forthwith pay the price into a separate bank account in the Company's name and shall hold such price in trust for the Transferor.

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12.4 Tag-Along Right

- (a) In the event that STIH II (the “**Selling Shareholder**”), after having first complied with the provisions of Article 12.3 desires to transfer any shares to a third party purchaser (such third party purchaser, the “**Tag-Along Purchaser**”) that would result in STIH II holding less than 80 per cent. of the shares held by it as at or shortly after the Effective Date, the Selling Shareholder shall give notice in writing (the “**Tag-Along Notice**”) to the other Controlling Shareholders of such desire. The Tag-Along Notice shall specify the name of the Tag-Along Purchaser to whom the Selling Shareholder proposes to transfer such Shares, the number and class of shares proposed to be transferred (the “**Tag-Along Shares**”), the price and other terms and conditions of such transfer and enclose an offer (the “**Tag-Along Offer**”) dated the date of the Tag-Along Notice made by the Tag-Along Purchaser to the other Controlling Shareholders to purchase the shares held by the other Controlling Shareholders at such time, on the basis that the number of Tag-Along Shares which the Selling Shareholder shall sell, and the number of shares that the other Controlling Shareholders shall sell, shall be pro-rata (based on their respective Shareholding Percentages) to the number of shares agreed to be purchased by the Tag-Along Purchaser, and on terms and conditions (including price) no less favourable to the other Controlling Shareholders than those available to the Selling Shareholder. Each other Controlling Shareholder (if it so desires) may accept the Tag-Along Offer made to it by serving on the Tag-Along Purchaser (with a copy to the Selling Shareholder) notice in writing of its acceptance within 30 days of the date of the Tag-Along Offer.
- (b) If any other Controlling Shareholder accepts the Tag-Along Offer within the said 30-day period, completion of the sale and purchase of the relevant number of shares held by such other Controlling Shareholder and completion of the sale and purchase of the relevant number of shares held by the Selling Shareholder shall take place within 14 days following the expiry of the said 30-day period at the registered office of the Company and on such date within such 14-day period as the Selling Shareholder and the Tag-Along Purchaser shall agree in writing and notified in writing to the relevant Controlling Shareholder.

12.5 Drag-Along Right

- (a) The Majority Shareholder shall be entitled, after having first offered its shares (the “**Majority Shareholder’s Shares**”) to all Controlling Shareholders in compliance with the provisions of Article 12.3 and provided that the Controlling Shareholders do not apply to purchase all (but not less than all) of the Majority Shareholder’s Shares in accordance with such provisions, to sell to a third party (the “**Drag-Along Purchaser**”) all (but not less than all) of the Majority Shareholder’s Shares and, in addition, to, by notice in writing (the “**Drag-Along Notice**”) to all other Members (the “**Dragged-Along Shareholders**”), require the Dragged-Along Shareholders to sell to the Drag-Along Purchaser all (and not some only) of the Dragged-Along Shareholders’ Shares. The Majority Shareholder shall be permitted to sell the Majority Shareholder’s Shares and the Dragged-Along Shareholders shall be bound to sell such shares only if the Equity Value of the Group is no less than S\$195,000,000. In addition, the Dragged-Along Shareholders shall be bound to sell such shares if the terms and conditions (including price) are no less favourable to the Dragged-Along Shareholders than those offered to the Majority Shareholder.

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- (b) Completion of the sale and purchase of the shares held by the Majority Shareholder (i.e., the Majority Shareholder's Shares), and completion of the sale and purchase of the shares held by the Dragged-Along Shareholders shall take place within 14 days of the date of the Drag-Along Notice at such place and on such date within such 14-day period as the Majority Shareholder and the Drag-Along Purchaser shall agree and notified in writing by the Majority Shareholder to the Dragged-Along Shareholders. The Dragged-Along Shareholders shall be bound to transfer their shares to the Drag-Along Purchaser at the time and place specified in the notice by the delivery of duly executed transfer forms together with the relative share certificates in respect of such shares and, if required by the Drag-Along Purchaser, the Stamp Duty Documents and, if it shall fail to do so, a person appointed by the Board shall be deemed to have been appointed attorney of the Dragged-Along Shareholders with full power to execute, complete and deliver, in the name and on behalf of the Dragged-Along Shareholders, transfers of the shares held by the Dragged-Along Shareholders to the Drag-Along Purchaser against payment of the price to the Company. On payment of the price to the Company, the Drag-Along Purchaser shall be deemed to have obtained a good quittance for such payment and on execution and delivery of the transfer the Drag-Along Purchaser shall be entitled to insist upon its name being entered in the Company's register of members as the holder by transfer of the shares that were held by the Dragged-Along Shareholders. The Company shall forthwith pay the price into separate bank account(s) in the Company's name and shall hold such price in trust for the Dragged-Along Shareholders.

12.6 Permitted Transfers

- (a) The restrictions on transfer of shares contained in Articles 12.1, 12.2, 12.3, 12.4 and 12.5 shall not apply, in the case of a transfer of any or all of the shares owned by a Member to an Affiliate of such Member (each, a "**Permitted Transferee**").
- (b) If however at any time after a transfer of shares is effected by a Member to its Permitted Transferee, such transferee ceases to be a Permitted Transferee of the transferring Member, it shall be the duty of the transferring Member and such transferee to notify the Board in writing that such event has occurred and both the transferring Member and such transferee shall jointly and severally undertake to procure and ensure that all (and not some only) of the shares held by such transferee are immediately transferred to the transferring Member or another Permitted Transferee of the transferring Member.

12.7 **Void Transfers.** Any transfer of shares that is not made in substantial compliance with the provisions of this Article 12 shall be null and void.

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12.8 An instrument of transfer shall be in writing in the form of the following, or as near thereto as circumstances admit, or in such other form as the Board may accept:

Transfer of a Share or Shares

[Name of Company] (the “Company”)

FOR VALUE RECEIVED [amount], I, [name of transferor] hereby sell, assign and transfer unto [transferee] of [address], [number] shares of the Company.

DATED this [date]

Signed by:

In the presence of:

Transferor

Witness

Transferee

Witness

12.9 Such instrument of transfer shall be signed by (or in the case of a party that is a corporation, on behalf of) the transferor and transferee, provided that, in the case of a fully paid share, the Board may accept the instrument signed by or on behalf of the transferor alone. The transferor shall be deemed to remain the holder of such share until the same has been transferred to the transferee in the Register of Members.

12.10 The Board may refuse to recognise any instrument of transfer unless it is accompanied by the certificate in respect of the shares to which it relates and by such other evidence as the Board may reasonably require showing the right of the transferor to make the transfer.

12.11 The joint holders of any share may transfer such share to one or more of such joint holders, and the surviving holder or holders of any share previously held by them jointly with a deceased Member may transfer any such share to the executors or administrators of such deceased Member.

12.12 The Board may in its absolute discretion and without assigning any reason therefor refuse to register the transfer of a share. If the Board refuses to register a transfer of any share the Secretary shall, within three months after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal.

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13. Transmission of Registered Shares

- 13.1 In the case of the death of a Member, the survivor or survivors where the deceased Member was a joint holder, and the legal personal representatives of the deceased Member where the deceased Member was a sole holder, shall be the only persons recognised by the Company as having any title to the deceased Member's interest in the shares. Nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such deceased Member with other persons. Subject to the provisions of Section 39 of the Law, for the purpose of this Article, legal personal representative means the executor or administrator of a deceased Member or such other person as the Board may, in its absolute discretion, decide as being properly authorised to deal with the shares of a deceased Member.
- 13.2 Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may be registered as a Member upon such evidence as the Board may deem sufficient or may elect to nominate some person to be registered as a transferee of such share, and in such case the person becoming entitled shall execute in favour of such nominee an instrument of transfer in writing in the form, or as near thereto as circumstances admit, of the following:

Transfer by a Person Becoming Entitled on Death/Bankruptcy of a Member

[Name of Company] (the "Company")

I/We, having become entitled in consequence of the [death/bankruptcy] of [name and address of deceased Member] to [number] share(s) standing in the Register of Members of the Company in the name of the said [name of deceased/bankrupt Member] instead of being registered myself/ourselves, elect to have [name of transferee] (the "Transferee") registered as a transferee of such share(s) and I/we do hereby accordingly transfer the said share(s) to the Transferee to hold the same unto the Transferee, his or her executors, administrators and assigns, subject to the conditions on which the same were held at the time of the execution hereof; and the Transferee does hereby agree to take the said share(s) subject to the same conditions.

DATED this [date]

Signed by:

In the presence of:

Transferor

Witness

Transferee

Witness

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13.3 On the presentation of the foregoing materials to the Board, accompanied by such evidence as the Board may require to prove the title of the transferor, the transferee shall be registered as a Member. Notwithstanding the foregoing, the Board shall, in any case, have the same right to decline or suspend registration as it would have had in the case of a transfer of the share by that Member before such Member's death or bankruptcy, as the case may be.

13.4 Where two or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to the said share or shares and the Company shall recognise no claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.

13A. Default

13A.1 **Definition:** In this Article, the following words shall have the following meanings respectively ascribed to them:

"Default Option" means either of the following (as respectively defined below):

- (i) the Default Call Option; or
- (ii) the Insolvency Call Option;

"Default Option Notice" means either of the following (as respectively defined below):

- (i) the Default Call Option Notice; or
- (ii) the Insolvency Call Option Notice;

"Default Option Shares" means the Defaulting Shareholder's Shares, the Non-Defaulting Shareholder's Shares, or the Insolvency Default Shares (as respectively defined below);

"Insolvency Event" means, with respect to a Member, any of the following:

- (i) (where relevant) a court of competent jurisdiction makes an order, or a resolution is validly and effectively passed, for the winding-up, dissolution or judicial management or administration of such Member otherwise than in the course of reorganisation or restructuring or, where the Member is an individual, an order of bankruptcy or a bankruptcy trustee is appointed in relation to the Member or such other analogous proceedings;
- (ii) any attachment, sequestration, distress, or execution is levied, enforced or instituted against the assets of such Member and the same is not stayed, discharged, released or satisfied (as the case may be) within 60 days of such levy, enforcement or institution (as the case may be);

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- (iii) a liquidator, judicial manager, receiver, administrator, trustee-in-bankruptcy, custodian or other similar officer has been appointed (or a petition for the appointment of such officer has been presented) in respect of any assets of such Member and the same is not stayed, discharged, released or satisfied (as the case may be) within 60 days of such appointment or presentation of petition (as the case may be); and
- (iv) (where relevant) such Member convenes a meeting of its creditors or makes or proposes any arrangement or composition with, or any assignment for the benefit of, its creditors;

“**Transferee**” means the Non-Defaulting Shareholder; and

“**Transferor**” means the Defaulting Shareholder.

13A.2 **Specified Default Event:** A “**Specified Default Event**” in relation to any Member means any of the following:

- (a) that Member is in serious and/or persistent breach of the terms of these Articles or the SHA which, if capable of cure, has not been cured within a period of 60 days after written notice thereof containing a reference to this Article 13A and requiring the breach to be cured has been given to that Shareholder;
- (b) in the case of any Controlling Shareholder, that Controlling Shareholder suffers a Change in Control; and
- (c) that Member suffers an Insolvency Event.

13A.3 **Default Notice:** Where any Specified Default Event occurs in relation to any Member (the “**Defaulting Shareholder**”), any other Controlling Shareholder (the “**Non-Defaulting Shareholder**”) may at any time within 30 days after such occurrence give written notice thereof to the Defaulting Shareholder and the Company specifying in such notice the Specified Default Event (the “**Default Notice**”).

13A.4 **Default Options**

- (a) In the event that any Default Notice is served on the Company pursuant to the provisions of this Article 13A in respect of the occurrence of a Specified Default Event as set out in Article 13A.2(a) or 13A.2(b), the Non-Defaulting Shareholder shall, without prejudice to any other rights and remedies it may have, be entitled to a call option (the “**Default Call Option**”), being the right of the Non-Defaulting Shareholder to require the Defaulting Shareholder to sell to the Non-Defaulting Shareholder free from all Encumbrances and with all rights and advantages attaching thereto, all (and not some only) of the shares held by the Defaulting Shareholder for the time being (the “**Defaulting Shareholder’s Shares**”).

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- (b) In the event that any Default Notice is served on the Company pursuant to the provisions of this Article 13A in respect of the occurrence of a Specified Default Event as set out in Article 13A.3, the Non-Defaulting Shareholder shall, without prejudice to any other rights and remedies it may have, be entitled to a call option (the “**Insolvency Call Option**”), being the right of the Non-Defaulting Shareholder to require the Defaulting Shareholder to sell to the Non-Defaulting Shareholder free from all Encumbrances and with all rights and advantages attaching thereto, all (and not some only) of the shares held by the Defaulting Shareholder for the time being (the “**Insolvency Default Shares**”).
- (c) The Non-Defaulting Shareholder shall, in addition to its rights under Articles 13A.4(a) and 13A.4(b), be entitled to require the appointment of a professional valuer or merchant bank (the “**Appointed Valuer**”) for the purpose of determining the Prescribed Price. The Appointed Valuer shall be appointed by agreement between the Defaulting Shareholder and the Non-Defaulting Shareholder within 14 days of the Defaulting Shareholder’s receipt of the Default Notice and failing agreement, by the Non-Defaulting Shareholder.

13A.5 Prescribed Price

- (a) For the purpose of this Article 13A, the “**Prescribed Price**” shall be the fair market value of each Default Option Share as at the date of the Default Notice and based on the Shareholding Percentage represented by the Default Option Shares at such date as determined by the Appointed Valuer. In so determining, the Appointed Valuer shall make the following assumptions or bases:
- (i) that the Default Option Shares are the subject of an arm’s length sale between a willing vendor and a willing purchaser;
 - (ii) that, if the Company shall at the time of such determination be carrying on business as a going concern, it would continue to do so; and
 - (iii) that the Default Option Shares are capable of transfer without restriction,
- and so that if any difficulty shall arise in applying any of the foregoing assumptions or bases then such difficulty shall be resolved by the Appointed Valuer in such manner as it shall in its absolute discretion deem fit. The Appointed Valuer shall deliver its certificate as to the Prescribed Price to all Members within a period of 45 days after the date of its appointment.
- (b) The Appointed Valuer shall act hereunder in the determination of the Prescribed Price as expert and not as arbitrator and its determination shall be final and binding on all persons concerned and in the absence of fraud, the Appointed Valuer shall be under no liability to any such person by reason of its determination or certificate or by anything done or omitted to be done by them for the purposes thereof or in connection therewith.

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- (c) The costs and expenses of the Appointed Valuer shall be borne by the Defaulting Shareholder. In the event that the Non-Defaulting Shareholder exercises the Default Call Option or the Insolvency Call Option, the Non-Defaulting Shareholder may elect that any reimbursement to be made by the Defaulting Shareholder for such costs paid by the Non-Defaulting Shareholder shall be set off against the purchase price payable by the Non-Defaulting Shareholder for the Default Option Shares.

13A.6 **Price:** The purchase price for each of the Default Option Shares shall be:

- (a) in the case of an exercise of the Default Call Option, the sum equal to 90 per cent. of the Prescribed Price; and
- (b) in the case of an exercise of the Insolvency Call Option, the sum equal to the Prescribed Price.

13A.7 **Exercise**

- (a) In the event that:
 - (i) a Specified Default Event (other than an Insolvency Event) occurs, the Non-Defaulting Shareholder may exercise the Default Call Option by serving a notice in the form of Annex A to these Articles (the “**Default Call Option Notice**”) on the Defaulting Shareholder; or
 - (ii) an Insolvency Event occurs, the Non-Defaulting Shareholder may exercise the Insolvency Call Option by serving a notice in the form of Annex B to these Articles (the “**Insolvency Call Option Notice**”) on the Defaulting Shareholder,

within a period of 60 days from the date of the Appointed Valuer’s certificate referred to in Article 13A.5(a).

- (b) The Defaulting Shareholder shall, upon receiving a Default Call Option Notice or a Insolvency Call Option Notice (as the case may be) from the Non-Defaulting Shareholder, sell to the Non-Defaulting Shareholder free from all Encumbrances and with all rights and advantages attaching thereto, the Defaulting Shareholder’s Shares or the Insolvency Default Shares (as the case may be). However, in case competition arises as between two or more Non-Defaulting Shareholders who have served valid Default Call Option Notices or Insolvency Call Option Notices (as the case may be) on the Defaulting Shareholder within the said 60-day period, the Defaulting Shareholder’s Shares or the Insolvency Default Shares (as the case may be) shall be pro-rated among such Non-Defaulting Shareholders according to their Shareholding Percentages, unless the Non-Defaulting Shareholders otherwise agree in writing to purchase the Defaulting Shareholder’s Shares or the Insolvency Default Shares (as the case may be) in a different proportion to their respective pro-rata shares, and references to “**Default Option Shares**” in Article 13A.8 shall be construed accordingly.

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13A.8 Default Option Completion

- (a) Completion of the sale and purchase of the Default Option Shares (the “**Default Option Completion**”) pursuant to the exercise of a Default Option shall take place at the registered office for the time being of the Company (or such other place as the Transferor and Transferee may agree in writing) on the date falling 30 days from the date of the Default Option Notice.
- (b) On the Default Option Completion:
 - (i) the Transferor shall deliver to the Transferee a duly executed transfer form in favour of the Transferee together with the share certificates in respect of the Default Option Shares; and
 - (ii) the Transferee shall pay the purchase price for the Default Option Shares in Singapore Dollars by way of a cashier’s order or bankers’ draft drawn on a licensed bank in Singapore and made out in favour of the Transferor.
- (c) If the Default Call Option or the Insolvency Call Option is exercised and the Defaulting Shareholder fails to transfer the Defaulting Shareholder’s Shares or the Insolvency Default Shares (as the case may be) to the Non-Defaulting Shareholder on the Default Option Completion in accordance with Article 13A.8(a) and Article 13A.8(b)(i), any director of the Non-Defaulting Shareholder shall be deemed to have been appointed attorney of the Defaulting Shareholder with full power to execute, complete and deliver, in the name and on behalf of the Defaulting Shareholder, transfers of the Defaulting Shareholder’s Shares or the Insolvency Default Shares (as the case may be) to the Non-Defaulting Shareholder against payment of the purchase price for such shares to the Company. On payment of the purchase price to the Company, the Non-Defaulting Shareholder shall be deemed to have obtained a good quittance for such payment and on execution and delivery of the transfer of such shares the Non-Defaulting Shareholder shall be entitled to insist upon its name and/or its nominees’ names being entered in the Company’s register of members as the holder by transfer of such shares. The Non-Defaulting Shareholder shall procure that the Company shall forthwith pay the purchase price into a separate bank account in the Company’s name and shall hold such price in trust for the Defaulting Shareholder.
- (d) The restrictions on transfer of shares contained in Articles 12.1 to 12.5 and elsewhere in these Articles shall not apply to the sale and transfer of the Default Option Shares pursuant to any exercise of a Default Option.

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(B) RIGHTS OF HOLDCO SHAREHOLDERS IN RESPECT OF CAPITAL

2. Power to Issue Shares

Subject to the SHA¹², these Articles and to any resolution of the Members to the contrary, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the Board shall have the power to issue any unissued shares on such terms and conditions as it may determine and any shares or class of shares (including the issue or grant of options, warrants and other rights, renounceable or otherwise in respect of shares) may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise, provided that no share shall be issued at a discount except in accordance with the Law.

3. Redemption, Purchase, Surrender and Treasury Shares

3.1 Subject to the SHA, these Articles and the Law, the Company is authorised to issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or a Member and may make payments in respect of such redemption in accordance with the Law.

3.2 Subject to the SHA and these Articles, the Company is authorised to purchase any share in the Company (including a redeemable share) by agreement with the holder and may make payments in respect of such purchase in accordance with the Law.

3.3 The Company authorises the Board, subject always to the SHA and these Articles, to determine the manner or any of the terms of any redemption or purchase.

3.4 A delay in payment of the redemption price shall not affect the redemption but, in the case of a delay of more than thirty days, interest shall be paid for the period from the due date until actual payment at a rate which the Board, after due enquiry, estimates to be representative of the rates being offered by Class A banks in the Cayman Islands for thirty day deposits in the same currency.

3.5 The Company authorises the Board pursuant to section 37(5) of the Law, and subject always to the SHA and these Articles, to make a payment in respect of the redemption or purchase of its own shares otherwise than out of its profits, share premium account, or the proceeds of a fresh issue of shares.

3.6 No share may be redeemed or purchased unless it is fully paid-up.

¹² In essence, save and except for an issue of shares pursuant to any executive/employee share option scheme (including the ESOS) or unless otherwise consented to by each Controlling Shareholder, the issue of any unissued shares in HoldCo or of any new HoldCo Shares from time to time created shall be offered first pro-rata to the existing HoldCo Shareholders in proportion as nearly as practicable to their respective shareholding percentages. If any HoldCo Shareholder declines to subscribe for (either all or part thereof) of the offered HoldCo Shares (the “**Declined Shares**”), the HoldCo Shareholders who have taken up their proportion of the issuance shall have the option but not the obligation to subscribe for the Declined Shares in their respective shareholding proportions *inter se*, or in such proportion as they may agree amongst themselves.

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- 3.7 The Company may accept the surrender for no consideration of any fully paid share (including a redeemable share) unless, as a result of the surrender, there would no longer be any issued shares of the company other than shares held as treasury shares.
- 3.8 The Company is authorised to hold treasury shares in accordance with the Law.
- 3.9 The Board may designate as treasury shares any of its shares that it purchases or redeems, or any shares surrendered to it, in accordance with the Law.
- 3.10 Shares held by the Company as treasury shares shall continue to be classified as treasury shares until such shares are either cancelled or transferred in accordance with the Law.

4. Rights Attaching to Shares

Subject to Article 2, the Memorandum of Association and any resolution of the Members to the contrary and without prejudice to any special rights conferred thereby on the holders of any other shares or class of shares, the share capital of the Company shall be divided into shares of a single class the holders of which shall, subject to these Articles:

- (a) be entitled to one vote per share;
- (b) be entitled to such dividends as the Board may from time to time declare;
- (c) in the event of a winding-up or dissolution of the Company, whether voluntary or involuntary or for the purpose of a reorganisation or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company; and
- (d) generally be entitled to enjoy all of the rights attaching to shares.

8. Share Certificates

- 8.1 Every Member shall be entitled to a certificate under the common seal (if any) or a facsimile thereof of the Company or bearing the signature (or a facsimile thereof) of a Director or the Secretary or a person expressly authorised to sign specifying the number and, where appropriate, the class of shares held by such Member and whether the same are fully paid up and, if not, specifying the amount paid on such shares. The Board may by resolution determine, either generally or in a particular case, that any or all signatures on certificates may be printed thereon or affixed by mechanical means.
- 8.2 If any share certificate shall be proved to the satisfaction of the Board to have been worn out, lost, mislaid, or destroyed the Board may cause a new certificate to be issued and request an indemnity for the lost certificate if it sees fit.
- 8.3 Share certificates may not be issued in bearer form.

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11. Registered Holder Absolute Owner

- 11.1 The Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not be bound to recognise any equitable claim or other claim to, or interest in, such share on the part of any other person.
- 11.2 No person shall be entitled to recognition by the Company as holding any share upon any trust and the Company shall not be bound by, or be compelled in any way to recognise, (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any other right in respect of any share except an absolute right to the entirety of the share in the holder. If, notwithstanding this Article, notice of any trust is at the holder's request entered in the Register of Members or on a share certificate in respect of a share, then, except as aforesaid:
- (a) such notice shall be deemed to be solely for the holder's convenience;
 - (b) the Company shall not be required in any way to recognise any beneficiary, or the beneficiary, of the trust as having an interest in the share or shares concerned;
 - (c) the Company shall not be concerned with the trust in any way, as to the identity or powers of the trustees, the validity, purposes or terms of the trust, the question of whether anything done in relation to the shares may amount to a breach of trust or otherwise; and
 - (d) the holder shall keep the Company fully indemnified against any liability or expense which may be incurred or suffered as a direct or indirect consequence of the Company entering notice of the trust in the Register of Members or on a share certificate and continuing to recognise the holder as having an absolute right to the entirety of the share or shares concerned.

15. Power to Alter Capital

- 15.1 Subject to the SHA, these Articles and the Law, the Company may from time to time by ordinary resolution alter the conditions of its Memorandum of Association to:
- (a) increase its capital by such sum divided into shares of such amounts as the resolution shall prescribe or, if the Company has shares without par value, increase its share capital by such number of shares without nominal or par value, or increase the aggregate consideration for which its shares may be issued, as it thinks expedient;
 - (b) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;
 - (c) convert all or any of its paid-up shares into stock, and reconvert that stock into paid-up shares of any denomination;

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- (d) subdivide its shares or any of them into shares of an amount smaller than that fixed by the Memorandum of Association; or
- (e) cancel shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled or, in the case of shares without par value, diminish the number of shares into which its capital is divided.

15.2 For the avoidance of doubt it is declared that paragraph 15.1(b), (c) and (d) do not apply if at any time the shares of the Company have no par value.

15.3 Subject to the SHA, these Articles and the Law, the Company may from time to time by Special Resolution reduce its share capital.

16. Variation of Rights Attaching to Shares

Save as otherwise provided in the SHA, if, at any time, the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound-up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a resolution passed by a majority of the votes cast at a separate general meeting of the holders of the shares of the class at which meeting the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class. The rights conferred upon the holders of the shares of any class or series issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class or series, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

20. Capitalisation

20.1 The Board may capitalise any amount for the time being standing to the credit of any of the Company's share premium or other reserve accounts or to the credit of the profit and loss account or otherwise available for distribution by applying such amount in paying up unissued shares to be allotted as fully paid bonus shares pro rata to the Members.

20.2 The Board may capitalise any amount for the time being standing to the credit of a reserve account or amounts otherwise available for dividend or distribution by applying such amounts in paying up in full, partly or nil paid shares of those Members who would have been entitled to such amounts if they were distributed by way of dividend or distribution.

74. Winding-Up

74.1 Subject to the SHA and these Articles, the Company may be voluntarily wound-up by a Special Resolution.

74.2 Subject to the SHA and these Articles, if the Company shall be wound up the liquidator may, with the sanction of a Special Resolution, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems

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fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in the trustees upon such trusts for the benefit of the Members as the liquidator shall think fit, but so that no Member shall be compelled to accept any shares or other securities or assets whereon there is any liability.

75. Changes to Articles

Subject to the Law, the SHA, these Articles and to the conditions contained in its memorandum, the Company may, by Special Resolution, alter or add to its Articles.

76. Changes to the Memorandum of Association

Subject to the Law, the SHA and these Articles, the Company may from time to time by Special Resolution alter its Memorandum of Association with respect to any objects, powers or other matters specified therein.

77. Discontinuance

Subject to the SHA and these Articles, the Board may exercise all the powers of the Company to transfer by way of continuation the Company to a named country or jurisdiction outside the Cayman Islands pursuant to the Law.

(C) RIGHTS OF HOLDCO SHAREHOLDERS IN RESPECT OF DIVIDENDS

17. Dividends

17.1 The Board may, subject to these Articles and in accordance with the Law, declare a dividend to be paid to the Members, in proportion to the number of shares held by them, and such dividend may be paid in cash or wholly or partly by the distribution of specific assets (which may consist of the shares or securities of any other company).

17.2 Where the Board determines that a dividend shall be paid wholly or partly by the distribution of specific assets, the Board may settle all questions concerning such distribution. Without limiting the generality of the foregoing, the Board may fix the value of such specific assets and vest any such specific assets in trustees on such terms as the Board thinks fit.

17.3 Dividends may be declared and paid out of profits of the Company, realised or unrealised, or from any reserve set aside from profits which the Board determines is no longer needed, or not in the same amount. Dividends may also be declared and paid out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the Law.

17.4 No unpaid dividend shall bear interest as against the Company.

17.5 The Company may pay dividends in proportion to the amount paid up on each share where a larger amount is paid up on some shares than on others.

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17.6 The Board may declare and make such other distributions (in cash or in specie) to the Members as may be lawfully made out of the assets of the Company. No unpaid distribution shall bear interest as against the Company.

17.7 The Board may fix any date as the record date for determining the Members entitled to receive any dividend or other distribution, but, unless so fixed, the record date shall be the date of the Directors' resolution declaring same.

18. Power to Set Aside Profits

18.1 The Board may, before declaring a dividend, set aside out of the surplus or profits of the Company, such amount as it thinks proper as a reserve to be used to meet contingencies or for equalising dividends or for any other purpose. Pending application, such sums may be employed in the business of the Company or invested, and need not be kept separate from other assets of the Company. The Board may also, without placing the same to reserve, carry forward any profit which it decides not to distribute.

18.2 Subject to any direction from the Company in general meeting, the Board may on behalf of the Company exercise all the powers and options conferred on the Company by the Law in regard to the Company's share premium account.

19. Method of Payment

19.1 Any dividend, interest, or other monies payable in cash in respect of the shares may be paid by cheque or draft sent through the post directed to the Member at such Member's address in the Register of Members, or to such person and to such address as the holder may in writing direct.

19.2 In the case of joint holders of shares, any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or draft sent through the post directed to the address of the holder first named in the Register of Members, or to such person and to such address as the joint holders may in writing direct. If two or more persons are registered as joint holders of any shares any one can give an effectual receipt for any dividend paid in respect of such shares.

19.3 The Board may deduct from the dividends or distributions payable to any Member all monies due from such Member to the Company on account of calls or otherwise.

(D) RIGHTS OF HOLDCO SHAREHOLDERS IN RESPECT OF VOTING

21. Annual General Meetings

The Company may in each year hold a general meeting as its annual general meeting. The annual general meeting of the Company may be held at such time and place as the Chairman of the Company (if there is one) (the "Chairman") or any two Directors or any Director and the Secretary or the Board shall appoint.

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22. Extraordinary General Meetings

- 22.1 General meetings other than annual general meetings shall be called extraordinary general meetings.
- 22.2 The Chairman or any two Directors or any Director and the Secretary or the Board may convene an extraordinary general meeting whenever in their judgment such a meeting is necessary.

23. Requisitioned General Meetings

- 23.1 The Board shall, on the requisition of Members holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up share capital of the Company as at the date of the deposit carries the right to vote at general meetings, forthwith proceed to convene an extraordinary general meeting. To be effective the requisition shall state the objects of the meeting, shall be in writing, signed by the requisitionists, and shall be deposited at the registered office. The requisition may consist of several documents in like form each signed by one or more requisitionists.
- 23.2 If the Board does not, within twenty-one days from the date of the requisition, duly proceed to call an extraordinary general meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene an extraordinary general meeting; but any meeting so called shall not be held more than ninety days after the requisition. An extraordinary general meeting called by requisitionists shall be called in the same manner, as nearly as possible, as that in which general meetings are to be called by the Board.

24. Notice

- 24.1 Unless longer notice is required by Law, each Member shall be entitled to receive not less than 14 days' written notice of all general meetings (or such shorter period of notice in respect of any particular meeting as may be agreed by all the Members) specifying the date, time and place of the meeting and the business to be transacted thereat.
- 24.2 The Board may fix any date as the record date for determining the Members entitled to receive notice of and to vote at any general meeting of the Company but, unless so fixed, as regards the entitlement to receive notice of a meeting or notice of any other matter, the record date shall be the date of despatch of the notice and, as regards the entitlement to vote at a meeting, and any adjournment thereof, the record date shall be the date of the original meeting.
- 24.3 A general meeting shall, notwithstanding that it is called on shorter notice than that specified in these Articles, be deemed to have been properly called if it is so agreed by all the Members entitled to attend and vote thereat.
- 24.4 The accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

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25. Giving Notice and Access

25.1 Subject to the SHA, a notice may be given by the Company to a Member:

- (a) by delivering it to such Member in person, in which case the notice shall be deemed to have been served upon such delivery; or
- (b) by sending it by post to such Member's address in the Register of Members, in which case the notice shall be deemed to have been served seven days after the date on which it is deposited, with postage prepaid, in the mail; or
- (c) by sending it by courier to such Member's address in the Register of Members, in which case the notice shall be deemed to have been served two days after the date on which it is deposited, with courier fees paid, with the courier service; or
- (d) by transmitting it by electronic means (including facsimile and electronic mail, but not telephone) in accordance with such directions as may be given by such Member to the Company for such purpose, in which case the notice shall be deemed to have been served at the time that it would in the ordinary course be transmitted; or
- (e) by publication of an electronic record of it on a website and notification of such publication (which shall include the address of the website, the place on the website where the document may be found, and how the document may be accessed on the website), such notification being given by any of the methods set out in paragraphs (a) through (d) hereof, in which case the notice shall be deemed to have been served at the time when the instructions for access and the posting on the website are complete.

25.2 Any notice required to be given to a Member shall, with respect to any shares held jointly by two or more persons, be given to whichever of such persons is named first in the Register of Members and notice so given shall be sufficient notice to all the holders of such shares.

25.3 In proving service under paragraphs 25.1(b), (c) and (d), it shall be sufficient to prove that the notice was properly addressed and prepaid, if posted or sent by courier, and the time when it was posted, deposited with the courier, or transmitted by electronic means.

26. Postponement of General Meeting

The Board may postpone any general meeting called in accordance with these Articles provided that notice of postponement is given to the Members before the time for such meeting. Fresh notice of the date, time and place for the postponed meeting shall be given to each Member in accordance with these Articles.

27. Electronic Participation in Meetings

The Members may participate in a general meeting by means of a conference telephone or a video conference telephone or similar communications equipment by which all persons participating in the meeting are able to hear and be heard by all other participants

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without the need for a Member to be in the physical presence of another Member(s) and participation in the meeting in this manner shall be deemed to constitute presence in person at such meeting. The Members participating in any such meeting shall be counted in the quorum for such meeting and subject to there being a requisite quorum under Article 28.1 at all times during such meeting, all resolutions agreed by the Members in such meeting shall be deemed to be as effective as a resolution passed at a meeting in person of the Members duly convened and held. A meeting conducted by means of a conference telephone or a video conference telephone or similar communications equipment as aforesaid is deemed to be held at the place agreed upon by the Members attending the meeting, provided that at least one of the Members present at the meeting was at that place for the duration of the meeting.

28. Quorum at General Meetings

- 28.1 The quorum at a general meeting, or adjourned meeting, of the Company necessary for the transaction of any business of the Company shall be Members present in person or by proxy holding in aggregate more than 50 per cent. of the total Shareholding Percentage, including the proxy or representative of such Members. In the event that a general meeting of the Company duly convened cannot be held for lack of a quorum, the meeting shall be adjourned to the same time and day of the following week and at the same place and at least three days' notice shall be given to the Members in relation to such adjourned meeting. The quorum at such adjourned meeting shall be any two Members present in person or by proxy.
- 28.2 Unless the meeting is adjourned to a specific date, time and place announced at the meeting being adjourned, fresh notice of the resumption of the meeting shall be given to each Member entitled to attend and vote thereat in accordance with these Articles.

29. Chairman to Preside

Unless otherwise agreed by a majority of those attending and entitled to vote thereat, the Chairman, if there be one, shall act as chairman at all meetings of the Members at which such person is present. In his absence, a chairman of the meeting shall be appointed or elected by those present at the meeting and entitled to vote.

30. Voting on Resolutions

- 30.1 Subject to the Law, the SHA and these Articles, all resolutions of the Members shall be adopted by a simple majority vote of the Members present and voting and on the basis that each share will carry one vote.
- 30.2 No Member shall be entitled to vote at a general meeting unless such Member has paid all the calls on all shares held by such Member.
- 30.3 At any general meeting a resolution put to the vote of the meeting shall, in the first instance, be voted upon by a show of hands and, subject to any rights or restrictions for the time being lawfully attached to any class of shares and subject to the SHA and these Articles, every Member present in person and every person holding a valid proxy at such meeting shall be entitled to one vote and shall cast such vote by raising his hand.

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30.4 At any general meeting if an amendment is proposed to any resolution under consideration and the chairman of the meeting rules on whether or not the proposed amendment is out of order, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.

30.5 At any general meeting a declaration by the chairman of the meeting that a question proposed for consideration has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in a book containing the minutes of the proceedings of the Company shall, subject to these Articles, be conclusive evidence of that fact.

31. Power to Demand a Vote on a Poll

31.1 Notwithstanding the foregoing, a poll may be demanded by the chairman of the meeting or at least one Member.

31.2 Where a poll is demanded, subject to any rights or restrictions for the time being lawfully attached to any class of shares, every person present at such meeting shall have one vote for each share of which such person is the holder or for which such person holds a proxy and such vote shall be counted by ballot as described herein, or in the case of a general meeting at which one or more Members are present by telephone, electronic or other communication facilities or means, in such manner as the chairman of the meeting may direct and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded and shall replace any previous resolution upon the same matter which has been the subject of a show of hands. A person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

31.3 A poll demanded for the purpose of electing a chairman of the meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and in such manner during such meeting as the chairman of the meeting may direct. Any business other than that upon which a poll has been demanded may be conducted pending the taking of the poll.

31.4 Where a vote is taken by poll, each person physically present and entitled to vote shall be furnished with a ballot paper on which such person shall record his vote in such manner as shall be determined at the meeting having regard to the nature of the question on which the vote is taken, and each ballot paper shall be signed or initialled or otherwise marked so as to identify the voter and the registered holder in the case of a proxy. Each person present by telephone, electronic or other communication facilities or means shall cast his vote in such manner as the chairman of the meeting shall direct. At the conclusion of the poll, the ballot papers and votes cast in accordance with such directions shall be examined and counted by a committee of not less than two Members or proxy holders appointed by the chairman of the meeting for the purpose and the result of the poll shall be declared by the chairman of the meeting.

32. Voting by Joint Holders of Shares

In the case of joint holders, the vote of the senior who tenders a vote (whether in person or by proxy) shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

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33. Instrument of Proxy

- 33.1 An instrument appointing a proxy shall be in writing or transmitted by electronic mail in substantially the following form or such other form as the chairman of the meeting shall accept:

Proxy

[Name of Company] (the "Company")

I/We, [insert names here], being a Member of the Company with [number] shares, HEREBY APPOINT [name] of [address] or failing him, [name] of [address] to be my/our proxy to vote for me/us at the meeting of the Members to be held on [date] and at any adjournment thereof. [Any restrictions on voting to be inserted here].

Signed this [date]

Member(s)

- 33.2 The instrument of proxy shall be signed or, in the case of a transmission by electronic mail, electronically signed in a manner acceptable to the chairman of the meeting, by the appointor or by the appointor's attorney duly authorised in writing, or if the appointor is a corporation, either under its seal or signed or, in the case of a transmission by electronic mail, electronically signed in a manner acceptable to the chairman of the meeting, by a duly authorised officer or attorney.
- 33.3 A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf in respect of different shares.
- 33.4 The decision of the chairman of any general meeting as to the validity of any appointment of a proxy shall be final.

34. Representation of Corporate Member

- 34.1 A corporation which is a Member may, by written instrument, authorise such person or persons as it thinks fit to act as its representative at any meeting and any person so authorised shall be entitled to exercise the same powers on behalf of the corporation which such person represents as that corporation could exercise if it were an individual Member, and that Member shall be deemed to be present in person at any such meeting attended by its authorised representative or representatives.
- 34.2 Notwithstanding the foregoing, the chairman of the meeting may accept such assurances as he thinks fit as to the right of any person to attend and vote at general meetings on behalf of a corporation which is a Member.

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35. Adjournment of General Meeting

The chairman of a general meeting may, with the consent of the Members at any general meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting. Unless the meeting is adjourned to a specific date, place and time announced at the meeting being adjourned, fresh notice of the date, place and time for the resumption of the adjourned meeting shall be given to each Member entitled to attend and vote thereat, in accordance with these Articles.

36. Written Resolutions

36.1 Subject to these Articles, anything which may be done by resolution of the Company in general meeting or by resolution of a meeting of any class of the Members may be done without a meeting by written resolution in accordance with this Article.

36.2 A resolution in writing signed by the requisite number of Members holding the requisite majority of shares to pass the resolutions shall be as valid and effectual as if it had been passed at a general meeting duly called and constituted. Any such resolution may consist of several documents in like form, each signed by one or more of the Members. The expressions "in writing" and "signed" include approval by wireless or facsimile transmission.

36.3 A resolution in writing made in accordance with this Article is as valid as if it had been passed by the Company in general meeting or by a meeting of the relevant class of Members, as the case may be, and any reference in any Article to a meeting at which a resolution is passed or to Members voting in favour of a resolution shall be construed accordingly.

36.4 A resolution in writing made in accordance with this Article shall constitute minutes for the purposes of the Law.

36.5 For the purposes of this Article, the date of the resolution is the date when the resolution is signed by (or in the case of a Member that is a corporation, on behalf of) the last Member to sign and any reference in any Article to the date of passing of a resolution is, in relation to a resolution made in accordance with this Article, a reference to such date.

37. Directors Attendance at General Meetings

The Directors shall be entitled to receive notice of, attend and be heard at any general meeting.

37A. Reserved Matters

Subject to any additional requirements specified by Applicable Laws, the Members undertake to and with each other that none of the reserved matters set out as follows shall be taken by the Company unless with the prior written approval of either all the Directors or the approval of all the Controlling Shareholders:

- (a) Any change in the nature and/or scope of business of a Group Company.
- (b) The dissolution, liquidation, or winding-up of a Group Company.

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- (c) Any amendment to the constitution of a Group Company.
- (d) Other than (i) an issuance made initially on a pro-rata basis to the Members or to another Group Company or (ii) an issuance pursuant to the ESOS, any increase in the share capital of a Group Company or the issue or grant of any option over the unissued share capital of a Group Company or the issue of any new class of shares in the capital of a Group Company or the issuing of any convertible securities by a Group Company.
- (e) Any amalgamation or reconstruction of any Group Company, or any merger of any Group Company with any corporation, firm or other body.
- (f) Any repurchase, cancellation or redemption of a Group Company's share capital or any reduction, consolidation, subdivision or reclassification or other alteration of its capital structure.
- (g) The commencement, defence or settlement by a Group Company of any litigation, arbitration or administrative proceedings other than as plaintiff in the collection of debts arising in the ordinary course of business.
- (h) The appointment or removal of, or change in, the auditors of a Group Company.
- (i) The grant by the Group Company of any power of attorney the subject matter of which is connected in any way to the matters in this Article 37A.
- (j) The establishment of any committee of the board of a Group Company, and delegation of any powers of the Board to any such committee.
- (k) Any public offering or listing or quotation of the shares or other equity of a Group Company on any stock exchange.
- (l) The approval of the annual budget of the Group and any subsequent amendments, modifications, addendum or additions thereto which results in a deviation of 15 per cent. or more from the approved annual budget.
- (m) The incurring by any Group Company of any capital expenditure (including the acquisition of any undertaking or asset whether under lease or hire purchase or otherwise) other than capital expenditure which does not exceed the capital expenditure in the annual budget, or the amount in any amendments, modifications, addendum or additions thereto which resulted in a deviation of 15 per cent. or more in each case, as approved in accordance with Article 37A(l) above.
- (n) The adoption of, or any significant change in, the accounting policies of a Group Company, other than as required by law or accounting policies generally accepted in Singapore from time to time.
- (o) Entry into or variation of any transaction between a Group Company and any Member (with the interested Member and his appointed directors abstaining).

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- (p) Entry into or variation of any transaction for the acquisition or disposal of assets exceeding 20 per cent. of the Group's net asset value as derived from the Group's last consolidated audited accounts.

39. Number of Directors

- 39.1 Unless otherwise unanimously agreed upon by the Controlling Shareholders in writing, the Board shall consist of not more than eight Directors and each Controlling Shareholder shall have the right to appoint one Director for every 12 per cent. comprised in such Controlling Shareholder's Shareholding Percentage.
- 39.2 In the event of any reduction in a Member's Shareholding Percentage such that the number of directors appointed by such Member exceeds its entitlement under Article 39.1, such Member shall remove, or procure the resignation of, the relevant number of its appointee(s) as Director(s).

(E) LIQUIDITY EVENT

Under the terms of the Consortium and Shareholders' Agreement, KBHCo, Novo Tellus and HoldCo shall, subject to market conditions and at a price acceptable to all the Controlling Shareholders, jointly work towards achieving a liquidity event (a "**Liquidity Event**") within five years of the Effective Date, which Liquidity Event may include but shall not be limited to an initial public offering or a trade sale, in each case on terms which must be approved by all the Controlling Shareholders.

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SCHEDULE C RISK FACTORS

Shareholders should carefully consider and evaluate the following considerations, together with all of the other information contained in the Scheme Document before deciding to elect for the Scrip Consideration. Some of the following risk factors relate principally to the business of HoldCo in general and to ownership of the HoldCo Shares, including possible future sales of the HoldCo Shares.

If any of the following considerations and uncertainties develops into actual events, HoldCo's business, financial condition and/or the value of the HoldCo Shares could be materially and adversely affected. In such circumstances, **Shareholders who elect to receive the Scrip Consideration may face a deterioration in the value of their investment in the HoldCo Shares and may also suffer a total loss of their investment in the HoldCo Shares.**

The risk factors below may contain statements relating to or interpretations of Cayman laws and regulations. Such statements are not to be regarded as advice on Cayman laws and regulations and/or the differences between it and the laws of any jurisdiction, including without limitation, Singapore. The risk factors do not purport to be a comprehensive analysis of all consequences, whether legal, tax or otherwise, relating to the ownership of the HoldCo Shares. In addition, Shareholders should note that the laws and regulations applicable to a Cayman-incorporated entity may change and any change may be retroactive to the date of issuance of the HoldCo Shares. The laws and regulations are also subject to various interpretations and the relevant authorities or the courts may disagree with the interpretations, explanations or conclusions set out below, if any. **Shareholders are advised to seek independent legal, financial, tax and business advice.**

(A) RISKS RELATING TO THE BUSINESS OF HOLDCO

1. The business of HoldCo is different from the business of Sunningdale

HoldCo is a special purpose vehicle incorporated for the Acquisition and its primary business is investment holding, whereas Sunningdale is engaged in the business of precision plastic manufacturing with a footprint across various industry segments (including automotive, consumer/IT and healthcare) and geographies. As such, HoldCo's business is substantially different from the business of Sunningdale. Shareholders should note that if they elect to receive the Scrip Consideration, they are investing in an investment holding company as opposed to a manufacturing company and the nature of the business and the investment risks associated with investing in an investment holding company are very different from investing in a manufacturing business.

Shareholders should not assume that as an investment holding company indirectly holding 100 per cent. of the shares in Sunningdale, HoldCo would perform in the same manner as Sunningdale. As an investment holding company, HoldCo may invest in companies other than Sunningdale and the risks associated with investing in such companies are uncertain.

2. HoldCo has no track record

As HoldCo is a special purpose vehicle incorporated for the Acquisition, it has no business track record, financial or otherwise, prior to the Acquisition. As such, Shareholders who elect to receive the HoldCo Shares will not be able to evaluate the prospects for HoldCo's future business and performance.

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3. HoldCo is subject to risks relating to the economic, political, legal or social environments of the Cayman Islands

There may be risks associated with investing in HoldCo, a company incorporated in the Cayman Islands. HoldCo's business, profitability, asset values, prospects and the value of the HoldCo Shares may be materially and adversely affected by factors such as:

- (a) unexpected changes in governmental laws and regulations in the Cayman Islands;
- (b) currency fluctuation and regulation risks including imposition or tightening of foreign exchange controls or restrictions on repatriation of dividends or profits; and
- (c) adverse economic, political and other conditions in the Cayman Islands.

In particular, the legal and regulatory regimes in the Cayman Islands may be uncertain and subject to unforeseen changes. The interpretation or application of laws and regulations in the Cayman Islands may be unclear. HoldCo may not have any control over such conditions and developments and cannot provide any assurance that such conditions and developments will not have a material adverse effect on HoldCo's operations, financial condition, results of operations or the value of the HoldCo Shares.

4. HoldCo is subject to risks associated with debt financing

As mentioned in **paragraph 9 of Schedule A** of this Offeror's Letter, the Offeror has entered into a facility agreement in connection with its financing arrangements for the Acquisition. The liabilities thereunder will be secured by, *inter alia*, an equitable share mortgage by HoldCo in respect of its shares in the Offeror. As a result, Shareholders who wish to hold the HoldCo Shares should note that HoldCo will be subject to the risks associated with debt financing, which include (but are not limited to) fluctuating interest rates and a risk of insufficient cash to meet the payments of principal and interest under such financing. The Offeror's ability to service the Facilities is dependent on the continued performance of Sunningdale and any other investments which the Offeror may acquire. If the returns from its investments are not sufficient to service the Facilities, this may cause the Offeror to be in default of the Facilities and could result in a material and adverse effect on the financial condition of the Offeror and HoldCo.

In addition, under the terms of such facility agreement, upon the occurrence of a Change of Control (as defined below), the Facilities thereunder will be cancelled and all outstanding loans, together with accrued interest, and all other amounts accrued under the finance documents in relation to such facility agreement, shall become immediately due and payable. A "**Change of Control**" occurs if, *inter alia*:

- (a) KBH ceases to directly or indirectly hold legally and beneficially at least 29 per cent. of the issued share capital of HoldCo;
- (b) NT PE Fund 2 ceases to directly or indirectly hold legally and beneficially at least 20 per cent. of the issued share capital of HoldCo;

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- (c) KBH and NT PE Fund 2, together, cease to have the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
 - (i) appoint or remove the majority of the directors or other equivalent officers of the Offeror; or
 - (ii) give directions with respect to the operating and financial policies of the Offeror with which the directors or other equivalent officers of the Offeror are accustomed to comply (subject always to their respective duties as directors or equivalent officers); or
- (d) HoldCo ceases directly to:
 - (i) have the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
 - (A) cast, or control the casting of, 100 per cent. of the maximum number of votes that might be cast at a general meeting of the Offeror;
 - (B) appoint or remove all of the directors or other equivalent officers of the Offeror; or
 - (C) give directions with respect to the operating and financial policies of the Offeror with which the directors or other equivalent officers of the Offeror are accustomed to comply (subject always to their respective duties as directors or equivalent officers); or
 - (ii) hold beneficially 100 per cent. of the issued share capital of the Offeror.

(B) RISKS RELATING TO THE HOLDCO SHARES

5. HoldCo Shares will not be publicly traded upon the Scheme becoming effective

The HoldCo Shares will not be publicly traded upon the Scheme becoming effective and as such, there will not be an easily determinable market value, if any, for the HoldCo Shares. No assurance can be given to Shareholders that there will be a market for the HoldCo Shares. Shares of unlisted companies are generally valued at a discount to the shares of comparable listed companies as a result of lack of marketability.

As such, taking into account also the transfer restrictions on the HoldCo Shares (please see below under “**HoldCo Shares are not freely transferable**”), HoldCo Shareholders may face difficulties liquidating their investments in the HoldCo Shares. This may result in HoldCo Shareholders not being able to realise their investments in HoldCo Shares.

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6. HoldCo Shares are not freely transferable

As set out in **section (A)** of **Schedule B** of this Offeror's Letter, there are restrictions in the proposed HoldCo Constitution on the right to transfer the HoldCo Shares:

- (a) a HoldCo Shareholder shall not, without the prior written consent of the other Controlling Shareholders and the board of HoldCo, transfer all or any part of the shares held by it for the time being to any person within a period of three years after the Effective Date; and
- (b) after such moratorium period, a HoldCo Shareholder who wishes to sell its HoldCo Shares must first offer such HoldCo Shares to the Controlling Shareholders. It should be noted, however, that the Controlling Shareholders shall not be obliged to accept any offer made by such HoldCo Shareholder.

In addition, as stated in **section (A)** of **Schedule B** of this Offeror's Letter, under the proposed HoldCo Constitution, the Majority Shareholder has a drag-along right in the event that it desires to transfer all (and not only some) of its HoldCo Shares to a third party purchaser. In such event, the Majority Shareholder shall be entitled, (I) after having first offered its HoldCo Shares to the Controlling Shareholders in compliance with the right of first offer under the proposed HoldCo Constitution and provided that the Controlling Shareholders do not apply to purchase all (but not less than all) of the Majority Shareholder's HoldCo Shares in accordance with such provisions, and (II) provided further that certain conditions (relating to the equity value of HoldCo and its subsidiaries, and the terms and conditions of the sale) are met, to require all the other HoldCo Shareholders to sell to such third party purchaser all (and not some only) of their HoldCo Shares.

7. There is no assurance that HoldCo will declare dividends on HoldCo Shares

HoldCo's ability to declare dividends is dependent on many factors, including HoldCo's financial condition, results of its investments, capital needs and investment plans. Further, as HoldCo is an investment holding company, HoldCo's ability to declare dividends is (i) dependent on the dividends HoldCo receives from its investments (and restrictions on the investment companies to declare dividends to HoldCo) and (ii) may be limited by any covenants to which HoldCo is subject under the terms of financing arrangements which HoldCo or its investment companies have entered into or may enter into.

By way of example, the facility agreement referred to in **paragraph 9** of **Schedule A** of this Offeror's Letter regulates the ability of the Offeror to declare dividends to HoldCo and the equitable share mortgage by HoldCo in respect of its shares in the Offeror regulates the ability of HoldCo to pay dividends to the HoldCo Shareholders.

Any dividend that HoldCo's directors may recommend or declare in respect of any particular financial year or period will be subject to the factors set out above. There is therefore no assurance that HoldCo will declare dividends nor is there any indication of the levels of dividends that shareholders can expect from the HoldCo Shares.

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8. There is no assurance that a Liquidity Event will be effectuated

Under the terms of the Consortium and Shareholders' Agreement, KBHCo, Novo Tellus and HoldCo shall, subject to market conditions and at a price acceptable to all the Controlling Shareholders, jointly work towards achieving a liquidity event within five years of the Effective Date, which liquidity event may include but shall not be limited to an initial public offering or a trade sale, in each case on terms which must be approved by all the Controlling Shareholders.

The Liquidity Event may not be effected within the targeted time frame of five years of the Effective Date, or at all. In the event that KBHCo, Novo Tellus and HoldCo are unable to effect a liquidity event, HoldCo Shareholders may have to hold their investment in HoldCo Shares for an indefinite period of time.

9. Control by certain HoldCo Shareholders whose interests may differ from that of the other HoldCo Shareholders may limit the ability of such other shareholders to influence the outcome of decisions requiring the approval of shareholders

The expected shareholding structure of HoldCo on Completion and following the issuance of HoldCo Shares pursuant to the Consortium and Shareholders' Agreement, the Management Reinvestment and the Rollover Agreement are set out in **paragraphs 8.1(b) and 8.1(c)** of this Offeror's Letter based on the scenarios described therein.

In each scenario, HoldCo will be primarily controlled by the Consortium Parties, whose interests may differ from that of the other HoldCo Shareholders. Taken collectively, save for certain reserved matters requiring the written approval of either all the directors of HoldCo or the approval of all the Controlling Shareholders (which will include Yarwood and GSH in the scenario in **paragraph 8.1(b)** of this Offeror's Letter), the Consortium Parties will be able to exercise significant influence over all matters requiring HoldCo Shareholders' approval, including the election of directors and the approval of significant corporate transactions. Collectively, save for certain reserved matters requiring the written approval of either all the directors of HoldCo or the approval of all the Controlling Shareholders (which will include Yarwood and GSH in the scenario in **paragraph 8.1(b)** of this Offeror's Letter), they will also have veto power with respect to any shareholders' action or approval requiring a majority vote of the HoldCo Shareholders.

There is therefore a risk that such concentration of ownership may also have the effect of delaying, preventing or deterring a subsequent change in control of HoldCo which may otherwise benefit the HoldCo Shareholders.

10. HoldCo is not subject to the same corporate disclosure requirements that Sunningdale has been subjected to

As HoldCo is not listed on the SGX-ST or any other securities exchange, it is not subject to the disclosure requirements of the SGX-ST or any other securities exchange. Furthermore, as HoldCo is not a Singapore incorporated company, the company is not governed or regulated by any Singapore law requirements on corporate disclosure. In addition, HoldCo, being an unlisted company, will not be obliged or required to have independent directors, to make quarterly or half-yearly financial reporting or disclosures of any material information (financial or otherwise) or to seek shareholders' approval for certain corporation actions and other continuing listing obligations prescribed by the listing rules of the SGX-ST.

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As such, HoldCo may not have obligations to keep HoldCo Shareholders fully informed of material information concerning HoldCo in the manner and to the extent that Sunningdale has, and HoldCo Shareholders may not receive information on HoldCo that they may consider relevant to their investment in HoldCo Shares in the manner and to the extent that they are accustomed to expect from Sunningdale. In accordance with the proposed HoldCo Constitution, the annual general meetings of HoldCo may be held at a place as may be determined by the Chairman of HoldCo, any two HoldCo directors, any HoldCo director and the secretary of HoldCo or the board of HoldCo. There is no requirement under Cayman law for the general meetings to be held in the Cayman Islands. However, it is uncertain whether HoldCo will be holding its general meetings in Singapore. As HoldCo Shareholders may have limited access, if any, to information concerning HoldCo, Shareholders who elect to receive HoldCo Shares should know that they are electing to hold or own securities in a company in respect of which they may have limited information.

11. Shareholders of HoldCo Shares may face difficulty in enforcing their rights as shareholders

As HoldCo is incorporated in the Cayman Islands, it is subject to the laws concerning companies incorporated in the Cayman Islands and not Singapore corporate law, as in the case of Sunningdale.

The extent of shareholders' protection rights under Cayman laws and the extent to which Cayman laws will give and enforce protection to shareholders, is uncertain. As such, Shareholders who elect to receive HoldCo Shares may subsequently face difficulties in enforcing shareholders' rights against HoldCo and/or its directors.

12. Cayman Tax laws

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to HoldCo levied by the Government of the Cayman Islands save for certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands. The Cayman Islands are a party to a double tax treaty entered into with the United Kingdom in 2010 but otherwise is not party to any double tax treaties.

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

However, Shareholders should note that there is no assurance that the tax laws of the Cayman Islands will not change in the future.

The above information is not intended to be and does not constitute legal or tax advice and Shareholders who wish to have advice on the tax consequences under the tax laws of the Cayman Islands should consult independent tax advisers.

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SCHEDULE D DISCLOSURES

1. HOLDINGS

1.1 Sunningdale Securities

Save as disclosed in the Scheme Document (including **Schedule F** of this Offeror's Letter in relation to the Management Reinvestment) and in this **paragraph 1** of this **Schedule D**, as at the Latest Practicable Date, none of the Offeror, the directors of the Offeror, parties acting in concert with the Offeror or any of the Undertaking Shareholders, owns, controls or has agreed to acquire any Sunningdale Securities.

Name	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Mr Koh Boon Hwee	29,969,409	15.56	–	–
Mr Lim Kee Way Irwin ⁽¹⁾	10,000	0.01	–	–
Mr Atin Kukreja ⁽²⁾	200,000	0.10	–	–
Mr Darren Loke Chun Yeen ⁽³⁾	1,700	0.00	–	–
Mr Soh Kim Soon ⁽⁴⁾	238,200	0.12	–	–
Yarwood Engineering & Trading Limited ⁽⁵⁾	15,301,600 ⁽⁶⁾	7.94	–	–
Mr Goi Seng Hui ⁽⁷⁾	15,301,600	7.94	–	–

Notes:

- (1) Mr Lim Kee Way Irwin is a director of Novo Tellus.
- (2) Mr Atin Kukreja is a director and shareholder of Rippledot Capital Advisers Pte. Ltd., which is one of the Joint Financial Advisers.
- (3) Mr Darren Loke Chun Yeen is the son of Mr Loke Wai San, who is a director of the Offeror.
- (4) Mr Soh Kim Soon is a director of an associated company of UOB, which is one of the Joint Financial Advisers.
- (5) Yarwood Engineering & Trading Limited is an Undertaking Shareholder and is not a concert party of the Offeror.
- (6) Yarwood Engineering & Trading Limited holds 15,301,600 Shares through United Overseas Bank Nominees (Private) Limited.
- (7) Mr Goi Seng Hui is an Undertaking Shareholder and is not a concert party of the Offeror.

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1.2 HoldCo Securities

Save as disclosed in the Scheme Document and in this **paragraph 1** of this **Schedule D**, as at the Latest Practicable Date, none of the Offeror, the directors of the Offeror, parties acting in concert with the Offeror or any of the Undertaking Shareholders, owns, controls or has agreed to acquire any HoldCo Securities.

Name	Direct Interest		Deemed Interest	
	No. of HoldCo Shares	%	No. of HoldCo Shares	%
Sunrise Technology Investment Holding II Pte. Ltd.	64	64	–	–
NT SPV 9	36	36	–	–

2. DEALINGS

2.1 Sunningdale Securities

Save as disclosed in the Scheme Document (including **Schedule F** of this Offeror's Letter in relation to the Management Reinvestment) and below, as at the Latest Practicable Date, none of (i) the Offeror, its directors, or parties acting in concert with it or (ii) to the knowledge of the Offeror after making reasonable enquiries, the Undertaking Shareholders, has dealt for value in any Sunningdale Securities during the period commencing from 9 August 2020 and ending on the Latest Practicable Date.

Name of Party	No. of Shares Bought/(Sold)	Price per Share (S\$)	Dealing Date
Mdm Leong Siew Fong	(22,008) ⁽¹⁾	S\$1.55	19 January 2021
Mr Koh Boon Hwee	22,008	S\$1.55	19 January 2021

Note:

- (1) As explained in **paragraph 11.2** of this Offeror's Letter, the transfer of Shares from Mdm Leong Siew Fong to KBH was to consolidate the shareholdings of KBH and Mdm Leong Siew Fong.

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2.2 Offeror Securities

Save as disclosed below, as at the Latest Practicable Date, none of (i) the directors of the Offeror, or parties acting in concert with the Offeror or (ii) to the knowledge of the Offeror after making reasonable enquiries, the Undertaking Shareholders, has dealt for value in any Offeror Securities during the period commencing from 9 August 2020 and ending on the Latest Practicable Date.

Name of Party	No. of Offeror Shares Bought/(Sold)	Price per Offeror Share (S\$)	Dealing Date
Mr Koh Boon Hwee	(1)	S\$1.00	27 October 2020
Sunrise Technology Investment Holding (Cayman) Pte Ltd	1	S\$1.00	27 October 2020

2.3 HoldCo Securities

Save as disclosed below and in the Scheme Document, as at the Latest Practicable Date, none of (i) the Offeror, its directors, or parties acting in concert with it or (ii) to the knowledge of the Offeror after making reasonable enquiries, the Undertaking Shareholders, has dealt for value in any HoldCo Securities during the period commencing from 9 August 2020 and ending on the Latest Practicable Date.

Name of Party	No. of Hold Shares Bought/ Allotted	Price per HoldCo Share (S\$)	Dealing Date
Sunrise Technology Investment Holding II Pte. Ltd.	1	S\$0.001	14 October 2020
Sunrise Technology Investment Holding II Pte. Ltd.	63	S\$0.001	4 November 2020
NT SPV 9	36	S\$0.001	4 November 2020

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SCHEDULE E GENERAL INFORMATION

1. SPECIAL ARRANGEMENTS

No Agreement having any Connection with or Dependence upon the Scheme. As at the Latest Practicable Date, save as disclosed in the Scheme Document (including this Offeror's Letter), there is no agreement, arrangement or understanding between (i) the Offeror or any party acting in concert with it and (ii) any of the current or recent directors of the Company or any of the current or recent Shareholders or any other person that has any connection with, or is dependent on or is conditional upon, the Scheme or its outcome.

Transfer of Shares. As at the Latest Practicable Date, save as disclosed in the Scheme Document (including this Offeror's Letter), there is no agreement, arrangement or understanding whereby any of the Shares acquired by the Offeror pursuant to the Scheme will be transferred to any other person. However, the Offeror reserves the right to direct or transfer any of the Shares to any of its related corporations.

The Shares acquired by the Offeror pursuant to the Acquisition will be charged in favour of UOB as security for, *inter alia*, the financing arrangements for the Acquisition.

No Payment or Benefit to Directors of the Company. As at the Latest Practicable Date, save as disclosed in the Scheme Document (including this Offeror's Letter), there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any director of the Company or of any of its related corporations (within the meaning of Section 6 of the Companies Act) as compensation for loss of office or otherwise in connection with the Scheme.

Directors' and Managers' Service Contracts. The emoluments of the respective directors of the Offeror and HoldCo will not be varied or affected by the implementation of the Scheme or any other associated relevant transaction.

2. MARKET QUOTATIONS

Closing Prices. The closing prices of the Shares on the SGX-ST (as extracted from Bloomberg L.P.) on (i) the Latest Practicable Date was S\$1.610 and (ii) 6 November 2020 (being the last Market Day on which the Shares were traded on the SGX-ST prior to the Joint Announcement Date) was S\$1.580.

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The following table sets out the closing prices of the Shares on the SGX-ST (as extracted from Bloomberg L.P.) on a monthly basis commencing six months prior to 9 September 2020 and ending on the Latest Practicable Date, and the corresponding premium based on the Scheme Consideration of S\$1.65:

Month	Closing Price (S\$)	Premium based on the Scheme Consideration of S\$1.65
March 2020	0.835	97.6%
April 2020	1.010	63.4%
May 2020	0.985	67.5%
June 2020	0.990	66.7%
July 2020	1.010	63.4%
August 2020	1.180	39.8%
September 2020	1.450	13.8%
October 2020	1.550	6.5%
November 2020	1.520	8.6%
December 2020	1.530	7.8%

Highest and Lowest Prices. The highest and lowest closing prices of the Shares on the SGX-ST (as extracted from Bloomberg L.P.) during the period commencing on the six months prior to 9 September 2020 and ending on the Latest Practicable Date and the corresponding premium/(discount) based on the Scheme Consideration of S\$1.65 are as follows:

	Price (S\$)	Date	Premium/(Discount) based on the Scheme Consideration of S\$1.65
Highest Closing Price	1.680	20 October 2020, 9 November 2020	(1.8)%
Lowest Closing Price	0.750	23 March 2020	120.0%

3. CONSENT

The Joint Financial Advisers have given and have not withdrawn their written consent to the issue of this Offeror's Letter with the inclusion herein of their name and all references to their names in the form and context in which it appears in this Offeror's Letter.

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4. DOCUMENTS FOR INSPECTION

Copies of the following documents will be made available for inspection during normal business hours at the registered office of the Company at 51 Joo Koon Circle, Singapore, 629069 for three (3) months from the date of the Scheme Document or up until the Effective Date, whichever is the later:

- (a) the Implementation Agreement;
- (b) the Deeds of Undertaking;
- (c) the letters of consent referred to in **paragraph 3** above; and
- (d) the proposed HoldCo Constitution.

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SCHEDULE F
MANAGEMENT REINVESTMENT

1. DETAILS OF THE IDENTIFIED PARTICIPATING MANAGEMENT

As at the Latest Practicable Date, the details of the Participating Management (including BH) who have been offered, and have agreed to enter into, the Management Reinvestment, are set out below.

(1) S/N	(2) Name and Designation	(3) Number of Shares held	(4) Number of Outstanding Share Awards ⁽¹⁾	(5) Total number of Shares and Outstanding Share Awards	(6) Number of Shares for which the Cash Consideration will be deferred and reinvested ⁽²⁾	(7) Expected shareholding in HoldCo
1.	Binoy Mathew (Senior Vice President (Business Development) of the Sunningdale Group)	114,000	31,500	145,500	145,500	0.13%
2.	Chan Tung Sing (Senior Vice President (Business Development) of the Sunningdale Group)	1,157,320	48,000	1,205,320	1,205,320	1.07%
3.	Chan Whye Mun (Senior Vice President and Chief Information Officer of the Sunningdale Group)	832,400	60,000	892,400	892,400	0.79%
4.	Chua Peng Swee (General Manager of a Sunningdale Group Entity)	368,200	39,000	407,200	368,200	0.33%
5.	Chua Toh Choon (General Manager of a Sunningdale Group Entity)	227,500 ⁽³⁾	–	227,500	215,000	0.19%
6.	Goh Hock Kim (General Manager of a Sunningdale Group Entity)	63,000	6,000	69,000	63,000	0.06%

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(1) S/N	(2) Name and Designation	(3) Number of Shares held	(4) Number of Outstanding Share Awards ⁽¹⁾	(5) Total number of Shares and Outstanding Share Awards	(6) Number of Shares for which the Cash Consideration will be deferred and reinvested ⁽²⁾	(7) Expected shareholding in HoldCo
7.	Goh Yew Guan (Senior Manager and Head of R&D of a Sunningdale Group Entity)	114,000	18,000	132,000	122,000	0.11%
8.	Hansraj Ramachandran (General Manager of a Sunningdale Group Entity)	38,000	9,000	47,000	15,000	0.01%
9.	Khoo Boo Hor (Chief Executive Officer and an Executive Director of Sunningdale)	4,417,882	380,000	4,797,882	4,797,882	4.27%
10.	Kumar s/o P Suppiah (General Manager of a Sunningdale Group Entity)	217,000	45,000	262,000	50,000	0.04%
11.	Lau Eng Kim (General Manager of a Sunningdale Group Entity)	303,000	18,000	321,000	110,000	0.10%
12.	Lee Chee Hon (General Manager of a Sunningdale Group Entity)	42,000	–	42,000	42,000	0.04%
13.	Lim Boon Siong (Senior Vice President (Business Development) of the Sunningdale Group)	113,800	22,500	136,300	136,300	0.12%
14.	Phua Wei Yong (Pan Weirong) (Senior Manager and Head of Internal Audit of a Sunningdale Group Entity)	30,000	18,000	48,000	15,000	0.01%

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(1) S/N	(2) Name and Designation	(3) Number of Shares held	(4) Number of Outstanding Share Awards ⁽¹⁾	(5) Total number of Shares and Outstanding Share Awards	(6) Number of Shares for which the Cash Consideration will be deferred and reinvested ⁽²⁾	(7) Expected shareholding in HoldCo
15.	Pua Siang Pai Patricia (Chief Material Officer of the Sunningdale Group)	72,900	36,000	108,900	108,900	0.10%
16.	Soh Hui Ling (Chief Financial Officer of the Sunningdale Group)	540,605	60,000	600,605	450,000	0.40%
17.	Tan Bair Kion Senior Vice President (Corporate Management) and Chief Technology Officer of the Sunningdale Group	563,529	69,000	632,529	607,529	0.54%
18.	Tan Eng Soon (General Manager of a Sunningdale Group Entity)	42,000	27,000	69,000	15,000	0.01%
19.	Tan Kok Peng (Senior Vice President (Business Development) of the Sunningdale Group)	303,500	51,000	354,500	284,000	0.25%
20.	Tan Tsu Ching (General Manager of a Sunningdale Group Entity)	61,000	21,000	82,000	61,000	0.05%
21.	Tan Yong Huat (General Manager of a Sunningdale Group Entity)	240,000 ⁽⁴⁾	33,000	273,000	120,000	0.11%
22.	Teo Sock Chee (Senior Vice President (Business Development) of the Sunningdale Group)	444,500	51,000	495,500	444,500	0.40%

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(1) S/N	(2) Name and Designation	(3) Number of Shares held	(4) Number of Outstanding Share Awards ⁽¹⁾	(5) Total number of Shares and Outstanding Share Awards	(6) Number of Shares for which the Cash Consideration will be deferred and reinvested ⁽²⁾	(7) Expected shareholding in HoldCo
23.	Valentina Karbone (General Manager of a Sunningdale Group Entity)	–	16,500	16,500	16,500	0.01%
24.	Zhang Wei Xing (General Manager of a Sunningdale Group Entity)	315,000	54,000	369,000	294,000	0.26%
	Total:	10,621,136	1,113,500	11,734,636	10,579,031	9.41%

Notes:

- (1) Reflects number of outstanding Share Awards as at the Latest Practicable Date.
- (2) This figure assumes that all outstanding Share Awards will vest by the Record Date.
- (3) Of the 227,500 Shares held by Chua Toh Choon, 2,000 Shares are held jointly by Chua Toh Choon and her spouse, Cheong Yian Kee. The Deed of Undertaking given by Chua Toh Choon is given only in respect of the 225,500 Shares held solely by her, and out of such 225,500 Shares, the Cash Consideration to be paid in respect of only 215,000 Shares will be deferred and reinvested pursuant to the Management Reinvestment.
- (4) Of the 240,000 Shares held by Tan Yong Huat, 150,000 Shares are held jointly by Tan Yong Huat and his spouse, Tang Piak Gek. The Deed of Undertaking given by Tan Yong Huat is given in respect of all the 240,000 Shares held solely/jointly by him. The Cash Consideration to be paid in respect of 120,000 Shares will be deferred and reinvested pursuant to the Management Reinvestment.

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2. DEALINGS IN SUNNINGDALE SECURITIES

2.1 Issue of Shares pursuant to a Vesting of Share Awards

During the period commencing from 9 August 2020 and ending on the Latest Practicable Date, new Shares were issued to the following Identified Participating Management pursuant to the outstanding Share Awards granted under the Sunningdale Restricted Share Plan 2014:

S/N	Name	Nature of Dealing	Number of Shares subject to the Dealing
1.	Binoy Matthew	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	18,000
2.	Chan Tung Sing	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	27,000
3.	Chan Whye Mun	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	30,000
4.	Chua Peng Swee	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	24,000
5.	Chua Toh Choon	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	10,500
6.	Goh Yew Guan	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	9,000
7.	Hansraj Ramachandran	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	6,000
8.	Khoo Boo Hor	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	200,000

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S/N	Name	Nature of Dealing	Number of Shares subject to the Dealing
9.	Kumar s/o P Suppiah	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	18,000
10.	Lau Eng Kim	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	15,000
11.	Lee Chee Hon	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	12,000
12.	Lim Boon Siong	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	10,500
13.	Phua Wei Yong (Pan Weirong)	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	9,000
14.	Pua Siang Pai Patricia	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	15,000
15.	Soh Hui Ling	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	24,000
16.	Tan Bair Kion	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	30,000
17.	Tan Eng Soon	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	9,000
18.	Tan Kok Peng	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	19,500

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S/N	Name	Nature of Dealing	Number of Shares subject to the Dealing
19.	Tan Tsu Ching	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	18,000
20.	Tan Yong Huat	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	18,000
21.	Teo Sock Chee	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	22,500
22.	Valentina Karbone	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	7,500
23.	Zhang Wei Xing	Issuance of new Shares pursuant to the Share Awards granted under the Sunningdale Restricted Share Plan 2014 on 23 November 2020	21,000

2.2 Other Dealings

In addition to the dealings disclosed in **paragraph 2.1** above, the following Identified Participating Management has also sold Shares during the period commencing from 9 August 2020 and ending on the Latest Practicable Date:

Name of Party	No. of Shares Bought/(Sold)	Price per Share (S\$)	Dealing Date
Mr Phua Wei Yong (Pan Weirong)	(15,000)	S\$1.56	14 September 2020
	(6,000)	S\$1.65	9 October 2020
	(6,000)	S\$1.70	19 October 2020
Ms Valentina Karbone	(154,500)	S\$1.52	10 December 2020

APPENDIX 3 GENERAL INFORMATION RELATING TO THE COMPANY

1. DIRECTORS

The names, addresses and designations of the Directors as at the Latest Practicable Date are as follows:

Name	Address	Designation
Mr. Koh Boon Hwee	2 Fusionopolis Way #15-03 Innovis Singapore 138634	Non-Executive Chairman and Non-Executive Director
Mr. Khoo Boo Hor	127 Hillview Crescent Hillview Villas Singapore 669513	Chief Executive Officer and Executive Director
Mr. Gabriel Teo Chen Thye	33 Li Hwan Close Golden Hill Estate Singapore 557156	Independent Director
Mr. Kaka Singh S/O Dalip Singh	9 Woo Mon Chew Road Singapore 455060	Lead Independent Director
Mrs. Eileen Tay-Tan Bee Kiew	7 St. Helier's Avenue Serangoon Garden Estate Singapore 555803	Independent Director
Mr. Loke Wai San	76 Peck Seah Street #02-00 Singapore 079331	Non-Executive and Non-Independent Director

2. PRINCIPAL ACTIVITIES

The Company was incorporated in Singapore on 5 December 1995 and has been listed on the Mainboard of the SGX-ST since October 2003. The Sunningdale Group is a manufacturer of precision plastic components headquartered out of Singapore and serves customers across various industry segments (including automotive, consumer/IT and healthcare) and geographies.

APPENDIX 3 GENERAL INFORMATION RELATING TO THE COMPANY

3. SHARE CAPITAL

3.1 Shares

As at the Latest Practicable Date, there is only one (1) class of shares in the capital of the Company, comprising ordinary shares.

As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$304,583,871.43 comprising 192,622,836 Shares. The Company has no treasury shares.

3.2 Rights of the Shareholders in respect of Capital, Dividends and Voting

Selected texts of the Constitution relating to the rights of the Shareholders in respect of capital, dividends and voting have been extracted and reproduced in **Appendix 4** to this Scheme Document.

3.3 Issue of Shares

Since 31 December 2019, being the end of the last financial year of the Company, 681,000 new Shares have been issued by the Company.

3.4 Convertible Instruments and Share Awards

Save as disclosed below, as at the Latest Practicable Date, there are no outstanding instruments convertible into, rights to subscribe for, and options or derivatives in respect of, Shares or securities which carry voting rights in the Company.

As at the Latest Practicable Date, the Company has 1,334,000 outstanding Share Awards under the Sunningdale Restricted Share Plan 2014.

The details of the Share Awards are as follows:

Date of Grant of Share Awards ⁽¹⁾	Vesting Date ⁽²⁾	Number of Share Awards Vested or Due to Vest	Number of Share Awards Cancelled	Outstanding Share Awards as at Latest Practicable Date ⁽³⁾⁽⁴⁾
18 December 2018	18 December 2019	295,833	24,000	887,500
	18 December 2020	295,833	–	
	18 December 2021	295,834	–	
13 December 2019	13 December 2020	148,833	–	446,500
	13 December 2021	148,833	–	
	13 December 2022	148,834	–	

Notes:

(1) In order to receive the Share Awards, the participants must be in the employment of the Company or the Sunningdale Group, subject to the provisions of the Sunningdale Restricted Share Plan 2014.

(2) One-third of the allotted number of Share Awards shall be vested on the first anniversary of the date of grant; one-third on the second anniversary of the date of grant; and the last third on the third anniversary of the date of grant.

APPENDIX 3 GENERAL INFORMATION RELATING TO THE COMPANY

- (3) All the Share Awards shall be delivered only on the third anniversary of the date of grant.
- (4) (a) In the event an employee leaves the employment of the Company or the Sunningdale Group, the Share Awards which have vested before the date of resignation shall be delivered on the third anniversary of the date of grant.
- (b) In the event an employee leaves the employment of the Company or the Sunningdale Group and joins a competitor, the Share Awards which have vested before the date of resignation shall be delivered on the fifth anniversary of the date of grant.
- (c) In the event an employee retires from the workforce, the Share Awards which have been granted shall be vested as if the employee were an active employee and delivered on the third anniversary of the date of grant, provided the sum of his/her age and length of service is greater than 60 years, he/she has worked for the Company or the Sunningdale Group for at least 10 years and he/she does not go to work for a competitor.
- (d) In the event an employee leaves the employment of the Company or the Sunningdale Group due to the restructuring of any group of companies, the Share Awards which have vested before the date of retrenchment shall be delivered on the third anniversary of the date of grant.

4. FINANCIAL INFORMATION

4.1 Financial Information of the Sunningdale Group

Set out below is certain financial information extracted from the audited consolidated financial statements of the Sunningdale Group for FY2017, FY2018 and FY2019 and the unaudited business update of the Sunningdale Group for 9M2020.

The financial information for FY2017, FY2018 and FY2019 should be read in conjunction with the audited consolidated financial statements of the Sunningdale Group and the accompanying notes as set out in the annual reports of Sunningdale for FY2017, FY2018 and FY2019 respectively. The financial information for 9M2020 should be read in conjunction with the unaudited business update of the Sunningdale Group for 9M2020.

Copies of the annual reports of the Company for FY2017, FY2018 and FY2019, the unaudited consolidated financial statements of the Sunningdale Group for 1H2020 and the unaudited business update of the Sunningdale Group for 9M2020 are available on the SGXNET at www.sgx.com or available for inspection at the registered office of the Company at 51 Joo Koon Circle, Singapore 629069 during normal business hours from the date of this Scheme Document up to the Effective Date¹.

¹ Due to the current COVID-19 situation in Singapore, inspection shall be further subject to any applicable control order or regulatory restriction relating to safe distancing which may be issued by the relevant authorities. Prior appointment with the Company is required. Please contact our investor relations team via email at ir@sdaletch.com or via telephone at (65) 6861 1161.

**APPENDIX 3
GENERAL INFORMATION RELATING TO THE COMPANY**

Consolidated Income Statement

	9M2020 S\$'000 (Unaudited)	FY2019 S\$'000 (Audited)	FY2018 S\$'000 (Audited)	FY2017 S\$'000 (Audited)
Revenue	455,674	673,791	726,795	724,545
Exceptional items	569	2,720	(8,187)	(74)
Gross profit	60,355	74,321	87,133	105,533
Profit before tax	27,160	13,542	37,757	39,365
Profit after tax ⁽²⁾	18,646	7,988	29,758	31,360
<u>Earnings per share (in cents)</u>				
– Basic	9.71	4.19	15.7	16.67
– Diluted	9.61	4.13	15.44	16.32

Set out below is also a summary of the dividend per Share declared in respect of each of FY2017, FY2018 and FY2019. This information was extracted from the annual reports of the Company for FY2017, FY2018 and FY2019.

	Financial Year		
	FY2019	FY2018	FY2017
Dividends per share (in cents)⁽¹⁾	8.0	8.0	7.0

An interim dividend of 1.8 cents per Share was declared in respect of 1H2020 and paid on 11 September 2020. This information was extracted from the unaudited consolidated financial statements of the Sunningdale Group for 1H2020.

Notes:

- (1) Rounded to the nearest one (1) decimal place.
- (2) Profit after tax is inclusive of Other income which amounts to S\$9,117, S\$6,237, S\$19,370, S\$5,043 for 9M2020, FY2019, FY2018, FY2017 respectively.

**APPENDIX 3
GENERAL INFORMATION RELATING TO THE COMPANY**

Consolidated Balance Sheet

As at	9M2020 30 September 2020 S\$'000 (Unaudited)	FY2019 31 December 2019 S\$'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	173,565	171,663
Intangible assets	12,682	12,682
Right-of-use assets	36,496	41,550
Other investments	1,539	1,539
Investment in subsidiaries	–	–
Investment in joint venture	8,632	7,083
Prepayments	–	55
Other receivables	–	–
Deferred tax assets	4,106	3,652
	237,020	238,224
Current assets		
Inventories	102,045	111,019
Contract assets	39,811	34,850
Prepayments	3,784	2,885
Trade and other receivables	232,598	218,554
Cash and short-term deposits	123,272	103,366
	501,510	470,674
Total assets	738,530	708,898
EQUITY AND LIABILITIES		
Current liabilities		
Trade and other payables	130,214	116,759
Contract liabilities	28,478	29,677
Other liabilities	56,648	52,439
Provisions	108	329
Deferred capital grants	117	111
Loans and borrowings	72,087	71,147
Income tax payable	6,771	2,509
	294,423	272,971
Net current assets/(liabilities)	207,087	197,703

**APPENDIX 3
GENERAL INFORMATION RELATING TO THE COMPANY**

Non-current liabilities		
Other payables	142	175
Provisions	–	–
Deferred capital grants	1,537	1,549
Loans and borrowings	49,173	56,053
Deferred tax liabilities	8,789	8,608
	59,641	66,385
Total liabilities	354,064	339,356
Net Assets	384,466	369,542
Equity attributable to owners of the Company		
Share capital	303,313	303,313
Retained earnings	63,646	58,396
Other reserves	17,507	7,833
Total equity	384,466	369,542
Total equity and liabilities	738,530	708,898

4.2 Material Changes in Financial Position

Save as disclosed in this Scheme Document, the unaudited business update of the Sunningdale Group for 9M2020 and any other information on the Sunningdale Group which is publicly available (including, without limitation, the announcements released by the Company on the SGXNET), and save for the costs and expenses incurred or to be incurred in connection with the Scheme, as at the Latest Practicable Date, there have been no material changes to the financial position or prospects of the Company since 31 December 2019, being the date of the last published audited consolidated financial statements of the Sunningdale Group laid before the Shareholders in general meeting.

APPENDIX 3 GENERAL INFORMATION RELATING TO THE COMPANY

4.3 Significant Accounting Policies

The significant accounting policies of the Sunningdale Group are set out in the notes to the audited consolidated financial statements of the Sunningdale Group for FY2019 and the unaudited consolidated financial statements of the Sunningdale Group for 1H2020. Save as disclosed in the notes to the audited consolidated financial statements of the Sunningdale Group for FY2019 and the unaudited consolidated financial statements of the Sunningdale Group for 1H2020, there are no significant accounting policies or any matter from the notes of the financial statements of the Sunningdale Group which are of any major relevance for the interpretation of the financial statements of the Sunningdale Group.

4.4 Changes in Accounting Policies

As at the Latest Practicable Date, there are no changes in the accounting policies of the Sunningdale Group which will cause the figures disclosed in this **paragraph 4** to not be comparable to a material extent.

5. **DISCLOSURE OF INTERESTS**

5.1 Holdings of Offeror Securities and/or HoldCo Securities by the Company

As at the Latest Practicable Date, none of the Sunningdale Group Companies owns, controls or has agreed to acquire any Offeror Securities and/or HoldCo Securities.

5.2 Interests of Directors in Offeror Securities and/or HoldCo Securities

As at the Latest Practicable Date, each of the Conflicted Directors is deemed interested in one (1) Offeror Share representing 100% of the issued and paid-up capital of the Offeror held by HoldCo for the reasons set out below:

- (a) Mr. Koh Boon Hwee is the sole shareholder of KBHCo, which in turn holds 64 HoldCo Shares representing 64 per cent. of the issued and paid-up capital of HoldCo; and
- (b) Mr. Loke Wai San holds more than 50 per cent. of the shares in NT GP and controls NT GP, which is the general partner of NT PE Fund 2. Mr. Loke Wai San is also a limited partner of NT PE Fund 2. NT PE Fund 2 in turn holds all of the shares in Novo Tellus, which in turns holds 36 HoldCo Shares representing 36 per cent. of the issued and paid-up capital of HoldCo.

As at the Latest Practicable Date, save as disclosed in this **paragraph 5.2** and this Scheme Document, none of the Directors owns, controls or has agreed to acquire, or has any interest, direct or indirect, in the Offeror Securities and/or HoldCo Securities.

5.3 Interests of Directors in Sunningdale Securities

As at the Latest Practicable Date, save as disclosed in this **paragraph 5.3** and this Scheme Document, none of the Directors owns, controls or has agreed to acquire, or has any interest, direct or indirect, in the Sunningdale Securities.

APPENDIX 3 GENERAL INFORMATION RELATING TO THE COMPANY

(a) Shares

Directors	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾⁽²⁾	No. of Shares	% ⁽¹⁾
Mr. Koh Boon Hwee	29,969,409	15.56	–	–
Mr. Khoo Boo Hor	4,417,882 ⁽³⁾	2.29	–	–
Mr. Gabriel Teo Chen Thye	427,932	0.22	–	–
Mr. Kaka Singh S/O Dalip Singh	79,254	0.04	–	–
Mrs. Eileen Tay-Tan Bee Kiew	–	–	770,000 ⁽⁴⁾	0.40
Mr. Loke Wai San	–	–	–	–

Notes:

- (1) All references to percentage shareholding of the issued share capital of the Company are calculated based on of 192,622,836 Shares as at the Latest Practicable Date.
- (2) Rounded to the nearest two (2) decimal places.
- (3) In addition to the Shares, Mr. Khoo Boo Hor also holds a direct interest in 380,000 Share Awards.
- (4) Mrs. Eileen Tay-Tan Bee Kiew is deemed to have an interest in the Shares held by her husband Mr. Tay Seow Pin.

(b) Share Awards

Mr. Khoo Boo Hor has the following interests under the Sunningdale Restricted Share Plan 2014:

Date of Grant of Share Awards ⁽¹⁾	Number of Share Awards Granted	Vesting Date ⁽²⁾⁽³⁾	Number of Share Awards Vested or Due to Vest	Outstanding Share Awards as at Latest Practicable Date ⁽³⁾
18 December 2018	250,000	18 December 2019	83,333	250,000
		18 December 2020	83,333	
		18 December 2021	83,334	
13 December 2019	130,000	13 December 2020	43,333	130,000
		13 December 2021	43,333	
		13 December 2022	43,334	

Notes:

- (1) In order to receive the Share Awards, the participants must be in the employment of the Company or the Sunningdale Group, subject to the provisions of the Sunningdale Restricted Share Plan 2014.
- (2) One-third of the allotted number of Share Awards shall be vested on the first anniversary of the date of grant; one-third on the second anniversary of the date of grant; and the last third on the third anniversary of the date of grant.
- (3) All the Share Awards shall be delivered only on the third anniversary of the date of grant.

APPENDIX 3 GENERAL INFORMATION RELATING TO THE COMPANY

5.4 Interests of Substantial Shareholders in Shares

As at the Latest Practicable Date, based on the Register of Substantial Shareholders maintained by the Company, the interests of the Substantial Shareholders of the Company in the Shares are as follows:

Substantial Shareholder	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% ⁽¹⁾⁽²⁾	No. of Shares	% ⁽¹⁾⁽²⁾	No. of Shares	% ⁽¹⁾⁽²⁾
Mr. Koh Boon Hwee	29,969,409	15.56	–	–	29,969,409	15.56
Mr. Goi Seng Hui	15,301,600	7.94	–	–	15,301,600	7.94
Yarwood Engineering & Trading Limited	15,301,600 ⁽³⁾	7.94	–	–	15,301,600	7.94
Quarz Capital ASIA (Singapore) Pte. Ltd. ⁽⁴⁾	–	–	15,957,700	8.28	15,957,700	8.28
Kong Siang Group Holdings Pte. Ltd. ⁽⁵⁾	–	–	15,301,600	7.94	15,301,600	7.94
Mr. David Lee Eng Thong ⁽⁵⁾	–	–	15,301,600	7.94	15,301,600	7.94
Mr. Lee Eng Khian ⁽⁵⁾	–	–	15,301,600	7.94	15,301,600	7.94

Notes:

- (1) All references to percentage shareholding of the issued share capital of the Company are calculated based on 192,622,836 Shares as at the Latest Practicable Date.
- (2) Rounded to the nearest two (2) decimal places.
- (3) Yarwood Engineering & Trading Limited ("**Yarwood**") holds 15,301,600 Shares through United Overseas Bank Nominees (Private) Limited.
- (4) Based on publicly available information as at the Latest Practicable Date, Quarz Capital ASIA (Singapore) Pte. Ltd.'s ("**Quarz**") interest in the securities of the Company are currently entirely comprised as deemed interests. Quarz is deemed interested in the Shares in its capacity as investment advisor and fund manager of various funds and accounts.
- (5) Yarwood is 100% owned by Kong Siang Group Holdings Pte. Ltd. ("**KSGH**"). Both Mr. David Lee Eng Thong and Mr. Lee Eng Khian who are directors and having controlling interests in KSGH are deemed to be interested in the 15,301,600 shares held by Yarwood.

6. DEALINGS DISCLOSURE

6.1 Dealings in Offeror Securities and/or HoldCo Securities by the Company

None of the Sunningdale Group Companies has dealt for value in the Offeror Securities and/or HoldCo Securities during the period commencing on 9 August 2020 (i.e. three (3) months prior to the Joint Announcement Date) and ending on the Latest Practicable Date.

6.2 Dealings in Offeror Securities and/or HoldCo Securities by the Directors

On 27 October 2020, Mr. Koh Boon Hwee transferred one (1) Offeror Share held by him to HoldCo for a consideration of S\$1.00.

Save as disclosed in this **paragraph 6.2**, none of the Directors has dealt for value in the Offeror Securities and/or HoldCo Securities during the period commencing three months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

APPENDIX 3 GENERAL INFORMATION RELATING TO THE COMPANY

6.3 Dealings in Sunningdale Securities by the Directors

Save as disclosed below, none of the Directors has dealt for value in any Sunningdale Securities during the period commencing on 9 August 2020 (i.e. three (3) months prior to the Joint Announcement Date) and ending on the Latest Practicable Date.

- (a) On 19 January 2021, Mdm. Leong Siew Fong transferred the 22,008 Shares held by her to Mr. Koh Boon Hwee for a consideration of S\$1.55 per Share.
- (b) The following dealings in Shares and/or Share Awards by Mr. Khoo Boo Hor in accordance with the terms of the Sunningdale Restricted Share Plan 2014:

Director	Date	Number of Share Awards Vested	Number of Shares issued pursuant to Share Awards granted
Mr. Khoo Boo Hor	23 November 2020	–	200,000 ⁽¹⁾
	18 December 2020	83,333 ⁽²⁾	–
	13 December 2020	43,333 ⁽³⁾	–

Notes:

- (1) Issued pursuant to the Share Awards granted to Mr. Khoo Boo Hor under the Sunningdale Restricted Share Plan 2014 on 22 November 2017.
- (2) Vesting pursuant to the Share Awards granted on 18 December 2018 under the Sunningdale Restricted Share Plan 2014.
- (3) Vesting pursuant to the Share Awards granted on 13 December 2019 under the Sunningdale Restricted Share Plan 2014.

7. INTERESTS OF THE INDEPENDENT FINANCIAL ADVISER

7.1 Interests of the IFA in Offeror Securities and/or HoldCo Securities

As at the Latest Practicable Date, none of the IFA, its related corporations or funds whose investments are managed by the IFA or its related corporations on a discretionary basis, owns or controls any Offeror Securities and/or HoldCo Securities.

7.2 Dealings in Offeror Securities and/or HoldCo Securities by the IFA

None of the IFA, its related corporations or funds whose investments are managed by the IFA or its related corporations on a discretionary basis has dealt for value in the Offeror Securities and/or HoldCo Securities during the period commencing on 9 August 2020 (i.e. three (3) months prior to the Joint Announcement Date) and ending on the Latest Practicable Date.

7.3 Interests of the IFA in Sunningdale Securities

As at the Latest Practicable Date, none of the IFA, its related corporations or funds whose investments are managed by the IFA or its related corporations on a discretionary basis, owns or controls any Sunningdale Securities.

APPENDIX 3 GENERAL INFORMATION RELATING TO THE COMPANY

7.4 Dealings in Sunningdale Securities by the IFA

None of the IFA, its related corporations or funds whose investments are managed by the IFA or its related corporations on a discretionary basis has dealt for value in the Sunningdale Securities during the period commencing on 9 August 2020 (i.e. three (3) months prior to the Joint Announcement Date) and ending on the Latest Practicable Date.

8. ARRANGEMENTS AFFECTING DIRECTORS

8.1 No Payment or Benefit to Directors

As at the Latest Practicable Date, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any Director or to any director of any other corporation which, by virtue of Section 6 of the Companies Act, is deemed to be related to the Company as compensation for loss of office or otherwise in connection with the Scheme.

8.2 No Agreement Conditional upon Outcome of the Scheme

Save as disclosed below, as at the Latest Practicable Date, there is no agreement, arrangement or understanding made between any of the Directors and any other person in connection with or conditional upon the outcome of the Scheme:

- (a) Mr. Koh Boon Hwee entered into the Rollover Agreement on 9 November 2020 with KBHCo, the Offeror and HoldCo in relation to, *inter alia*, the transfer of the KBH Rollover Shares by Mr. Koh Boon Hwee to the Offeror, in consideration for the issuance of HoldCo Shares to KBHCo;
- (b) KBHCo, which is wholly owned by Mr. Koh Boon Hwee, entered into the Consortium and Shareholders' Agreement on 9 November with Novo Tellus and HoldCo which sets out, *inter alia*, (i) the equity contribution from KBHCo and Novo Tellus for the subscription of the HoldCo Shares and (ii) the Consortium Parties' agreement in relation to the affairs of HoldCo; and
- (c) Mr. Khoo Boo Hor entered into a Deed of Undertaking and a subscription agreement on 9 November 2020 with the Offeror, pursuant to which Mr. Khoo Boo Hor agreed to, *inter alia*, elect to accept the Cash Consideration in respect of all his Shares and to defer and reinvest all such Cash Consideration to subscribe for HoldCo Shares that would represent approximately 4 per cent. of the Enlarged Share Capital, based on the Issue Price, pursuant to the Management Reinvestment. Further details on the Deed of Undertaking and the Management Reinvestment are set out in **paragraph 4** and **paragraph 5** of the Explanatory Statement.

8.3 No Material Interest in Material Contracts

Save as disclosed in **paragraph 8.2** above, as at the Latest Practicable Date, there are no material contracts entered into by the Offeror in which any Director has a material personal interest, whether direct or indirect.

APPENDIX 3 GENERAL INFORMATION RELATING TO THE COMPANY

9. MATERIAL LITIGATION

As at the Latest Practicable Date:

- (a) none of the Sunningdale Group Companies is engaged in any material litigation or arbitration proceedings, as plaintiff or defendant, which might materially and adversely affect the financial position of the Sunningdale Group taken as a whole; and
- (b) the Directors are not aware of any proceedings pending or threatened against any of the Sunningdale Group Companies or of any facts likely to give rise to any proceedings which might materially or adversely affect the financial position of the Sunningdale Group taken as a whole.

10. GENERAL DISCLOSURE

10.1 Financial Statements for FY2017, FY2018 and FY2019

The audited consolidated financial statements of the Sunningdale Group for FY2017, FY2018 and FY2019 are set out in the annual reports of the Company for FY2017, FY2018 and FY2019 respectively. Copies of the annual reports of the Company for FY2017, FY2018 and FY2019, the unaudited consolidated financial statements of the Sunningdale Group for 1H2020 and the unaudited business update of the Sunningdale Group for 9M2020 are available on the SGXNET at www.sgx.com or available for inspection at the registered office of the Company at 51 Joo Koon Circle, Singapore 629069 during normal business hours from the date of this Scheme Document up to the Effective Date².

10.2 Directors' Service Contracts

As at the Latest Practicable Date:

- (a) there are no service contracts between any of the Directors or proposed directors with any Sunningdale Group Companies which have more than 12 months to run and which are not terminable by the employing company within the next 12 months without paying any compensation; and
- (b) there are no such contracts entered into or amended during the period commencing six (6) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

10.3 Material Contracts with Interested Persons

As at the Latest Practicable Date, save for the entry into the Implementation Agreement by the Company and save as disclosed in the annual reports of the Company for FY2017, FY2018 and FY2019 and any other information on the Sunningdale Group which is publicly available (including without limitation, the announcements released by the Company on the SGXNET), none of the Sunningdale Group Companies has entered into any material

² Due to the current COVID-19 situation in Singapore, inspection shall be further subject to any applicable control order or regulatory restriction relating to safe distancing which may be issued by the relevant authorities. Prior appointment with the Company is required. Please contact our investor relations team via email at ir@sdaletch.com or via telephone at (65) 6861 1161.

APPENDIX 3 GENERAL INFORMATION RELATING TO THE COMPANY

contracts (not being contracts entered into in the ordinary course of business) with any interested person (as defined in Note 1 of Rule 23.12 of the Code) during the period beginning three (3) years before the Joint Announcement Date and ending on the Latest Practicable Date.

10.4 Costs and Expenses

In the event that the Scheme does not become effective for any reason, the expenses and costs incurred by the Company in connection with the Scheme will be borne by the Company.

11. VALUATION

The Company has commissioned the Valuers to conduct independent valuations of the Subject Properties. Please refer to **paragraph 8.2.3** of the IFA Letter for further details on the independent valuations of the Subject Properties. Copies of the Valuation Certificates issued by the Valuers are set out in **Appendix 5** to this Scheme Document.

Under Rule 26.3 of the Code, the Company is required, *inter alia*, to make an assessment of any potential tax liability which would arise if the assets, which are the subject of a valuation given in connection with an offer, were to be sold at the amount of the valuation. Based on the Valuation Certificates, the potential tax liabilities that may be incurred by the Sunningdale Group on the hypothetical disposal of the Subject Properties on an “as is” basis is approximately S\$10.1 million. The aforesaid tax liabilities will not crystallise if the Company does not dispose of its interests in the Subject Properties. As at the Latest Practicable Date, the Company has no current plans to dispose of its interests in the Subject Properties as these properties are used to facilitate the Sunningdale Group’s day to day operations, and accordingly, the aforesaid tax liabilities are not likely to crystallise.

12. CONSENTS

12.1 General

WongPartnership LLP, Deloitte & Touche Corporate Finance Pte Ltd, Ernst & Young LLP and the Share Registrar have each given and have not withdrawn their respective written consents to the issue of this Scheme Document with the inclusion herein of their names and all references to their names in the form and context in which they respectively appear in this Scheme Document.

12.2 IFA

The IFA has given and has not withdrawn its written consent to the issue of this Scheme Document with the inclusion herein of its name, the IFA Letter as set out in **Appendix 1** to this Scheme Document, and all references thereto in the form and context in which they appear in this Scheme Document.

APPENDIX 3 GENERAL INFORMATION RELATING TO THE COMPANY

12.3 Valuers

Each of the Valuers has given and has not withdrawn its written consent to the issue of this Scheme Document with the inclusion herein of its name, copies of the Valuation Certificates as set out in **Appendix 6** to this Scheme Document and all references to its name in the form and context in which they appear in this Scheme Document.

13. **DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the Company's registered office at 51 Joo Koon Circle, Singapore 629069 during normal business hours from the date of this Scheme Document up to the Effective Date³:

- (a) the Constitution;
- (b) the annual reports of the Company for FY2017, FY2018 and FY2019;
- (c) the unaudited consolidated financial statements of the Sunningdale Group for 1H2020;
- (d) the unaudited business update for the Sunningdale Group for 9M2020;
- (e) the Implementation Agreement;
- (f) the Deeds of Undertaking;
- (g) the Valuation Certificates; and
- (h) the letters of consent referred to in **paragraph 12** of this **Appendix 3**.

³ Due to the current COVID-19 situation in Singapore, inspection shall be further subject to any applicable control order or regulatory restriction relating to safe distancing which may be issued by the relevant authorities. Prior appointment with the Company is required. Please contact our investor relations team via email at ir@sdaletch.com or via telephone at (65) 6861 1161.

APPENDIX 4 EXTRACTS FROM THE COMPANY'S CONSTITUTION

The rights of Scheme Shareholders in respect of capital, dividends and voting as extracted and reproduced from the Constitution are set out below:

All capitalised terms used in the following extracts shall have the same meanings given to them in the Constitution, a copy of which is available for inspection at the registered office of the Company during normal business hours from the date of this Scheme Document up to the Effective Date.

1. THE RIGHTS OF SHAREHOLDERS IN RESPECT OF CAPITAL

ISSUE OF SHARES

4. Subject to the Statutes and these presents, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto and to Article 8, and to any special rights attached to any shares for the time being issued, the Directors may allot and issue shares or grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration and at such time and subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit, and any shares may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors, Provided always that:
 - (a) *[deleted]*;
 - (b) (subject to any direction to the contrary that may be given by the Company in General Meeting) any issue of shares for cash to members holding shares of any class shall be offered to such members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Article 8(A) with such adaptations as are necessary shall apply; and
 - (c) any other issue of shares, the aggregate of which would exceed the limits referred to in Article 8(B), shall be subject to the approval of the Company in General Meeting.
5. (A) Preference shares may be issued, subject to such limitation thereof as may be prescribed by any stock exchange on which the shares in the Company may be listed. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets and attending General Meetings of the Company, and preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding-up or sanctioning a sale of the undertaking of the Company or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six months in arrears.
 - (B) The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.

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VARIATION OF RIGHTS

6. (A) Whenever the share capital of the Company is divided into different classes of shares, subject to the provisions of the Statutes, preference capital, other than redeemable preference capital, may be repaid and the special rights attached to any class may be varied or abrogated either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of the class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so repaid, varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate General Meeting all the provisions of these presents relating to General Meetings of the Company and to the proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third in nominal value of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him, Provided always that where the necessary majority for such a Special Resolution is not obtained at such General Meeting, consent in writing if obtained from the holders of three-quarters in nominal value of the issued shares of the class concerned within two months of such General Meeting shall be as valid and effectual as a Special Resolution carried at such General Meeting. The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.
- (B) The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto.
- (C) The Company shall not exercise any right in respect of treasury shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Act.

ALTERATION OF SHARE CAPITAL

8. (A) Subject to any direction to the contrary that may be given by the Company in General Meeting or except as permitted under the listing rules of the Singapore Exchange Securities Trading Limited, all new shares shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion, as far as the circumstances admit, to the number of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Article 8(A).

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(B) Notwithstanding Article 8(A), the Company may by Ordinary Resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to:

- (a) (i) issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other Instruments convertible into shares; and
- (b) (notwithstanding the authority conferred by the Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the Ordinary Resolution was in force.

provided that:

- (1) the aggregate number of shares to be issued pursuant to the Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution) shall be subject to such limits and manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited;
- (2) in exercising the authority conferred by the Ordinary Resolution, the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance is waived by the Singapore Exchange Securities Trading Limited) and these presents; and
- (3) (unless revoked or varied by the Company in General Meeting) the authority conferred by the Ordinary Resolution shall not continue in force beyond the conclusion of the Annual General Meeting of the Company next following the passing of the Ordinary Resolution, or the date by which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Statutes (whichever is the earliest).

(C) Except so far as otherwise provided by the conditions of issue or by these presents, all new shares shall be subject to the provisions of the Statutes and of these presents with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

9. (A) The Company may by Ordinary Resolution:

- (a) consolidate and divide all or any of its shares;
- (b) sub-divide its shares, or any of them, (subject, nevertheless, to the provisions of the Statutes), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have

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any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to new shares; and

- (c) subject to the provisions of the Statutes, convert any class of shares into any other class of shares.
10. (A) The Company may reduce its share capital or undistributable reserve in any manner and with and subject to any incident authorised and consent required by law. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to these presents, the number of issued shares of the Company shall be diminished by the number of the shares so cancelled, and where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of the share capital of the Company shall be reduced accordingly.
- (B) The Company may, subject to and in accordance with the Act, purchase or otherwise acquire shares of the Company on such terms and in such manner as the Company may from time to time think fit. If required by the Act, any share that is so purchased or acquired by the Company shall, unless held in treasury in accordance with the Act, be deemed to be cancelled immediately on purchase or acquisition by the Company. On the cancellation of a share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Act.

SHARES

11. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these presents or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository or its nominee (as the case may be)) entered in the Register of Members as the registered holder thereof or (as the case may be) the person whose name is entered in the Depository Register in respect of that share.
12. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of such determination, as the Directors may determine) and subject to the provisions of the Statutes, the Company may issue preference shares which are, or at the option of the Company are liable, to be redeemed.
13. Subject to the provisions of these presents and of the Statutes relating to authority, pre-emption rights and otherwise and of any resolution of the Company in General Meeting passed pursuant thereto, all shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.

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14. Unless otherwise specified or restricted by law, the Company may pay commissions or brokerage on any issue or purchase of its shares or sale, disposal or transfer of treasury shares at such rate or amount and in such manner as the Directors may deem fit. Such commissions or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.
15. Subject to the terms and conditions of any application for shares, the Directors shall allot shares applied for within ten Market Days of the closing date (or such other period as may be approved by any Stock Exchange upon which shares in the Company may be listed) of any such application. The Directors may, at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder or (as the case may be) before that share is entered against the name of a Depositor in the Depository Register, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

SHARE CERTIFICATES

16. Every share certificate shall be issued under the Seal and shall specify the number and class of shares to which it relates and the amount paid and (if any) amount unpaid thereon and shall bear the autographic or facsimile signatures of one Director and the Secretary or a second Director or some other person appointed by the Directors. The facsimile signatures may be reproduced by mechanical, electronic or other method approved by the Directors. No certificate shall be issued representing shares of more than one class.
17. (A) The Company shall not be bound to register more than three persons as the registered holders of a share except in the case of executors or administrators (or trustees) of the estate of a deceased member.

(B) In the case of a share registered jointly in the names of several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to any one of the registered joint holders shall be sufficient delivery to all.
18. Every person whose name is entered as a member in the Register of Members shall be entitled to receive, within ten (10) Market Days of the closing date of any application for shares (or such other period as may be approved by any stock exchange upon which the shares in the Company may be listed ("**Stock Exchange**")) within ten (10) Market Days after the date of lodgement of a registrable transfer (or such other period as may be approved by any Stock Exchange, one certificate for all his shares of any one class or several certificates in reasonable denominations each for a part of the shares so' allotted or transferred. Where such a member transfers part only of the shares comprised in a certificate or where such a member requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of subdividing his holding in a different manner, the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and such member shall pay a maximum fee of S\$2 for each new certificate or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by any Stock Exchange.

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19. (A) Any two or more certificates representing shares of any one class held by any person whose name is entered in the Register of Members may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.
- (B) If any person whose name is entered in the Register of Members shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu thereof, two (2) or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request. Such person shall (unless such fee is waived by the Directors in their absolute discretion) pay a maximum fee of S\$2 for each share certificate issued in lieu of a share certificate surrendered for cancellation or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by any Stock Exchange upon which shares in the Company may be listed.
- (C) In the case of shares registered jointly in the names of several persons any such request may be made by any one of the registered joint holders.
20. Subject to the provisions of the Statutes, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of any Stock Exchange upon which shares in the Company may be listed or on behalf of its or their client or clients as the Directors of the Company shall require, and (in case of defacement or wearing out) on delivery up of the old certificate and in any case on payment of such sum not exceeding S\$2 as the Directors may from time to time require. In the case of destruction, loss or theft, a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.

STOCK

46. The Company may from time to time by Ordinary Resolution convert any paid-up shares into stock and may from time to time by like resolution reconvert any stock into paid-up shares.
47. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same Articles as and subject to which the shares from which the stock arose might previously to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units as the Directors may from time to time determine.
48. The holders of stock shall, according to the number of stock units held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except as regards participation in the profits or assets of the Company) shall be conferred by the number of stock units which would not, if existing in shares, have conferred such privilege or advantage; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.

APPENDIX 4
EXTRACTS FROM THE COMPANY'S CONSTITUTION

BONUS ISSUES AND CAPITALISATION OF PROFITS AND RESERVES

- 132 (A) The Directors may, with the sanction of an Ordinary Resolution of the Company (Including any Ordinary Resolution passed pursuant to 8(B):
- (a) issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on :
 - (i) the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or
 - (ii) (in the case of an Ordinary Resolution passed pursuant to Article 8(B)) such other date as may be determined by the Directors

in proportion to their then holdings of shares: and/or
 - (b) capitalise any sum standing to the credit of any of the Company's reserve accounts or other undistributable reserve or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:
 - (i) the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or
 - (ii) in the case of an Ordinary Resolution passed pursuant to Article 8(B)) such other date as may be determined by the Directors,

in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.
- (B) The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue and/or capitalization under this Article, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned). The Directors may authorize any person to enter on behalf of all the members interested into an agreement with the Company providing for any such bonus issue and/or capitalization and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

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133. In addition and without prejudice to the powers provided for by Article 132, the Directors shall have power to issue shares for which no consideration is payable to the Company and/or to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full new shares, in each case on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit.

2. THE RIGHTS OF SHAREHOLDERS IN RESPECT OF VOTING

GENERAL MEETINGS

49. An Annual General Meeting shall be held once in every year, at such time (within a period of not more than 15 months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.
50. The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed with proper expedition to convene an Extraordinary General Meeting.

NOTICE OF GENERAL MEETINGS

51. Any General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by 21 days' notice in writing at the least and an Annual General Meeting and any other Extraordinary General Meeting by 14 days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served and of the day on which the meeting is to be held and shall be given in the manner hereinafter mentioned to all members other than such as are not under the provisions of these presents and the Act entitled to receive such notices from the Company; Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:
- (a) in the case of an Annual General Meeting by all the members entitled to attend and vote thereat; and
 - (b) in the case of an Extraordinary General Meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent. of the total voting rights of all the members having a right to vote at that meeting.

Provided also that the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting. So long as the shares in the Company are listed on any Stock Exchange, at least 14 days' notice of any General Meeting shall be given by advertisement in the daily press and in writing to any Stock Exchange upon which shares in the Company may be listed.

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52. (A) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a member of the Company.
- (B) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.
- (C) In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as a Special Resolution, the notice shall contain a statement to that effect.
53. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:
- (a) declaring dividends;
- (b) receiving and adopting the accounts, the reports of the Directors and Auditors and other documents required to be attached or annexed to the accounts;
- (c) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;
- (d) re-appointing the retiring Auditors (unless they were last appointed otherwise than by the Company in General Meeting);
- (e) fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed; and
- (f) fixing the remuneration of the Directors proposed to be paid under Article 79.
54. Any notice of a General Meeting to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution on the Company in respect of such special business.

PROCEEDINGS AT GENERAL MEETINGS

55. The Chairman of the Board of Directors, failing whom the Deputy Chairman, shall preside as chairman at a General Meeting. If there be no such Chairman or Deputy Chairman, or If at any meeting neither be present within five minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one of their number (or, If no Director be present or if all the Directors present decline to take the chair, the members present shall choose one of their number) to be chairman of the meeting.
56. No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, the quorum at any General Meeting shall be two or more members present in person or by proxy. Provided that (I) a proxy representing more

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than one member shall only count as one member for the purpose of determining the quorum; and (ii) where a member is represented by more than one proxy such proxies shall count as only one member for the purpose of determining the quorum.

57. If within 30 minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week (or if that day is a public holiday then to the next business day following that public holiday) at the same time and place or such other day, time or place as the Directors may by not less than ten days' notice appoint. At the adjourned meeting any one or more members present in person or by proxy shall be a quorum.
58. The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or *sine die*) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned *sine die*, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for 30 days or more or *sine die*, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.
59. Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
60. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special Resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.
61. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:
- (a) the chairman of the meeting; or
 - (b) not less than two members present in person or by proxy and entitled to vote at the meeting; or
 - (c) a member present in person or by proxy and representing not less than 10 per cent. of the total voting rights of all the members having the right to vote at the meeting; or
 - (d) a member present in person or by proxy and holding not less than 10 per cent. of the total number of paid up shares of the Company (excluding treasury shares).

Provided always that no poll shall be demanded on the choice of a chairman or on a question of adjournment.

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62. A demand for a poll may be withdrawn only with the approval of the meeting. Unless a poll is required a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. If a poll is required, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.
63. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote.
64. A poll demanded on any question shall be taken either immediately or at such subsequent time (not being more than 30 days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTES OF MEMBERS

65. Subject to and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to Article 6, each member entitled to vote may vote in person or by proxy. On a show of hands, every member who is present in person or by proxy shall have one vote (provided that in the case of a member who is represented by two proxies, only one of the two proxies as determined by that member or, failing such determination, by the Chairman of the meeting (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands) and on a poll, every member who is present in person or by proxy shall have one vote for every share which he holds or represents. For the purpose of determining the number of votes which a member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at 48 hours before the time of the relevant General Meeting as certified by the Depository to the Company.
66. In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members or (as the case may be) the Depository Register in respect of the share. Several executors and administrators of a deceased member in whose name any share stands shall for the purpose of this Article be deemed joint holders thereof.
67. Where in Singapore or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to

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production of such evidence of the appointment as the Directors may require, deposited at the Office not less than 48 hours before the time appointed for holding the meeting, permit such receiver or other person on behalf of such member to vote in person or by proxy at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.

68. No member shall, unless the Directors otherwise determine, be entitled in respect of shares held by him to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company If any call or other sum presently payable by him to the Company in respect of such shares remains unpaid.
69. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.
70. On a poll, votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.
71. (A) A member may appoint not more than two proxies to attend and vote at the same General Meeting, Provided that if the member is a Depositor, the Company shall be entitled and bound:
- (a) to reject any instrument of proxy lodged if the Depositor is not shown to have any shares entered against his name in the Depository Register as at 48 hours before the time of the relevant General Meeting as certified by the Depository to the Company, and
 - (b) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at 48 hours before the time of the relevant General Meeting as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.
- (B) The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy.
- (C) In any case where a form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
- (D) A proxy need not be a member of the Company.

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72. (A) An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and:
- (a) in the case of an individual, shall be signed by the appointor or his attorney; and
 - (b) in the case of a corporation, shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation.
- (B) The signature on such instrument need not be witnessed. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to the next following Article, failing which the instrument may be treated as invalid.
73. An instrument appointing a proxy must be left at such place or one of such places (if any as may be specified for that purpose) or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Office) not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates; Provided that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates.
74. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll, to move any resolution or amendment thereto and to speak at the meeting.
75. A vote cast by proxy shall not be invalidated by the previous death or insanity of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made, Provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

CORPORATIONS ACTING BY REPRESENTATIVES

76. Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of these presents be deemed to be present in person at any such meeting if a person so authorised is present thereat.

**APPENDIX 4
EXTRACTS FROM THE COMPANY'S CONSTITUTION**

3. THE RIGHTS OF SHAREHOLDERS IN RESPECT OF DIVIDENDS

RESERVES

120. The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided, The Directors may also, without placing the same to reserve, carry forward any profits. In carrying sums to reserve and in applying the same the Directors shall comply with the provisions (if any) of the Statutes.

DIVIDENDS

121. The Company may by Ordinary Resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors.
122. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.
123. Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise permitted under the Act:
- (a) all dividends in respect of shares must be paid in proportion to the number of shares held by a member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and
 - (b) all dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period In respect of which the dividend is paid.

For the purposes of this Article, an amount paid or credited as paid on a share in advance of a call is to be ignored.

124. No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Statutes.
125. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

APPENDIX 4 EXTRACTS FROM THE COMPANY'S CONSTITUTION

126. (A) The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- (B) The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of Shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.
127. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and If or to the extent that the same is accepted as such or acted upon by the Company.
128. The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.
129. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address appearing In the Register of Members or (as the case may be) the Depository Register of a member or person entitled thereto (or, if two or more persons are registered in the Register of Members or (as the case may be) entered in the Depository Register as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons) or to such person at such address as such member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. Notwithstanding the foregoing provisions of this Article and the provisions of Article 131, the payment by the Company to the Depository of any dividend payable to a Depositor shall, to the extent of the payment made to the Depository, discharge the Company from any liability to the Depositor in respect of that payment.
130. If two or more persons are registered in the Register of Members or (as the case may be) the Depository Register as joint holders of any share, or are entitled jointly to a share In consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

APPENDIX 4
EXTRACTS FROM THE COMPANY'S CONSTITUTION

131. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares in the Register of Members or (as the case may be) the Depository Register at the close of business on a particular date and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights *inter se* in respect of such dividend of transferors and transferees of any such shares.
- 131A. The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends and other moneys payable on or in respect of a share that are unclaimed after first becoming payable may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend or any such moneys unclaimed after a period of six years from the date they are first payable may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul such forfeiture and pay the moneys so forfeited to the person entitled thereto prior to the forfeiture. If the Depository returns any such dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six years has elapsed from the date of the declaration of such dividend or the date on which such other moneys are first payable.

**APPENDIX 5
VALUATION CERTIFICATES**

LIST OF SUBJECT PROPERTIES

	Subject Properties	Country	Valuer
1.	51 Joo Koon Circle, Singapore 629069	Singapore	Savills Valuation & Professional Services (S) Pte Ltd
2.	18 Joo Koon Crescent, Singapore 629019	Singapore	Savills Valuation & Professional Services (S) Pte Ltd
3.	1 Joo Koon Crescent, Singapore 629027	Singapore	Savills Valuation & Professional Services (S) Pte Ltd
4.	PTB 272 & PTD 2174, Jalan Tun Mutalib 1, Kawasan Perindustrian Bandar Tenggara, 81440 Bandar Tenggara, Johor Darul Takzim	Malaysia	Savills (Malaysia) Sdn Bhd
5.	PTB 1260, PTB 1261 & PTB 1262, Jalan Tun Mutahir, Kawasan Perindustrian Bandar Tenggara, 81440 Bandar Tenggara, Johor Darul Takzim	Malaysia	Savills (Malaysia) Sdn Bhd
6.	PTB 1257, Jalan Tun Mutahir 1, Kawasan Perindustrian Bandar Tenggara, 81440 Bandar Tenggara, Johor Darul Takzim	Malaysia	Savills (Malaysia) Sdn Bhd
7.	PTB 281, Jalan Tun Mutalib 1, Kawasan Perindustrian Bandar Tenggara, 81440 Bandar Tenggara, Johor Darul Takzim	Malaysia	Savills (Malaysia) Sdn Bhd
8.	No 748, Lingkaran Cassia Selatan, Taman Perindustrian Batu Kawan, 14110 Bandar Cassia, Pulau Pinang	Malaysia	Savills (Malaysia) Sdn Bhd
9.	No. 3, Jalan Indah Gemilang 2, Taman Perindustrian Gemilang, 81800 Ulu Tiram, Johor Darul Takzim	Malaysia	Savills (Malaysia) Sdn Bhd
10.	No. 14 Qianjin 2nd Road, Tanzhou Town, Zhongshan City, Guangdong Province, PRC	PRC	Savills Real Estate Valuation (Guangzhou) Ltd Beijing Branch

APPENDIX 5 VALUATION CERTIFICATES

Our Ref: 2020/007MF/CORP



10th December 2020

Savills Valuation and
Professional Services (S) Pte Ltd
Reg No.: 200402411G

Sunningdale Tech Ltd.
51 Joo Koon Crescent
Singapore 629069

30 Cecil Street
#20-03 Prudential Tower
Singapore 049712

T: (65) 6836 6888
F: (65) 6536 8611

Attention: Ms. Soh Hui Ling

savills.com

Dear Sirs

VALUATION OF SUNNINGDALE TECH LTD'S PROPERTIES IN SINGAPORE, MALAYSIA & CHINA

1.0 Instruction

Savills Valuation and Professional Services (S) Pte Ltd. (hereinafter known as the "Valuer") has been instructed by Sunningdale Tech Ltd. (hereinafter known as the "Client"), to determine the Market Value of the properties listed below (each a "Subject Property, collectively known as the "Subject Properties") for the proposed acquisition of Sunningdale Tech Ltd. by way of a scheme of arrangement.

2.0 Subject Properties

Subject Property
Singapore
1. 51 Joo Koon Circle, Singapore 629069
2. 18 Joo Koon Crescent, Singapore 629019
3. 1 Joo Koon Crescent, Singapore 629027
Malaysia
4. Lot PTB 272 & 2174, Jln Tun Mutalib 1, Bdr Tenggara Industrial Area, 81440 Bdr Tenggara, Johor
5. Lot PTB 1260, 1261 & 1262, Jln Tun Mutahir, Bdr Tenggara Industrial Area, 81440 Bdr Tenggara, Johor
6. Lot PTB 1257, Jln Tun Mutahir 1, Bdr Tenggara Industrial Area, 81440 Bdr Tenggara, Johor
7. Lot PTB 281, Jln Tun Mutalib 1, Bdr Tenggara Industrial Area, 81440 Bdr Tenggara, Johor
8. No. 748 Lingkaran Cassia Selatan, Taman Perindustrian Batu Kawan, 14110 Bandar Cassia Seberang Perai Selatan, Penang, Malaysia
9. No 3, Jln. Indah Gemilang 2, Tmn. Perindustrian Gemilang, 81800 Ulu Tiram, Johor, Malaysia
China
10. No. 14 Qianjin 2 nd Road, Tanzhou Town, Zhongshan City, Guangdong Province, PRC

3.0 Inspection & Title Searches

Each of the Subject Properties has been inspected and we have reviewed the respective title documents, and any other information deemed necessary to undertake our valuation.

4.0 Date of Valuation

30th September 2020

APPENDIX 5

VALUATION CERTIFICATES



5.0 Basis of Value

We have assessed the Subject Properties on the basis of Market Value.

The definition of "Market Value" as defined by the International Valuation Standards Council (IVSC) and as adopted by the Royal Institute of Chartered Surveyors (RICS), is as follows:

"Market value is the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion."

6.0 Valuation Approaches

In arriving at our opinion on the Market Values of the Subject Properties, we have adopted the appropriate valuation methodology applicable for the respective local market and property type. The Market (Direct Comparison) Approach and Income Approach have been adopted for the properties in China and Singapore, whilst the Cost Approach has been adopted for the properties in Malaysia.

The **Market Approach** is based on comparing the subject asset with identical or similar assets for which price information is available, such as a comparison with market transactions in the same, or closely similar, type of asset within an appropriate time horizon.

The **Income Approach** is based on capitalisation or conversion of present and predicted income (cash flows), which may take a number of different forms, to produce a single current capital value. Among the forms taken, capitalisation of a conventional market-based income or discounting of a specific income projection can both be considered appropriate depending on the type of asset and whether such an approach would be adopted by market participants.

The **Cost Approach** is based on the economic principle that a purchaser will pay no more for an asset than the cost to obtain one of equal utility whether by purchase or construction.

7.0 Qualifications and Disclaimer

Our opinion of the value is based on generally accepted valuation principles and practices that rely on the use of reasonable assumptions and our independent assessment is based on professional judgement and industry conditions prevailing at the material date.

Our valuation complies with the Valuation Standards and Guidelines set by the Singapore Institute of Surveyors and Valuers (SISV) and the international Valuation Standards set by the International Valuation Standards Council (IVSC).

The valuer has relied upon material information supplied by the Client, which we assume to be true and accurate. The valuer takes no responsibility for inaccurate data supplied by the Client and the subsequent conclusions related to such data.

APPENDIX 5

VALUATION CERTIFICATES



The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the Subject Properties and are not a related corporation of nor do we have a relationship with the Client, its manager, adviser or other party/parties whom the Client is contracting with in relation to the Subject Properties. We confirm that there is no conflict of interest in our role as external valuers.

The Valuer's compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the Client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

In our valuation, we have not carried out a structural survey of the subject properties that have been completed or any testing of services. We have assumed that there are no structural defects and that all building services are fully functional. We have also not carried out any investigations on the suitability of the site and ground conditions for the existing or any new development, nor have we undertaken any archeological, ecological or environment surveys. Our valuation is on the basis that these aspects are satisfactory.

We have prepared this valuation and specifically disclaim liability to any person in the event of any omission from or false or misleading statement included in the scheme document, other than in respect of the information provided within the valuation certificates. We do not make any warranty or representation as to the accuracy of the information in any part of the scheme document other than as expressly made or given in the valuation certificates.

Use by, or reliance upon these valuation certificates by anyone other than the Clients and the Independent Financial Adviser ("IFA") appointed by the Client is not authorised by Savills and Savills is not liable for any unauthorised use or reliance. Save for its inclusion in the scheme document and the Offeror's Letter, our letter should not be reproduced without our prior written consent and is subject to the attached limiting conditions.

Our opinion of the Market Value of the Subject Properties as at 30th September 2020 are in the valuation certificates attached.

Yours faithfully
For and behalf of
Savills Valuation and Professional Services (S) Pte Ltd

A handwritten signature in black ink, appearing to read "M. Fidden", with a small flourish at the end.

Martin Fidden MRICS
Regional Managing Director, Asia

APPENDIX 5 VALUATION CERTIFICATES



Valuation Certificate

Address of Property	51 Joo Koon Circle, Singapore 629069
Client	Sunningdale Tech Ltd.
Purpose of Valuation	For the proposed acquisition of Sunningdale Tech Ltd. by way of a scheme of arrangement
Legal Description	Lot 2148V Mukim 7
Tenure	Leasehold for 30+30 years commencing from 1 September 1993. We have been instructed by Client to conduct this valuation based on the balance un-expired interest of about 32.9 years. We were given to understand that the investment criteria stipulated by JTC in order to fulfil the requirement for the further lease extension (amongst other terms and conditions) have been met by the Lessee as at the date of valuation.
Registered Lessee	Omni Mold Ltd
Brief Description	The subject property is located at the junction of Joo Koon Circle and Joo Koon Crescent, within Jurong Industrial Estate and approximately 24 km from the City Centre. It comprises a 2-storey detached factory building with a mezzanine floor. The property is within easy access to the Joo Koon MRT Station and Ayer Rajah/ Pan-Island Expressways. We understand that the subject property was completed circa mid-1990s. The property appeared to be in average condition.
Site Area	4,223.8 sm or thereabouts, subject to government's re-survey
Gross Floor Area	Approximately 4,493.6 sm, as provided and subject to final survey
Tenancy Brief	The property is currently owner-occupied
Annual Value	\$615,000
Master Plan (2019)	Business 2 with a gross plot ratio of 1.4
Land Rent (pa)	\$59,629 per annum (excluding GST)
Permitted Use	For design, prototype, product development, engineering, manufacturing of plastics injection molds and molding only
Basis of Valuation	As-Is basis and subject to vacant possession
Valuation Approaches	Direct Comparison Method and Income Capitalisation Method, of which the latter is used as a check
Date of Valuation	30 September 2020
Rate of Gross Floor Area	\$1,958 psm
Recommended Market Value	\$8,800,000 (Singapore Dollars Eight Million And Eight Hundred Thousand Only)
Material Valuation Uncertainty	Our opinion and assessment are based on the information provided and prevailing market data as at the date of this valuation certificate. With the outbreak of the Coronavirus Disease 2019 (Covid-19) and the prevailing uncertainty in the global economy, it is difficult to predict the future impact that Covid-19 might have on the real estate market. In view of market uncertainty, a higher degree of caution should be attached to our valuation than would normally be the case and we recommend that you keep the valuation under frequent review.
Assumptions, Disclaimers, Limitations & Qualifications	This valuation is provided subject to the assumptions, disclaimers, limitations, qualifications detailed throughout the valuation certificate and also the limiting conditions herein.
Prepared by	<div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">  Kamal Hamdi Licensed Appraiser No. AD041-2006388F </div> <div style="text-align: center;">  Liaw Hin Sai Licensed Appraiser No. AD041-20071081 </div> </div> <p style="text-align: center;">Savills Valuation And Professional Services (S) Pte Ltd</p>

This valuation is exclusive of Goods and Services Tax.

APPENDIX 5 VALUATION CERTIFICATES



LIMITING CONDITIONS

Our valuations are subject to the following limiting conditions unless otherwise stated in our valuation certificate.

Valuation Standards:	The valuation is carried out in accordance with the Valuation Standards and Practice Guidelines published by the Singapore Institute of Surveyors and Valuers, and/or International Valuation Standards and/or RICS Valuation Standards, subject to variations to comply with local laws, customs and practices.
Valuation Basis:	<p>The valuation is carried out on a basis appropriate to the specific purpose of valuation, in accordance with the relevant definitions, assumptions and qualifications outlined in the valuation certificate.</p> <p>The opinion expressed in the valuation certificate applies strictly in accordance with the terms and for the purpose expressed therein. The assessed values need not be applicable in relation to some other assessment.</p>
Currency of Valuation:	Values are reported in Singapore currency unless otherwise stated.
Confidentiality:	Our valuation is confidential and strictly for the use of the addressee of the valuation certificate only and for the specific purpose(s) stated. Savills disclaim all responsibility and will accept no accountability, obligation or liability to any third parties.
Copyright:	Neither the whole nor any part of the valuation certificate or any reference to it may be included in any published document, statement, circular or be published in any way, nor in any communication with any third parties, without prior written approval from Savills, including the form and context in which it may appear.
Limitation of Liability:	<p>The liability of Savills and its employees is only limited to the party to whom the valuation certificate is addressed. No responsibility to any third parties for unauthorized use and reliance is accepted.</p> <p>Any liability arising from the valuers' negligence, breach of contract or otherwise in connection with this engagement shall be limited to the fees received by Savills under this engagement. Savills do not accept liability for any indirect or consequential losses (such as opportunity cost and loss of profits).</p>
Validity Period:	This valuation represents our opinion of value as at the date of valuation. The assessed value may change significantly and unexpectedly over a short period arising from general market movement, possible changes in market forces and circumstances in relation to the property. Savills disclaim all responsibility and accept no liability should the valuation certificate be relied upon after the expiration of 3 months from the date of valuation, or such earlier date if the addressee of the certificate becomes aware of any factors that may have an effect on the valuation and has not made known such information to Savills.
Titles:	A brief on-line title search on the property has been carried out for formal valuation with site inspection only, unless otherwise stated. We are not obliged to inspect and/or read the original title or lease documents, unless they are made available by the client. The valuation shall therefore assume, unless informed to the contrary, that there are no further restrictive covenants, easements or encumbrances not disclosed by this brief title search which may have an effect on the market value. We assume the title of the property is good and marketable and free from all encumbrances, restrictions and other legal impediments.
Planning Information:	Information relating to town planning is obtained from the current Singapore Master Plan which is assumed to be accurate. We do not normally carry out legal requisitions on road, MRT, LRT, drainage and other government proposals, unless specifically requested and Savills is properly reimbursed. In the event that legal requisitions are conducted by our clients which reveal that the information is materially different from the town planning information outlined in the valuation certificate and/or property is affected by public scheme(s), this certificate should then be referred back to Savills for review on possible amendment.
Other Statutory Regulations:	Our valuation assumes that the property and any improvements thereon comply with all relevant statutory regulations. We have assumed that the property has been or will be issued with a Temporary Occupation Permit, Certificate of Fitness, Certificate of Statutory Completion or Temporary Occupation License by the competent authority.
Site Condition:	We do not undertake site investigations to ascertain the suitability of the ground conditions and services for the existing or any new development, nor do we carry out any environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and where new development is proposed, no extraordinary expenses or delays will be incurred during the construction period. We have assumed that the load bearing capacity of the site is sufficient to support the building constructed or to be constructed thereon.
Condition of Property:	While due care is exercised in the course of inspection to note any building defects, no structural survey or testing of the services or facilities are carried out nor have we inspected the unexposed or inaccessible portions of the building. As such, we are unable to comment if the building is free from defect, rot, infestation, asbestos or other hazardous material. Our valuation assumes that the building would not have any defects requiring significant capital expenditure and complies with all relevant statutory requirements.
Source of Information:	Where it is stated in the valuation certificate that the information has been provided to the valuer by the sources listed, this information is presumed to be reliable. Savills takes no responsibility for inaccurate data supplied and subsequent conclusions related to such data. Where information is given without reference to another party in the certificate, it shall be taken that this information has been obtained or gathered through our best efforts and to our best knowledge. Processed data inferences therefrom shall be taken as the valuer's opinion and shall not be freely quoted without acknowledgement.
Floor Areas:	We have assumed that information contained in the surveyed or architectural floor plans is accurate and has been prepared in accordance with the prevailing Professional Property Practice Guidelines. In the absence of such plans, the floor area is estimated based on available secondary information and such estimates do not provide the same degree of accuracy or certainty. In the event that there is a material variance in areas, we reserve the right to review our valuation.
Plans:	Plans included in the valuation certificate are for identification purposes only and should not be relied upon to define boundaries or treated as certified copies of areas or other particulars contained therein. All location plans are obtained from OneMap. While we have endeavoured to ensure the maps are updated, we do not vouch for the accuracy of the map and shall not be responsible if it is otherwise.
Tenant:	No enquiries on the financial standing of actual or prospective tenants have been made. Where property is valued with the benefit of lettings, it is assumed that the tenants are capable of meeting their obligations under the lease and there are no arrears of rent or undisclosed breaches of covenant.
Reinstatement Cost:	Our opinion of the reinstatement cost for fire insurance purpose is provided only for guidance and must not be relied upon as the basis for insurance cover. We advise that we are not quantity surveyors and our estimate of the construction cost is based upon published sources. We recommend that verification of the reinstatement cost be sought from a qualified quantity surveyor, if considered appropriate.
Attendance in Court:	Savills or its employees are not obliged to give testimony or to appear in court or any other tribunal or to any government agency with regards to this valuation certificate or with reference to the property in question unless prior arrangement has been made and Savills are properly reimbursed.

APPENDIX 5 VALUATION CERTIFICATES



Valuation Certificate

Address of Property	18 Joo Koon Crescent, Singapore 629019
Client	Sunningdale Tech Ltd.
Purpose of Valuation	For the proposed acquisition of Sunningdale Tech Ltd. by way of a scheme of arrangement
Legal Description	Lot 2135P Mukim 7
Tenure	Leasehold for 30+30 years commencing from 16 September 1996. We have been instructed by Client to conduct this valuation based on the balance un-expired interest of about 35.9 years. We were given to understand that the investment criteria stipulated by JTC in order to fulfil the requirement for the further lease extension (amongst other terms and conditions) have been met by the Lessee as at the date of valuation.
Registered Lessee	Sunningdale Tech Ltd
Brief Description	The subject property is located on the southern side of Joo Koon Crescent, within Jurong Industrial Estate and approximately 24 km from the City Centre. It comprises a 3-storey detached factory building. The property is within easy access to the Joo Koon MRT Station and Ayer Rajah/ Pan-Island Expressways. We understand that the subject property was originally completed circa mid-1990s. We were given to understand that addition and alteration works was subsequently carried out to the property circa 2007/2008. The property appeared to be in average condition.
Site Area	4,132.4 sm or thereabouts, subject to government's re-survey
Gross Floor Area	Approximately 4,733.6 sm, as provided and subject to final survey
Tenancy Brief	The property is currently owner-occupied
Annual Value	\$644,000
Master Plan (2019)	Business 2 with a gross plot ratio of 1.4
Land Rent (pa)	\$58,372 per annum (excluding GST)
Permitted Use	For the design and manufacture of plastic injection molds, plastic injection molding, assembly and product integration only
Basis of Valuation	As-Is basis and subject to vacant possession
Valuation Approaches	Direct Comparison Method
Date of Valuation	30 September 2020
Rate of Gross Floor Area	\$2,070 psm
Recommended Market Value	\$9,800,000 (Singapore Dollars Nine Million And Eight Hundred Thousand Only)
Material Valuation Uncertainty	Our opinion and assessment are based on the information provided and prevailing market data as at the date of this valuation certificate. With the outbreak of the Coronavirus Disease 2019 (Covid-19) and the prevailing uncertainty in the global economy, it is difficult to predict the future impact that Covid-19 might have on the real estate market. In view of market uncertainty, a higher degree of caution should be attached to our valuation than would normally be the case and we recommend that you keep the valuation under frequent review.
Assumptions, Disclaimers, Limitations & Qualifications	This valuation is provided subject to the assumptions, disclaimers, limitations, qualifications detailed throughout the valuation certificate and also the limiting conditions herein.
Prepared by	<div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">  Kamaf Hamdi Licensed Appraiser No. AD041-2006388F </div> <div style="text-align: center;">  Liaw Hin Sai Licensed Appraiser No. AD041-2007108I </div> </div> <p style="text-align: center;">Savills Valuation And Professional Services (S) Pte Ltd</p>

This valuation is exclusive of Goods and Services Tax.

APPENDIX 5 VALUATION CERTIFICATES



LIMITING CONDITIONS

Our valuations are subject to the following limiting conditions unless otherwise stated in our valuation certificate.

Valuation Standards:	The valuation is carried out in accordance with the Valuation Standards and Practice Guidelines published by the Singapore Institute of Surveyors and Valuers, and/or International Valuation Standards and/or RICS Valuation Standards, subject to variations to comply with local laws, customs and practices.
Valuation Basis:	<p>The valuation is carried out on a basis appropriate to the specific purpose of valuation, in accordance with the relevant definitions, assumptions and qualifications outlined in the valuation certificate.</p> <p>The opinion expressed in the valuation certificate applies strictly in accordance with the terms and for the purpose expressed therein. The assessed values need not be applicable in relation to some other assessment.</p>
Currency of Valuation:	Values are reported in Singapore currency unless otherwise stated.
Confidentiality:	Our valuation is confidential and strictly for the use of the addressee of the valuation certificate only and for the specific purpose(s) stated. Savills disclaim all responsibility and will accept no accountability, obligation or liability to any third parties.
Copyright:	Neither the whole nor any part of the valuation certificate or any reference to it may be included in any published document, statement, circular or be published in any way, nor in any communication with any third parties, without prior written approval from Savills, including the form and context in which it may appear.
Limitation of Liability:	<p>The liability of Savills and its employees is only limited to the party to whom the valuation certificate is addressed. No responsibility to any third parties for unauthorized use and reliance is accepted.</p> <p>Any liability arising from the valuers' negligence, breach of contract or otherwise in connection with this engagement shall be limited to the fees received by Savills under this engagement. Savills do not accept liability for any indirect or consequential losses (such as opportunity cost and loss of profits).</p>
Validity Period:	This valuation represents our opinion of value as at the date of valuation. The assessed value may change significantly and unexpectedly over a short period arising from general market movement, possible changes in market forces and circumstances in relation to the property. Savills disclaim all responsibility and accept no liability should the valuation certificate be relied upon after the expiration of 3 months from the date of valuation, or such earlier date if the addressee of the certificate becomes aware of any factors that may have an effect on the valuation and has not made known such information to Savills.
Titles:	A brief on-line title search on the property has been carried out for formal valuation with site inspection only, unless otherwise stated. We are not obliged to inspect and/or read the original title or lease documents, unless they are made available by the client. The valuation shall therefore assume, unless informed to the contrary, that there are no further restrictive covenants, easements or encumbrances not disclosed by this brief title search which may have an effect on the market value. We assume the title of the property is good and marketable and free from all encumbrances, restrictions and other legal impediments.
Planning Information:	Information relating to town planning is obtained from the current Singapore Master Plan which is assumed to be accurate. We do not normally carry out legal requisitions on road, MRT, LRT, drainage and other government proposals, unless specifically requested and Savills is properly reimbursed. In the event that legal requisitions are conducted by our clients which reveal that the information is materially different from the town planning information outlined in the valuation certificate and/or property is affected by public scheme(s), this certificate should then be referred back to Savills for review on possible amendment.
Other Statutory Regulations:	Our valuation assumes that the property and any improvements thereon comply with all relevant statutory regulations. We have assumed that the property has been or will be issued with a Temporary Occupation Permit, Certificate of Fitness, Certificate of Statutory Completion or Temporary Occupation License by the competent authority.
Site Condition:	We do not undertake site investigations to ascertain the suitability of the ground conditions and services for the existing or any new development, nor do we carry out any environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and where new development is proposed, no extraordinary expenses or delays will be incurred during the construction period. We have assumed that the load bearing capacity of the site is sufficient to support the building constructed or to be constructed thereon.
Condition of Property:	While due care is exercised in the course of inspection to note any building defects, no structural survey or testing of the services or facilities are carried out nor have we inspected the unexposed or inaccessible portions of the building. As such, we are unable to comment if the building is free from defect, rot, infestation, asbestos or other hazardous material. Our valuation assumes that the building would not have any defects requiring significant capital expenditure and complies with all relevant statutory requirements.
Source of Information:	Where it is stated in the valuation certificate that the information has been provided to the valuer by the sources listed, this information is presumed to be reliable. Savills takes no responsibility for inaccurate data supplied and subsequent conclusions related to such data. Where information is given without reference to another party in the certificate, it shall be taken that this information has been obtained or gathered through our best efforts and to our best knowledge. Processed data inferences therefrom shall be taken as the valuer's opinion and shall not be freely quoted without acknowledgement.
Floor Areas:	We have assumed that information contained in the surveyed or architectural floor plans is accurate and has been prepared in accordance with the prevailing Professional Property Practice Guidelines. In the absence of such plans, the floor area is estimated based on available secondary information and such estimates do not provide the same degree of accuracy or certainty. In the event that there is a material variance in areas, we reserve the right to review our valuation.
Plans:	Plans included in the valuation certificate are for identification purposes only and should not be relied upon to define boundaries or treated as certified copies of areas or other particulars contained therein. All location plans are obtained from OneMap. While we have endeavoured to ensure the maps are updated, we do not vouch for the accuracy of the map and shall not be responsible if it is otherwise.
Tenant:	No enquiries on the financial standing of actual or prospective tenants have been made. Where property is valued with the benefit of lettings, it is assumed that the tenants are capable of meeting their obligations under the lease and there are no arrears of rent or undisclosed breaches of covenant.
Reinstatement Cost:	Our opinion of the reinstatement cost for fire insurance purpose is provided only for guidance and must not be relied upon as the basis for insurance cover. We advise that we are not quantity surveyors and our estimate of the construction cost is based upon published sources. We recommend that verification of the reinstatement cost be sought from a qualified quantity surveyor, if considered appropriate.
Attendance in Court:	Savills or its employees are not obliged to give testimony or to appear in court or any other tribunal or to any government agency with regards to this valuation certificate or with reference to the property in question unless prior arrangement has been made and Savills are properly reimbursed.

APPENDIX 5 VALUATION CERTIFICATES



Valuation Certificate

Address of Property	1 Joo Koon Crescent, Singapore 629027
Client	Sunningdale Tech Ltd.
Purpose of Valuation	For the proposed acquisition of Sunningdale Tech Ltd. by way of a scheme of arrangement
Legal Description	Lot 2425L Mukim 7
Tenure	Leasehold for 30 years commencing from 1 December 1994. We have been instructed by Client to conduct this valuation based on the balance un-expired interest of about 4.2 years. Although JTC has given in-principle approval for a further lease extension of 26 years subject to the fulfilment of investment criteria stipulated in their Letter of Offer dated 16 April 2020 and Variation Letter dated 17 June 2020, the requirement for the further lease extension (amongst other terms and conditions) has yet to be met by the Lessee as at the date of valuation. We reserve the right to revise the valuation once the investment criteria have been fulfilled, and JTC has formally approved the lease extension of 26 years.
Registered Lessee	Sunningdale Tech Ltd.
Brief Description	The subject property is located at the junction of Joo Koon Circle and Joo Koon Crescent, within Jurong Industrial Estate and approximately 24 km from the City Centre. It comprises a 2-storey detached factory building with a 4-storey ancillary office. The property is within easy access to the Joo Koon MRT Station and Ayer Rajah/ Pan-Island Expressways. We understand that the subject property was completed circa mid-1990s and that further renovation works to the property are currently in progress. The property appeared to be in average condition.
Site Area	9,041.8 sm or thereabouts, subject to government's re-survey
Gross Floor Area	Approximately 13,229.4 sm, as provided and subject to final survey
Tenancy Brief	The property is currently partly owner-occupied and partly tenanted
Annual Value	\$1,637,000
Master Plan (2019)	Business 2 with a gross plot ratio of 1.7
Land Rent (pa)	\$184,905 per annum (excluding GST)
Permitted Use	For the production of packing lining and PVS container only
Basis of Valuation	As-Is basis and subject to vacant possession
Valuation Approaches	Direct Comparison Method and Income Capitalisation Method, of which the latter is used as a check
Date of Valuation	30 September 2020
Rate of Gross Floor Area	\$378 psm
Recommended Market Value	\$5,000,000 (Singapore Dollars Five Million Only)
Material Valuation Uncertainty	Our opinion and assessment are based on the information provided and prevailing market data as at the date of this valuation certificate. With the outbreak of the Coronavirus Disease 2019 (Covid-19) and the prevailing uncertainty in the global economy, it is difficult to predict the future impact that Covid-19 might have on the real estate market. In view of market uncertainty, a higher degree of caution should be attached to our valuation than would normally be the case and we recommend that you keep the valuation under frequent review.
Assumptions, Disclaimers, Limitations & Qualifications	This valuation is provided subject to the assumptions, disclaimers, limitations, qualifications detailed throughout the valuation certificate and also the limiting conditions herein.
Prepared by	<div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">  Kamal Hamdi Licensed Appraiser No. AD041-2006388F </div> <div style="text-align: center;">  Liaw Hin Sai Licensed Appraiser No. AD041-20071081 </div> </div> <p style="text-align: center;">Savills Valuation And Professional Services (S) Pte Ltd</p>

This valuation is exclusive of Goods and Services Tax.

APPENDIX 5

VALUATION CERTIFICATES



LIMITING CONDITIONS

Our valuations are subject to the following limiting conditions unless otherwise stated in our valuation certificate.

Valuation Standards:	The valuation is carried out in accordance with the Valuation Standards and Practice Guidelines published by the Singapore Institute of Surveyors and Valuers, and/or International Valuation Standards and/or RICS Valuation Standards, subject to variations to comply with local laws, customs and practices.
Valuation Basis:	<p>The valuation is carried out on a basis appropriate to the specific purpose of valuation, in accordance with the relevant definitions, assumptions and qualifications outlined in the valuation certificate.</p> <p>The opinion expressed in the valuation certificate applies strictly in accordance with the terms and for the purpose expressed therein. The assessed values need not be applicable in relation to some other assessment.</p>
Currency of Valuation:	Values are reported in Singapore currency unless otherwise stated.
Confidentiality:	Our valuation is confidential and strictly for the use of the addressee of the valuation certificate only and for the specific purpose(s) stated. Savills disclaim all responsibility and will accept no accountability, obligation or liability to any third parties.
Copyright:	Neither the whole nor any part of the valuation certificate or any reference to it may be included in any published document, statement, circular or be published in any way, nor in any communication with any third parties, without prior written approval from Savills, including the form and context in which it may appear.
Limitation of Liability:	<p>The liability of Savills and its employees is only limited to the party to whom the valuation certificate is addressed. No responsibility to any third parties for unauthorized use and reliance is accepted.</p> <p>Any liability arising from the valuers' negligence, breach of contract or otherwise in connection with this engagement shall be limited to the fees received by Savills under this engagement. Savills do not accept liability for any indirect or consequential losses (such as opportunity cost and loss of profits).</p>
Validity Period:	This valuation represents our opinion of value as at the date of valuation. The assessed value may change significantly and unexpectedly over a short period arising from general market movement, possible changes in market forces and circumstances in relation to the property. Savills disclaim all responsibility and accept no liability should the valuation certificate be relied upon after the expiration of 3 months from the date of valuation, or such earlier date if the addressee of the certificate becomes aware of any factors that may have an effect on the valuation and has not made known such information to Savills.
Titles:	A brief on-line title search on the property has been carried out for formal valuation with site inspection only, unless otherwise stated. We are not obliged to inspect and/or read the original title or lease documents, unless they are made available by the client. The valuation shall therefore assume, unless informed to the contrary, that there are no further restrictive covenants, easements or encumbrances not disclosed by this brief title search which may have an effect on the market value. We assume the title of the property is good and marketable and free from all encumbrances, restrictions and other legal impediments.
Planning Information:	Information relating to town planning is obtained from the current Singapore Master Plan which is assumed to be accurate. We do not normally carry out legal requisitions on road, MRT, LRT, drainage and other government proposals, unless specifically requested and Savills is properly reimbursed. In the event that legal requisitions are conducted by our clients which reveal that the information is materially different from the town planning information outlined in the valuation certificate and/or property is affected by public scheme(s), this certificate should then be referred back to Savills for review on possible amendment.
Other Statutory Regulations:	Our valuation assumes that the property and any improvements thereon comply with all relevant statutory regulations. We have assumed that the property has been or will be issued with a Temporary Occupation Permit, Certificate of Fitness, Certificate of Statutory Completion or Temporary Occupation License by the competent authority.
Site Condition:	We do not undertake site investigations to ascertain the suitability of the ground conditions and services for the existing or any new development, nor do we carry out any environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and where new development is proposed, no extraordinary expenses or delays will be incurred during the construction period. We have assumed that the load bearing capacity of the site is sufficient to support the building constructed or to be constructed thereon.
Condition of Property:	While due care is exercised in the course of inspection to note any building defects, no structural survey or testing of the services or facilities are carried out nor have we inspected the unexposed or inaccessible portions of the building. As such, we are unable to comment if the building is free from defect, rot, infestation, asbestos or other hazardous material. Our valuation assumes that the building would not have any defects requiring significant capital expenditure and complies with all relevant statutory requirements.
Source of Information:	Where it is stated in the valuation certificate that the information has been provided to the valuer by the sources listed, this information is presumed to be reliable. Savills takes no responsibility for inaccurate data supplied and subsequent conclusions related to such data. Where information is given without reference to another party in the certificate, it shall be taken that this information has been obtained or gathered through our best efforts and to our best knowledge. Processed data inferences therefrom shall be taken as the valuer's opinion and shall not be freely quoted without acknowledgement.
Floor Areas:	We have assumed that information contained in the surveyed or architectural floor plans is accurate and has been prepared in accordance with the prevailing Professional Property Practice Guidelines. In the absence of such plans, the floor area is estimated based on available secondary information and such estimates do not provide the same degree of accuracy or certainty. In the event that there is a material variance in areas, we reserve the right to review our valuation.
Plans:	Plans included in the valuation certificate are for identification purposes only and should not be relied upon to define boundaries or treated as certified copies of areas or other particulars contained therein. All location plans are obtained from OneMap. While we have endeavoured to ensure the maps are updated, we do not vouch for the accuracy of the map and shall not be responsible if it is otherwise.
Tenant:	No enquiries on the financial standing of actual or prospective tenants have been made. Where property is valued with the benefit of lettings, it is assumed that the tenants are capable of meeting their obligations under the lease and there are no arrears of rent or undisclosed breaches of covenant.
Reinstatement Cost:	Our opinion of the reinstatement cost for fire insurance purpose is provided only for guidance and must not be relied upon as the basis for insurance cover. We advise that we are not quantity surveyors and our estimate of the construction cost is based upon published sources. We recommend that verification of the reinstatement cost be sought from a qualified quantity surveyor, if considered appropriate.
Attendance in Court:	Savills or its employees are not obliged to give testimony or to appear in court or any other tribunal or to any government agency with regards to this valuation certificate or with reference to the property in question unless prior arrangement has been made and Savills are properly reimbursed.

APPENDIX 5 VALUATION CERTIFICATES



VALUATION CERTIFICATE

Subject Property	A 2.03-acre parcel of industrial land presently built-upon with the industrial premises of Podoyo Plastics Industries (M) Sdn. Bhd. [currently known as Sunningdale Tech (Malaysia) Sdn. Bhd.] located along Jalan Tun Mutalib 1 within Kawasan Perindustrian Bandar Tenggara, Bandar Tenggara, Johor Darul Takzim.
Address	PTB 272 & PTD 2174, Jalan Tun Mutalib 1 Kawasan Perindustrian Bandar Tenggara 81440 Bandar Tenggara Johor Darul Takzim
Valuation Prepared For Purpose of Valuation Interest Valued	Sunningdale Tech Ltd. For the proposed acquisition of Sunningdale Tech Ltd. by way of a scheme of arrangement. PTB 272 60-year leasehold interest expiring on 21 January 2050 (Unexpired term of approximately 29 years) PTD 2174 60-year leasehold interest expiring on 24 September 2044 (Unexpired term of approximately 24 years)
Legal Description	HSD 8110/PTB 272 & HSD 6304/PTD 2174, both within Mukim Ulu Sungai Johor, District of Kota Tinggi, Johor Darul Takzim
Registered Owner	PODOYO PLASTICS INDUSTRIES (M) SDN. BHD. [currently known as Sunningdale Tech (Malaysia) Sdn. Bhd.]
Category of Land Use Express Conditions	Perusahaan/Perindustrian (<i>Translation: Industrial</i>) i) Tanah ini hendaklah digunakan untuk Kilang bagi tujuan Perusahaan Ringan dan kegunaan lain yang berkaitan dengannya, dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan (<i>Translation: This land shall be used for factories for Light Industrial purposes and other related uses, constructed in accordance with the plan approved by the relevant Local Authority.</i>) ii) Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan/dibuang ke tempat-tempat yang telah ditentukan oleh Pihak Berkuasa Berkenaan (<i>Translation: All impurities and contamination arising from this activity shall be channeled / removed to specific areas as determined by the Relevant Authority.</i>) iii) Segala dasar dan syarat yang ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkuasa Berkenaan hendaklah dipatuhi. (<i>Translation: All policies and conditions stipulated and enforced from time to time by the Relevant Authority shall be complied with.</i>)
Restriction-in-interest	PTB 272 Tanah yang dikurniakan selepas (Nama Pemilik.....) tidak boleh dijual, dicagar, digadai, dipajak atau dipindahmilik dengan apa cara sekalipun termasuk dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan / menjual tanah ini tanpa persetujuan Pihak Berkuasa Negeri. (<i>Translation: This alienated land after (owner's name.....) shall not be sold, charged, mortgaged, leased or transferred in any way including by usage of any agreement letter intended to release / sell this land without the consent of the State Authority.</i>) PTD 2174 Tanah yang dikurniakan ini tidak boleh dijual, dicagar, dipajak, digadai atau dipindah milik dengan apa cara sekali pun, termasuk dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjual tanah tanpa kebenaran Penguasa Negeri. (<i>Translation: This alienated land shall not be sold, charged, leased, mortgaged or transferred in any way, including by usage of any agreement letter intended to release / sell the land without the permission of the State Authority.</i>)
Existing Use	Industrial premises
Location	The Subject Property is an intermediate lot fronting onto the southern side of Jalan Tun Mutalib 1 within Kawasan Perindustrian Bandar Tenggara, Bandar Tenggara. Geographically, it lies approximately 48 kilometres and 63 kilometres north-west of Town Centre of Kota Tinggi and City Centre of Johor Bahru respectively.
Accessibility	The Subject Property is easily accessible from Town Centre of Kota Tinggi via Jalan Kota Tinggi-Kluang, followed by Jalan Tun Ali, Jalan Tun Mutalib 2 and finally onto Jalan Tun Mutalib 1.
The Site	The site is regular in shape and generally flat in terrain. It lies about level with its frontage road i.e. Jalan Tun Mutalib 1.

APPENDIX 5 VALUATION CERTIFICATES



VALUATION CERTIFICATE

Provisional Land Area	PTB 272 : 4,126.9896 square metres (approx. 44,424 square feet or 1.02 acres)
	PTD2174 : 0.4103 hectare (approx. 44,171 square feet or 1.01 acres)
Brief Description	<p>The Subject Property comprises the following structures:-</p> <ol style="list-style-type: none"> 1. Structure A: A single storey detached factory with an annexed 2-storey office 2. Structure B: A single storey detached warehouse 3. Structure C: A 2-storey production area 4. Structure D: A single storey crushing room 5. Various other supporting structures <p>We note that the Approved Building Plans are not available for this present exercise but the Certificate of Fitness for Occupation (CFO) dated 16 December 1993 has been issued for the "Kilang, Pejabat dan Gudang" (<i>Translation: factory, office and warehouse</i>) only.</p> <p>We have adopted that Structure A is approved with respect to the CFO and we advise an As-Built Plan for same has to be redrawn to address and formalised the missing plans.</p> <p>For Structures B, C & D, we have totally ignored these structures as there are no documentation available at all and based on the current planning guidelines / building by-laws, they do not conform to the requirements. Hence, no values are assign to these structures accordingly.</p> <p>During the course of inspection, we note also that there are some extensions done on the structures i.e.</p> <ul style="list-style-type: none"> ▪ Lean-to extensions built-on:- <ul style="list-style-type: none"> ➢ Structure A: western side and rear sections; & ➢ Structure B: both sides, front and rear sections <p>The above structures have encroached onto the building setback line.</p> <p>For the present exercise, the said extensions have been excluded.</p>
Gross Floor Area	Approximately 25,700 square feet (excluding other supporting structures).
Market Value Definition	Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion.
Basis of Valuation	<p>Market Value of the unexpired leasehold interests in the Subject Property i.e. a 2.03-acre parcel of industrial land presently built-upon with the industrial premises of Podoyo Plastics Industries (M) Sdn. Bhd. [currently known as Sunningdale Tech (Malaysia) Sdn. Bhd.] located along Jalan Tun Mutalib 1 within Kawasan Perindustrian Bandar Tenggara, Bandar Tenggara [held under HSD 8110/PTB 272 & HSD 6304/PTD 2174, both within Mukim Ulu Sungai Johor, District of Kota Tinggi, Johor Darul Takzim] in its existing condition the <u>BASIS</u> that:-</p> <ul style="list-style-type: none"> ▪ ONLY STRUCTURE A IS APPROVED AND IS ISSUED WITH A CERTIFICATE OF FITNESS FOR OCCUPATION (CFO) <p>with vacant possession and subject to the titles being free from encumbrances and registrable.</p>
Valuation Approach	Cost Approach
Last Sale	None within the last 3 years
Date of Inspection	10 November 2020
Date of Valuation	30 September 2020
Market Movement	<p>COVID-19 Pandemic:</p> <p>The COVID-19 pandemic is happening in Malaysia and the 1st Movement Control Order (MCO) has been enforced from 18 March 2020. We are now in the Recovery MCO stage which is expected to end on 31 December 2020. However the Conditional MCO is reinstated due to spike in daily cases for most of the states till 6 December 2020. We foresee more local businesses and the markets being impacted. This pandemic outbreak is becoming a worldwide problem and the impact is expected to be substantial. It is still an ongoing event as there is no proven vaccine available.</p> <p>With BNM latest 6-month moratorium deferment package (ended 30 September 2020), this has helped shore up the markets including the property sector steadier and help reduce any sudden surges in property auctions. This is a temporary measure to assist individuals and Small and Medium Enterprises businesses but does not solve all current problems. In Malaysia, it is unprecedented times where our local politics, the crude oil shock and COVID-19 are all rolling in together.</p>

APPENDIX 5 VALUATION CERTIFICATES



VALUATION CERTIFICATE

Market Value	<p>Market Value of the unexpired leasehold interests in the Subject Property i.e. a <u>2.03-acre parcel of industrial land</u> presently built-upon with the industrial premises of Podoyo Plastics Industries (M) Sdn. Bhd. [currently known as Sunningdale Tech (Malaysia) Sdn. Bhd.] located along Jalan Tun Mutalib 1 within Kawasan Perindustrian Bandar Tenggara, Bandar Tenggara [held under HSD 8110/PTB 272 & HSD 6304/PTD 2174, both within Mukim Ulu Sungai Johor, District of Kota Tinggi, Johor Darul Takzim] in its existing condition on the <u>BASIS</u> that:-</p> <ul style="list-style-type: none"> ▪ ONLY STRUCTURE A IS APPROVED AND IS ISSUED WITH A CERTIFICATE OF FITNESS FOR OCCUPATION (CFO) <p>with vacant possession and subject to the titles being free from encumbrances and registrable is as follows:-</p>										
	<table border="1" style="width: 100%; border-collapse: collapse; text-align: right;"> <thead> <tr> <th style="text-align: left;">Description</th> <th style="text-align: left;">Market Value</th> </tr> </thead> <tbody> <tr> <td>Land (Bare Site) & Site Improvements</td> <td>RM850,000</td> </tr> <tr> <td>Depreciated Buildings & Structures</td> <td>RM1,550,000</td> </tr> <tr> <td style="text-align: right;">Total:</td> <td>RM2,400,000</td> </tr> <tr> <td></td> <td>(Ringgit Malaysia: Two Million And Four Hundred Thousand Only)</td> </tr> </tbody> </table>	Description	Market Value	Land (Bare Site) & Site Improvements	RM850,000	Depreciated Buildings & Structures	RM1,550,000	Total:	RM2,400,000		(Ringgit Malaysia: Two Million And Four Hundred Thousand Only)
Description	Market Value										
Land (Bare Site) & Site Improvements	RM850,000										
Depreciated Buildings & Structures	RM1,550,000										
Total:	RM2,400,000										
	(Ringgit Malaysia: Two Million And Four Hundred Thousand Only)										
	<p>Note:- Please note that the above are legally a single asset and any such analysis of value is purely academic in nature.</p> <ul style="list-style-type: none"> • For the present exercise, we have been specifically instructed by the Client to include Structure A in our valuation as an approved structure within the Subject Property only. 										
Assumptions, Disclaimers, Limitations & Qualifications	<p><i>This valuation certificate is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout this certificate which are made in conjunction with those included within the Limitations, Disclaimers & Qualifications section located within the certificate. Reliance on this valuation and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.</i></p>										
Prepared by	<p>For and on behalf of SAVILLS (MALAYSIA) SDN BHD</p> <div style="text-align: center;"> </div> <p>DATUK SR. PAUL KHONG MRICS FRISM APEPS Chartered Surveyor Registered Valuer (V-528) Managing Director</p>										
	Date: 10 December 2020										

APPENDIX 5

VALUATION CERTIFICATES



Limitations, Disclaimers & Qualifications

Valuation:

Real estate values vary from time to time in response to changing market circumstances and it should, therefore, be noted that this valuation is based on available information as at the date of valuation. No warranty can be given as to the maintenance of this value into the future. It is, therefore, recommended that the valuation be reviewed periodically. Savills does not assume any responsibility or accept any liability, nor should reliance be placed upon the valuation, or anything contained within the valuation certificate where this valuation certificate is relied upon after the expiration of 3 months from the date of valuation, or such earlier date if you or someone acting on your behalf with Savills' prior written agreement become aware or are aware of any factors that have any effect on the valuation.

Assumptions:

Assumptions are a necessary part of undertaking valuations/the valuation. Savills adopts assumptions for the purpose of providing its valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. The person or entity to whom the certificate is addressed acknowledges and accepts that the valuation contains certain specific assumptions and as such the person or entity to whom this certificate is addressed acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation.

Investigations:

The valuation is conducted on the basis that we are not engaged to carry out all possible investigations in relation to the subject property. Where in our certificate we identify certain limitations to our investigations, this is to enable you to instruct further investigations if you consider this appropriate or we recommend as necessary to allow us to complete the valuation. Savills is not liable for any loss occasioned by a decision not to conduct further investigations.

Information Supplied By Others:

The valuation contains information which is derived from other sources. Unless otherwise specifically instructed by you and/or stated in the valuation, we have not independently verified that information, nor adopted it as our own, or accepted its reliability. The person or entity to whom the certificate is addressed acknowledges and accepts the risk that if any of the unverified information/advice provided by others and referred to in the valuation is incorrect, then this may have an effect on the valuation.

Site Details:

A current survey has not been provided. The valuation is made on the basis that there are no encroachments by or upon the subject property and the person or entity relying upon the valuation should confirm this by obtaining a current survey report and/or advice from a registered surveyor. If any encroachments are noted by the survey report, that person or entity must not rely upon the valuation, before first consulting Savills to reassess any effect on the value stated in the valuation.

Future Matters:

To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to Savills at the date of this document. Savills does not warrant that such statements are accurate or correct.

Property Title:

We have conducted a brief title search only. We have not perused the original title documentation. We have assumed that there are no further easements or encumbrances not disclosed by this brief title search which may affect market value. However, in the event that a comprehensive title search is undertaken by the person or entity relying upon the valuation, which reveals further easements or encumbrances, that person or entity must not rely upon the valuation, before first consulting Savills to reassess any effect on the valuation.

Town Planning:

Where practicable we have conducted a brief check with the local authorities to ascertain whether the existing structures have received all relevant planning and building approvals. In the event that we have ascertained that there are structures on site that have not been so approved we will report this and any impact on value will be taken into account in our valuation. In all other cases we have assumed that all structures on site are legally approved. However we do not warrant the accuracy of such checks and or assumptions and in the event of doubt the person or entity relying upon this valuation must commission further investigation. Any information which comes to light as a result of this further investigation should be referred to Savills for consideration and possible review of the valuation. No reliance should then be placed upon the valuation until such time as that review has been completed and provided to the person or entity to whom responsibility is accepted for this advice. It is assumed that information provided to us by the relevant Local Authority Town Planning Department is accurate. In the event that a Town Planning Certificate or any other relevant Planning Certificate or document is obtained and the information therein is later found to be materially different to the town planning information detailed within the valuation, we reserve the right to amend the valuation.

Environmental Conditions:

In the absence of an environmental site assessment relating to the subject property, we have assumed that the site is free of elevated levels of contaminants. Our visual inspections of the subject property and immediately surrounding properties revealed no obvious signs of site contamination. Furthermore, we have made no allowance in our valuation for site remediation works. However, it is important to point out that our visual inspection is an inconclusive indicator of the actual condition of the site. We make no representation as to the actual environmental status of the subject property. If a test is undertaken at some time in the future to assess the degree, if any, of contamination of the site and this is found to be positive, we reserve the right to review our valuation assessed herein, should we deem it to be necessary.

A handwritten signature in black ink, appearing to be the initials 'R'.

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Inclusions & Exclusions:

Where applicable, our valuation includes those items that form (or will form) part of the building service installations such as heating and cooling equipment, lifts, sprinklers, lighting, etc., that would normally pass with the sale of the property, but excludes all items of plant, machinery, equipment, partitions, furniture and other such items which may have been installed (by the occupant) or are used in connection with the business(es) carried on within the subject property.

Floor Areas:

Unless stated otherwise in the valuation, we have assumed that the floor areas have been calculated in accordance with The Royal Institution of Surveyors (RISM) Malaysia "Uniform Method of Measurement of Building" of Lettable Areas or as specifically instructed by the party who we have agreed to provide this valuation. We recommend that the person or entity relying upon this certificate should obtain a survey to determine whether the areas provided differ from ISM guidelines. In the event that the survey reveals a variance in areas, then the relevant person or entity should not rely upon the valuation and should provide all relevant survey details to Savills for consideration and possible review of the valuation.

Condition & Repair:

We have inspected the building(s), however we have not carried out a structural survey nor tested any of the services or facilities and are therefore unable to state that the building is free from defect. We advise that we have not inspected unexposed or inaccessible portions of the building and are therefore unable to state that these are free from rot, infestation, asbestos or other hazardous and/or contaminated material. Unless otherwise stated in the valuation certificate, our valuation is based upon the assumption that the building(s) do not have any defects requiring any significant expenditure. Also unless otherwise stated in the valuation certificate, the valuation assumes that the building complies with all relevant statutory requirements in respect of matters such as health, building and fire safety regulations. If the person or entity relying on the certificate becomes aware of any information contrary to these assumptions, then they must not rely upon the valuation and that information should be referred to Savills for consideration and possible review of the valuation, and no reliance should be placed on this valuation until such time as that review has been completed and provided to the person or entity to whom responsibility is accepted for this advice.

Valuation Methodology:

Where Savills is valuing income dependent property, the primary valuation methodologies generally used are the Investment and/or Discounted Cash Flow Methods with a check by the Comparison and Cost Methods. These approaches are based upon an estimation of future results. Each methodology begins with a set of assumptions as to the projected income and expenses of the subject property and future economic conditions in its local market. The income and expense figures are mathematically extended with adjustments for estimated changes in economic conditions and lease terms. The result is the best estimate of value Savills can produce, but it is an estimate and not a guarantee and it is fully dependent upon the accuracy of the assumptions as to income, expense and market conditions. These primary valuation methodologies use market derived assumptions, including rents, yields and discount rates, obtained from analysed transactions. BaeWhere reliance has been placed upon external sources of information in applying the valuation methodologies, unless otherwise specifically instructed by you and/or stated in the valuation, Savills has not independently verified that information and Savills does not adopt that information and/or advice nor accept it as reliable. The person or entity to whom the certificate is addressed acknowledges and accepts the risk that if any of the unverified information in the valuation is incorrect, then this may have an effect on the valuation.

Side/Tenancy Agreement:

Our valuation assumes that there are no side agreements that would have an adverse effect on the market value of the property. Where the subject property(s) are subject to tenancies, this certificate does not contain detailed studies of such tenancies to verify that tenants are in compliance with relevant building codes/by laws and terms of tenancy agreements, if any. As such, we can offer no warranties in this respect. If there is any doubt, we recommend legal and architectural investigations where relevant.

Not a Structural Survey:

We state that this is a valuation certificate, and not a Structural Survey.

Liability & Confidentiality:

Our responsibility in connection with this certificate is limited to the client to whom the certificate is addressed, and the express purposes of that client, and to that client and that purpose only. We disclaim all responsibility and will accept no liability to any other party. The limit of our liability to our client shall be the total fee compensation received by us under this quotation/case, for any and all injuries, damages, claims, losses, expenses or claim expenses arising out of this quotation/case from any cause or causes. This provision is standard with engagements of this nature and is not provided to waive our professional responsibility but as a mechanism to appropriately reflect the risk and benefits of the parties to the engagement. Where the Instructing Party and the Reliant Party are different, the Instructing Party should obtain evidence of the acceptance by the Reliant Party of the limit since the Reliant Party is not a party to this quotation/case. Where the Instructing Party and the Reliant Party are the same, there is no need to obtain such consent since the Instructing Party is a party to this quotation/case.

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VALUATION CERTIFICATE

Subject Property	A 11.3058-acre parcel of industrial land presently built-upon with the industrial premises of Podoyo Plastics Industries (M) Sdn. Bhd. [currently known as Sunningdale Tech (Malaysia) Sdn. Bhd.] located along Jalan Tun Mutahir within Kawasan Perindustrian Bandar Tenggara, Bandar Tenggara, Johor Darul Takzim.
Address	PTB 1260, PTB 1261 & PTB 1262, Jalan Tun Mutahir Kawasan Perindustrian Bandar Tenggara 81440 Bandar Tenggara Johor Darul Takzim
Valuation Prepared For Purpose of Valuation Interest Valued	Sunningdale Tech Ltd. For the proposed acquisition of Sunningdale Tech Ltd. by way of a scheme of arrangement. PTB 1260 60-year leasehold interest commencing on 23 September 2008 (Unexpired term of approximately 48 years) <i>Notes:-</i> <i>This interest is held via:-</i> <i>i) Letter of offer for sale bearing reference no. Bil.(71)dlm. LKJT906/2/1 Jld. 6 dated 29 June 2007; and</i> <i>ii) Sale and Purchase Agreement bearing reference no. HYP/KT/CONV/PPI/249/07/FT) dated 23 September 2008.</i>
Legal Description	Lots 14546 & 14547 60-year leasehold interest expiring on 27 April 2063 (Unexpired term of approximately 43 years) PTB 1260 PTB1260; at Industrial area 2 nd Phase, Bandar Tenggara (based on the Sale and Purchase Agreement dated 23 September 2008). Lots 14546 & 14547 PN 16910/Lot 14546 & PN 16911/Lot 14547 (formerly known as HSD 19878/PTB 1262 & HSD 19877/PTB 1261), both within Mukim Ulu Sungai Johor, District of Kota Tinggi, Johor Darul Takzim.
Title Assumptions (PTB1260)	The Subject Property comprises 3 contiguous plots of land and is presently held under 2 documents of title (Lots 14546 & 14547) and a Sale and Purchase Agreement (PTD 1260 – title not issued as yet). For parcel PTD 1260, we note that the Sale and Purchase Agreement has been entered with Lembaga Kemajuan Johor Tenggara (KEJORA) on 23 September 2008 and the vendor has to get the alienation completed and deliver the title to the Client i.e. Podoyo Plastics Industries Sdn. Bhd [currently known as Sunningdale Tech (Malaysia) Sdn. Bhd.] Attention is further drawn to the fact that the title <i>has not been issued after a 12-year period</i> and for the present exercise, we have <u>assumed</u> that the new title of PTD 1260 is still good, registrable and forthcoming. On the Alienation above, PTD 1260 shall be issued with a title as follows:- <ul style="list-style-type: none"> ▪ Land Area: 3.7073 acres (164,489.988 square feet); ▪ 60-year leasehold title commencing on 23 September 2008; ▪ Category of Land Use: Perusahaan; (<i>Translation: Industrial</i>) ▪ Express Condition & Restriction-in-Interest: as per Express Conditions and Restriction-in-Interest stated for PTB 1260 below; ▪ All alienation premiums and other relevant costs fully paid; & ▪ No new and onerous conditions shall be imposed on the new title and it shall be issued free from all encumbrances, marketable and registrable For the present exercise, we advise the Client to appoint a solicitor to investigate history of the above Sale and Purchase Agreement carefully and ensure that the new document of title of PTD 1260 is issued and we have further assumed that the above information is correct and accurate. In the event that there is any error herein, we should be consulted to reassess any effect on the value stated herein.
Registered Owner	PTB 1260 (Beneficial Owner) PODOYO PLASTICS INDUSTRIES (M) SDN. BHD. [currently known as Sunningdale Tech (Malaysia) Sdn. Bhd.] Lots 14546 & 14547 SHENG YA (M) SDN. BHD.
Category of Land Use	Lots 14546 & 14547 Perusahaan/Perindustrian (<i>Translation: Industrial</i>)

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Express Conditions	<p>PTB 1260 (Based on Letter of Offer for Sale dated 29 June 2007)</p> <p>i) Sebuah kilang hendaklah dibina di atas tanah tersebut dalam tempoh dua puluh empat (24) bulan dari tarikh pendaftaran surat hakmilik mengikut jenis dan bentuk pelan yang dipersetujui oleh Lembaga Kemajuan Johor Tenggara dan melainkan dengan kebenaran bertulis daripada Pihak Berkuasa Negeri, tanah tidak boleh digunakan untuk tujuan lain kecuali yang dibenarkan mengikut Seksyen 117 Kanun Tanah Negara. <i>(Translation: A factory shall be built on the land within twenty-four (24) months from the date of registration of the title deed according to the type and form of plan agreed by Lembaga Kemajuan Johor Tenggara and unless with the written permission of the State Authority, the land shall not be used for any other purpose except as permitted in accordance with Section 117 of the National Land Code.)</i></p> <p>ii) Hendaklah mengambil pekerja-pekerja terdiri daripada rakyat Malaysia dalam semua peringkat hingga ke peringkat Eksekutif, Teknikal dan Pengurus dan daripada bilangan ini tidak kurang daripada 50% dari semua peringkat jawatan hendaklah dipenuhi oleh kaum Bumiputera dan bagi gaji yang dibayar kepada semua peringkat hendaklah sama bagi tiap-tiap peringkat jawatan tanpa mengira rupa bangsa. <i>(Translation: Must employ employees consisting of Malaysian citizens in all levels up to Executive, Technical and Manager levels and not less than 50% of all levels of position be filled by Bumiputeras and salaries paid to all levels must be the same for every level of position regardless of race.)</i></p> <p>iii) Segala kekotoran yang dikeluarkan dari kilang ini seperti air, debu, dan seumpamanya hendaklah disalurkan ke tempat-tempat yang ditentukan oleh Pegawai Kesihatan dan bila disalurkan ke parit dan sungai, air itu tidak berbau dan tidak mempunyai racun yang akan membahayakan kepada awam. Ini hendaklah disahkan oleh Pegawai Kesihatan Negeri. <i>(Translation: All impurities discharged from this factory such as water, dust and such shall be channeled to specific areas determined by the Health Officer and when channeled to drains and rivers, the water must be odorless and contains no toxins that would be harmful to the public. This must be confirmed by the State Health Officer.)</i></p> <p>iv) Hendaklah membayar dan menjelaskan cukai-cukai dan apa jua bayaran-bayaran lain yang patut dibayar dalam tempoh yang berkenaan terhadap tanah ini atau sebahagian daripadanya sama ada bayaran itu dikenakan oleh Lembaga Kemajuan Johor Tenggara atau mana-mana Pihak Berkuasa. <i>(Translation: Shall pay and settle taxes and any other payments due within the period in question relating to this land or part thereof whether the payment is imposed by Lembaga Kemajuan Johor Tenggara or any Authority.)</i></p> <p>Lots 14546 & 14547</p> <p>i) Tanah ini hendaklah digunakan sebagai Kawasan Industri Sederhana untuk tujuan perusahaan "Plastic And Packaging" dan kegunaan lain yang berkaitan dengannya, dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan. <i>(Translation: This land shall be used as a Medium Industrial Area for the purpose of "Plastic And Packaging" and other related uses, constructed in accordance with the plan approved by the relevant Local Authority.)</i></p> <p>ii) Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan/dibuang ke tempat-tempat yang telah ditentukan oleh Pihak Berkuasa Berkenaan. <i>(Translation: All impurities and contamination arising from this activity shall be channeled / removed to specific areas as determined by the Relevant Authority.)</i></p> <p>iii) Segala dasar dan syarat yang ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkuasa Berkenaan hendaklah dipatuhi. <i>(Translation: All policies and conditions stipulated and enforced from time to time by the Relevant Authority shall be complied with.)</i></p>
Restriction-in-interest	<p>PTB 1260 (Based on Letter of Offer for Sale dated 29 June 2007)</p> <p>Tanah yang dikurniakan ini tidak boleh dipindahmilik, dijual, dipajak atau digadai/dilepaskan dengan apa cara sekalipun melainkan dengan kebenaran yang bertulis daripada pihak Lembaga Kemajuan Johor Tenggara atau Pihak Berkuasa Negeri. <i>(Translation: This alienated land may not be transferred, sold, leased or mortgaged / released in any way except with the written consent of Lembaga Kemajuan Johor Tenggara or the State Authority.)</i></p> <p>Lots 14546 & 14547</p> <p>Tanah yang dikurniakan ini tidak boleh dijual, dicagar, digadai, dipajak atau dipindahmilik dengan apa cara sekali pun, termasuk dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjual tanah ini, tanpa kebenaran Pihak Berkuasa Negeri. <i>(Translation: This alienated land may not be sold, charged, mortgaged, leased or transferred in any way whatsoever, including by usage of any agreement letter intended to release / sell this land without the permission of the State Authority.)</i></p>
Existing Use	Industrial premises

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Location	The Subject Property is an intermediate lot with dual frontages onto the northern and southern sides of Jalan Tun Mutahir and Jalan Tun Mutahir 6 respectively, within Kawasan Perindustrian Bandar Tenggara, Bandar Tenggara. Geographically, it lies approximately 48 kilometres and 63 kilometres north-west of Town Centre of Kota Tinggi and City Centre of Johor Bahru respectively.									
Accessibility	The Subject Property is easily accessible from Town Centre of Kota Tinggi is by way of Jalan Kota Tinggi-Kluang, Jalan Tun Ahmad, Jalan Tun Abdul Majid and finally onto Jalan Tun Mutahir.									
The Site	The site is regular in shape and generally flat in terrain. It lies about level with its frontage road Jalan Tun Mutahir.									
Provisional Land Area	<table border="0"> <tr> <td>PTB 1260</td> <td>:</td> <td>3.7073 acres (161,489.988 square feet or approx. 15,003 square metres)</td> </tr> <tr> <td>Lot 14546</td> <td>:</td> <td>15,803 square metres (approx. 170,102 square feet or 3.9050 acres)</td> </tr> <tr> <td>Lot 14547</td> <td>:</td> <td>14,947 square metres (approx. 160,888 square feet or 3.6935 acres)</td> </tr> </table>	PTB 1260	:	3.7073 acres (161,489.988 square feet or approx. 15,003 square metres)	Lot 14546	:	15,803 square metres (approx. 170,102 square feet or 3.9050 acres)	Lot 14547	:	14,947 square metres (approx. 160,888 square feet or 3.6935 acres)
PTB 1260	:	3.7073 acres (161,489.988 square feet or approx. 15,003 square metres)								
Lot 14546	:	15,803 square metres (approx. 170,102 square feet or 3.9050 acres)								
Lot 14547	:	14,947 square metres (approx. 160,888 square feet or 3.6935 acres)								
Brief Description	<p>The Subject Property comprises three (3) single storey detached factories and various other supporting structures.</p> <p>We note that the Approved Building Plans are not available for this present exercise and a Certificate of Fitness for Occupation (CFO) dated 11 February 2008 has been issued for the "Kilang" (<i>Translation: factory</i>) only.</p> <p>We are currently unable to identify the Approved Structures based on the available CFO. As such, we advise that an As-Built Plan to be redrawn to address and formalized the missing plans accordingly.</p> <p>As we are unable to determine which structures are approved, we have made adjustments on the value of the structures as they are all built in accordance with the building setbacks.</p>									
Gross Floor Area	Approximately 352,000 square feet (excluding other supporting structures).									
Market Value Definition	Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion.									
Basis of Valuation	<p>Market Value of the unexpired leasehold interests in the Subject Property i.e. a 11.3058-acre parcel of industrial land presently built-upon with the industrial premises of Podoyo Plastics Industries (M) Sdn. Bhd. [currently known as Sunningdale Tech (Malaysia) Sdn. Bhd.] located along Jalan Tun Mutahir within Kawasan Perindustrian Bandar Tenggara, Bandar Tenggara</p> <p>i. PTB 1260 [held under PTB 1260; at Industrial area 2nd Phase, Bandar Tenggara (based on the Sale and Purchase Agreement dated 23 September 2008)]</p> <p>ii. Lots 14546 & 14547 [held under PN 16910/Lot 14546 & PN 16911/Lot 14547 (formerly known as HSD 19878/PTB 1262 & HSD 19877/PTB 1261), both within Mukim Ulu Sungai Johor, District of Kota Tinggi, Johor Darul Takzim]</p> <p>in its existing condition on the <u>BASIS</u> that:-</p> <ul style="list-style-type: none"> ▪ ALL THE STRUCTURES ON SITE ARE APPROVABLE BEING SITED WITHIN THE SETBACK REQUIREMENTS <p>with vacant possession, subject to the title assumptions stated above (PTB 1260) and to the titles/title to be issued (PTB 1260) being free from encumbrances and registrable.</p>									
Valuation Approach	Cost Approach									
Last Sale	None within the last 3 years									
Date of Inspection	11 November 2020									
Date of Valuation	30 September 2020									

APPENDIX 5 VALUATION CERTIFICATES



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Market Movement	<p>COVID-19 Pandemic:</p> <p>The COVID-19 pandemic is happening in Malaysia and the 1st Movement Control Order (MCO) has been enforced from 18 March 2020. We are now in the Recovery MCO stage which is expected to end on 31 December 2020. However the Conditional MCO is reinstated due to spike in daily cases for most of the states till 6 December 2020. We foresee more local businesses and the markets being impacted. This pandemic outbreak is becoming a worldwide problem and the impact is expected to be substantial. It is still an ongoing event as there is no proven vaccine available.</p> <p>With BNM latest 6-month moratorium deferment package (ended 30 September 2020), this has helped shore up the markets including the property sector steadier and help reduce any sudden surges in property auctions. This is a temporary measure to assist individuals and Small and Medium Enterprises businesses but does not solve all current problems. In Malaysia, it is unprecedented times where our local politics, the crude oil shock and COVID-19 are all rolling in together.</p>										
Market Value	<p>Market Value of the unexpired leasehold interests in the Subject Property i.e. <u>a 11.3058-acre parcel of industrial land presently built-upon with the industrial premises of Podoyo Plastics Industries (M) Sdn. Bhd. [currently known as Sunningdale Tech (Malaysia) Sdn. Bhd.] located along Jalan Tun Mutahir within Kawasan Perindustrian Bandar Tenggara, Bandar Tenggara</u></p> <p>i. PTB 1260 [held under PTB 1260; at Industrial area 2nd Phase, Bandar Tenggara (based on the Sale and Purchase Agreement dated 23 September 2008)]</p> <p>ii. Lots 14546 & 14547 [held under PN 16910/Lot 14546 & PN 16911/Lot 14547 (formerly known as HSD 19878/PTB 1262 & HSD 19877/PTB 1261), both within Mukim Ulu Sungai Johor, District of Kota Tinggi, Johor Darul Takzim]</p> <p>in its existing condition on the BASIS that:-</p> <ul style="list-style-type: none"> ▪ ALL THE STRUCTURES ON SITE ARE APPROVABLE BEING SITED WITHIN BUILDING SETBACK REQUIREMENTS <p>with vacant possession, subject to the title assumptions stated above (PTB 1260) and to the titles/title to be issued (PTB 1260) being free from encumbrances and registrable is as follows:-</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Description</th> <th style="text-align: right;">Market Value</th> </tr> </thead> <tbody> <tr> <td>Land (Bare Site) & Site Improvements</td> <td style="text-align: right;">RM5,400,000</td> </tr> <tr> <td>Depreciated Buildings & Structures</td> <td style="text-align: right;">RM26,700,000</td> </tr> <tr> <td style="text-align: right;">Total:</td> <td style="text-align: right;">RM32,100,000</td> </tr> <tr> <td></td> <td style="text-align: right;">(Ringgit Malaysia: Thirty Two Million And One Hundred Thousand Only)</td> </tr> </tbody> </table> <p>Note:- Please note that the above are legally a single asset and any such analysis of value is purely academic in nature.</p> <ul style="list-style-type: none"> • For the present exercise, we have been specifically instructed by the Client to include all the structures on site in our valuation as approvable structures sited within building setback requirements of the Subject Property. 	Description	Market Value	Land (Bare Site) & Site Improvements	RM5,400,000	Depreciated Buildings & Structures	RM26,700,000	Total:	RM32,100,000		(Ringgit Malaysia: Thirty Two Million And One Hundred Thousand Only)
Description	Market Value										
Land (Bare Site) & Site Improvements	RM5,400,000										
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Total:	RM32,100,000										
	(Ringgit Malaysia: Thirty Two Million And One Hundred Thousand Only)										
Assumptions, Disclaimers, Limitations & Qualifications	<p><i>This valuation certificate is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout this certificate which are made in conjunction with those included within the Limitations, Disclaimers & Communications section located within the certificate. Reliance on this valuation and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.</i></p>										
Prepared by	<p>For and on behalf of SAVILLS (MALAYSIA) SDN BHD</p> <p style="text-align: center;"></p> <p style="text-align: center;"></p> <p>DATUK SR. PAUL KHONG MRICS FRIM APEPS Chartered Surveyor Registered Valuer (V-528) Managing Director</p> <p>Date: 10 December 2020</p>										

APPENDIX 5

VALUATION CERTIFICATES



Limitations, Disclaimers & Qualifications

Valuation:

Real estate values vary from time to time in response to changing market circumstances and it should, therefore, be noted that this valuation is based on available information as at the date of valuation. No warranty can be given as to the maintenance of this value into the future. It is, therefore, recommended that the valuation be reviewed periodically. Savills does not assume any responsibility or accept any liability, nor should reliance be placed upon the valuation, or anything contained within the valuation certificate where this valuation certificate is relied upon after the expiration of 3 months from the date of valuation, or such earlier date if you or someone acting on your behalf with Savills' prior written agreement become aware or are aware of any factors that have any effect on the valuation.

Assumptions:

Assumptions are a necessary part of undertaking valuations/the valuation. Savills adopts assumptions for the purpose of providing its valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. The person or entity to whom the certificate is addressed acknowledges and accepts that the valuation contains certain specific assumptions and as such the person or entity to whom this certificate is addressed acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation.

Investigations:

The valuation is conducted on the basis that we are not engaged to carry out all possible investigations in relation to the subject property. Where in our certificate we identify certain limitations to our investigations, this is to enable you to instruct further investigations if you consider this appropriate or we recommend as necessary to allow us to complete the valuation. Savills is not liable for any loss occasioned by a decision not to conduct further investigations.

Information Supplied By Others:

The valuation contains information which is derived from other sources. Unless otherwise specifically instructed by you and/or stated in the valuation, we have not independently verified that information, nor adopted it as our own, or accepted its reliability. The person or entity to whom the certificate is addressed acknowledges and accepts the risk that if any of the unverified information/advice provided by others and referred to in the valuation is incorrect, then this may have an effect on the valuation.

Site Details:

A current survey has not been provided. The valuation is made on the basis that there are no encroachments by or upon the subject property and the person or entity relying upon the valuation should confirm this by obtaining a current survey report and/or advice from a registered surveyor. If any encroachments are noted by the survey report, that person or entity must not rely upon the valuation, before first consulting Savills to reassess any effect on the value stated in the valuation.

Future Matters:

To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to Savills at the date of this document. Savills does not warrant that such statements are accurate or correct.

Property Title:

We have conducted a brief title search only. We have not perused the original title documentation. We have assumed that there are no further easements or encumbrances not disclosed by this brief title search which may affect market value. However, in the event that a comprehensive title search is undertaken by the person or entity relying upon the valuation, which reveals further easements or encumbrances, that person or entity must not rely upon the valuation, before first consulting Savills to reassess any effect on the valuation.

Town Planning:

Where practicable we have conducted a brief check with the local authorities to ascertain whether the existing structures have received all relevant planning and building approvals. In the event that we have ascertained that there are structures on site that have not been so approved we will report this and any impact on value will be taken into account in our valuation. In all other cases we have assumed that all structures on site are legally approved. However we do not warrant the accuracy of such checks and or assumptions and in the event of doubt the person or entity relying upon this valuation must commission further investigation. Any information which comes to light as a result of this further investigation should be referred to Savills for consideration and possible review of the valuation. No reliance should then be placed upon the valuation until such time as that review has been completed and provided to the person or entity to whom responsibility is accepted for this advice. It is assumed that information provided to us by the relevant Local Authority Town Planning Department is accurate. In the event that a Town Planning Certificate or any other relevant Planning Certificate or document is obtained and the information therein is later found to be materially different to the town planning information detailed within the valuation, we reserve the right to amend the valuation.

Environmental Conditions:

In the absence of an environmental site assessment relating to the subject property, we have assumed that the site is free of elevated levels of contaminants. Our visual inspections of the subject property and immediately surrounding properties revealed no obvious signs of site contamination. Furthermore, we have made no allowance in our valuation for site remediation works. However, it is important to point out that our visual inspection is an inconclusive indicator of the actual condition of the site. We make no representation as to the actual environmental status of the subject property. If a test is undertaken at some time in the future to assess the degree, if any, of contamination of the site and this is found to be positive, we reserve the right to review our valuation assessed herein, should we deem it to be necessary.

A handwritten signature in black ink, appearing to be a stylized 'S' followed by a flourish.

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Inclusions & Exclusions:

Where applicable, our valuation includes those items that form (or will form) part of the building service installations such as heating and cooling equipment, lifts, sprinklers, lighting, etc., that would normally pass with the sale of the property, but excludes all items of plant, machinery, equipment, partitions, furniture and other such items which may have been installed (by the occupant) or are used in connection with the business(es) carried on within the subject property.

Floor Areas:

Unless stated otherwise in the valuation, we have assumed that the floor areas have been calculated in accordance with The Royal Institution of Surveyors (RISM) Malaysia "Uniform Method of Measurement of Building" of Lettable Areas or as specifically instructed by the party who we have agreed to provide this valuation. We recommend that the person or entity relying upon this certificate should obtain a survey to determine whether the areas provided differ from ISM guidelines. In the event that the survey reveals a variance in areas, then the relevant person or entity should not rely upon the valuation and should provide all relevant survey details to Savills for consideration and possible review of the valuation.

Condition & Repair:

We have inspected the building(s), however we have not carried out a structural survey nor tested any of the services or facilities and are therefore unable to state that the building is free from defect. We advise that we have not inspected unexposed or inaccessible portions of the building and are therefore unable to state that these are free from rot, infestation, asbestos or other hazardous and/or contaminated material. Unless otherwise stated in the valuation certificate, our valuation is based upon the assumption that the building(s) do not have any defects requiring any significant expenditure. Also unless otherwise stated in the valuation certificate, the valuation assumes that the building complies with all relevant statutory requirements in respect of matters such as health, building and fire safety regulations. If the person or entity relying on the certificate becomes aware of any information contrary to these assumptions, then they must not rely upon the valuation and that information should be referred to Savills for consideration and possible review of the valuation, and no reliance should be placed on this valuation until such time as that review has been completed and provided to the person or entity to whom responsibility is accepted for this advice.

Valuation Methodology:

Where Savills is valuing income dependent property, the primary valuation methodologies generally used are the Investment and/or Discounted Cash Flow Methods with a check by the Comparison and Cost Methods. These approaches are based upon an estimation of future results. Each methodology begins with a set of assumptions as to the projected income and expenses of the subject property and future economic conditions in its local market. The income and expense figures are mathematically extended with adjustments for estimated changes in economic conditions and lease terms. The result is the best estimate of value Savills can produce, but it is an estimate and not a guarantee and it is fully dependent upon the accuracy of the assumptions as to income, expense and market conditions. These primary valuation methodologies use market derived assumptions, including rents, yields and discount rates, obtained from analysed transactions. BaeWhere reliance has been placed upon external sources of information in applying the valuation methodologies, unless otherwise specifically instructed by you and/or stated in the valuation, Savills has not independently verified that information and Savills does not adopt that information and/or advice nor accept it as reliable. The person or entity to whom the certificate is addressed acknowledges and accepts the risk that if any of the unverified information in the valuation is incorrect, then this may have an effect on the valuation.

Side/Tenancy Agreement:

Our valuation assumes that there are no side agreements that would have an adverse effect on the market value of the property. Where the subject property(s) are subject to tenancies, this certificate does not contain detailed studies of such tenancies to verify that tenants are in compliance with relevant building codes/by laws and terms of tenancy agreements, if any. As such, we can offer no warranties in this respect. If there is any doubt, we recommend legal and architectural investigations where relevant.

Not a Structural Survey:

We state that this is a valuation certificate, and not a Structural Survey.

Liability & Confidentiality:

Our responsibility in connection with this certificate is limited to the client to whom the certificate is addressed, and the express purposes of that client, and to that client and that purpose only. We disclaim all responsibility and will accept no liability to any other party. The limit of our liability to our client shall be the total fee compensation received by us under this quotation/case, for any and all injuries, damages, claims, losses, expenses or claim expenses arising out of this quotation/case from any cause or causes. This provision is standard with engagements of this nature and is not provided to waive our professional responsibility but as a mechanism to appropriately reflect the risk and benefits of the parties to the engagement. Where the Instructing Party and the Reliant Party are different, the Instructing Party should obtain evidence of the acceptance by the Reliant Party of the limit since the Reliant Party is not a party to this quotation/case. Where the Instructing Party and the Reliant Party are the same, there is no need to obtain such consent since the Instructing Party is a party to this quotation/case.

APPENDIX 5 VALUATION CERTIFICATES



VALUATION CERTIFICATE

Subject Property	A 3.12-acre parcel of industrial land presently built-upon with the industrial premises of Podoyo Plastics Industries (M) Sdn. Bhd. [currently known as Sunningdale Tech (Malaysia) Sdn. Bhd.] located along Jalan Tun Mutahir 1 within Kawasan Perindustrian Bandar Tenggara, Bandar Tenggara, Johor Darul Takzim.
Address	PTB 1257, Jalan Tun Mutahir 1 Kawasan Perindustrian Bandar Tenggara 81440 Bandar Tenggara Johor Darul Takzim
Valuation Prepared For	Sunningdale Tech Ltd.
Purpose of Valuation	For the proposed acquisition of Sunningdale Tech Ltd. by way of a scheme of arrangement.
Interest Valued	60-year leasehold interest expiring on 23 September 2064 (Unexpired term of approximately 44 years)
Legal Description	PN 62544/Lot 14541 (previously known as HSD 24197/PTB 1257), Mukim Ulu Sungai Johor, District of Kota Tinggi, Johor Darul Takzim
Registered Owner	PODOYO PLASTICS INDUSTRIES (M) SDN. BHD. [currently known as Sunningdale Tech (Malaysia) Sdn. Bhd.]
Category of Land Use	Perusahaan/Perindustrian (<i>Translation: Industrial</i>)
Express Condition	<ul style="list-style-type: none"> i) Tanah yang terkandung di dalam hakmilik ini hendaklah digunakan semata-mata kerana perusahaan sederhana. (<i>Translation: The land contained in this title should be used solely for medium industrial purposes.</i>) ii) Tanah yang terkandung di dalam hakmilik ini hendaklah digunakan semata-mata sebagai tapak bangunan untuk perusahaan plastik dan elektronik dan lain-lain bangunan yang berkaitan dengan perusahaan itu. (<i>Translation: The land contained in this title shall be used solely as the development site for industries such as plastic, electronics and other related industries.</i>) iii) Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan/dibuang ke tempat-tempat yang telah ditentukan oleh Pihak Berkuasa Berkenaan. (<i>Translation: All impurities and contamination arising from this activity shall be channeled / removed to specific areas as determined by the Relevant Authority.</i>) iv) Segala dasar dan syarat yang ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkuasa hendaklah dipatuhi. (<i>Translation: All policies and conditions stipulated and enforced from time to time by the Relevant Authority shall be complied with.</i>)
Restriction-in-interest	Tanah yang dikurniakan ini tidak boleh dijual, dicagar, digadai, dipajak atau dipindahmilik dengan apa cara sekalipun, termasuk dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan / menjual tanah ini, tanpa kebenaran Pihak Berkuasa Negeri. (<i>Translation: This alienated land shall not be sold, charged, mortgaged, leased or transferred in any way, including by usage of any agreement letter intended to release / sell the land without the permission of the State Authority.</i>)
Existing Use	Industrial premises
Location	The Subject Property is a corner lot with triple frontages onto the eastern, southern and northern sides of Jalan Tun Mutahir 1, an unnamed road and Jalan Tun Mutahir respectively, within Kawasan Perindustrian Bandar Tenggara, Bandar Tenggara. Geographically, it lies approximately 48 kilometres and 63 kilometres north-west of Town Centre of Kota Tinggi and City Centre of Johor Bahru respectively.
Accessibility	The Subject Property is easily accessible from Town Centre of Kota Tinggi via Jalan Kota Tinggi-Kluang, Jalan Tun Ahmad, Jalan Tun Abdul Majid, Jalan Tun Mutahir and finally onto Jalan Tun Mutahir 1.
The Site	The site is regular in shape and generally flat in terrain. It lies about level with its frontage road i.e. Jalan Tun Mutahir 1.
Title Land Area	12,631 square metres (approx. 135,959 square feet or 3.12 acres)

APPENDIX 5 VALUATION CERTIFICATES



VALUATION CERTIFICATE

Brief Description	<p>The Subject Property comprises the following structures:-</p> <ol style="list-style-type: none"> 1. Structure A: A single storey detached factory with an annexed 2-storey office 2. Structure B: A single storey detached warehouse 3. Various other supporting structures <p>We note that the Approved Building Plans are not available for this present exercise and a Certificate of Fitness for Occupation (CFO) dated 9 January 2001 has been issued for the "Kilang" (<i>Translation: factory</i>) only.</p> <p>We have adopted that Structure A is approved with the existing CFO but an As-Built Plan has to be redrawn to address and formalized the missing plans.</p> <p>For Structure B, we have totally ignored the structure as there is no documentation available at all and based on the current planning guidelines / building by-laws, it does not conform to the requirements. Hence, no value is assign on this Structure B.</p>
Gross Floor Area	Approximately 66,300 square feet (excluding other supporting structures).
Market Value Definition	Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion.
Basis of Valuation	<p>Market Value of the 44-year unexpired leasehold interest in the Subject Property i.e. a 3.12-acre parcel of industrial land presently built-upon with the industrial premises of Podoyo Plastics Industries (M) Sdn. Bhd. [currently known as Sunningdale Tech (Malaysia) Sdn. Bhd.] located along Jalan Tun Mutahir 1 within Kawasan Perindustrian Bandar Tenggara, Bandar Tenggara [held under PN 62544/Lot 14541 (previously known as HSD 24197/PTB 1257), Mukim Ulu Sungai Johor, District of Kota Tinggi, Johor Darul Takzim] in its existing condition on the <u>BASIS</u> that:-</p> <ul style="list-style-type: none"> ▪ ONLY STRUCTURE A IS APPROVED AND IS ISSUED WITH A CERTIFICATE OF FITNESS FOR OCCUPATION (CFO) <p>with vacant possession and subject to its title being free from encumbrances and registrable.</p>
Valuation Approach	Cost Approach
Last Sale	None within the last 3 years
Date of Inspection	10 November 2020
Date of Valuation	30 September 2020
Market Movement	<p>COVID-19 Pandemic:</p> <p>The COVID-19 pandemic is happening in Malaysia and the 1st Movement Control Order (MCO) has been enforced from 18 March 2020. We are now in the Recovery MCO stage which is expected to end on 31 December 2020. However the Conditional MCO is reinstated due to spike in daily cases for most of the states till 6 December 2020. We foresee more local businesses and the markets being impacted. This pandemic outbreak is becoming a worldwide problem and the impact is expected to be substantial. It is still an ongoing event as there is no proven vaccine available.</p> <p>With BNM latest 6-month moratorium deferment package (ended 30 September 2020), this has helped shore up the markets including the property sector steadier and help reduce any sudden surges in property auctions. This is a temporary measure to assist individuals and Small and Medium Enterprises businesses but does not solve all current problems. In Malaysia, it is unprecedented times where our local politics, the crude oil shock and COVID-19 are all rolling in together.</p>

APPENDIX 5 VALUATION CERTIFICATES



VALUATION CERTIFICATE

<p>Market Value</p>	<p>Market Value of the 44-year unexpired leasehold interest in the Subject Property i.e. a 3.12-acre parcel of industrial land presently built-upon with the industrial premises of Podoyo Plastics Industries (M) Sdn. Bhd. [currently known as Sunningdale Tech (Malaysia) Sdn. Bhd.] located along Jalan Tun Mutahir 1 within Kawasan Perindustrian Bandar Tenggara, Bandar Tenggara [held under PN 62544/Lot 14541 (previously known as HSD 24197/PTB 1257), Mukim Ulu Sungai Johor, District of Kota Tinggi, Johor Darul Takzim] in its existing condition on the <u>BASIS</u> that:-</p> <ul style="list-style-type: none"> ONLY STRUCTURE A IS APPROVED AND IS ISSUED WITH A CERTIFICATE OF FITNESS FOR OCCUPATION (CFO) <p>with vacant possession and subject to its title being free from encumbrances and registrable is as follows:-</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Description</th> <th style="text-align: right;">Market Value</th> </tr> </thead> <tbody> <tr> <td>Land (Bare Site) & Site Improvements</td> <td style="text-align: right;">RM1,500,000</td> </tr> <tr> <td>Depreciated Buildings & Structures</td> <td style="text-align: right;">RM5,300,000</td> </tr> <tr> <td style="text-align: right;">Total:</td> <td style="text-align: right;">RM6,800,000</td> </tr> <tr> <td></td> <td style="text-align: right;">(Ringgit Malaysia: Six Million And Eight Hundred Thousand Only)</td> </tr> </tbody> </table> <p><u>Note:-</u> Please note that the above are legally a single asset and any such analysis of value is purely academic in nature.</p> <ul style="list-style-type: none"> For the present exercise, we have been specifically instructed by the Client to include Structure A in our valuation as approved structure within the Subject Property only. 	Description	Market Value	Land (Bare Site) & Site Improvements	RM1,500,000	Depreciated Buildings & Structures	RM5,300,000	Total:	RM6,800,000		(Ringgit Malaysia: Six Million And Eight Hundred Thousand Only)
Description	Market Value										
Land (Bare Site) & Site Improvements	RM1,500,000										
Depreciated Buildings & Structures	RM5,300,000										
Total:	RM6,800,000										
	(Ringgit Malaysia: Six Million And Eight Hundred Thousand Only)										
<p>Assumptions, Disclaimers, Limitations & Qualifications</p>	<p>This valuation certificate is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout this certificate which are made in conjunction with those included within the Limitations, Disclaimers & Qualifications section located within the certificate. Reliance on this valuation and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.</p>										
<p>Prepared by</p>	<p>For and on behalf of SAVILLS (MALAYSIA) SDN BHD</p>   <p>DATUK SR. PAUL KHONG MRICS FRISM APEPS Chartered Surveyor Registered Valuer (V-528) Managing Director</p> <p>Date: 10 December 2020</p>										

APPENDIX 5

VALUATION CERTIFICATES



Limitations, Disclaimers & Qualifications

Valuation:

Real estate values vary from time to time in response to changing market circumstances and it should, therefore, be noted that this valuation is based on available information as at the date of valuation. No warranty can be given as to the maintenance of this value into the future. It is, therefore, recommended that the valuation be reviewed periodically. Savills does not assume any responsibility or accept any liability, nor should reliance be placed upon the valuation, or anything contained within the valuation certificate where this valuation certificate is relied upon after the expiration of 3 months from the date of valuation, or such earlier date if you or someone acting on your behalf with Savills' prior written agreement become aware or are aware of any factors that have any effect on the valuation.

Assumptions:

Assumptions are a necessary part of undertaking valuations/the valuation. Savills adopts assumptions for the purpose of providing its valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. The person or entity to whom the certificate is addressed acknowledges and accepts that the valuation contains certain specific assumptions and as such the person or entity to whom this certificate is addressed acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation.

Investigations:

The valuation is conducted on the basis that we are not engaged to carry out all possible investigations in relation to the subject property. Where in our certificate we identify certain limitations to our investigations, this is to enable you to instruct further investigations if you consider this appropriate or we recommend as necessary to allow us to complete the valuation. Savills is not liable for any loss occasioned by a decision not to conduct further investigations.

Information Supplied By Others:

The valuation contains information which is derived from other sources. Unless otherwise specifically instructed by you and/or stated in the valuation, we have not independently verified that information, nor adopted it as our own, or accepted its reliability. The person or entity to whom the certificate is addressed acknowledges and accepts the risk that if any of the unverified information/advice provided by others and referred to in the valuation is incorrect, then this may have an effect on the valuation.

Site Details:

A current survey has not been provided. The valuation is made on the basis that there are no encroachments by or upon the subject property and the person or entity relying upon the valuation should confirm this by obtaining a current survey report and/or advice from a registered surveyor. If any encroachments are noted by the survey report, that person or entity must not rely upon the valuation, before first consulting Savills to reassess any effect on the value stated in the valuation.

Future Matters:

To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to Savills at the date of this document. Savills does not warrant that such statements are accurate or correct.

Property Title:

We have conducted a brief title search only. We have not perused the original title documentation. We have assumed that there are no further easements or encumbrances not disclosed by this brief title search which may affect market value. However, in the event that a comprehensive title search is undertaken by the person or entity relying upon the valuation, which reveals further easements or encumbrances, that person or entity must not rely upon the valuation, before first consulting Savills to reassess any effect on the valuation.

Town Planning:

Where practicable we have conducted a brief check with the local authorities to ascertain whether the existing structures have received all relevant planning and building approvals. In the event that we have ascertained that there are structures on site that have not been so approved we will report this and any impact on value will be taken into account in our valuation. In all other cases we have assumed that all structures on site are legally approved. However we do not warrant the accuracy of such checks and or assumptions and in the event of doubt the person or entity relying upon this valuation must commission further investigation. Any information which comes to light as a result of this further investigation should be referred to Savills for consideration and possible review of the valuation. No reliance should then be placed upon the valuation until such time as that review has been completed and provided to the person or entity to whom responsibility is accepted for this advice. It is assumed that information provided to us by the relevant Local Authority Town Planning Department is accurate. In the event that a Town Planning Certificate or any other relevant Planning Certificate or document is obtained and the information therein is later found to be materially different to the town planning information detailed within the valuation, we reserve the right to amend the valuation.

Environmental Conditions:

In the absence of an environmental site assessment relating to the subject property, we have assumed that the site is free of elevated levels of contaminants. Our visual inspections of the subject property and immediately surrounding properties revealed no obvious signs of site contamination. Furthermore, we have made no allowance in our valuation for site remediation works. However, it is important to point out that our visual inspection is an inconclusive indicator of the actual condition of the site. We make no representation as to the actual environmental status of the subject property. If a test is undertaken at some time in the future to assess the degree, if any, of contamination of the site and this is found to be positive, we reserve the right to review our valuation assessed herein, should we deem it to be necessary.

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APPENDIX 5 VALUATION CERTIFICATES



Inclusions & Exclusions:

Where applicable, our valuation includes those items that form (or will form) part of the building service installations such as heating and cooling equipment, lifts, sprinklers, lighting, etc., that would normally pass with the sale of the property, but excludes all items of plant, machinery, equipment, partitions, furniture and other such items which may have been installed (by the occupant) or are used in connection with the business(es) carried on within the subject property.

Floor Areas:

Unless stated otherwise in the valuation, we have assumed that the floor areas have been calculated in accordance with The Royal Institution of Surveyors (RISM) Malaysia "Uniform Method of Measurement of Building" of Lettable Areas or as specifically instructed by the party who we have agreed to provide this valuation. We recommend that the person or entity relying upon this certificate should obtain a survey to determine whether the areas provided differ from ISM guidelines. In the event that the survey reveals a variance in areas, then the relevant person or entity should not rely upon the valuation and should provide all relevant survey details to Savills for consideration and possible review of the valuation.

Condition & Repair:

We have inspected the building(s), however we have not carried out a structural survey nor tested any of the services or facilities and are therefore unable to state that the building is free from defect. We advise that we have not inspected unexposed or inaccessible portions of the building and are therefore unable to state that these are free from rot, infestation, asbestos or other hazardous and/or contaminated material. Unless otherwise stated in the valuation certificate, our valuation is based upon the assumption that the building(s) do not have any defects requiring any significant expenditure. Also unless otherwise stated in the valuation certificate, the valuation assumes that the building complies with all relevant statutory requirements in respect of matters such as health, building and fire safety regulations. If the person or entity relying on the certificate becomes aware of any information contrary to these assumptions, then they must not rely upon the valuation and that information should be referred to Savills for consideration and possible review of the valuation, and no reliance should be placed on this valuation until such time as that review has been completed and provided to the person or entity to whom responsibility is accepted for this advice.

Valuation Methodology:

Where Savills is valuing income dependent property, the primary valuation methodologies generally used are the Investment and/or Discounted Cash Flow Methods with a check by the Comparison and Cost Methods. These approaches are based upon an estimation of future results. Each methodology begins with a set of assumptions as to the projected income and expenses of the subject property and future economic conditions in its local market. The income and expense figures are mathematically extended with adjustments for estimated changes in economic conditions and lease terms. The result is the best estimate of value Savills can produce, but it is an estimate and not a guarantee and it is fully dependent upon the accuracy of the assumptions as to income, expense and market conditions. These primary valuation methodologies use market derived assumptions, including rents, yields and discount rates, obtained from analysed transactions. BaeWhere reliance has been placed upon external sources of information in applying the valuation methodologies, unless otherwise specifically instructed by you and/or stated in the valuation, Savills has not independently verified that information and Savills does not adopt that information and/or advice nor accept it as reliable. The person or entity to whom the certificate is addressed acknowledges and accepts the risk that if any of the unverified information in the valuation is incorrect, then this may have an effect on the valuation.

Side/Tenancy Agreement:

Our valuation assumes that there are no side agreements that would have an adverse effect on the market value of the property. Where the subject property(s) are subject to tenancies, this certificate does not contain detailed studies of such tenancies to verify that tenants are in compliance with relevant building codes/by laws and terms of tenancy agreements, if any. As such, we can offer no warranties in this respect. If there is any doubt, we recommend legal and architectural investigations where relevant.

Not a Structural Survey:

We state that this is a valuation certificate, and not a Structural Survey.

Liability & Confidentiality:

Our responsibility in connection with this certificate is limited to the client to whom the certificate is addressed, and the express purposes of that client, and to that client and that purpose only. We disclaim all responsibility and will accept no liability to any other party. The limit of our liability to our client shall be the total fee compensation received by us under this quotation/case, for any and all injuries, damages, claims, losses, expenses or claim expenses arising out of this quotation/case from any cause or causes. This provision is standard with engagements of this nature and is not provided to waive our professional responsibility but as a mechanism to appropriately reflect the risk and benefits of the parties to the engagement. Where the Instructing Party and the Reliant Party are different, the Instructing Party should obtain evidence of the acceptance by the Reliant Party of the limit since the Reliant Party is not a party to this quotation/case. Where the Instructing Party and the Reliant Party are the same, there is no need to obtain such consent since the Instructing Party is a party to this quotation/case.

A handwritten signature in black ink, appearing to be a stylized 'S' or similar character.

APPENDIX 5 VALUATION CERTIFICATES



VALUATION CERTIFICATE

Subject Property	A 1.36-acre parcel of industrial land presently built-upon with the industrial premises of Podoyo Plastics Industries (M) Sdn. Bhd. [currently known as Sunningdale Tech (Malaysia) Sdn. Bhd.] located along Jalan Tun Mutalib 1 within Kawasan Perindustrian Bandar Tenggara, Bandar Tenggara, Johor Darul Takzim.
Address	PTB 281, Jalan Tun Mutalib 1 Kawasan Perindustrian Bandar Tenggara 81440 Bandar Tenggara Johor Darul Takzim
Valuation Prepared For	Sunningdale Tech Ltd.
Purpose of Valuation	For the proposed acquisition of Sunningdale Tech Ltd. by way of a scheme of arrangement.
Interest Valued	60-year leasehold interest expiring on 5 May 2051 (Unexpired term of approximately 31 years)
Legal Description	HSD 36589 /PTB 281, Mukim Ulu Sungai Johor, District of Kota Tinggi, Johor Darul Takzim
Registered Owner	GUINEA MANUFACTURING (M) SDN. BHD.
Category of Land Use	Perusahaan/Perindustrian (<i>Translation: Industrial</i>)
Express Condition	<p>i) Tanah ini hendaklah digunakan untuk Kilang bagi tujuan Perusahaan Ringan dan kegunaan lain yang berkaitan dengannya, dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan. (<i>Translation: This land shall be used for factories of Light Industrial purposes and other related uses, constructed in accordance with the plan approved by the relevant Local Authority.</i>)</p> <p>ii) Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan/dibuang ke tempat-tempat yang telah ditentukan oleh Pihak Berkuasa Berkenaan. (<i>Translation: All impurities and contaminations arising from this activity shall be channeled / removed to places as determined by the Relevant Authority.</i>)</p> <p>iii) Segala dasar dan syarat yang ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkuasa Berkenaan hendaklah dipatuhi. (<i>Translation: All policies and conditions stipulated and enforced from time to time by the Relevant Authority shall be complied with.</i>)</p>
Restriction-in-interest	Tanah yang dikurniakan ini tidak boleh dijual, dicagar, digadai, dipajak atau dipindahmilik dengan apa cara sekalipun, termasuk dengan cara menggunakan segala surat perjanjian yang bertujuan untuk melepaskan/menjual tanah ini, tanpa kebenaran Pihak Berkuasa Negeri. (<i>Translation: This alienated land shall not be sold, leased, charged, mortgaged or transferred in any way, including by usage of any agreement letter intended to release / sell this land without the permission of the State Authority.</i>)
Existing Use	Industrial premises
Location	The Subject Property is an intermediate lot fronting onto the south-eastern sides of Jalan Tun Mutalib 1 within Kawasan Perindustrian Bandar Tenggara, Bandar Tenggara. Geographically, it lies approximately 48 kilometres and 63 kilometres north-west of Town Centre of Kota Tinggi and City Centre of Johor Bahru respectively.
Accessibility	The Subject Property is easily accessible from Town Centre of Kota Tinggi via Jalan Kota Tinggi-Kluang, followed by Jalan Tun Ali, Jalan Tun Mutalib 2 and finally onto Jalan Tun Mutalib 1.
The Site	The site is regular in shape and generally flat in terrain. It lies about level with its frontage road i.e. Jalan Mutalib 1.
Provisional Land Area	5,517.326 square metres (approximately 59,388 square feet or 1.36 acres)
Brief Description	The Subject Property comprises a single storey detached warehouse and various other supporting structures. The Approved Building Plans are not available for this present exercise but the Certificate of Fitness for Occupation (CFO) dated 6 August 1996 has been issued in respect of the structure above. We advise that an As-Built Plan be redrawn to address and formalized the above missing plans accordingly.
Gross Floor Area	Approximately 21,700 square feet (excluding other supporting structures).

APPENDIX 5 VALUATION CERTIFICATES



VALUATION CERTIFICATE

Market Value Definition	Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion.										
Basis of Valuation	Market Value of the 31-year unexpired leasehold interest in the Subject Property i.e. a 1.36-acre parcel of industrial land presently built-upon with the industrial premises of Podoyo Plastics Industries (M) Sdn. Bhd. [currently known as Sunningdale Tech (Malaysia) Sdn. Bhd.] located along Jalan Tun Mutalib 1 within Kawasan Perindustrian Bandar Tenggara, Bandar Tenggara [held under HSD 36589/PTB 281, Mukim Ulu Sungai Johor, District of Kota Tinggi, Johor Darul Takzim] in its existing condition with vacant possession and subject to its title being free from encumbrances and registrable.										
Valuation Approach	Cost Approach										
Last Sale	None within the last 3 years										
Date of Inspection	11 November 2020										
Date of Valuation	30 September 2020										
Market Movement	<p>COVID-19 Pandemic:</p> <p>The COVID-19 pandemic is happening in Malaysia and the 1st Movement Control Order (MCO) has been enforced from 18 March 2020. We are now in the Recovery MCO stage which is expected to end on 31 December 2020. We foresee more local businesses and the markets being impacted. This pandemic outbreak is becoming a worldwide problem and the impact is expected to be substantial. It is still an ongoing event as there is no proven vaccine available.</p> <p>With BNM latest 6-month moratorium deferment package (ending 30 September 2020), this has helped shore up the markets including the property sector steadier and help reduce any sudden surges in property auctions. This is a temporary measure to assist individuals and Small and Medium Enterprises businesses but does not solve all current problems. In Malaysia, it is unprecedented times where our local politics, the crude oil shock and COVID-19 are all rolling in together.</p>										
Market Value	<p>Market Value of the 31-year unexpired leasehold interest in the Subject Property i.e. a 1.36-acre parcel of industrial land presently built-upon with the industrial premises of Podoyo Plastics Industries (M) Sdn. Bhd. [currently known as Sunningdale Tech (Malaysia) Sdn. Bhd.] located along Jalan Tun Mutalib 1 within Kawasan Perindustrian Bandar Tenggara, Bandar Tenggara [held under HSD 36589/PTB 281, Mukim Ulu Sungai Johor, District of Kota Tinggi, Johor Darul Takzim] in its existing condition with vacant possession and subject to its title being free from encumbrances and registrable is as follows:-</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Description</th> <th style="text-align: right;">Market Value</th> </tr> </thead> <tbody> <tr> <td>Land (Bare Site) & Site Improvements</td> <td style="text-align: right;">RM600,000</td> </tr> <tr> <td>Depreciated Buildings & Structures</td> <td style="text-align: right;">RM1,800,000</td> </tr> <tr> <td style="text-align: right;">Total:</td> <td style="text-align: right;">RM2,400,000</td> </tr> <tr> <td></td> <td style="text-align: right;">(Ringgit Malaysia: Two Million And Four Hundred Thousand Only)</td> </tr> </tbody> </table> <p>Note:- Please note that the above are legally a single asset and any such analysis of value is purely academic in nature.</p> <p>This valuation certificate is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout this certificate which are made in conjunction with those included within the Limitations, Disclaimers & Qualifications section located within the certificate. Reliance on this valuation and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.</p>	Description	Market Value	Land (Bare Site) & Site Improvements	RM600,000	Depreciated Buildings & Structures	RM1,800,000	Total:	RM2,400,000		(Ringgit Malaysia: Two Million And Four Hundred Thousand Only)
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Assumptions, Disclaimers, Limitations & Qualifications											
Prepared by	<p>For and on behalf of SAVILLS (MALAYSIA) SDN BHD</p> <p><i>[Signature]</i></p> <p>DATUK SR PAUL KHONG MRICS FRISM APEPS Chartered Surveyor Registered Valuer (V-528) Managing Director</p> <p>Date: 10 December 2020</p>										

APPENDIX 5

VALUATION CERTIFICATES



Limitations, Disclaimers & Qualifications

Valuation:

Real estate values vary from time to time in response to changing market circumstances and it should, therefore, be noted that this valuation is based on available information as at the date of valuation. No warranty can be given as to the maintenance of this value into the future. It is, therefore, recommended that the valuation be reviewed periodically. Savills does not assume any responsibility or accept any liability, nor should reliance be placed upon the valuation, or anything contained within the valuation certificate where this valuation certificate is relied upon after the expiration of 3 months from the date of valuation, or such earlier date if you or someone acting on your behalf with Savills' prior written agreement become aware or are aware of any factors that have any effect on the valuation.

Assumptions:

Assumptions are a necessary part of undertaking valuations/the valuation. Savills adopts assumptions for the purpose of providing its valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. The person or entity to whom the certificate is addressed acknowledges and accepts that the valuation contains certain specific assumptions and as such the person or entity to whom this certificate is addressed acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation.

Investigations:

The valuation is conducted on the basis that we are not engaged to carry out all possible investigations in relation to the subject property. Where in our certificate we identify certain limitations to our investigations, this is to enable you to instruct further investigations if you consider this appropriate or we recommend as necessary to allow us to complete the valuation. Savills is not liable for any loss occasioned by a decision not to conduct further investigations.

Information Supplied By Others:

The valuation contains information which is derived from other sources. Unless otherwise specifically instructed by you and/or stated in the valuation, we have not independently verified that information, nor adopted it as our own, or accepted its reliability. The person or entity to whom the certificate is addressed acknowledges and accepts the risk that if any of the unverified information/advice provided by others and referred to in the valuation is incorrect, then this may have an effect on the valuation.

Site Details:

A current survey has not been provided. The valuation is made on the basis that there are no encroachments by or upon the subject property and the person or entity relying upon the valuation should confirm this by obtaining a current survey report and/or advice from a registered surveyor. If any encroachments are noted by the survey report, that person or entity must not rely upon the valuation, before first consulting Savills to reassess any effect on the value stated in the valuation.

Future Matters:

To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to Savills at the date of this document. Savills does not warrant that such statements are accurate or correct.

Property Title:

We have conducted a brief title search only. We have not perused the original title documentation. We have assumed that there are no further easements or encumbrances not disclosed by this brief title search which may affect market value. However, in the event that a comprehensive title search is undertaken by the person or entity relying upon the valuation, which reveals further easements or encumbrances, that person or entity must not rely upon the valuation, before first consulting Savills to reassess any effect on the valuation.

Town Planning:

Where practicable we have conducted a brief check with the local authorities to ascertain whether the existing structures have received all relevant planning and building approvals. In the event that we have ascertained that there are structures on site that have not been so approved we will report this and any impact on value will be taken into account in our valuation. In all other cases we have assumed that all structures on site are legally approved. However we do not warrant the accuracy of such checks and or assumptions and in the event of doubt the person or entity relying upon this valuation must commission further investigation. Any information which comes to light as a result of this further investigation should be referred to Savills for consideration and possible review of the valuation. No reliance should then be placed upon the valuation until such time as that review has been completed and provided to the person or entity to whom responsibility is accepted for this advice. It is assumed that information provided to us by the relevant Local Authority Town Planning Department is accurate. In the event that a Town Planning Certificate or any other relevant Planning Certificate or document is obtained and the information therein is later found to be materially different to the town planning information detailed within the valuation, we reserve the right to amend the valuation.

Environmental Conditions:

In the absence of an environmental site assessment relating to the subject property, we have assumed that the site is free of elevated levels of contaminants. Our visual inspections of the subject property and immediately surrounding properties revealed no obvious signs of site contamination. Furthermore, we have made no allowance in our valuation for site remediation works. However, it is important to point out that our visual inspection is an inconclusive indicator of the actual condition of the site. We make no representation as to the actual environmental status of the subject property. If a test is undertaken at some time in the future to assess the degree, if any, of contamination of the site and this is found to be positive, we reserve the right to review our valuation assessed herein, should we deem it to be necessary.

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APPENDIX 5 VALUATION CERTIFICATES



Inclusions & Exclusions:

Where applicable, our valuation includes those items that form (or will form) part of the building service installations such as heating and cooling equipment, lifts, sprinklers, lighting, etc., that would normally pass with the sale of the property, but excludes all items of plant, machinery, equipment, partitions, furniture and other such items which may have been installed (by the occupant) or are used in connection with the business(es) carried on within the subject property.

Floor Areas:

Unless stated otherwise in the valuation, we have assumed that the floor areas have been calculated in accordance with The Royal Institution of Surveyors (RISM) Malaysia "Uniform Method of Measurement of Building" of Lettable Areas or as specifically instructed by the party who we have agreed to provide this valuation. We recommend that the person or entity relying upon this certificate should obtain a survey to determine whether the areas provided differ from ISM guidelines. In the event that the survey reveals a variance in areas, then the relevant person or entity should not rely upon the valuation and should provide all relevant survey details to Savills for consideration and possible review of the valuation.

Condition & Repair:

We have inspected the building(s), however we have not carried out a structural survey nor tested any of the services or facilities and are therefore unable to state that the building is free from defect. We advise that we have not inspected unexposed or inaccessible portions of the building and are therefore unable to state that these are free from rot, infestation, asbestos or other hazardous and/or contaminated material. Unless otherwise stated in the valuation certificate, our valuation is based upon the assumption that the building(s) do not have any defects requiring any significant expenditure. Also unless otherwise stated in the valuation certificate, the valuation assumes that the building complies with all relevant statutory requirements in respect of matters such as health, building and fire safety regulations. If the person or entity relying on the certificate becomes aware of any information contrary to these assumptions, then they must not rely upon the valuation and that information should be referred to Savills for consideration and possible review of the valuation, and no reliance should be placed on this valuation until such time as that review has been completed and provided to the person or entity to whom responsibility is accepted for this advice.

Valuation Methodology:

Where Savills is valuing income dependent property, the primary valuation methodologies generally used are the Investment and/or Discounted Cash Flow Methods with a check by the Comparison and Cost Methods. These approaches are based upon an estimation of future results. Each methodology begins with a set of assumptions as to the projected income and expenses of the subject property and future economic conditions in its local market. The income and expense figures are mathematically extended with adjustments for estimated changes in economic conditions and lease terms. The result is the best estimate of value Savills can produce, but it is an estimate and not a guarantee and it is fully dependent upon the accuracy of the assumptions as to income, expense and market conditions. These primary valuation methodologies use market derived assumptions, including rents, yields and discount rates, obtained from analysed transactions. Where reliance has been placed upon external sources of information in applying the valuation methodologies, unless otherwise specifically instructed by you and/or stated in the valuation, Savills has not independently verified that information and Savills does not adopt that information and/or advice nor accept it as reliable. The person or entity to whom the certificate is addressed acknowledges and accepts the risk that if any of the unverified information in the valuation is incorrect, then this may have an effect on the valuation.

Side/Tenancy Agreement:

Our valuation assumes that there are no side agreements that would have an adverse effect on the market value of the property. Where the subject property(s) are subject to tenancies, this certificate does not contain detailed studies of such tenancies to verify that tenants are in compliance with relevant building codes/by laws and terms of tenancy agreements, if any. As such, we can offer no warranties in this respect. If there is any doubt, we recommend legal and architectural investigations where relevant.

Not a Structural Survey:

We state that this is a valuation certificate, and not a Structural Survey.

Liability & Confidentiality:

Our responsibility in connection with this certificate is limited to the client to whom the certificate is addressed, and the express purposes of that client, and to that client and that purpose only. We disclaim all responsibility and will accept no liability to any other party. The limit of our liability to our client shall be the total fee compensation received by us under this quotation/case, for any and all injuries, damages, claims, losses, expenses or claim expenses arising out of this quotation/case from any cause or causes. This provision is standard with engagements of this nature and is not provided to waive our professional responsibility but as a mechanism to appropriately reflect the risk and benefits of the parties to the engagement. Where the Instructing Party and the Reliant Party are different, the Instructing Party should obtain evidence of the acceptance by the Reliant Party of the limit since the Reliant Party is not a party to this quotation/case. Where the Instructing Party and the Reliant Party are the same, there is no need to obtain such consent since the Instructing Party is a party to this quotation/case.

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APPENDIX 5 VALUATION CERTIFICATES



VALUATION CERTIFICATE

Subject Property	A 3.526-acre parcel of industrial land presently built-upon with the industrial premises of Sunningdale Tech (Penang) Sdn Bhd located along Lingkaran Cassia Selatan within Batu Kawan Industrial Park, Bandar Cassia, Pulau Pinang.
Address	No. 748, Lingkaran Cassia Selatan Taman Perindustrian Batu Kawan 14110 Bandar Cassia Pulau Pinang
Valuation Prepared For	Sunningdale Tech Ltd.
Purpose of Valuation	For the proposed acquisition of Sunningdale Tech Ltd. by way of a scheme of arrangement.
Interest Valued	60-year leasehold interest expiring on 26 February 2078 (Unexpired term of approximately 57 years)
Legal Description	HSD 50689/PT 5973, Mukim 13, District of Seberang Perai Selatan, Pulau Pinang
Registered Owner	SUNNINGDALE TECH PENANG SDN. BHD.
Category of Land Use	Perusahaan/Perindustrian (<i>Translation: Industrial</i>)
Express Condition	i) Tanah yang diberimilik ini hendaklah digunakan untuk tujuan perindustrian sahaja. (<i>Translation: This alienated land is designated for industrial purpose only.</i>) ii) Pemilik pertama selepas Perbadanan Pembangunan Pulau Pinang hendaklah dalam tempoh masa 2 tahun dari tarikh Pindah Milik didaftarkan atau dalam jangka masa yang diluluskan oleh Pihak Berkuasa Negeri, mendirikan bangunan kilang atau bangunan kilang-kilang di atas tanah yang diberimilik ini mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan. (<i>Translation: The first owner after Penang Development Corporation is required to complete the factory building or industrial premises on the alienated land in accordance to the plan approved by the Local Authority within 2 years from the date of ownership transfer or within the time frame approved by the State Authority.</i>)
Restriction-in-interest	Tanah yang diberi milik ini tidak boleh dipindah milik, cagar, pajak atau pajakan kecil, tenansi disewakan atau dengan apa-apa urusan sekalipun diuruskan tanpa kebenaran bertulis daripada Pihak Berkuasa Negeri. (<i>Translation: This alienated land shall not be transferred, charged, leased or sub-leased, tenanted or be subjected to any dealings without prior written consent from the State Authority.</i>)
Existing Use	Industrial premises
Location	The Subject Property is an intermediate lot fronting onto the northern side of Lingkaran Cassia Selatan, within Batu Kawan Industrial Park, Pulau Pinang. Geographically, it lies approximately 30 kilometres south-west from the Butterworth Ferry Terminal.
Accessibility	The Subject Property is accessible from Butterworth Ferry Terminal via Butterworth Outer Ring Road (BORR), Jalan Baru leading to North-South Expressway, Lebuhraya Bandar Cassia and finally onto Lingkaran Cassia Selatan.
The Site	The site is regular in shape and generally flat in terrain. It lies slightly above its frontage road i.e. Lingkaran Cassia Selatan.
Provisional Land Area	1.4268 hectares (approx. 3.526 acres or 153,579 square feet)
Brief Description	The Subject Property comprises a 1½-storey factory with an annexed 2-storey office and various supporting structures. The structure has been approved vide building plans bearing reference nos. Bil.1 (A-G) MPSP/40/30-73/155 & Bil.18 (A-H) MPSP/40/30-73/155 dated 2 June 2017 & 4 October 2017 and subsequently issued with a Certificate of Completion and Compliance (CCC) dated 6 April 2018.
Gross Floor Area	Approximately 115,500 square feet (excluding other supporting structures).
Market Value Definition	Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion.
Basis of Valuation	Market Value of the 57-year unexpired leasehold interest in the Subject Property i.e. a 3.526-acre parcel of industrial land presently built-upon with the industrial premises of Sunningdale Tech (Penang) Sdn Bhd located within Batu Kawan Industrial Park [held under HSD 50689/PT 5973, Mukim 13, District of Seberang Perai Selatan, Pulau Pinang] in its existing condition with vacant possession and to its title being free from encumbrances and registrable.
Valuation Approach	Cost Approach
Last Sale	None within the last 3 years

APPENDIX 5 VALUATION CERTIFICATES



VALUATION CERTIFICATE

Date of Inspection	11 November 2020										
Date of Valuation	30 September 2020										
Market Movement	<p>COVID-19 Pandemic:</p> <p>The COVID-19 pandemic is happening in Malaysia and the 1st Movement Control Order (MCO) has been enforced from 18 March 2020. We are now in the Recovery MCO stage which is expected to end on 31 December 2020. However the Conditional MCO is reinstated due to spike in daily cases for most of the states till 6 December 2020. We foresee more local businesses and the markets being impacted. This pandemic outbreak is becoming a worldwide problem and the impact is expected to be substantial. It is still an ongoing event as there is no proven vaccine available.</p> <p>With BNM latest 6-month moratorium deferment package (ended 30 September 2020), this has helped shore up the markets including the property sector steadier and help reduce any sudden surges in property auctions. This is a temporary measure to assist individuals and Small and Medium Enterprises businesses but does not solve all current problems. In Malaysia, it is unprecedented times where our local politics, the crude oil shock and COVID-19 are all rolling in together.</p>										
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Prepared by	<p>For and on behalf of SAVILLS (MALAYSIA) SDN BHD</p> <div style="text-align: center;"> </div> <p>DATUK SR. PAUL KHONG MRICS FRISM APERS Chartered Surveyor Registered Valuer (V-528) Managing Director</p> <p>Date: 10 December 2020</p>										

APPENDIX 5

VALUATION CERTIFICATES



Limitations, Disclaimers & Qualifications

Valuation:

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Information Supplied By Others:

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Site Details:

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Future Matters:

To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to Savills at the date of this document. Savills does not warrant that such statements are accurate or correct.

Property Title:

We have conducted a brief title search only. We have not perused the original title documentation. We have assumed that there are no further easements or encumbrances not disclosed by this brief title search which may affect market value. However, in the event that a comprehensive title search is undertaken by the person or entity relying upon the valuation, which reveals further easements or encumbrances, that person or entity must not rely upon the valuation, before first consulting Savills to reassess any effect on the valuation.

Town Planning:

Where practicable we have conducted a brief check with the local authorities to ascertain whether the existing structures have received all relevant planning and building approvals. In the event that we have ascertained that there are structures on site that have not been so approved we will report this and any impact on value will be taken into account in our valuation. In all other cases we have assumed that all structures on site are legally approved. However we do not warrant the accuracy of such checks and our assumptions and in the event of doubt the person or entity relying upon this valuation must commission further investigation. Any information which comes to light as a result of this further investigation should be referred to Savills for consideration and possible review of the valuation. No reliance should then be placed upon the valuation until such time as that review has been completed and provided to the person or entity to whom responsibility is accepted for this advice. It is assumed that information provided to us by the relevant Local Authority Town Planning Department is accurate. In the event that a Town Planning Certificate or any other relevant Planning Certificate or document is obtained and the information therein is later found to be materially different to the town planning information detailed within the valuation, we reserve the right to amend the valuation.

Environmental Conditions:

In the absence of an environmental site assessment relating to the subject property, we have assumed that the site is free of elevated levels of contaminants. Our visual inspections of the subject property and immediately surrounding properties revealed no obvious signs of site contamination. Furthermore, we have made no allowance in our valuation for site remediation works. However, it is important to point out that our visual inspection is an inconclusive indicator of the actual condition of the site. We make no representation as to the actual environmental status of the subject property. If a test is undertaken at some time in the future to assess the degree, if any, of contamination of the site and this is found to be positive, we reserve the right to review our valuation assessed herein, should we deem it to be necessary.

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APPENDIX 5 VALUATION CERTIFICATES



Inclusions & Exclusions:

Where applicable, our valuation includes those items that form (or will form) part of the building service installations such as heating and cooling equipment, lifts, sprinklers, lighting, etc., that would normally pass with the sale of the property, but excludes all items of plant, machinery, equipment, partitions, furniture and other such items which may have been installed (by the occupant) or are used in connection with the business(es) carried on within the subject property.

Floor Areas:

Unless stated otherwise in the valuation, we have assumed that the floor areas have been calculated in accordance with The Royal Institution of Surveyors (RISM) Malaysia "Uniform Method of Measurement of Building" of Lettable Areas or as specifically instructed by the party who we have agreed to provide this valuation. We recommend that the person or entity relying upon this certificate should obtain a survey to determine whether the areas provided differ from ISM guidelines. In the event that the survey reveals a variance in areas, then the relevant person or entity should not rely upon the valuation and should provide all relevant survey details to Savills for consideration and possible review of the valuation.

Condition & Repair:

We have inspected the building(s), however we have not carried out a structural survey nor tested any of the services or facilities and are therefore unable to state that the building is free from defect. We advise that we have not inspected unexposed or inaccessible portions of the building and are therefore unable to state that these are free from rot, infestation, asbestos or other hazardous and/or contaminated material. Unless otherwise stated in the valuation certificate, our valuation is based upon the assumption that the building(s) do not have any defects requiring any significant expenditure. Also unless otherwise stated in the valuation certificate, the valuation assumes that the building complies with all relevant statutory requirements in respect of matters such as health, building and fire safety regulations. If the person or entity relying on the certificate becomes aware of any information contrary to these assumptions, then they must not rely upon the valuation and that information should be referred to Savills for consideration and possible review of the valuation, and no reliance should be placed on this valuation until such time as that review has been completed and provided to the person or entity to whom responsibility is accepted for this advice.

Valuation Methodology:

Where Savills is valuing income dependent property, the primary valuation methodologies generally used are the Investment and/or Discounted Cash Flow Methods with a check by the Comparison and Cost Methods. These approaches are based upon an estimation of future results. Each methodology begins with a set of assumptions as to the projected income and expenses of the subject property and future economic conditions in its local market. The income and expense figures are mathematically extended with adjustments for estimated changes in economic conditions and lease terms. The result is the best estimate of value Savills can produce, but it is an estimate and not a guarantee and it is fully dependent upon the accuracy of the assumptions as to income, expense and market conditions. These primary valuation methodologies use market derived assumptions, including rents, yields and discount rates, obtained from analysed transactions. Where reliance has been placed upon external sources of information in applying the valuation methodologies, unless otherwise specifically instructed by you and/or stated in the valuation, Savills has not independently verified that information and Savills does not adopt that information and/or advice nor accept it as reliable. The person or entity to whom the certificate is addressed acknowledges and accepts the risk that if any of the unverified information in the valuation is incorrect, then this may have an effect on the valuation.

Side/Tenancy Agreement:

Our valuation assumes that there are no side agreements that would have an adverse effect on the market value of the property. Where the subject property(s) are subject to tenancies, this certificate does not contain detailed studies of such tenancies to verify that tenants are in compliance with relevant building codes/by laws and terms of tenancy agreements, if any. As such, we can offer no warranties in this respect. If there is any doubt, we recommend legal and architectural investigations where relevant.

Not a Structural Survey:

We state that this is a valuation certificate, and not a Structural Survey.

Liability & Confidentiality:

Our responsibility in connection with this certificate is limited to the client to whom the certificate is addressed, and the express purposes of that client, and to that client and that purpose only. We disclaim all responsibility and will accept no liability to any other party. The limit of our liability to our client shall be the total fee compensation received by us under this quotation/case, for any and all injuries, damages, claims, losses, expenses or claim expenses arising out of this quotation/case from any cause or causes. This provision is standard with engagements of this nature and is not provided to waive our professional responsibility but as a mechanism to appropriately reflect the risk and benefits of the parties to the engagement. Where the Instructing Party and the Reliant Party are different, the Instructing Party should obtain evidence of the acceptance by the Reliant Party of the limit since the Reliant Party is not a party to this quotation/case. Where the Instructing Party and the Reliant Party are the same, there is no need to obtain such consent since the Instructing Party is a party to this quotation/case.

APPENDIX 5 VALUATION CERTIFICATES



VALUATION CERTIFICATE

Subject Property	A 2.17-acre parcel of industrial land presently built-upon with the industrial premises of SDP Manufacturing Sdn. Bhd. located along Jalan Indah Gemilang 2, Taman Perindustrian Gemilang, Ulu Tiram, Johor Darul Takzim.
Address	No. 3, Jalan Indah Gemilang 2 Taman Perindustrian Gemilang 81800 Ulu Tiram Johor Darul Takzim
Valuation Prepared For	Sunningdale Tech Ltd.
Purpose of Valuation	For the proposed acquisition of Sunningdale Tech Ltd. by way of a scheme of arrangement.
Interest Valued	Freehold interest
Legal Description	HSD 363188/PTD 176446, Mukim Plentong, District of Johor Bahru, Johor Darul Takzim.
Registered Owner	SDP MANUFACTURING SDN. BHD.
Category of Land Use	Perusahaan / Perindustrian (<i>Translation: Industrial</i>)
Express Condition	<p>i) Tanah ini hendaklah digunakan untuk kilang bagi tujuan Perusahaan Sederhana dan kegunaan lain yang berkaitan dengannya, dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan. (<i>Translation: This land shall be used for factories for Medium Industrial purposes and other related uses, constructed in accordance with the plan approved by the relevant Local Authority.</i>)</p> <p>ii) Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan/dibuang ke tempat-tempat yang telah ditentukan oleh Pihak Berkuasa Berkenaan. (<i>Translation: All impurities and contamination arising from this activity shall be channeled / removed to specific areas as determined by the Relevant Authority.</i>)</p> <p>iii) Segala dasar dan syarat yang telah ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkuasa Berkenaan hendaklah dipatuhi. (<i>Translation: All policies and conditions stipulated and enforced from time to time by the Relevant Authority shall be complied with.</i>)</p>
Restriction-in-interest	Nil
Existing Use	Industrial premises
Location	The Subject Property is an intermediate lot with fronts onto the eastern side of Jalan Indah Gemilang 2, within Taman Perindustrian Gemilang, Ulu Tiram. Geographically, it lies approximately 18 kilometres to the north-east of City Centre of Johor Bahru.
Accessibility	The Subject Property is easily accessible from the City Centre of Johor Bahru via Tebrau Highway, Jalan Pandan, Jalan Kota Tinggi, Jalan Cemerlang, Jalan Persiaran Cemerlang, Jalan Indah Gemilang, Jalan Indah Gemilang 1 and finally onto Jalan Indah Gemilang 2.
The Site	The site is rectangular in shape and generally flat in terrain. It lies about its frontage road i.e. Jalan Indah Gemilang 2.
Provisional Land Area	8,779.8479 square metres (approx. 94,505 square feet or 2.17 acres)
Brief Description	<p>The Subject Property comprises the following structures:-</p> <ol style="list-style-type: none"> 1. Structure A: A single storey detached factory with an annexed 2-storey office 2. Structure B: A single storey factory 3. Various other supporting structures <p>For the present exercise, we have only been provided with the following:-</p> <ul style="list-style-type: none"> ▪ Structure A: A Certificate of Completion and Compliance (CCC) for "Sebuah Kilang" (<i>Translation: a factory</i>) dated 30 December 2010; & ▪ Structure B: Approved Building Plans bearing reference no. MPJBT(JB)BS1/3/2015 dated 10 February 2015. <p>We have been informed by the Client that there are no Certificate of Completion and Compliance (CCC) in respect of Structure B being issued. Hence, we have made adjustments to capture the possible risks plus the additional fees/costs needed for rectification works (if any) that may arise when the Client submit to obtain the Certificate of Completion and Compliance (CCC).</p> <p>We also noted that there are various cranes installed within the structures which we have excluded for the present valuation exercise.</p>

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Gross Floor Area	Approximately 57,400 square feet (excluding other supporting structures).
Market Value Definition	Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion.
Basis of Valuation	<p>Market Value of the freehold interest in the Subject Property i.e. a 2.17-acre parcel of industrial land presently built-upon with the industrial premises of SDP Manufacturing Sdn. Bhd. located along Jalan Indah Gemilang 2 within Taman Perindustrian Gemilang, Ulu Tiram [held under HSD 363188/PTD 176446, Mukim Plentong, District of Johor Bahru, Johor Darul Takzim] in its existing condition on the <u>BASIS</u> that:-</p> <ul style="list-style-type: none"> ▪ ALL THE STRUCTURES ON SITE ARE APPROVED <p>with vacant possession and subject to its title being free from encumbrances and registrable.</p>
Valuation Approach	Cost Approach
Last Sale	None within the last 3 years
Date of Inspection	11 November 2020
Date of Valuation	30 September 2020
Market Movement	<p>COVID-19 Pandemic:</p> <p>The COVID-19 pandemic is happening in Malaysia and the 1st Movement Control Order (MCO) has been enforced from 18 March 2020. We are now in the Recovery MCO stage which is expected to end on 31 December 2020. However the Conditional MCO is reinstated due to spike in daily cases for most of the states till 6 December 2020. We foresee more local businesses and the markets being impacted. This pandemic outbreak is becoming a worldwide problem and the impact is expected to be substantial. It is still an ongoing event as there is no proven vaccine available.</p> <p>With BNM latest 6-month moratorium deferment package (ended 30 September 2020), this has helped shore up the markets including the property sector steadier and help reduce any sudden surges in property auctions. This is a temporary measure to assist individuals and Small and Medium Enterprises businesses but does not solve all current problems. In Malaysia, it is unprecedented times where our local politics, the crude oil shock and COVID-19 are all rolling in together.</p>

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Market Value	<p>Market Value of the freehold interest in the Subject Property i.e. a 2.17-acre parcel of industrial land presently built-upon with the industrial premises of SDP Manufacturing Sdn. Bhd. located along Jalan Indah Gemilang 2 within Taman Perindustrian Gemilang, Ulu Tiram [held under HSD 363188/PTD 176446, Mukim Plentong, District of Johor Bahru, Johor Darul Takzim] in its existing condition on the Basis that:-</p> <ul style="list-style-type: none"> ▪ ALL THE STRUCTURES ON SITE ARE APPROVED <p>with vacant possession and subject to its title being free from encumbrances and registrable is as follows:-</p> <table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Description</th> <th style="text-align: right;">Market Value</th> </tr> </thead> <tbody> <tr> <td>Land (Bare Site) & Site Improvements</td> <td style="text-align: right;">RM7,800,000</td> </tr> <tr> <td>Depreciated Buildings & Structures</td> <td style="text-align: right;">RM5,800,000</td> </tr> <tr> <td style="text-align: right;">Total:</td> <td style="text-align: right;">RM13,600,000</td> </tr> </tbody> </table> <p style="text-align: center;">(Ringgit Malaysia: Thirteen Million And Six Hundred Thousand Only)</p> <p>Note:- Please note that the above are legally a single asset and any such analysis of value is purely academic in nature.</p> <ul style="list-style-type: none"> • For the present exercise, we have also been specifically instructed by the Client to include Structure B in our valuation as an approved structure within the Subject Property. 	Description	Market Value	Land (Bare Site) & Site Improvements	RM7,800,000	Depreciated Buildings & Structures	RM5,800,000	Total:	RM13,600,000
Description	Market Value								
Land (Bare Site) & Site Improvements	RM7,800,000								
Depreciated Buildings & Structures	RM5,800,000								
Total:	RM13,600,000								
Assumptions, Disclaimers, Limitations & Qualifications	<p>This valuation certificate is provided subject to the assumptions, qualifications, limitations and disclaimers detailed throughout this certificate which are made in conjunction with those included within the Limitations, Disclaimers & Qualifications section located within the certificate. Reliance on this valuation and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the property.</p>								
Prepared by	<p>For and on behalf of SAVILLS (MALAYSIA) SDN BHD</p> <p></p> <p>DATUK SR. PAUL KHONG MRICS FRISM APERS Chartered Surveyor Registered Valuer (V-528) Managing Director</p> <p style="text-align: center;"></p> <p>Date: 10 December 2020</p>								

APPENDIX 5

VALUATION CERTIFICATES



Limitations, Disclaimers & Qualifications

Valuation:

Real estate values vary from time to time in response to changing market circumstances and it should, therefore, be noted that this valuation is based on available information as at the date of valuation. No warranty can be given as to the maintenance of this value into the future. It is, therefore, recommended that the valuation be reviewed periodically. Savills does not assume any responsibility or accept any liability, nor should reliance be placed upon the valuation, or anything contained within the valuation certificate where this valuation certificate is relied upon after the expiration of 3 months from the date of valuation, or such earlier date if you or someone acting on your behalf with Savills' prior written agreement become aware or are aware of any factors that have any effect on the valuation.

Assumptions:

Assumptions are a necessary part of undertaking valuations/the valuation. Savills adopts assumptions for the purpose of providing its valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. The person or entity to whom the certificate is addressed acknowledges and accepts that the valuation contains certain specific assumptions and as such the person or entity to whom this certificate is addressed acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation.

Investigations:

The valuation is conducted on the basis that we are not engaged to carry out all possible investigations in relation to the subject property. Where in our certificate we identify certain limitations to our investigations, this is to enable you to instruct further investigations if you consider this appropriate or we recommend as necessary to allow us to complete the valuation. Savills is not liable for any loss occasioned by a decision not to conduct further investigations.

Information Supplied By Others:

The valuation contains information which is derived from other sources. Unless otherwise specifically instructed by you and/or stated in the valuation, we have not independently verified that information, nor adopted it as our own, or accepted its reliability. The person or entity to whom the certificate is addressed acknowledges and accepts the risk that if any of the unverified information/advice provided by others and referred to in the valuation is incorrect, then this may have an effect on the valuation.

Site Details:

A current survey has not been provided. The valuation is made on the basis that there are no encroachments by or upon the subject property and the person or entity relying upon the valuation should confirm this by obtaining a current survey report and/or advice from a registered surveyor. If any encroachments are noted by the survey report, that person or entity must not rely upon the valuation, before first consulting Savills to reassess any effect on the value stated in the valuation.

Future Matters:

To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to Savills at the date of this document. Savills does not warrant that such statements are accurate or correct.

Property Title:

We have conducted a brief title search only. We have not perused the original title documentation. We have assumed that there are no further easements or encumbrances not disclosed by this brief title search which may affect market value. However, in the event that a comprehensive title search is undertaken by the person or entity relying upon the valuation, which reveals further easements or encumbrances, that person or entity must not rely upon the valuation, before first consulting Savills to reassess any effect on the valuation.

Town Planning:

Where practicable we have conducted a brief check with the local authorities to ascertain whether the existing structures have received all relevant planning and building approvals. In the event that we have ascertained that there are structures on site that have not been so approved we will report this and any impact on value will be taken into account in our valuation. In all other cases we have assumed that all structures on site are legally approved. However we do not warrant the accuracy of such checks and or assumptions and in the event of doubt the person or entity relying upon this valuation must commission further investigation. Any information which comes to light as a result of this further investigation should be referred to Savills for consideration and possible review of the valuation. No reliance should then be placed upon the valuation until such time as that review has been completed and provided to the person or entity to whom responsibility is accepted for this advice. It is assumed that information provided to us by the relevant Local Authority Town Planning Department is accurate. In the event that a Town Planning Certificate or any other relevant Planning Certificate or document is obtained and the information therein is later found to be materially different to the town planning information detailed within the valuation, we reserve the right to amend the valuation.

Environmental Conditions:

In the absence of an environmental site assessment relating to the subject property, we have assumed that the site is free of elevated levels of contaminants. Our visual inspections of the subject property and immediately surrounding properties revealed no obvious signs of site contamination. Furthermore, we have made no allowance in our valuation for site remediation works. However, it is important to point out that our visual inspection is an inconclusive indicator of the actual condition of the site. We make no representation as to the actual environmental status of the subject property. If a test is undertaken at some time in the future to assess the degree, if any, of contamination of the site and this is found to be positive, we reserve the right to review our valuation assessed herein, should we deem it to be necessary.

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Inclusions & Exclusions:

Where applicable, our valuation includes those items that form (or will form) part of the building service installations such as heating and cooling equipment, lifts, sprinklers, lighting, etc., that would normally pass with the sale of the property, but excludes all items of plant, machinery, equipment, partitions, furniture and other such items which may have been installed (by the occupant) or are used in connection with the business(es) carried on within the subject property.

Floor Areas:

Unless stated otherwise in the valuation, we have assumed that the floor areas have been calculated in accordance with The Royal Institution of Surveyors (RISM) Malaysia "Uniform Method of Measurement of Building" of Lettable Areas or as specifically instructed by the party who we have agreed to provide this valuation. We recommend that the person or entity relying upon this certificate should obtain a survey to determine whether the areas provided differ from ISM guidelines. In the event that the survey reveals a variance in areas, then the relevant person or entity should not rely upon the valuation and should provide all relevant survey details to Savills for consideration and possible review of the valuation.

Condition & Repair:

We have inspected the building(s), however we have not carried out a structural survey nor tested any of the services or facilities and are therefore unable to state that the building is free from defect. We advise that we have not inspected unexposed or inaccessible portions of the building and are therefore unable to state that these are free from rot, infestation, asbestos or other hazardous and/or contaminated material. Unless otherwise stated in the valuation certificate, our valuation is based upon the assumption that the building(s) do not have any defects requiring any significant expenditure. Also unless otherwise stated in the valuation certificate, the valuation assumes that the building complies with all relevant statutory requirements in respect of matters such as health, building and fire safety regulations. If the person or entity relying on the certificate becomes aware of any information contrary to these assumptions, then they must not rely upon the valuation and that information should be referred to Savills for consideration and possible review of the valuation, and no reliance should be placed on this valuation until such time as that review has been completed and provided to the person or entity to whom responsibility is accepted for this advice.

Valuation Methodology:

Where Savills is valuing income dependent property, the primary valuation methodologies generally used are the Investment and/or Discounted Cash Flow Methods with a check by the Comparison and Cost Methods. These approaches are based upon an estimation of future results. Each methodology begins with a set of assumptions as to the projected income and expenses of the subject property and future economic conditions in its local market. The income and expense figures are mathematically extended with adjustments for estimated changes in economic conditions and lease terms. The result is the best estimate of value Savills can produce, but it is an estimate and not a guarantee and it is fully dependent upon the accuracy of the assumptions as to income, expense and market conditions. These primary valuation methodologies use market derived assumptions, including rents, yields and discount rates, obtained from analysed transactions. Where reliance has been placed upon external sources of information in applying the valuation methodologies, unless otherwise specifically instructed by you and/or stated in the valuation, Savills has not independently verified that information and Savills does not adopt that information and/or advice nor accept it as reliable. The person or entity to whom the certificate is addressed acknowledges and accepts the risk that if any of the unverified information in the valuation is incorrect, then this may have an effect on the valuation.

Side/Tenancy Agreement:

Our valuation assumes that there are no side agreements that would have an adverse effect on the market value of the property. Where the subject property(s) are subject to tenancies, this certificate does not contain detailed studies of such tenancies to verify that tenants are in compliance with relevant building codes/by laws and terms of tenancy agreements, if any. As such, we can offer no warranties in this respect. If there is any doubt, we recommend legal and architectural investigations where relevant.

Not a Structural Survey:

We state that this is a valuation certificate, and not a Structural Survey.

Liability & Confidentiality:


Our responsibility in connection with this certificate is limited to the client to whom the certificate is addressed, and the express purposes of that client, and to that client and that purpose only. We disclaim all responsibility and will accept no liability to any other party. The limit of our liability to our client shall be the total fee compensation received by us under this quotation/case, for any and all injuries, damages, claims, losses, expenses or claim expenses arising out of this quotation/case from any cause or causes. This provision is standard with engagements of this nature and is not provided to waive our professional responsibility but as a mechanism to appropriately reflect the risk and benefits of the parties to the engagement. Where the Instructing Party and the Reliant Party are different, the Instructing Party should obtain evidence of the acceptance by the Reliant Party of the limit since the Reliant Party is not a party to this quotation/case. Where the Instructing Party and the Reliant Party are the same, there is no need to obtain such consent since the Instructing Party is a party to this quotation/case.

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APPENDIX 5 VALUATION CERTIFICATES



VALUATION CERTIFICATE

Property Address	No. 14 Qianjin 2nd Road, Tanzhou Town, Zhongshan City, Guangdong Province, PRC
Valuation Prepared For	Sunningdale Tech Ltd.
Purpose of Valuation	The certificate has been prepared for the proposed acquisition of Sunningdale Tech Ltd. by way of a scheme of arrangement.
Tenure	Pursuant to the Real Estate Title Certificate - Yue (2018) Zhongshanshi Real Estate Di 0042878 issued by Zhongshan Land and Resource Bureau, the land use rights of the Property have been granted for a term commencing on 7 July 1998 and expire on 6 July 2048 for industrial uses.
Registered Lessee	Zhongshan Zhihe Electrical Equipment Co., Ltd.
Brief Description	The Property comprises a single storey (partially 3-storey) industrial building, a single storey workshop, a 4-storey office building and a 5-storey dormitory erected thereon which were completed in various stages in 2006. The Property is located at No. 14 of Qianjin 2nd Road in Tanzhou Town. The immediate locality is a suburb area with some low-rise buildings scattering along the main roads of the district. It takes approximately a 30-minutes' drive from the Property to Mingzhu Railway Station.
Site Area	49,695.20 sq.m.
Gross Floor Area	60,851.39 sq.m.
Tenancy Brief	As at the valuation date, the Property was occupied by Zhongshan Zhihe Electrical Equipment Co., Ltd. for production and other ancillary uses.
Permitted Use	Industrial uses
Basis of Valuation	Market Value subject to vacant possession. In the course of our valuation, we have assigned no commercial value to the buildings with a total gross floor area of approximately 1,200.00 sq.m. which were constructed without obtaining relevant construction permits and title documents.
Valuation Approaches	Direct Comparison Approach and Income Approach
Date of Inspection & Valuation	16 th November 2020
Date of Valuation	30 th September 2020
Capitalisation Rate	5.7%
Rate of Gross Floor Area	RMB 2,488 sq.m.
Recommended Market Value	RMB 151,400,000
Estimated Reinstatement Cost (For Fire Insurance Purpose)	RMB 109,000,000
Hypothetical apportionment of land value component	RMB 42,400,000
Assumptions, Disclaimers, Limitations & Qualifications	In valuing the property in the PRC, unless otherwise stated, we have assumed that transferable land use rights in respect of the property for its respective specific terms at nominal annual land use fees have been granted and that any land grant premium payable have already been fully paid. Unless otherwise stated, we have also assumed that the owner of the property has good legal title and has free and uninterrupted rights to occupy, use, transfer, lease or assign the property for the whole of the respective unexpired terms as granted. We have also assumed all land premium and costs of public utilities services have been fully paid and the design and construction of the Property is in compliance with the local planning regulations and have been approved by the relevant government authorities. No allowance has been made in our valuation for any charges, mortgages or amounts owing on any property or for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature which could affect the value.
Prepared by	James KM Woo  FRICS AICFC RICS Registered Valuer No.0837243
	Savills Real Estate Valuation (Guangzhou) Ltd. Beijing Branch

This valuation is exclusive of Goods and Services Tax.
To any party relying on this certificate we advise that this certificate must be read in conjunction with the full valuation certificate. This valuation certificate should not be relied upon in isolation any other purposes.

Savills Real Estate Valuation (Guangzhou) Ltd Beijing Branch
Room 2101, East Tower, Twin Towers, B-12 Jianguomenwai Avenue, Chaoyang, Beijing 100022, PRC
Our Ref: BJ/2020/VPS/20408C/JW/JW

APPENDIX 5

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LIMITING CONDITIONS

Our valuations are subject to the following limiting conditions unless otherwise stated in our valuation certificate.

Valuation Standards:	The valuation is carried out in accordance with the Valuation Standards and Practice Guidelines published by the Singapore Institute of Surveyors and Valuers, and/or International Valuation Standards and/or RICS Valuation Standards, subject to variations to comply with local laws, customs and practices.
Valuation Basis:	<p>The valuation is carried out on a basis appropriate to the specific purpose of valuation, in accordance with the relevant definitions, assumptions and qualifications outlined in the valuation certificate.</p> <p>The opinion expressed in the valuation certificate applies strictly in accordance with the terms and for the purpose expressed therein. The assessed values need not be applicable in relation to some other assessment.</p>
Currency of Valuation:	Values are reported in China currency unless otherwise stated.
Confidentiality:	Our valuation is confidential and strictly for the use of the addressee of the valuation certificate only and for the specific purpose(s) stated. Savills disclaim all responsibility and will accept no accountability, obligation or liability to any third parties.
Copyright:	Neither the whole nor any part of the valuation certificate or any reference to it may be included in any published document, statement, circular or be published in any way, nor in any communication with any third parties, without prior written approval from Savills, including the form and context in which it may appear.
Limitation of Liability:	<p>The liability of Savills and its employees is only limited to the party to whom the valuation certificate is addressed. No responsibility to any third parties for unauthorized use and reliance is accepted.</p> <p>Any liability arising from the valuers' negligence, breach of contract or otherwise in connection with this engagement shall be limited to the fees received by Savills under this engagement. Savills do not accept liability for any indirect or consequential losses (such as opportunity cost and loss of profits).</p>
Validity Period:	This valuation represents our opinion of value as at the date of valuation. The assessed value may change significantly and unexpectedly over a short period arising from general market movement, possible changes in market forces and circumstances in relation to the property. Savills disclaim all responsibility and accept no liability should the valuation certificate be relied upon after the expiration of 3 months from the date of valuation, or such earlier date if the addressee of the certificate becomes aware of any factors that may have an effect on the valuation and has not made known such information to Savills.
Titles:	We have obtained a copy of the excerpt of the property-related title document. However, we did not search the original file to verify ownership or determine if there are any revisions on the copy that was not provided to us. In the valuation process, we rely to a large extent on the information provided by the client for formal valuation with site inspection only, unless otherwise stated. We are not obliged to inspect and/or read the original title or lease documents, unless they are made available by the client. The valuation shall therefore assume, unless informed to the contrary, that there are no further restrictive covenants, easements or encumbrances not disclosed by this brief title search which may have an effect on the market value. We assume the title of the property is good and marketable and free from all encumbrances, restrictions and other legal impediments.
Planning Information:	Information relating to town planning is obtained from the current Master Plan which is assumed to be accurate. We do not normally carry out legal requisitions on road, MRT, LRT, drainage and other government proposals, unless specifically requested and Savills is properly reimbursed. In the event that legal requisitions are conducted by our clients which reveal that the information is materially different from the town planning information outlined in the valuation certificate and/or property is affected by public scheme (s), this certificate should then be referred back to Savills for review on possible amendment.
Other Statutory Regulations:	In the course of our valuation, we have relied to a considerable extent on information given by the client and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, particulars of occupancy, and all other relevant matters. We have no reason to doubt the truth and accuracy of the information provided to us by the client, which is material to our valuation. We have also advised by the client that no material facts have been omitted from the information supplied.
Site Condition:	We do not undertake site investigations to ascertain the suitability of the ground conditions and services for the existing or any new development, nor do we carry out any environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and where new development is proposed, no extraordinary expenses or delays will be incurred during the construction period. We have assumed that the load bearing capacity of the site is sufficient to support the building constructed or to be constructed thereon.
Condition of Property:	While due care is exercised in the course of inspection to note any building defects, no structural survey or testing of the services or facilities are carried out nor have we inspected the unexposed or inaccessible portions of the building. As such, we are unable to comment if the building is free from defect, rot, infestation, asbestos or other hazardous material. Our valuation assumes that the building would not have any defects requiring significant capital expenditure and complies with all relevant statutory requirements.
Source of Information:	Where it is stated in the valuation certificate that the information has been provided to the valuer by the sources listed, this information is presumed to be reliable. Savills takes no responsibility for inaccurate data supplied and subsequent conclusions related to such data. Where information is given without reference to another party in the certificate, it shall be taken that this information has been obtained or gathered through our best efforts and to our best knowledge. Processed data inferences therefrom shall be taken as the valuer's opinion and shall not be freely quoted without acknowledgement.
Floor Areas:	We have relied to a considerable extent on information given by the client and have accepted advice given to us on site and floor areas and all other relevant matters. Dimensions, measurements and areas included in the valuation certificate are based on information contained in the documents provided to us and are therefore only approximations. No on-site measurements have been taken. We have no reason to doubt the truth and accuracy of the information provided to us by the client, which is material to our valuation. We have also advised by the client that no material facts have been omitted from the information supplied.
Plans:	Plans included in the valuation certificate are for identification purposes only and should not be relied upon to define boundaries or treated as certified copies of areas or other particulars contained therein. All location plans are obtained from OneMap. While we have endeavoured to ensure the maps are updated, we do not vouch for the accuracy of the map and shall not be responsible if it is otherwise.
Tenant:	No enquiries on the financial standing of actual or prospective tenants have been made. Where property is valued with the benefit of lettings, it is assumed that the tenants are capable of meeting their obligations under the lease and there are no arrears of rent or undisclosed breaches of covenant.
Reinstatement Cost:	Our opinion of the reinstatement cost for fire insurance purpose is provided only for guidance and must not be relied upon as the basis for insurance cover. We advise that we are not quantity surveyors and our estimate of the construction cost is based upon published sources. We recommend that verification of the reinstatement cost be sought from a qualified quantity surveyor, if considered appropriate.
Attendance in Court:	Savills or its employees are not obliged to give testimony or to appear in court or any other tribunal or to any government agency with regards to this valuation certificate or with reference to the property in question unless prior arrangement has been made and Savills are properly reimbursed.

Savills Real Estate Valuation (Guangzhou) Ltd Beijing Branch
Room 2101, East Tower, Twin Towers, B-12 Jianguomenwai Avenue, Chaoyang, Beijing 100022, PRC
Our Ref: BJ/2020/VPS/20408C/JW/JW

APPENDIX 6 SCHEME CONDITIONS

All capitalised terms used and not defined in this Appendix shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection at the registered office of the Company during normal business hours from the date of this Scheme Document up to the Effective Date.

The Acquisition is conditional upon the satisfaction (or, where applicable, the waiver) of the following Scheme Conditions:

1. **Approval by Scheme Shareholders:** the approval of the Scheme by a majority in number representing three-fourths in value of the Scheme Shareholders present and voting at the Scheme Meeting pursuant to the requirements of Section 210(3AB) of the Companies Act;
2. **Court Order:** the grant of the Court Order sanctioning the Scheme and such Court Order having become final;
3. **Lodgement of Court Order with ACRA:** the lodgement of the Court Order in accordance with Section 210(5) of the Companies Act;
4. **Regulatory Approvals:** prior to the first application to the Court for the order to convene the Scheme Meeting, the following Regulatory Approvals having been obtained or granted and remaining in full force and effect from the date such Regulatory Approvals are obtained or granted up to the Relevant Date and where such Regulatory Approvals are subject to conditions, such conditions being satisfied on or prior to the Relevant Date:
 - (a) confirmation from the SIC that Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) to Rule 19 of the Code do not apply to the Scheme, subject to any conditions that the SIC may deem fit to impose;
 - (b) approval-in-principle from the SGX-ST of the Scheme Document and for the proposed delisting of the Company from the SGX-ST; and
 - (c) confirmation from the SIC that:
 - (i) the Consortium and Shareholders' Agreement and the Rollover Agreement do not constitute a special deal under Rule 10 of the Code;
 - (ii) (I) the Deeds of Undertaking given by each of Yarwood and GSH will not constitute a special deal under Rule 10 of the Code; (II) the Deed of Undertaking given by each of Yarwood and GSH will not amount to an agreement, arrangement or understanding between the Offeror and each of Yarwood and GSH to co-operate to obtain or consolidate effective control of the Company; and (III) Yarwood and GSH will be permitted to attend and vote on the Scheme at the Scheme Meeting; and
 - (iii) (I) the Management Arrangements will not constitute a special deal under Rule 10 of the Code; (II) the Management Arrangements will not amount to an agreement, arrangement or understanding between the Offeror and each of BH and any other Participating Management (whether or not they will be entering into a Deed of Undertaking) to obtain or consolidate effective control of the Company; and (III) BH and any other Participating Management (whether or not they will be entering into a Deed of Undertaking) will be permitted to attend and vote on the Scheme at the Scheme Meeting.

APPENDIX 6 SCHEME CONDITIONS

5. **No Illegality:** between the date of the Implementation Agreement and up to the Relevant Date:
- (a) no order, injunction, judgment or decree issued by any Governmental Authority or other legal restraints or prohibition preventing the consummation of the Acquisition or implementation of the Scheme shall be in effect;
 - (b) no *bona fide* official proceeding initiated by any Governmental Authority shall be pending which has the effect of or a reasonable prospect of materially restraining, enjoining or otherwise preventing the consummation of the Acquisition or implementation of the Scheme or resulting in the same; and
 - (c) no law shall have been enacted, entered, promulgated or enforced by any Governmental Authority that prohibits, materially restricts or makes illegal the consummation of the Acquisition or the implementation of the Scheme;
6. **No Prescribed Occurrence:** between the date of the Implementation Agreement and up to the Relevant Date, no Prescribed Occurrence (as set out in **Appendix 7** of the Scheme Document) in relation to (i) the Offeror or (ii) the Company or any Sunningdale Group Company, in each case, occurring other than as required or contemplated by the Implementation Agreement or the Scheme;
7. **Company Warranties:** there having been no material breach by the Company of its Warranties given under the Implementation Agreement as at the date of the Implementation Agreement and as at the Relevant Date as though made on and as at each such date except to the extent any Warranty expressly relates to an earlier date (in which case as at such earlier date), in each such case which has resulted in a material adverse effect on the business of the Sunningdale Group (taken as a whole) and is material in the context of the Scheme;
8. **Offeror Warranties:** there having been no material breach by the Offeror of its Warranties given under the Implementation Agreement as at the date of the Implementation Agreement and as at the Relevant Date as though made on and as at each such date except to the extent any Warranty expressly relates to an earlier date (in which case as at such earlier date), in each such case which has resulted in a material adverse effect on the business of the Offeror (taken as a whole) and is material in the context of the Scheme;
9. **No Material Adverse Event:** between the date of the Implementation Agreement and up to the Relevant Date, there being no event occurring which has the effect of causing a diminution in the consolidated net asset value of the Sunningdale Group to an amount below S\$300,000,000, as reflected in or computed from the later of (a) the latest publicly released consolidated quarterly or half yearly financial disclosure of the Sunningdale Group; or (b) the consolidated unaudited management balance sheet of the Sunningdale Group to be prepared in accordance with the accounting principles, policies, bases, practices and estimation techniques used in preparing the Management Accounts applied on a consistent basis as at the calendar month ending at least 20 days immediately prior to the Relevant Date; and

APPENDIX 6 SCHEME CONDITIONS

- 10. Major Customer:** between the date of the Implementation Agreement and up to the Relevant Date, there being no loss of any Major Customer or any written notice given by any Major Customer indicating that it wishes to cease being a customer of the Sunningdale Group. For the purpose of the Implementation Agreement, a “**Major Customer**” refers to a major customer that had, together with such customer’s contract manufacturers, contributed (in aggregate) 5 per cent. or more to the gross revenue of the Sunningdale Group as disclosed and reflected in the latest audited accounts of the Sunningdale Group as at the date of the Implementation Agreement.

APPENDIX 7 PRESCRIBED OCCURRENCES

All capitalised terms used and not defined in this Appendix shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection at the registered office of the Company during normal business hours from the date of this Scheme Document up to the Effective Date.

Part 1 – Prescribed Occurrence in relation to the Offeror

“Prescribed Occurrence” means, in relation to the Offeror, any of the following:

1. **Injunction:** an injunction or other order issued against the Offeror by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Scheme or the Acquisition or any part thereof by the Offeror;
2. **Resolution for Winding Up:** the Offeror resolving that it be wound up;
3. **Appointment of Liquidator and Judicial Manager:** the appointment of a liquidator, provisional liquidator, judicial manager, provisional judicial manager and/or any other similar officer of the Offeror;
4. **Order of Court for Winding Up:** the making of an order by a court of competent jurisdiction for the winding up of the Offeror;
5. **Composition:** the Offeror entering into any arrangement or general assignment or composition for the benefits of its creditors generally;
6. **Appointment of Receiver:** the appointment of a receiver or a receiver and manager, in relation to the property or assets of the Offeror;
7. **Insolvency:** the Offeror becoming or being deemed by Law or a court to be insolvent or being unable to pay its debts when they fall due or stops or suspends or threatens to stop or suspend payment of its debts of a material amount as they fall due;
8. **Cessation of Business:** the Offeror ceases or threatens to cease for any reason to carry on business in the usual and ordinary course;
9. **Investigations and Proceedings:** if the Offeror or any of its directors is the subject of any governmental, quasi-governmental, criminal, regulatory or stock exchange investigation and/or proceeding; or
10. **Analogous Event:** any event occurs which, under the Laws of any jurisdiction, has an analogous or equivalent effect to any of the foregoing event(s).

Part 2 – Prescribed Occurrence in relation to the Company (and where applicable, any Sunningdale Group Company)

“Prescribed Occurrence” means, in relation to the Company (or where applicable, any Sunningdale Group Company), any of the following:

1. **Conversion of Shares:** any Sunningdale Group Company converting all or any of its shares into a larger or smaller number of shares;

APPENDIX 7 PRESCRIBED OCCURRENCES

2. **Share Buy-back:** any Sunningdale Group Company (a) undertaking any share buy-backs pursuant to its existing share buy-back mandate; or (b) entering into a share buy-back agreement or resolving to approve the terms of a share buy-back agreement under the Companies Act or the equivalent companies or securities legislation;
3. **Alteration of Share Capital:** save for the issuance or allotment of Shares pursuant to outstanding grants awarded under the Sunningdale Restricted Share Plan 2014, any Sunningdale Group Company resolving to reduce or otherwise alter its share capital in any way;
4. **Allotment of Shares or Units:** save for the issuance or allotment of Shares pursuant to outstanding grants awarded under the Sunningdale Restricted Share Plan 2014, any Sunningdale Group Company making an allotment of, or granting an option to subscribe for, any shares, units or securities convertible into shares or units or agreeing to make such an allotment or to grant such an option or convertible security;
5. **Issuance of Debt Securities:** any Sunningdale Group Company issuing, or agreeing to issue, convertible notes or other debt securities;
6. **Dividends:** any Sunningdale Group Company declaring, making or paying any dividends or any other form of distribution to its shareholders, except for any dividends declared, paid or made in the ordinary course of business;
7. **Injunction:** an injunction or other order issued against any Sunningdale Group Company by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Scheme or the Acquisition or any part thereof by any Sunningdale Group Company;
8. **Resolution for Winding Up:** any Sunningdale Group Company resolving that it be wound up;
9. **Appointment of Liquidator and Judicial Manager:** the appointment of a liquidator, provisional liquidator, judicial manager, provisional judicial manager and/or any other similar officer of any Sunningdale Group Company;
10. **Order of Court for Winding Up:** the making of an order by a court of competent jurisdiction for the winding up of any Sunningdale Group Company;
11. **Composition:** any Sunningdale Group Company entering into any arrangement or general assignment or composition for the benefits of its creditors generally;
12. **Appointment of Receiver:** the appointment of a receiver or a receiver and manager, in relation to the property or assets of any Sunningdale Group Company;
13. **Insolvency:** any Sunningdale Group Company becoming or being deemed by Law or a court to be insolvent or being unable to pay its debts when they fall due or stops or suspends or threatens to stop or suspend payment of its debts of a material amount as they fall due;
14. **Cessation of Business:** any Sunningdale Group Company ceases or threatens to cease for any reason to carry on business in the usual ordinary course;

APPENDIX 7 PRESCRIBED OCCURRENCES

15. **Investigations and Proceedings:** if any Sunningdale Group Company or any of their respective directors is the subject of any governmental, quasi-governmental, criminal, regulatory or stock exchange investigation and/or proceeding; or
16. **Analogous Event:** any event occurs which, under the Laws of any jurisdiction, has an analogous or equivalent effect to any of the foregoing event(s).

APPENDIX 8 OFFEROR'S WARRANTIES

All capitalised terms used and not defined in this Appendix shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection at the registered office of the Company during normal business hours from the date of this Scheme Document up to the Effective Date.

The Offeror warrants to the Company that:

1. Incorporation, Authority, Capacity, etc.

- 1.1 It is a company duly incorporated and validly existing under its laws of incorporation.
- 1.2 It (i) has full power and capacity to sign and deliver the Implementation Agreement (and the Transaction Documents to which it is a party) and to exercise all its rights and perform all its obligations under the Implementation Agreement (and the Transaction Documents to which it is a party) and (ii) has taken all necessary corporate action to authorise its entry into and delivery of, the Implementation Agreement (and the Transaction Documents to which it is a party) and the exercise of its rights and the performance of its obligations under the Implementation Agreement (and the Transaction Documents to which it is a party).
- 1.3 The Implementation Agreement and the Transaction Documents to which it is a party constitute valid and legally binding obligations on it, enforceable in accordance with their respective terms.
- 1.4 Save as expressly provided in the Implementation Agreement (and the Transaction Documents), all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents from third parties, any Governmental Authority or other authority) in order:
 - (a) to enable it lawfully to enter into, exercise its rights and perform and comply with its obligations under the Implementation Agreement (and the Transaction Documents to which it is a party); and
 - (b) to ensure that those obligations are valid, legally binding and enforceable,have been taken, fulfilled and done, and are in full force and effect and all conditions of each such consent or authorisation have been complied with.
- 1.5 The execution and delivery of, and the performance by it of its obligations under, the Implementation Agreement and any other Transaction Document to which it is a party will not:
 - (a) result in a breach of any provision of its Constitutional Documents; or
 - (b) result in a breach of, or give any third party a right to terminate or modify, or result in the creation of any Encumbrance under, any agreement, licence or other instrument or result in a breach of any order, judgment or decree of any court, Governmental Authority or regulatory body to which it is a party or by which it or any of its assets is bound.

APPENDIX 8 OFFEROR'S WARRANTIES

2. No Litigation

No litigation, arbitration or administrative proceeding against it is current or pending or threatened to restrain the entry into, exercise of its rights under and/or performance or enforcement of or compliance with its obligations under the Implementation Agreement (or any of the Transaction Documents to which it is a party).

3. No Insolvency

3.1 It is not insolvent, or unable to pay its debts when due.

3.2 No resolutions have been passed nor has any other step been taken or legal proceedings been started or threatened against it, for its bankruptcy, winding-up or dissolution or for the appointment of a liquidator, judicial manager, receiver, administrator, administrative receiver or similar officer over any or all of its assets which would prevent it from fulfilling, or inhibit or impair its ability to fulfil, its obligations under this Agreement and any Transaction Document to which it is a party.

4. Sufficiency of Financial Resources

The Offeror has sufficient financial resources to undertake and complete the Acquisition and implement the Scheme, and shall procure that a confirmation of the Offeror's financial resources to satisfy the Cash Consideration will be provided by an appropriate third party in compliance with the requirements of the Code and the SIC.

APPENDIX 9 COMPANY'S WARRANTIES

All capitalised terms used and not defined in this Appendix shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection at the registered office of the Company during normal business hours from the date of this Scheme Document up to the Effective Date.

The Company warrants to the Offeror that:

1. Corporate Information

1.1 Incorporation, Authority, Capacity, etc.

- (a) It is a company duly incorporated and validly existing under its laws of incorporation.
- (b) It is the direct or indirect owner of such percentage of equity interest in each Sunningdale Group Company (other than the Company) as disclosed in the annual report of the Company for the financial year ended 31 December 2019 and holds such equity interest free from any Encumbrance.
- (c) It (i) has full power and capacity to sign and deliver the Implementation Agreement and to exercise all its rights and perform all its obligations under the Implementation Agreement and (ii) has taken all necessary corporate action to authorise its entry into and delivery of, the Implementation Agreement and the exercise of its rights and the performance of its obligations under the Implementation Agreement.
- (d) The Implementation Agreement constitutes valid and legally binding obligations on it, enforceable in accordance with their respective terms.
- (e) Save as expressly provided in the Implementation Agreement, all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents from any Governmental Authority or other authority) in order:
 - (i) to enable it lawfully to enter into, exercise its rights and perform and comply with its obligations under the Implementation Agreement; and
 - (ii) to ensure that those obligations are valid, legally binding and enforceable, have been taken, fulfilled and done, and are in full force and effect and where applicable, all conditions of each such consent or authorisation have been complied with.
- (f) Save for the approvals as expressly provided in the Implementation Agreement, the execution and delivery of, and the performance by it of its obligations under, the Implementation Agreement will not:
 - (i) result in a breach of any provision of the Constitutional Documents of any Sunningdale Group Company; or

APPENDIX 9 COMPANY'S WARRANTIES

- (ii) result in a breach of, or give any third party a right to terminate or modify, or result in the creation of any Encumbrance under, any agreement, licence or other instrument or result in a breach of any order, judgment or decree of any court, Governmental Authority or regulatory body to which any Sunningdale Group Company is a party or by which such Sunningdale Group Company or any of its assets is bound.

1.2 The Sunningdale Group

- (a) Each Sunningdale Group Company is duly incorporated and validly existing under its laws of incorporation. Each Sunningdale Group Company has full power under its Constitutional Documents to conduct its business.
- (b) No Sunningdale Group Company has entered into any agreement whereby any person (other than another Sunningdale Group Company) has the right (exercisable now or in the future and whether contingent or not) to call for the allotment, transfer, or issue of any share or loan capital in any Sunningdale Group Company.
- (c) As at the date hereof, no Sunningdale Group Company has or has agreed to acquire any interest of any nature in any shares, debentures or other securities issued by any undertaking (other than in another Sunningdale Group Company).

2. **Financial Statements**

2.1 Accounts

The Accounts:

- (a) have been prepared in accordance with applicable Law and relevant generally accepted accounting practices on a proper and consistent basis; and
- (b) give a true and fair view of the assets, liabilities and state of affairs of each Sunningdale Group Company and of the Sunningdale Group as at the Accounts Date and of the profits or losses of each Sunningdale Group Company and of the Sunningdale Group for the period concerned.

2.2 Management Accounts

The Management Accounts:

- (a) have been properly prepared on a basis consistent with that employed in preparing the Accounts, in all material respects, and on a basis consistent with that employed in preparing the management accounts of the Sunningdale Group for the past twelve months ending on the Accounts Date; and
- (b) give a fair view of the statements of financial position of each Sunningdale Group Company and of the Sunningdale Group (taken as a whole) for the period concerned.

APPENDIX 9 COMPANY'S WARRANTIES

3. Financial Obligations

3.1 Financial Facilities

Each Sunningdale Group Company is in material compliance with all its financial facilities (including loans, derivatives and hedging arrangements) in accordance with their respective terms.

3.2 Guarantees

Save as disclosed on the SGXNET, and other than in the ordinary and usual course of business, there is no outstanding guarantee, indemnity, suretyship or security (whether or not legally binding) given by any Sunningdale Group Company.

3.3 No Undisclosed Liabilities

Save as disclosed on the SGXNET, there are no actual or contingent liabilities of any Sunningdale Group Company except for: (i) liabilities disclosed or provided for in the Accounts or the Management Accounts; (ii) liabilities incurred in the ordinary and usual course of business since the Accounts Date which, taken together, do not result in a material adverse change to the Sunningdale Group (taken as a whole); or (iii) liabilities disclosed elsewhere in the Implementation Agreement, in the Disclosure Letter or in the Due Diligence Information.

4. Assets

4.1 Save as disclosed on the SGXNET, all assets included in the Accounts or acquired by any of the Sunningdale Group Companies or which have otherwise arisen since the Accounts Date, other than any assets disposed of or realised in the ordinary and usual course of business, and excepting rights and retention of title arrangements arising by operation of law in the ordinary and usual course of business:

- (a) are legally and beneficially owned by the Sunningdale Group Companies;
- (b) are, where capable of possession, in the possession or under the control of the relevant Sunningdale Group Company;
- (c) are free from Encumbrances; and
- (d) are not the subject of any factoring arrangement, conditional sale or credit agreement.

4.2 Each Sunningdale Group Company owns or is entitled to use all the assets necessary to carry on its business substantially as carried out at the date of this Agreement.

APPENDIX 9 COMPANY'S WARRANTIES

5. Real Estate

5.1 The Properties

For the purposes of this **paragraph 5**, "**Properties**" means all of the premises and land owned, occupied or otherwise used in connection with the businesses of the Sunningdale Group Companies or in which the Sunningdale Group Companies have an interest.

5.2 Properties owned by the Sunningdale Group

In relation to each Property where the interest of the relevant Sunningdale Group Company is freehold:

- (a) such Sunningdale Group Company is the legal owner of and beneficially entitled to the whole of the proceeds of sale of and has a good and marketable title to the whole of the Property;
- (b) there are no mortgages, charges, annuities or other unusual outgoings, or trusts (whether for securing money or otherwise), affecting the Property or the proceeds of sale thereof;
- (c) the Property is not subject to any adverse estate, right, interest, covenant, restriction, stipulation, easement, option, right of pre-emption, wayleave, licence or other right or informal arrangement in favour of any third party (whether in the nature of a public or private right or obligation) nor is there any agreement to give or create any of the foregoing; and
- (d) there are no outstanding actions, disputes, claims or demands between such Sunningdale Group Company and any third party.

5.3 Leasehold Properties

In relation to each Property which are held under lease by any Sunningdale Group Company:

- (a) the Property is held under a valid, subsisting and enforceable lease or tenancy agreement ("**Lease**") with such exceptions as do not materially interfere with the use or proposed use of the Property;
- (b) there is no material subsisting breach, nor any material non-observance of any covenant, condition or agreement contained in the Lease on the part of the Sunningdale Group Company; and
- (c) there are no restrictions in the Lease which prevent the Property from being used in the present manner.

APPENDIX 9 COMPANY'S WARRANTIES

6. Intellectual Property

The Sunningdale Group Companies either own, or have valid licences, authorisations and permissions to use, all the Intellectual Property Rights required to carry on the Sunningdale Group's business in the same manner as it is currently carried on, and as far as the Company is aware, the Sunningdale Group is not engaged in any activities which involve the use of, or which infringe, any Intellectual Property Rights belonging to any third party.

7. Contracts

7.1 Contracts

Save as disclosed on the SGXNET, no Sunningdale Group Company is a party to or subject to any contract, transaction, arrangement, understanding or obligation which:

- (a) is not in the ordinary and usual course of business;
- (b) is not wholly on an arm's length basis; or
- (c) restricts its freedom to carry on its business in any part of the world in such manner as it thinks fit.

7.2 Compliance with Agreements

Save as disclosed on the SGXNET, as far as the Company is aware:

- (a) all the contracts and all leases, tenancies, licences, concessions and agreements of whatever nature to which any of the Sunningdale Group Companies is a party are valid, binding and enforceable obligations of the relevant Sunningdale Group Company and the terms thereof have been complied with in all material respects by the relevant Sunningdale Group Company; and
- (b) as far as the Company is aware, there are no grounds for rescission, avoidance or repudiation of any of such contracts or matters referred to in **paragraph 7.2(b)** and no notice of termination or of intention to terminate has been received in respect of any of them.

7.3 Effect of the Acquisition

So far as the Company is aware, neither the entry into nor compliance with this Agreement, nor completion of the Scheme or the Acquisition, will:

- (a) result in a breach of, or entitle any third party to exercise any right (including any right to terminate or vary, pre-emption right or other option), or result in any Encumbrance under, any contract or arrangement to which any Sunningdale Group Company is a party; or
- (b) create or increase a material liability or obligation of any Sunningdale Group Company under any contract or arrangement to which any Sunningdale Group Company is a party.

APPENDIX 9 COMPANY'S WARRANTIES

8. Employment and Employee Benefits

8.1 Employees and Terms of Employment

Save as disclosed, no Sunningdale Group Company has any agreements or arrangements with any trade union, staff association or other similar organisations or other bodies representing any of such Sunningdale Group Company's employees, and there are no such trade unions, staff associations or other similar organisations or other bodies (in any case whether or not recognised by any Sunningdale Group Company) representing any employees of the Sunningdale Group Companies.

8.2 Termination of Employment

The Company has not made or agreed to make any payment or provided or agreed to provide any benefit to any employee or former employee of the Sunningdale Group (or any dependant of any such persons) in connection with the proposed termination or suspension of employment or variation of any contract of employment of any such employees or former employee.

8.3 No Disputes

There are no formal complaints, disputes or claims actual, pending or threatened of any nature which are material, in relation to any employee or former employee of any Sunningdale Group Company.

9. Legal Compliance

9.1 Licences and Consents

- (a) All licences, consents, authorisations, orders, warrants, confirmations, permissions, certificates, approvals, registrations and authorities ("**Licences**") necessary or desirable for the carrying on of the businesses of each of the Sunningdale Group Companies as now carried on, as previously carried on and as proposed to be carried on material to the business of the Sunningdale Group have been obtained, are in full force and effect, and have been and are being complied with in all material respects.
- (b) So far as the Company is aware, there is no outstanding investigation, enquiry or proceeding in relation to any Licence.
- (c) None of the Licences has been breached, whether as a result of the entry into or completion of this Agreement or otherwise.

9.2 Compliance with Laws

- (a) Each Sunningdale Group Company is conducting, and in the last three years has conducted, its business:
 - (i) in compliance with its Constitutional Documents; and

APPENDIX 9 COMPANY'S WARRANTIES

(ii) in material compliance with all applicable Laws, bye-laws and regulations (including the Listing Manual) in relation to the jurisdiction which it operates,

and no Sunningdale Group Company is, or during the last three years has been, in breach of its Constitutional Documents or any such applicable Laws, bye-laws or regulations.

- (b) So far as the Company is aware, there is no outstanding investigation disciplinary proceeding or enquiry by, or order, decree, decision or judgment of, any court, tribunal, arbitrator, Governmental Authority or regulatory body outstanding or anticipated against any Sunningdale Group Company or any person for whose acts or defaults it may be vicariously liable which has had or may have a material adverse effect upon the assets or business of the Sunningdale Group.
- (c) No Sunningdale Group Company has received any notice or other communication (official or otherwise) during the past three years from any court, tribunal, arbitrator, Governmental Authority or regulatory body with respect to an alleged, actual or potential violation and/or failure to comply with any such applicable Laws, bye-law or regulation, or requiring it to take or omit any action.
- (d) The compliance manuals and internal procedures, systems and controls of each Sunningdale Group Company reflect the regulatory requirements to which the Sunningdale Group Company is subject in all respects and the Company is not aware of any undisclosed breaches of such compliance manuals, internal procedures, systems and controls.
- (e) No director or officer, or so far as the Company is aware, employee, advisor or other third party intermediary of the Sunningdale Group has engaged in any fraudulent or otherwise unlawful behaviour in relation to the Sunningdale Group.

10. Litigation/Investigation

10.1 Current Proceedings

No Sunningdale Group Company is involved whether as claimant or defendant or other party in any claim, legal action, proceeding, suit, litigation, prosecution, investigation, enquiry, mediation or arbitration (other than as claimant in the collection of debts arising in the ordinary and usual course of its business) which could have a material adverse effect on the Sunningdale Group.

10.2 Pending or Threatened Proceedings

So far as the Company is aware, no such claim, legal action, proceeding, suit, litigation, prosecution, investigation, enquiry, mediation or arbitration which could have a material adverse effect on the Sunningdale Group is pending or threatened by or against any Sunningdale Group Company.

APPENDIX 9 COMPANY'S WARRANTIES

10.3 No Court Orders etc.

- (a) No Sunningdale Group Company, nor any of the properties, assets or operations which it owns or in which it is interested, is subject to any continuing injunction, judgment or order of any court, arbitrator, Governmental Authority or regulatory body.
- (b) No Sunningdale Group Company is affected by any existing or pending judgments or rulings and no Sunningdale Group Company has given any undertakings arising from any legal proceedings to a Governmental Authority or other third party.

11. Insurance

- 11.1 Each Sunningdale Group Company has in place all policies of insurance sufficient and customary for the conduct of its business as currently operated and in all material respects in line with general industry practice.
- 11.2 Such insurances are in full force and effect and all premiums and any related insurance premium taxes payable to date have been paid.
- 11.3 So far as the Company is aware, no act, omission, misrepresentation or non-disclosure by any Sunningdale Group Company has occurred which makes any of these policies void, voidable or unenforceable.
- 11.4 So far as the Company is aware, there has been no breach of the terms, conditions and warranties of any of the policies that would entitle insurers to decline or pay all or any part of any claim made under the policies or to terminate any policy.

12. Tax

12.1 Returns, Information and Clearances

Each Sunningdale Group Company has:

- (a) duly filed all returns, computations, notices and information required to be made or provided by such Sunningdale Group Company for the purposes of Taxation and the same have been made or given within the requisite periods and on a proper basis and when made were true and accurate in all material respects and are up to date;
- (b) paid all Taxation which is due for payment and no Sunningdale Group Company has been liable for any material penalty or interest in respect of any such Taxation; and
- (c) made all deductions and withholdings in respect of or on account of any Taxation from all payments made by it, which deductions and withholdings it was obliged to make, and has accounted to the relevant Tax Authority for all amounts so deducted or withheld.

APPENDIX 9 COMPANY'S WARRANTIES

12.2 Penalties and Interests

None of the Sunningdale Group Companies has nor any director or officer of such Sunningdale Group Company has paid, or become liable to pay, any fine, penalty or interest charged by virtue of any other statutory provision relating to Taxation.

12.3 No Dispute or Investigation

Save as disclosed, no Sunningdale Group Company is involved in a dispute with a Tax Authority and no Sunningdale Group Company is or has, within the last three years, been the subject of any non-routine investigation, non-routine enquiry, non-routine assessment, non-routine audit, non-routine visit or non-routine review by any Tax Authority.

13. **Important Business Issues Since the Accounts Date**

Save as disclosed on the SGXNET, there are no material adverse changes in the financial condition of the Sunningdale Group taken as a whole since the Accounts Date up till the date of this Agreement, and in particular:

- 13.1 its business taken as a whole has been carried on in the ordinary and usual course and as a going concern, without any material interruption or alteration in its nature, scope or manner;
- 13.2 no Sunningdale Group Company has incurred any additional borrowings or incurred any other indebtedness otherwise than in the ordinary and usual course of carrying on its business; and
- 13.3 no Sunningdale Group Company has entered into any unusual, long term or onerous commitments or contracts that would have a material adverse effect on the financial position of the Sunningdale Group (taken as a whole).

14. **Disclosure of Information**

- 14.1 The Company is not aware of any matter or circumstance which would cause any of the Scheme Conditions in **paragraph 4** (in relation to Regulatory Approvals), **paragraph 6** (in relation to any Prescribed Occurrence relating to the Company or any Sunningdale Group Company), **paragraph 7** (in relation to any material breach of Warranties by the Company), **paragraph 9** (in relation to material adverse events relating to the Sunningdale Group) and **paragraph 10** (in relation to a loss of any Major Customer) of **Appendix 6**, not to be satisfied.
- 14.2 All material information relating to the Sunningdale Group has been disclosed on the SGXNET in compliance with its continuous disclosure requirements. All statements of fact contained in all announcements and circulars issued by the Company and published on the website of the SGX-ST and/or provided to the Shareholders were, when supplied or published, true and accurate and not misleading in any material respects.

APPENDIX 9 COMPANY'S WARRANTIES

15. Insolvency

- 15.1 None of the Sunningdale Group Companies is insolvent, or unable to pay its debts when due.
- 15.2 Save as disclosed, no order has been made and no meeting has been convened or resolution passed for its winding up or administration or for a provisional liquidator to be appointed in respect of any Sunningdale Group Company.
- 15.3 No liquidator, provisional liquidator, receiver or an administrative receiver of any Sunningdale Group Company has been appointed and none of the Sunningdale Group Company is aware of any proceedings having been filed under which such a person might be appointed.
- 15.4 No voluntary arrangement has been proposed in respect of any Sunningdale Group Company.

APPENDIX 10 OBLIGATIONS OF THE COMPANY IN RELATION TO THE SCHEME

All capitalised terms used and not defined in this Appendix shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection at the registered office of the Company during normal business hours from the date of this Scheme Document up to the Effective Date.

The obligations of the Company in relation to the Scheme are as follows:

1. **Joint Announcement:** release the Joint Announcement jointly with the Offeror on the SGX-ST on the Joint Announcement Date;
2. **Implementation of the Scheme:** use its reasonable endeavours to procure that the Scheme is implemented on the terms set out in the Implementation Agreement and to be set out in the Scheme Document including complying with all procedures and processes imposed by the Court in connection with the Scheme;
3. **IFA:** appoint an IFA to (a) advise the Non-conflicted Directors in connection with the Scheme; and (b) publicly state in its opinion whether the terms of the Scheme are fair and reasonable;
4. **Scheme Document and Approval of Documents by the Offeror:**
 - (a) prepare the requisite shareholder documents, including the Scheme Document in consultation with the Offeror and in accordance with any order of the Court, the Code, the Companies Act, the Listing Manual and all applicable Laws and regulations and despatch the same; and
 - (b) provide the Scheme Document in draft form to the Offeror with sufficient time for the Offeror's review, being at least five Business Days, or such longer time as the Offeror may reasonably require and obtain the Offeror's written approval (such approval not to be unreasonably withheld or delayed) prior to (I) despatching all documents required for the implementation of the Scheme; (II) the making of any application to the Court under Section 210 of the Companies Act; and (III) the filing of any documents with a Governmental Authority in connection with the Scheme;
5. **SGX-ST Clearance:**
 - (a) file the draft Scheme Document with the SGX-ST for clearance, together with a draft of the IFA opinion;
 - (b) as soon as reasonably practicable after receiving comments or queries from the SGX-ST, file a revised draft of the Scheme Document with the SGX-ST; and
 - (c) diligently pursue the SGX-ST's clearance for the Scheme Document and for the approval-in-principle of the delisting of the Company after the Effective Date;
6. **Scheme Meeting:** subject to obtaining the prior written approval-in-principle of the SGX-ST for the draft Scheme Document:
 - (a) apply to the Court for an order under Section 210(1) of the Companies Act to convene the Scheme Meeting and for any ancillary orders relating thereto, all such applications and orders, including the originating summons for the Scheme and all affidavits in support thereof, to be in such form and substance as may be approved by the Offeror, such approval not to be unreasonably withheld or delayed;

APPENDIX 10 OBLIGATIONS OF THE COMPANY IN RELATION TO THE SCHEME

- (b) diligently pursue such application so as to obtain the Court's order to convene the Scheme Meeting and other necessary ancillary orders as soon as reasonably practicable; and
 - (c) convene the Scheme Meeting;
7. **Despatch of Documents:** subject to obtaining the Court's order under Section 210(1) of the Companies Act to convene the Scheme Meeting, despatch to the Scheme Shareholders the Scheme Document and appropriate forms of proxy in such form and within such period as may be directed by the Court, each in form and substance reasonably acceptable to the Offeror, for use at the Scheme Meeting;
 8. **Court Order:** subject to the Scheme being approved by the requisite majority of the Scheme Shareholders at the Scheme Meeting, apply to the Court for the Court Order and for any ancillary orders relating thereto (all such applications, orders and all affidavits in support thereof, including the Court Order, to be in such form and substance as may be approved by the Offeror, such approval not to be unreasonably withheld or delayed) and diligently pursue such application so as to obtain the sanction and confirmation of the Scheme by the Court as soon as reasonably practicable;
 9. **Lodgement of Court Order with ACRA:** subject to the Court Order being granted, expeditiously deliver a copy of the Court Order to ACRA for lodgement in accordance with Section 210(5) of the Companies Act;
 10. **Provision of Information and Consultation with the Offeror:** from the date of the Implementation Agreement until the Effective Date, subject to the Company's and every Sunningdale Group Company's legal obligations or restrictions and to every Sunningdale Group Company's directors' fiduciary duties, provide (and procure that the Sunningdale Group and their respective Representatives will so provide) the Offeror with access to such information relating to the Company, the Sunningdale Group, the Company's directors and the Company's concert parties which the Offeror may reasonably require in relation to or in connection with the Acquisition, the Scheme, the Offeror's financing arrangements or the Offeror's post-Acquisition plans for the Business and to facilitate the timely notification of material matters affecting the Company to the Offeror. To the extent that any legal or contractual obligations in relation to third parties or any Sunningdale Group Company's directors' fiduciary duties may limit the Company's obligations to comply with this **paragraph 10 of Appendix 10**, the Company shall forthwith inform the Offeror of that fact;
 11. **Access:** upon the Offeror providing reasonable notice and as the Offeror may reasonably require, make available its Representatives during Working Hours to discuss and assist with the Offeror's transition planning and financing arrangements;
 12. **Application for Delisting of the Company:** subject to the Scheme becoming effective in accordance with its terms, apply to the SGX-ST for a delisting of the Company with effect after the Effective Date;
 13. **Directors' Responsibility:** ensure that its directors shall take responsibility for all information included in the Scheme Document (other than information relating to the Offeror and its concert parties provided by or on behalf of the Offeror to the Company for inclusion in the Scheme Document) and all ancillary documents, as required by all applicable Laws and regulations, including any order of the Court, the Code, the Listing Manual and the Companies Act;

APPENDIX 10 OBLIGATIONS OF THE COMPANY IN RELATION TO THE SCHEME

- 14. No Action:** save for the exercise of any of its rights under the Implementation Agreement and subject to the Company's legal obligations or restrictions, take no action which may be prejudicial to the completion of the Acquisition or the implementation of the Scheme;
- 15. Conduct of Business by the Sunningdale Group:** subject to the Company's legal obligations or restrictions, during the period from the date of the Implementation Agreement up to (and including) the Effective Date or the date on which the Implementation Agreement is terminated pursuant to Clause 4 thereof, undertake that the Company (and undertake to procure that all the Sunningdale Group Companies):
- (a) shall carry on the Business of the Sunningdale Group as a going concern in the ordinary and usual course consistent with past practices, and save insofar as otherwise agreed in writing by the Offeror, not:
 - (i) alter the general nature or scope of its Business;
 - (ii) effect any material change in strategy, or enter into any new joint ventures if and to the extent that doing so would represent a material deviation from the current business strategy of the Sunningdale Group or entry into a new geographic market; or
 - (iii) take any action which would be prejudicial to, or could reasonably be expected to materially delay the successful outcome of the Scheme; and
 - (b) without prejudice to the generality of **paragraph 15(a)** of this **Appendix 10** and save as required by Law, shall not (and shall procure that all the Sunningdale Group Companies shall not), without the prior written consent of the Offeror (such consent not to be unreasonably withheld or delayed):
 - (i) to the extent it is within its power or control, make, permit or suffer any Prescribed Occurrences;
 - (ii) modify, amend or waive the terms of any Material Contracts, if such modification, amendment or waiver would have a material adverse effect on the financial position of the Sunningdale Group (taken as a whole);
 - (iii) enter into any agreements or arrangements containing a change in control provision which would give a counterparty any rights exercisable as a result of the Scheme or Acquisition;
 - (iv) incur any additional borrowings or incur any other indebtedness other than in the ordinary and usual course of business and pursuant to existing credit facilities, provided that the aggregate borrowings under existing credit facilities shall not exceed S\$128,500,000 in aggregate;
 - (v) make any change to its accounting practices or policies or amend its Constitutional Documents, other than for compliance with applicable Law; and/or

APPENDIX 10 OBLIGATIONS OF THE COMPANY IN RELATION TO THE SCHEME

- (vi) make (or seek the approval of the Court to make) any amendments to the Scheme Document after it has been despatched to the Scheme Shareholders or adjournment of the Scheme Meeting in respect of the Scheme,

provided that nothing in **paragraph 15** of this **Appendix 10** shall restrict any Sunningdale Group Company from fulfilling its obligations under existing contractual commitments, which have been disclosed to the Offeror prior to the date of the Implementation Agreement.

- 16. Appointment of the Offeror's Nominees, etc.:** as soon as practicable after the Effective Date, but in any event not later than two Business Days thereafter, the Company will appoint such nominees of the Offeror to the Board as the Offeror may direct, subject to applicable Laws and restrictions under the Constitutional Documents of the Company;
- 17. Appeal Process:** if the Court refuses to make any orders convening the Scheme Meeting or approving the Scheme, the Company shall appeal the Court's decision to the fullest extent possible (except to the extent that the Parties agree otherwise in writing). If an appeal of the Court's decision is made by the Company, the Offeror shall furnish to the Company and its advisers such information relating to the Offeror and its concert parties as required by them for the purposes only of the appeal and, where necessary, provide all reasonable assistance as the Company and its advisers may reasonably request for the purposes of the appeal;
- 18. Deal Protection:** during the No-Shop Period, (I) the Company will not, and will ensure that none of its Representatives will, on behalf of the Company, whether directly or indirectly, solicit, initiate, or encourage any initial or further communication to procure proposals on Competing Offers, or communicate any intention to do any of these things in respect of a Competing Offer, or enter into any agreements or other arrangements regarding a Competing Offer, and (II) the Company shall promptly notify the Offeror if it receives an approach regarding a proposal on a Competing Offer, and in such event, the Company shall, subject to any applicable Law, provide the Offeror the material terms of such approach, provided that nothing in the foregoing prevents the Company from providing information to any *bona fide* third party in compliance with Rule 9.2 of the Code or prevents the Company from continuing to make normal presentations to brokers, portfolio investors and analysts in the ordinary and usual course of business.

Provided further that, and for the avoidance of doubt, nothing herein shall: (A) prohibit the Company from taking such action as may be required for the Company to comply with any applicable Law and its obligations under the Code; or (B) prohibit or restrict the directors of the Company from complying with or discharging their fiduciary duties and complying with all applicable Laws. In the event the Company receives any unsolicited or uninitiated expression of interest, or an offer or proposal is received by the Company, the Company shall be entitled to:

- (a) if permitted pursuant to the Listing Manual and/or the Code, announce such expression of interest, offer or proposal;
- (b) make any required recommendation to the Scheme Shareholders, if a general offer is made in accordance with the Code; and

APPENDIX 10 OBLIGATIONS OF THE COMPANY IN RELATION TO THE SCHEME

- (c) entertain such unsolicited expression of interest, offer or proposal, to the extent that the directors of the Company determine that failure to take such action could violate their fiduciary duties and any applicable Laws and regulations (including obligations under the Code); and

19. Recommendation: where the IFA has advised that the Shareholders should vote in favour of the Scheme, the Company shall use its reasonable endeavours to procure that all of its Non-conflicted Directors will similarly recommend that the Scheme Shareholders vote in favour of the Scheme, subject to any legal or statutory obligations or fiduciary duties that the Company and its Non-conflicted Directors may be subject to. For the avoidance of doubt, nothing in this **paragraph 19** of this **Appendix 10** shall be construed as requiring the Company to act, or to procure its Non-conflicted Directors to act, or to refrain from acting, in any manner which may be in breach of their fiduciary duties or any applicable Laws.

APPENDIX 11 OBLIGATIONS OF THE OFFEROR IN RELATION TO THE SCHEME

All capitalised terms used and not defined in this Appendix shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection at the registered office of the Company during normal business hours from the date of this Scheme Document up to the Effective Date.

The obligations of the Offeror in relation to the Scheme are as follows:

1. **Joint Announcement:** release the Joint Announcement jointly with the Company on the SGX-ST on the Joint Announcement Date;
2. **Offeror's Letter to the Scheme Shareholders:** prepare the Offeror's letter to the Scheme Shareholders in compliance with all applicable Laws and regulations, including the Code, for inclusion as part of the Scheme Document (the "**Offeror's Letter**");
3. **Satisfaction of the Scheme Consideration:** subject to the Scheme becoming effective in accordance with its terms, pay the aggregate Cash Consideration or procure and ensure that HoldCo issues the aggregate Scrip Consideration (as the case may be) to the Scheme Shareholders, in each case in accordance with Rule 30 of the Code;
4. **Responsibility of Directors:** ensure that its directors and such other persons as the SIC may require, take responsibility for the Offeror's Letter and all other information relating to the Offeror or the Offeror's concert parties provided by or on behalf of the Offeror to the Company for inclusion in the Scheme Document and all other ancillary documents in such manner as may be required by all applicable Laws and regulations, including the Code, the Listing Manual and the Companies Act;
5. **Provision of Information:** from the date of this Agreement until the Effective Date, subject to the Offeror's legal obligations or restrictions and the Offeror's directors' fiduciary duties, furnish to the Company and its advisers the Offeror's Letter (for inclusion as part of the Scheme Document) and such information relating to the Offeror, its directors and its concert parties as the Company and its advisers may reasonably request (i) for the preparation of the Scheme Document, for the purposes of addressing any comments or queries from the SGX-ST in relation to the clearance of the Scheme Document, the implementation of the Acquisition and/or the Scheme and to facilitate the timely notification of material matters affecting the Offeror to the Company; and (ii) to determine whether the Scheme Conditions in **Appendix 6** are being or have been fulfilled. To the extent that legal or contractual obligations in relation to third parties or the Offeror's directors' fiduciary duties may limit the Offeror's obligations to comply with this **paragraph 5** of **Appendix 11**, the Offeror shall forthwith inform the Company of that fact;
6. **Review of relevant documents:** ensure that the drafts of the Offeror's Letter, any other document/information to be provided by the Offeror in the Scheme Document and all documents to be despatched by the Company to the Shareholders or submitted to any Governmental Authority in connection with the Scheme are provided to the Company with sufficient time for review, being at least five Business Days, or such longer time as the Company may reasonably require;

APPENDIX 11 OBLIGATIONS OF THE OFFEROR IN RELATION TO THE SCHEME

7. **Implementation of the Scheme:** take all steps required to be taken by it in relation to the Scheme and will use its reasonable endeavours to procure that the Scheme is implemented on the terms set out in this Agreement and to be set out in the Scheme Document including complying with all procedures and processes imposed by the Court in connection with the Scheme; and

8. **No Action:** except for the exercise of any of its rights under this Agreement (including the exercise by the Offeror of the Switch Option) and subject to the Offeror's legal obligations or restrictions and the Offeror's directors' fiduciary duties, take no action which may be prejudicial to the successful completion of the Acquisition or the implementation of the Scheme.

APPENDIX 12 MANNER OF CONVENING SCHEME MEETING

The manner of convening the Scheme Meeting as ordered by the Court is set out below:

Convening, holding and/or conducting the Scheme Meeting

1. The Company shall be at liberty to convene the Scheme Meeting at a date, time and/or location to be determined by the Company.
2. The Scheme Meeting may be convened, held or conducted, whether wholly or partly, by electronic means.
3. The minutes of the Scheme Meeting shall be published on the website of the Singapore Exchange Securities Trading Limited ("**SGXNET**") and the website of the Company within one month after the date of the Scheme Meeting.

Attendance at the Scheme Meeting

4. The Company may provide that each Scheme Shareholder may only attend the Scheme Meeting by observing and listening to the proceedings of the Scheme Meeting by electronic means, if access to both an audio broadcast and audio-visual broadcast is provided to the Scheme Shareholders.

Right or entitlement to be heard or to require representations to be read out at the Scheme Meeting

5. The Company may provide that each Scheme Shareholder may only be heard at the Scheme Meeting by electronic means in the manner provided in paragraph 6. A representation may be read out at the Scheme Meeting by electronic means.

Right or entitlement to speak on a resolution at the Scheme Meeting

6. The Company may require that a Scheme Shareholder shall, before the Scheme Meeting, send to the Chairman of the Scheme Meeting, by post or electronic mail, the matters which the Scheme Shareholder wishes to raise at the Scheme Meeting, and each such matter, if substantial and relevant and sent within a reasonable time before the Scheme Meeting, is to be responded to at or before the Scheme Meeting by electronic means.

Quorum at the Scheme Meeting

7. A quorum may be formed by two Scheme Shareholders personally or electronically present.
 - 7.1. A Scheme Shareholder is electronically present at the Scheme Meeting if the Scheme Shareholder:
 - 7.1.1. attends the Scheme Meeting in the manner provided in paragraph 4;
 - 7.1.2. is verified by the Share Registrar of the Company, Boardroom Corporate & Advisory Services Pte. Ltd., as attending the Scheme Meeting in the manner provided in paragraph 4; and

APPENDIX 12 MANNER OF CONVENING SCHEME MEETING

- 7.1.3. is acknowledged by electronic means by the Chairman of the Scheme Meeting as present at the Scheme Meeting.
- 7.2. A Scheme Shareholder is deemed to be present at the Scheme Meeting if the Scheme Shareholder has appointed the Chairman of the Scheme Meeting as the Scheme Shareholder's proxy to attend, speak and vote at the Scheme Meeting in accordance with paragraph 8.

Voting at the Scheme Meeting

8. The Company may provide for each Scheme Shareholder to appoint the Chairman of the Scheme Meeting as the Scheme Shareholder's proxy to vote at the Scheme Meeting by depositing with the Share Registrar of the Company the Proxy Form by post, or by electronic mail to an electronic mail address stated in the Notice of the Scheme Meeting, in either case, not less than 48 hours before the time fixed for the Scheme Meeting.

Laying and production of documents at the Scheme Meeting

9. The Scheme Document and any other document to be laid or produced before the Scheme Meeting may be so laid or produced by being:
- 9.1. sent or published in the manner provided in paragraph 10 with the Notice; or
- 9.2. published at an online location, the address of which is sent with the Notice, or published on the website of the Company.

Giving of Notice of the Scheme Meeting

10. The Scheme Meeting (including any adjourned or postponed meeting) may be called by notice in writing of not less than 14 days, published on SGXNET and the website of the Company.
11. The notice of the Scheme Meeting ("**Notice**"):
- 11.1. shall provide instructions on how the Scheme Shareholders can locate the Scheme Document (as defined below) electronically;
- 11.2. shall describe the means by which the Scheme Meeting can be electronically accessed (including the online location, if the meeting is held at an online location);
- 11.3. shall set out how the Chairman of the Scheme Meeting may be appointed by a Scheme Shareholder entitled to vote at the Scheme Meeting as the Scheme Shareholder's proxy to vote at the Scheme Meeting;
- 11.4. shall state how a Scheme Shareholder may send to the Chairman of the Scheme Meeting the substantial and relevant matters which the Scheme Shareholder wishes to raise; and
- 11.5. may be accompanied by any other documents relevant to the Scheme Meeting.

APPENDIX 12 MANNER OF CONVENING SCHEME MEETING

Other matters

12. Mr. Kaka Singh S/O Dalip Singh, or failing him, any other director of the Company, shall be appointed Chairman of the Scheme Meeting and to report the results of the Scheme Meeting to the Court.
13. Not less than fourteen (14) days before the day appointed for the Scheme Meeting, a document (the "**Scheme Document**") consisting of, *inter alia*, the following:
 - 13.1. a Letter to Shareholders from the Company to the Scheme Shareholders containing details of, *inter alia*, the purpose of the Scheme Document and information relating to the Scheme;
 - 13.2. an Explanatory Statement which contains, *inter alia*, the information required to be disclosed under Section 211 of the Companies Act;
 - 13.3. a letter from Provenance Capital Pte. Ltd. as the independent financial adviser to the directors of the Company who are considered independent for the purposes of making a recommendation to the Scheme Shareholders in respect of the Scheme;
 - 13.4. a letter from Sunrise Technology Investment Holding Pte. Ltd. (the "**Offeror**") to the Scheme Shareholders;
 - 13.5. the Notice; and
 - 13.6. a proxy form for use at the Scheme Meeting ("**Proxy Form**"),
shall be published on SGXNET and the website of the Company.
14. Not less than fourteen (14) days before the day appointed for the Scheme Meeting, the Notice shall be advertised in one issue of "The Straits Times" newspaper.
15. Any accidental omission to give any Scheme Shareholder notice of the Scheme Meeting or the non-receipt of such notice by any Scheme Shareholder shall not invalidate the proceedings at the Scheme Meeting, unless ordered by the Court.
16. A Scheme Shareholder may only cast all the votes it uses at the Scheme Meeting in one way.

**APPENDIX 13
THE SCHEME**

IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

(HC/OS 4/2021)

In the Matter of Section 210
of the Companies Act, Chapter 50

And

In the Matter of
SUNNINGDALE TECH LTD.
(Company Registration No. 199508621R)

...Applicant

SCHEME OF ARRANGEMENT

under Section 210 of the Companies Act, Chapter 50

Between

Sunningdale Tech Ltd.

And

Scheme Shareholders (as defined herein)

And

Sunrise Technology Investment Holding Pte. Ltd.

APPENDIX 13 THE SCHEME

PRELIMINARY

In this Scheme of Arrangement, except to the extent that the context requires otherwise, the following expressions shall bear the following respective meanings:

<u>“Adjustment Mechanism”</u>	:	Has the meaning ascribed to it in Clause 3.2 of this Scheme
<u>“Balance Cash Consideration”</u>	:	In the event that the Adjustment Mechanism applies, the cash to be paid by the Offeror for the balance number of Scheme Shares held by Entitled Scheme Shareholders that elected for Scrip Consideration in excess of the Maximum Number
<u>“BH”</u>	:	Mr. Khoo Boo Hor
<u>“Business Day”</u>	:	A day (other than Saturday, Sunday or public holiday) on which commercial banks are open for business in Singapore
<u>“Cash Consideration”</u>	:	Has the meaning ascribed to it in Clause 3.1(a) of this Scheme
<u>“CDP”</u>	:	The Central Depository (Pte) Limited
<u>“Companies Act”</u>	:	The Companies Act (Chapter 50 of Singapore)
<u>“Company”</u> or <u>“Sunningdale”</u>	:	Sunningdale Tech Ltd.
<u>“Consortium Parties”</u>	:	KBHCo and Novo Tellus
<u>“Consortium and Shareholders’ Agreement”</u>	:	The consortium and shareholders’ agreement between KBHCo and Novo Tellus dated 9 November 2020
<u>“Court”</u>	:	The High Court of the Republic of Singapore, or where applicable on appeal, the Court of Appeal of the Republic of Singapore
<u>“Cut-Off Date”</u>	:	9 April 2021
<u>“Effective Date”</u>	:	The date on which the Scheme becomes effective in accordance with its terms

APPENDIX 13 THE SCHEME

<u>“Encumbrances”</u>	:	Any claim, charge, mortgage, security, pledge, lien, option, restriction, equity, power of sale, hypothecation or other third party rights or interest, retention of title, right of pre-emption, right of first refusal or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing.
<u>“Enlarged Share Capital”</u>	:	Such number of HoldCo Shares comprising the sum of (I) the number of HoldCo Shares in issue as at the Joint Announcement Date, (II) the number of HoldCo Shares to be issued pursuant to the terms of the Scheme, and (III) the number of HoldCo Shares to be issued on completion of the subscriptions under the Consortium and Shareholders’ Agreement, the Management Reinvestment and the Rollover Agreement
<u>“Entitled Depository Agent”</u>	:	Entitled Scheme Shareholders who are Depository Agents
<u>“Entitled Scheme Shareholders”</u>	:	Scheme Shareholders as at 5.00 p.m. on the Record Date
<u>“GSH”</u>	:	Mr. Goi Seng Hui
<u>“HoldCo”</u>	:	Sunrise Technology Investment Holding (Cayman) Pte Ltd
<u>“HoldCo Shares”</u>	:	The issued shares in HoldCo
<u>“HoldCo Share Certificates”</u>	:	Has the meaning ascribed to it in Clause 3.4(b)(i) of this Scheme
<u>“Implementation Agreement”</u>	:	The implementation agreement dated 9 November 2020 entered into between the Company and the Offeror, as amended by the deed of amendment dated 19 January 2021, setting out the terms and conditions on which the Offeror and the Company will implement the Scheme
<u>“Issue Price”</u>	:	Has the meaning ascribed to it in Clause 3.1(b) of this Scheme
<u>“Joint Announcement”</u>	:	The joint announcement by the Company and the Offeror dated 9 November 2020 in relation to, <i>inter alia</i> , the Scheme
<u>“Joint Announcement Date”</u>	:	9 November 2020, being the date of the Joint Announcement
<u>“KBH”</u>	:	Koh Boon Hwee

APPENDIX 13 THE SCHEME

<u>“KBHCo”</u>	:	Sunrise Technology Investment Holding II Pte. Ltd.
<u>“KBH Rollover Shares”</u>	:	The 29,969,409 Shares that KBH has a direct interest in as at the Latest Practicable Date
<u>“Latest Practicable Date”</u>	:	26 January 2021, being the latest practicable date prior to the printing of the Scheme Document
<u>“Management Reinvestment”</u>	:	The management reinvestment scheme established by HoldCo to allow selected senior management of the Company (including the Participating Management) to subscribe for HoldCo Shares
<u>“Maximum Number”</u>	:	Has the meaning ascribed to it in Clause 3.1(b) of this Scheme
<u>“Novo Tellus”</u>	:	NT SPV 9, an exempted company incorporated in the Cayman Islands
<u>“Offeror”</u>	:	Sunrise Technology Investment Holding Pte. Ltd.
<u>“Offeror’s Letter”</u>	:	The letter from the Offeror to Shareholders as set out in Appendix 2 to the Scheme Document
<u>“Overseas Shareholders”</u>	:	Shareholders whose addresses are outside Singapore, as shown on the Register of Members, or as the case may be, in the records of the Depository Register
<u>“Participating Management”</u>	:	Any senior management who has been offered the opportunity to participate in the Management Reinvestment and who agrees to participate in the Management Reinvestment
<u>“Record Date”</u>	:	A date to be announced (before the Effective Date) by the Company on which the Transfer Books and the Register of Members will be closed in order to determine the entitlements of the Scheme Shareholders in respect of the Scheme
<u>“Register of Members”</u>	:	The register of members of the Company
<u>“Rollover Agreement”</u>	:	The subscription and rollover agreement dated 9 November 2020 entered into amongst KBH, KBHCo, the Offeror and HoldCo in relation to, <i>inter alia</i> , the transfer of the KBH Rollover Shares by KBH to the Offeror in consideration for the issuance of HoldCo Shares to KBHCo

APPENDIX 13 THE SCHEME

<u>“Scheme”</u>	:	The scheme of arrangement under Section 210 of the Companies Act dated 4 February 2021, in its present form or with or subject to any modification thereof or amendment or addition thereto in accordance with its terms or condition(s) approved or imposed by the Court
<u>“Scheme Consideration”</u>	:	The consideration for each Scheme Share to be paid by the Offeror to each Entitled Scheme Shareholder in accordance with the terms of this Scheme
<u>“Scheme Document”</u>	:	The Scheme Document dated 4 February 2021 issued by the Company to the Scheme Shareholders containing, <i>inter alia</i> , details of the Scheme
<u>“Scheme Shareholders”</u>	:	Shareholders other than KBH
<u>“Scheme Shares”</u>	:	Shares other than the KBH Rollover Shares
<u>“Scrip Consideration”</u>	:	Has the meaning ascribed to it in Clause 3.1(b) of this Scheme
<u>“Securities Account”</u>	:	The relevant securities account maintained by a Depositor with CDP but does not include a securities sub-account
<u>“SGX-ST”</u>	:	Singapore Exchange Securities Trading Limited
<u>“Share”</u>	:	Issued and paid-up ordinary share in the capital of the Company
<u>“Share Awards”</u>	:	Share awards granted pursuant to the Sunningdale Restricted Share Plan 2014
<u>“Share Registrar”</u>	:	Boardroom Corporate & Advisory Services Pte. Ltd., the share registrar of the Company
<u>“Shareholders”</u>	:	Persons who are registered as holders of Shares in the Register of Members and Depositors who have Shares entered against their names in the Depository Register
<u>“Sub-Account Holders Form”</u>	:	The List of Sub-Account Holders Who Wish to Accept the Scrip Consideration form, which will be provided to Entitled Depository Agents through the SGX-SFG service
<u>“S\$”</u> and <u>“cents”</u>	:	Singapore dollars and cents, respectively, being the lawful currency of Singapore
<u>“Transfer Books”</u>	:	The transfer books of the Company

APPENDIX 13 THE SCHEME

“Yarwood” : Yarwood Engineering and Trading Limited

“%” or “per cent.” : Per centum or percentage

The terms **“Depositor”**, **“Depository Register”** and **“Depository Agent”** shall have the same meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act (Chapter 289 of Singapore).

The terms **“subsidiary”** and **“related corporation”** shall have the meanings ascribed to them respectively in Sections 5 and 6 of the Companies Act.

The term **“Shareholder”**, in relation to any Share, includes a person entitled to that Share by transmission.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing any one gender shall, where applicable, include the other genders. References to persons shall, where applicable, include firms, corporations and other entities.

Any reference to any enactment or statute shall include a reference to any subordinate legislation and any regulation made under the relevant enactment or statute and is a reference to that enactment, statute, subordinate legislation or regulation as from time to time amended, consolidated, modified, re-enacted or replaced, whether before or after the date of this Scheme.

Any reference to a time of day is a reference to Singapore time unless otherwise stated.

RECITALS

- (A) The Company was incorporated in Singapore on 5 December 1995 and has been listed on the Mainboard of the SGX-ST since October 2003. As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$304,583,871.43 comprising 192,622,836 Shares and 1,334,000 outstanding Share Awards under the Sunningdale Restricted Share Plan 2014. The Company has no treasury shares.
- (B) The primary purpose of this Scheme is the acquisition by the Offeror of all the Scheme Shares.
- (C) The Company and the Offeror have entered into the Implementation Agreement to set out their respective rights and obligations with respect to this Scheme and the implementation thereof.
- (D) The Offeror has agreed to appear by legal counsel at the hearing of the Originating Summons to sanction this Scheme, and to consent thereto, and to undertake to the Court to be bound thereby and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme.

APPENDIX 13 THE SCHEME

1. CONDITIONS PRECEDENT

This Scheme is conditional upon each condition precedent set out in Clause 3.1 of the Implementation Agreement (as reproduced in **Appendix 6** to the Scheme Document) being satisfied or, subject to the terms of the Implementation Agreement, being waived on or before the Cut-Off Date.

2. TRANSFER OF THE SCHEME SHARES

2.1 With effect from the Effective Date, all of the Scheme Shares held by Entitled Scheme Shareholders will be transferred to the Offeror fully paid up, free from all Encumbrances and together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company to the Entitled Scheme Shareholders on or after the Joint Announcement Date.

2.2 For the purpose of giving effect to the transfer of the Scheme Shares provided for in **Clause 2** of this Scheme:

- (a) in the case of Entitled Scheme Shareholders (not being Depositors), the Company shall authorise any person to execute or effect on behalf of all such Entitled Scheme Shareholders an instrument or instruction of transfer of all the Scheme Shares held by such Entitled Scheme Shareholders and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Entitled Scheme Shareholder; and
- (b) in the case of Entitled Scheme Shareholders (being Depositors), the Company shall instruct CDP, for and on behalf of such Entitled Scheme Shareholders, to debit, not later than seven (7) Business Days after the Effective Date, all the Scheme Shares standing to the credit of the Securities Account of such Entitled Scheme Shareholders and credit all of such Scheme Shares to the Securities Account of the Offeror or such Securities Account(s) as directed by the Offeror.

3. PAYMENT OF SCHEME CONSIDERATION

3.1 In consideration of the transfer of the Scheme Shares under **Clause 2** of this Scheme and subject to **Clause 1** of this Scheme, the Offeror shall pay or procure that there shall be paid to each Entitled Scheme Shareholder the Scheme Consideration for each Scheme Share transferred by the Entitled Scheme Shareholder, in the form of:

- (a) S\$1.65 in cash (the "**Cash Consideration**"); or
- (b) in lieu of the Cash Consideration, 1,650 HoldCo Shares, which HoldCo shall allot and issue, duly authorised, fully paid and free from all Encumbrances, at an issue price of S\$0.001 per HoldCo Share (the "**Issue Price**", and such consideration the "**Scrip Consideration**"), provided always that no more than 55,652,841,202 HoldCo Shares, subject to the adjustment in **Clause 3.3** below, may be issued as Scrip Consideration (the "**Maximum Number**").

APPENDIX 13 THE SCHEME

The increased Scheme Consideration is final and the Offeror will not further increase the Scheme Consideration.

- 3.2 In the event that Entitled Scheme Shareholders elect for Scrip Consideration in such amount which exceeds the Maximum Number (the “**Adjustment Mechanism**”):
- (a) the Maximum Number will be allocated among the electing Entitled Scheme Shareholders on a pro-rata basis according to the number of Scheme Shares they hold, and will be rounded down to the nearest whole number; and
 - (b) in respect of the balance number of Scheme Shares held by Entitled Scheme Shareholders that elected for Scrip Consideration in excess of the Maximum Number, each relevant Entitled Scheme Shareholder shall receive in cash such amount equivalent to the HoldCo Shares (based on the Issue Price) which cannot be allotted and issued to such Entitled Scheme Shareholder.
- 3.3 The Maximum Number of HoldCo Shares which may be issued as Scrip Consideration represents approximately 30 per cent. of the Enlarged Share Capital. If any dividends, rights or other distributions are declared, paid or made by Sunningdale to the Shareholders on or after the Joint Announcement Date and before the Effective Date:
- (a) the Offeror reserves the right to reduce the Scheme Consideration by the amount of such dividends, rights or other distributions; and
 - (b) as there will be a corresponding reduction in the equity commitment and the number of HoldCo Shares to be issued under the Consortium and Shareholders’ Agreement, the Management Reinvestment and the Rollover Agreement, the Offeror will reduce the Maximum Number of HoldCo Shares such that the Maximum Number will represent approximately 30 per cent. of the Enlarged Share Capital.

To illustrate, if a dividend of S\$0.05 per Share is declared, paid or made:

- (i) *The Scheme Consideration payable will be reduced by: 193,956,836 Shares¹ x S\$0.05 = S\$9,697,841.80.*
- (ii) *This will correspondingly reduce the total equity contribution from the Consortium Parties², BH, the Participating Management and the Entitled Scheme Shareholders (including Yarwood and GSH) that elect for the Scrip Consideration by the same amount, being a drop of approximately 5.2 per cent. of the committed total equity contribution, which in turn reduces the Maximum Number of HoldCo Shares from 55,652,841,202 to 52,743,488,662 (i.e. a reduction of approximately 5.2 per cent.).*

1 This is the number of outstanding Shares assuming vesting and delivery of all the outstanding Share Awards.

2 Such equity amount will be contributed by KBH under the Rollover Agreement and by the Consortium Parties in accordance with the Consortium and Shareholders’ Agreement.

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3.4 Not later than seven (7) Business Days after the Effective Date, and against the transfer of the Scheme Shares set out in **Clause 2** of this Scheme:

(a) Cash Consideration

The Offeror shall pay cash to the Entitled Scheme Shareholders who elect to (or are deemed to have elected to) and are entitled to receive the Scheme Consideration in the form of Cash Consideration for all their Scheme Shares as follows:

(i) Entitled Scheme Shareholders whose Scheme Shares are not deposited with CDP

The Offeror shall pay each Entitled Scheme Shareholder (not being a Depositor) by sending a cheque for the Cash Consideration payable to and made out in favour of such Entitled Scheme Shareholder by ordinary post to his/her/its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such Entitled Scheme Shareholder, or in the case of joint Entitled Scheme Shareholders, to both joint Entitled Scheme Shareholders made out in favour of such joint Entitled Scheme Shareholders by ordinary post to the address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such joint Entitled Scheme Shareholders; and

(ii) Entitled Scheme Shareholders whose Scheme Shares are deposited with CDP

The Offeror shall pay each Entitled Scheme Shareholder (being a Depositor) by making payment of the Cash Consideration payable to such Entitled Scheme Shareholder to CDP. CDP shall:

(A) in the case of an Entitled Scheme Shareholder (being a Depositor) who has registered for CDP's direct crediting service, credit the Cash Consideration payable to such Entitled Scheme Shareholder, to the designated bank account of such Entitled Scheme Shareholder; and

(B) in the case of an Entitled Scheme Shareholder (being a Depositor) who has not registered for CDP's direct crediting service, credit the Cash Consideration to such Entitled Scheme Shareholder's Cash Ledger and such Cash Consideration shall be subject to the same terms and conditions as applicable to "*Cash Distributions*" under CDP's "*The Central Depository (Pte) Limited Operation of Securities Account with the Depository Terms and Conditions*" as amended, modified or supplemented from time to time, copies of which are available from CDP.

(b) Scrip Consideration

Subject to the Adjustment Mechanism and **paragraph 13.3** of the Offeror's Letter, HoldCo shall allot and issue new HoldCo Shares, credited as fully-paid, on the basis of 1,650 new HoldCo Shares at the Issue Price per new HoldCo Share for every one Scheme Share held by such Entitled Scheme Shareholder who elects to and is entitled to receive the Scheme Consideration in the form of the Scrip Consideration for all of their Scheme Shares, and the share certificates in respect of such HoldCo Shares will be delivered to the relevant person/entity recorded in the Register of Members or the

APPENDIX 13 THE SCHEME

Depository Register as at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form), regardless of whether such Entitled Scheme Shareholder holds the Scheme Shares as custodian or nominee or otherwise. If the Adjustment Mechanism applies, the Offeror shall pay the Balance Cash Consideration by sending a cheque in the manner set out in **paragraphs 3.4(b)(i) and 3.4(b)(ii)** below, not later than seven (7) Business Days after the Effective Date.

(i) Entitled Scheme Shareholders whose Scheme Shares are not deposited with CDP

The Offeror shall send the share certificates representing the relevant number of new HoldCo Shares ("**HoldCo Share Certificates**") to each Entitled Scheme Shareholder (not being a Depositor) by ordinary post to his/her/its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such Entitled Scheme Shareholder, or in the case of joint Entitled Scheme Shareholders, to the first named Entitled Scheme Shareholder by ordinary post to his/her/its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such joint Entitled Scheme Shareholders, save that in all cases, no HoldCo Share Certificates will, in the case of Overseas Shareholders, be despatched in or into any overseas jurisdiction (please refer to **paragraph 13** of the Offeror's Letter for more information on the arrangements for Overseas Shareholders).

If the Adjustment Mechanism applies, the Offeror shall pay the Balance Cash Consideration by sending a cheque for the Balance Cash Consideration payable to and made out in favour of such Entitled Scheme Shareholder by ordinary post to his/her/its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such Entitled Scheme Shareholder, or in the case of joint Entitled Scheme Shareholders, to both joint Entitled Scheme Shareholders made out in favour of such joint Entitled Scheme Shareholders by ordinary post to the address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such joint Entitled Scheme Shareholders.

(ii) Entitled Scheme Shareholders whose Scheme Shares are deposited with CDP

The Offeror shall send the HoldCo Share Certificates representing the relevant number of new HoldCo Shares to each Entitled Scheme Shareholder (being a Depositor) by ordinary post to his/her/its address as appearing in the Depository Register at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form), at the sole risk of such Entitled Scheme Shareholder, or in the case of joint Entitled Scheme Shareholders, to the first named Entitled Scheme Shareholder by ordinary post to his/her/its address as appearing in the Depository Register at the close of business on the Record Date, at the sole risk of such joint Entitled Scheme Shareholders, save that in all cases, that no HoldCo Share Certificates will, in the case of Overseas Shareholders, be despatched in or into any overseas jurisdiction (please refer to **paragraph 13** of the Offeror's Letter for more information on the arrangements for Overseas Shareholders).

APPENDIX 13 THE SCHEME

If the Adjustment Mechanism applies, the Offeror shall pay the Balance Cash Consideration by sending a cheque for the Balance Cash Consideration payable to and made out in favour of such Entitled Scheme Shareholder by ordinary post to his/her/its address as appearing in the Depository Register at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form), at the sole risk of such Entitled Scheme Shareholder, or in the case of joint Entitled Scheme Shareholders, to the first named Entitled Scheme Shareholder by ordinary post to his/her/its address as appearing in the Depository Register at the close of business on the Record Date, at the sole risk of such joint Entitled Scheme Shareholders.

- 3.5 The encashment of any cheque or the crediting by CDP of the aggregate Scheme Consideration in such other manner as the Entitled Scheme Shareholder may have agreed with CDP for payment of any cash distributions as referred to in **Clause 3.4** of this Scheme shall be deemed as good discharge to the Offeror, the Company and CDP for the moneys represented thereby.
- 3.6 (a) In relation to Entitled Scheme Shareholders, on and after the day being six (6) calendar months after the posting of such cheques relating to the Scheme Consideration, the Offeror shall have the right to cancel or countermand payment of any such cheque which has not been cashed (or has been returned uncashed) and shall place all such moneys in a bank account in the Company's name with a licensed bank in Singapore selected by the Company.
- (b) The Company or its successor entity shall hold such moneys until the expiration of six (6) years from the Effective Date and shall prior to such date make payments therefrom of the sums payable pursuant to **Clause 3.4** of this Scheme to persons who satisfy the Company or its successor entity that they are respectively entitled thereto and that the cheques referred to in **Clause 3.4** of this Scheme for which they are payees have not been cashed. Any such determination shall be conclusive and binding upon all persons claiming an interest in the relevant moneys, and any payments made by the Company hereunder shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to **Clause 3.1** of this Scheme.
- (c) On the expiry of six (6) years from the Effective Date, each of the Company and the Offeror shall be released from any further obligation to make any payments of the Scheme Consideration under this Scheme and the Company or its successor entity shall transfer to the Offeror the balance (if any) of the sums then standing to the credit of the bank account referred to in **Clause 3.6(a)** of this Scheme including accrued interest, subject, if applicable, to the deduction of interest, tax or any withholding tax or any other deduction required by law and subject to the deduction of any expenses.
- (d) **Clause 3.6(c)** of this Scheme shall take effect subject to any prohibition or condition imposed by law.

APPENDIX 13 THE SCHEME

3.7 From the Effective Date, each existing share certificate representing a former holding of Scheme Shares by Entitled Scheme Shareholders (not being Depositors) will cease to be evidence of title of the Scheme Shares represented thereby. The Entitled Scheme Shareholders (not being Depositors) shall be required to forward their existing share certificates relating to their Scheme Shares to the Share Registrar's office at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623 as soon as possible, but not later than seven (7) Business Days after the Effective Date for cancellation.

4. EFFECTIVE DATE

4.1 Subject to the satisfaction of the conditions precedent set out in **Clause 1** of this Scheme, this Scheme shall become effective and binding if all the Scheme Conditions have been satisfied (or, where applicable, waived) in accordance with the Implementation Agreement and upon a copy of the order of the Court sanctioning this Scheme under Section 210 of the Companies Act being duly lodged with the Accounting and Corporate Regulatory Authority of Singapore for registration.

4.2 Unless this Scheme shall have become effective and binding in accordance with its terms as aforesaid on or before the Cut-Off Date (or such other date as the Court on the application of the Company or the Offeror may allow), this Scheme shall lapse.

4.3 The Company and the Offeror may jointly consent, for and on behalf of all concerned, to any modification of, or amendment to, this Scheme or to any condition which the Court may think fit to approve or impose.

4.4 In the event that this Scheme does not become effective and binding in accordance with its terms for any reason, the costs and expenses incurred by the Company in connection with this Scheme will be borne by the Company.

4.5 This Scheme shall be governed by, and construed in accordance with, the laws of Singapore, and the Company, the Offeror and Scheme Shareholders submit to the non-exclusive jurisdiction of the courts of Singapore. A person who is not a party to this Scheme has no rights under the Contracts (Rights of Third Parties) Act (Chapter 53B of Singapore), to enforce any term or provision of this Scheme.

Dated 4 February 2021

**APPENDIX 14
NOTICE OF SCHEME MEETING**

IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

(HC/OS 4/2021)

In the Matter of Section 210 of
the Companies Act, Chapter 50

And

In the Matter of
SUNNINGDALE TECH LTD.
(Company Registration No. 199508621R)

...Applicant

SCHEME OF ARRANGEMENT

under Section 210 of the Companies Act, Chapter 50

Between

Sunningdale Tech Ltd.

And

Scheme Shareholders (as defined herein)

And

Sunrise Technology Investment Holding Pte. Ltd.

APPENDIX 14 NOTICE OF SCHEME MEETING

NOTICE OF SCHEME MEETING

NOTICE IS HEREBY GIVEN THAT:

By an Order of Court dated 14 January 2021 made in the above matter, the High Court of the Republic of Singapore (the "**Court**") has directed a meeting (the "**Scheme Meeting**") of the Scheme Shareholders of Sunningdale Tech Ltd. (the "**Company**") to be convened and such Scheme Meeting shall be held by way of electronic means on 19 February 2021 at 3.00 p.m., for the purpose of considering and, if thought fit, approving (with or without modification) the following resolution.

RESOLUTION

RESOLVED THAT the Scheme of Arrangement dated 4 February 2021 ("**Scheme**") proposed to be made pursuant to Section 210 of the Companies Act (Chapter 50 of Singapore), between (i) the Company, (ii) the Scheme Shareholders and (iii) Sunrise Technology Investment Holding Pte. Ltd., a copy of which has been circulated with this Notice convening this Scheme Meeting, be and is hereby approved.

All references to the Scheme Document in this Notice shall mean the Company's Scheme Document to the Scheme Shareholders dated 4 February 2021. All capitalised terms not otherwise defined herein shall have the meanings given to them in the Scheme Document.

By the said Order of Court, the Court has appointed Mr. Kaka Singh S/O Dalip Singh, or failing him, any director of the Company, is to act as Chairman of the Scheme Meeting, and has directed the Chairman to report the results thereof to the Court.

The said Scheme will be subject to, inter alia, the subsequent sanction of the Court.

Important Notice from the Company

Scheme Shareholders may obtain printed copies of the Scheme Document by completing and returning the request form accompanying this Notice and the Proxy Form to the Company by 10 February 2021. A printed copy of the Scheme Document will be sent to the address in Singapore specified by the Scheme Shareholder at his/her/its own risk.

An Overseas Shareholder may write in to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623, to request for the Scheme Document and any related documents to be sent to an address in Singapore by ordinary post at his/her/its own risk, up to three market days prior to the date of the Scheme Meeting.

Electronic copies of the Scheme Document (enclosing this Notice and the Proxy Form) are also available on the website of the SGX-ST at www.sgx.com/securities/company-announcements and on the website of the Company at <https://investor.sdaletech.com/scheme-of-arrangement.html>. A Scheme Shareholder will need an internet browser and PDF reader to view these documents on the websites of the SGX-ST and the Company.

Notes:

1. A copy of the said Scheme and a copy of the Explanatory Statement required to be furnished pursuant to Section 211 of the Companies Act are incorporated in the Scheme Document of which this Notice forms part.
2. Due to the current COVID-19 restriction orders in Singapore, Scheme Shareholders and persons who hold Scheme Shares through relevant intermediaries (as defined below) will not be able to attend the Scheme Meeting in person. Alternative arrangements relating to attendance at the Scheme Meeting via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Scheme Meeting in advance of the Scheme Meeting, addressing of

APPENDIX 14 NOTICE OF SCHEME MEETING

substantial and relevant questions either before or at the Scheme Meeting, and voting by appointing the Chairman of the Scheme Meeting as proxy at the Scheme Meeting, are set out below. Any reference to a time of day is made by reference to Singapore time.

3. Scheme Shareholders, CPFIS Investors and SRS Investors will be able to observe and/or listen to the Scheme Meeting proceedings through a live audio-visual webcast or live audio-only stream via their mobile phones, tablets or computers. In order to do so, Scheme Shareholders, CPFIS Investors and SRS Investors must pre-register at the Company's pre-registration website at <https://investor.sdaletch.com/scheme-of-arrangement.html> from now till **3.00 p.m. on 17 February 2021** to enable the Company to verify their status as Scheme Shareholders, CPFIS Investors or SRS Investors.

Following the verification, authenticated Scheme Shareholders, CPFIS Investors and SRS Investors will receive an email, which will contain user ID and password details as well as instructions on how to access the live audio-visual webcast and a toll-free telephone number to access the live audio-only stream of the Scheme Meeting proceedings, by **3.00 p.m. on 18 February 2021**. Scheme Shareholders, CPFIS Investors and SRS Investors who do not receive an email by **3.00 p.m. on 18 February 2021** but have registered by the deadline on **17 February 2021** should contact the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at (65) 6230 9580 (during office hours) or email srs.teamd@boardroomlimited.com.

4. Scheme Shareholders may also submit questions related to the Scheme to be tabled for approval at the Scheme Meeting to the Chairman of the Scheme Meeting in advance of the Scheme Meeting. In order to do so, their questions must be submitted in the following manner by **3.00 p.m. on 15 February 2021**:
 - (a) if submitted electronically, be submitted via email to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at srs.teamd@boardroomlimited.com; or
 - (b) if submitted by post, be deposited at the office of the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623.

Scheme Shareholders who submit questions via email or by post must provide the following information:

- (i) the Scheme Shareholder's full name;
- (ii) the Scheme Shareholder's address; and
- (iii) the manner in which the Scheme Shareholder holds Scheme Shares (e.g. via CDP, scrip, CPF or SRS).

The Company will endeavour to address all substantial and relevant questions received in advance of the Scheme Meeting from Scheme Shareholders, prior to or during the Scheme Meeting. The Company will publish the responses to the substantial and relevant questions which the Company is unable to address during the Scheme Meeting, on the SGXNET and on the website of the Company prior to the Scheme Meeting. The Company will publish the minutes of the Scheme Meeting on the SGXNET and on the website of the Company, and the minutes will include the responses to the substantial and relevant questions which are addressed during the Scheme Meeting.

Scheme Shareholders will not be able to ask questions at the Scheme Meeting "live" during the audio-visual webcast or audio stream, and therefore it is important for Scheme Shareholders who wish to ask questions to submit their questions in advance of the Scheme Meeting.

5. If a Scheme Shareholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the Scheme Meeting, he/she/it must appoint the Chairman of the Scheme Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Scheme Meeting, PROVIDED THAT if the Scheme Shareholder is a Depositor, the Company shall be entitled and bound to reject any Proxy Form lodged if the Scheme Shareholder, being the appointor, is not shown to have any Scheme Shares entered against the Scheme Shareholder's name in the Depository Register as at 72 hours before the time of the Scheme Meeting, as certified by CDP to the Company. The Proxy Form is available on the website of the SGX-ST at <https://www.sgx.com/securities/company-announcements> and on the website of the Company at <https://investor.sdaletch.com/scheme-of-arrangement.html>. The Proxy Form is circulated with the Scheme Document, of which this Notice forms part.

In appointing the Chairman of the Scheme Meeting as proxy, a Scheme Shareholder must give specific instructions as to voting, or abstention from voting, in respect of the Scheme in the Proxy Form, failing which the appointment of the Chairman of the Scheme Meeting as proxy for the Scheme Meeting will be treated as invalid.

6. In the case of joint holders of Scheme Shares, any one of such persons may vote, but if more than one of such persons be present at the Scheme Meeting, the person whose name stands first in the Register of Members or, as the case may be, the Depository Register shall alone be entitled to vote.
7. A Scheme Shareholder may only cast all the votes it uses at the Scheme Meeting in **one way**.
8. The Proxy Form appointing the Chairman of the Scheme Meeting as proxy must be submitted to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:
 - (a) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via email to the Share Registrar at srs.teamd@boardroomlimited.com; or

APPENDIX 14 NOTICE OF SCHEME MEETING

(b) if submitted by post, be lodged at the office of the Share Registrar at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623,

in either case, by **3.00 p.m.** on **17 February 2021**, being 48 hours before the time fixed for the Scheme Meeting.

A Scheme Shareholder who wishes to submit a Proxy Form must complete and sign the Proxy Form, and may submit it by post to the address provided above, or by scanning and sending it by email to the email address provided above.

In view of the COVID-19 restriction orders in Singapore and the related safe distancing measures which may make it difficult for Scheme Shareholders to submit completed proxy forms by post, Scheme Shareholders are strongly encouraged to submit completed proxy forms electronically via email.

9. A Scheme Shareholder voting by appointing the Chairman of the Scheme Meeting as proxy shall be included in the count of Scheme Shareholders present and voting at the Scheme Meeting as if that Scheme Shareholder was voting in person. The votes of the Chairman of the Scheme Meeting shall be counted as the votes of the number of appointing Scheme Shareholders.
10. Pursuant to the Order of Court, Mr. Kaka Singh S/O Dalip Singh, or failing him, any director of the Company, shall act as Chairman of the Scheme Meeting and the Court has further directed the Chairman of the Scheme Meeting to report the results thereof to the Court.
11. The said Scheme will be subject to, *inter alia*, the subsequent approval of the Court.
12. Relevant Intermediary Shareholders (including CPFIS Investors and SRS Investors) who wish to participate in the Scheme Meeting by (a) observing and/or listening to the Scheme Meeting proceedings through the live audio-visual webcast or live audio-only stream; (b) submitting questions in advance of the Scheme Meeting; and/or (c) appointing the Chairman of the Scheme Meeting as proxy to attend, speak and vote on their behalf at the Scheme Meeting, should contact the Relevant Intermediary through which they hold such Scheme Shares as soon as possible in order to make the necessary arrangements for them to participate in the Scheme Meeting.

CPFIS Investors and SRS Investors who wish to appoint the Chairman of the Scheme Meeting as proxy should approach their respective CPF Agent Banks and SRS Agent Banks to submit their voting instructions by **5.00 p.m.** on **8 February 2021**, being 7 working days before the date of the Scheme Meeting.

13. The Chairman of the Scheme Meeting, as proxy, need not be a Scheme Shareholder.
14. Please see the Scheme Document and the Notes to the Proxy Form for more information.

Due to the constantly evolving COVID-19 situation in Singapore, the Company may be required to change the arrangements for the Scheme Meeting at short notice. Scheme Shareholders should check the website of the Company at <https://investor.sdaitech.com/scheme-of-arrangement.html> for the latest updates on the Scheme Meeting.

Personal Data Privacy

By submitting an instrument appointing the Chairman of the Scheme Meeting as proxy to attend, speak and vote at the Scheme Meeting and/or any adjournment thereof, a Scheme Shareholder consents to the collection, use and disclosure of the Scheme Shareholder's personal data by the Company (or their agents or service providers) for the purpose of the processing and administration by the Company (or their agents or service providers) of the appointment of the Chairman of the Scheme Meeting as proxy for the Scheme Meeting (including any adjournment thereof), the preparation and compilation of the attendance lists, minutes and other documents relating to the Scheme Meeting (including any adjournment thereof), and in order for the Company (or their agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

Dated this 4th day of February 2021

WongPartnership LLP
12 Marina Boulevard Level 28
Marina Bay Financial Centre Tower 3
Singapore 018982

Solicitors for
Sunningdale Tech Ltd.

PROXY FORM FOR SCHEME MEETING

SUNNINGDALE TECH LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 199508621R)

FORM OF PROXY FOR USE AT THE SCHEME MEETING
(OR ANY ADJOURNMENT THEREOF) OF THE SCHEME SHAREHOLDERS

IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

HC/OS 4/2021

In the Matter of Section
210 of the Companies
Act, Chapter 50

And

In the Matter of
SUNNINGDALE TECH LTD.
(Company Registration
No. 199508621R)

...Applicant

SCHEME OF ARRANGEMENT

under Section 210 of the Companies Act, Chapter 50

Between

Sunningdale Tech Ltd.

And

Scheme Shareholders (as defined herein)

And

Sunrise Technology Investment Holding Pte. Ltd.

PROXY FORM FOR SCHEME MEETING

IMPORTANT:

1. The Scheme Meeting is being convened, and will be held, by way of electronic means. The Scheme Meeting to be held on 19 February 2021 will start at 3.00 p.m..
2. Alternative arrangements relating to attendance at the Scheme Meeting via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Scheme Meeting in advance of the Scheme Meeting, addressing of substantial and relevant questions either before or at the Scheme Meeting, and voting by appointing the Chairman of the Scheme Meeting as proxy at the Scheme Meeting, are set out in the notice of the Scheme Meeting.
3. **Due to the current COVID-19 restriction orders in Singapore, Scheme Shareholders will not be able to attend the Scheme Meeting in person. If a Scheme Shareholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the Scheme Meeting, he/she/it must appoint the Chairman of the Scheme Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Scheme Meeting.**
4. This Proxy Form is not valid for use by Relevant Intermediary Shareholders (including CPFIS Investors and SRS Investors) and shall be ineffective for all intents and purposes if used or purported to be used by them. If a CPFIS Investor or SRS Investor wishes to appoint the Chairman of the Scheme Meeting as proxy, he/she should approach his/her respective CPF Agent Banks or SRS Agent Banks to submit his/her votes by **5.00 p.m.** on 8 February 2021, being 7 working days before the date of the Scheme Meeting.
5. All capitalised terms used in this Proxy Form which are not otherwise defined herein shall bear the same meanings ascribed to them in the Company's Scheme Document to the Scheme Shareholders dated 4 February 2021.
6. **Please read the notes to this Proxy Form which contain instructions on, *inter alia*, the appointment of the Chairman of the Scheme Meeting as a Scheme Shareholder's proxy to attend, speak and vote on his/her/its behalf at the Scheme Meeting.**

PROXY FORM FOR SCHEME MEETING

SUNNINGDALE TECH LTD.

(Company Registration No. 199508621R)
(Incorporated in the Republic of Singapore)

Note: This Proxy Form is available on the website of the SGX-ST at www.sgx.com/securities/company-announcements and on the website of the Company at <https://investor.sdaletech.com/scheme-of-arrangement.html>. Printed copies of this Proxy Form will also be sent to the Scheme Shareholders.

Personal Data Privacy

By submitting an instrument appointing a proxy and/or representative, the Scheme Shareholder accepts and agrees to the personal data privacy terms set out in the notice of the Scheme Meeting dated 4 February 2021.

SCHEME MEETING

PROXY FORM

I/We _____

(Name) _____ (NRIC/Passport No./Company Registration No.)

of _____ (Address)

being a *member/members of Sunningdale Tech Ltd. (the "**Company**") hereby appoint the Chairman of the Scheme Meeting, as *my/our proxy to attend, speak and to vote for *me/us on *my/our behalf at the Scheme Meeting, to be convened and held by way of electronic means on 19 February 2021 at 3.00 p.m. and at any adjournment thereof, for the purpose of considering and, if thought fit, approving the Scheme referred to in the notice convening the Scheme Meeting, and at such Scheme Meeting (or at any adjournment thereof) to vote for *me/us and in *my/our name(s) for the said Scheme or against the said Scheme as hereunder indicated.

*I/We direct the Chairman of the Scheme Meeting to vote for or against, or to abstain from voting on, the Scheme to be proposed at the Scheme Meeting as indicated hereunder.

RESOLUTION	FOR*	AGAINST*	ABSTAIN*
To approve the Scheme of Arrangement			

* *If you wish the Chairman of the Scheme Meeting as your proxy to vote "For" or "Against" the Resolution, please indicate with a "√" in the space provided under "For" or "Against". If you wish the Chairman of the Scheme Meeting as your proxy to abstain from voting on the Resolution, please indicate a "√" in the space provided under "Abstain". **In the absence of specific directions in respect of the Resolution, the appointment of the Chairman of the Scheme Meeting as your proxy for the Scheme Meeting will be treated as invalid. DO NOT TICK MORE THAN ONE BOX.***

Dated this _____ day of February 2021

Total Number of Shares Held	
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Signature(s) or Common Seal of Member(s)

IMPORTANT: PLEASE READ THE NOTES TO THIS PROXY FORM OVERLEAF

PROXY FORM FOR SCHEME MEETING

NOTES:

1. **Due to the current COVID-19 restriction orders in Singapore, Scheme Shareholders will not be able to attend the Scheme Meeting in person.** If a Scheme Shareholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the Scheme Meeting, he/she/it must appoint the Chairman of the Scheme Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Scheme Meeting. This Proxy Form is available on the website of the SGX-ST at www.sgx.com/securities/company-announcements and on the website of the Company at <https://investor.sdaitech.com/scheme-of-arrangement.html>.

In appointing the Chairman of the Scheme Meeting as proxy, a Scheme Shareholder must give specific instructions as to voting, or abstention of voting, in respect of the Resolution in this Proxy Form, failing which the appointment of the Chairman of the Scheme Meeting as proxy for the Scheme Meeting will be treated as invalid.

The votes of the Chairman of the Scheme Meeting, as proxy, shall be counted as the votes of the number of appointing Scheme Shareholders.

2. This Proxy Form is not valid for use by Relevant Intermediary Shareholders (including CPFIS Investors and SRS Investors) and shall be ineffective for all intents and purposes if used or purported to be used by them. Relevant Intermediary Shareholders (including CPFIS Investors and SRS Investors) that wish to vote should not make use of the Proxy Form and should instead approach their respective Relevant Intermediary as soon as possible to specify voting instructions. If a CPFIS Investor or SRS Investor wishes to appoint the Chairman of the Scheme Meeting as proxy, he/she should approach his/her respective CPF Agent Banks or SRS Agent Banks to submit his/her votes by **5.00 p.m. on 8 February 2021**, being 7 working days before the date of the Scheme Meeting.
3. The Chairman of the Scheme Meeting, as proxy, need not be a Scheme Shareholder.
4. A Scheme Shareholder should insert the total number of Scheme Shares held. If the Scheme Shareholder only has Scheme Shares entered against the Scheme Shareholder's name in the Depository Register maintained by CDP, that number of Scheme Shares should be inserted. If the Scheme Shareholder has Scheme Shares registered in the Scheme Shareholder's name in the Register of Members, that number of Scheme Shares should be inserted. If the Scheme Shareholder has Scheme Shares entered against or registered in the Scheme Shareholder's name in both the Depository Register and the Register of Members, the Scheme Shareholder should insert the aggregate number of Scheme Shares. If no number of Scheme Shares is inserted, this Proxy Form shall be deemed to relate to all the Scheme Shares held by the Scheme Shareholder.
5. A Scheme Shareholder may only cast all the votes it uses at the Scheme Meeting in **one way**.
6. This Proxy Form appointing the Chairman of the Scheme Meeting as proxy must be submitted to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:
 - (a) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via email to the Share Registrar at srs.teamd@boardroomlimited.com; or
 - (b) if submitted by post, be lodged at the office of the Share Registrar at 50 Raffles Place #32-01 Singapore Land Tower, Singapore 048623,

in either case, by **3.00 p.m. on 17 February 2021**, being 48 hours before the time fixed for the Scheme Meeting.

A Scheme Shareholder who wishes to submit this Proxy Form must complete and sign this Proxy Form, and may submit it by post to the address provided above, or by scanning and sending it by email to the email address provided above.

In view of the COVID-19 restriction orders in Singapore and the related safe distancing measures which may make it difficult for Scheme Shareholders to submit completed proxy forms by post, Scheme Shareholders are strongly encouraged to submit completed proxy forms electronically via email.

7. This Proxy Form must be executed under the hand of the appointor or his/her attorney duly authorised in writing. Where this Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
8. Where this Proxy Form is signed by an attorney or on behalf of the appointor, the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof must (failing previous registration with the Company), if this Proxy Form is submitted by post, be lodged with this Proxy Form, or if this Proxy Form is submitted electronically via email, be emailed with this Proxy Form, failing which this Proxy Form may be treated as invalid.
9. In the case of joint holders of Scheme Shares, any one of such persons may vote by proxy, but if more than one of such persons vote by proxy, only the vote of the person whose name stands first in the Register of Members or the Depository Register, as the case may be, shall be counted.
10. Any alteration made to this Proxy Form should be initialled by the person who signs it.
11. Any reference to a time of day is made by reference to Singapore time.

General:

The Company shall be entitled to reject any Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on and/or attached to this Proxy Form (including any related attachment). In addition, in the case of Scheme Shareholders whose Scheme Shares are entered against their names in the Depository Register, the Company may reject any Proxy Form if the Scheme Shareholder, being the appointor, is not shown to have Scheme Shares entered against the Scheme Shareholder's name in the Depository Register as at 72 hours before the time appointed for holding the Scheme Meeting, as certified by CDP to the Company.

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SunningdaleTech

SUNNINGDALE TECH LTD.

(Incorporated in the Republic of Singapore)

(Company Registration Number: 199508621R)

51 Joo Koon Circle, Singapore 629069

T 65 6861 1161

F 65 6863 4173

www.sdaletech.com