

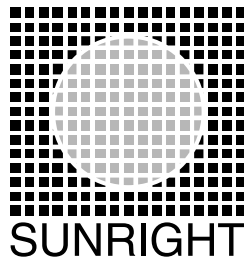
CIRCULAR DATED 23 APRIL 2015

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

This Circular is issued by Sunright Limited (the “**Company**”). If you are in any doubt as to the course of action you should take, you should consult your bank manager, stockbroker, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company, you should immediately forward this Circular, the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or the transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected, for onward transmission to the purchaser or the 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 Circular.



SUNRIGHT LIMITED

Company Registration Number 197800523M
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

in relation to

THE PROPOSED DISPOSAL OF APPROXIMATELY 34.62% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF KESM TEST (M) SDN BHD TO KESM INDUSTRIES BERHAD

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	6 May 2015 (Wednesday) at 9.30 a.m.
Date and time of Extraordinary General Meeting	:	8 May 2015 (Friday) at 9.30 a.m.
Place of Extraordinary General Meeting	:	Room 801, Level 8 No. 1 Marina Boulevard NTUC Centre Singapore 018989

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DEFINITIONS

In this Circular, the following definitions shall apply throughout unless the context otherwise requires or otherwise stated:

“Announcement”	:	Shall have the meaning ascribed to it in paragraph 1.1
“Board”	:	The Board of Directors of the Company for the time being
“Bursa Securities”	:	Bursa Malaysia Securities Berhad (Company No. 635998-W)
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 23 April 2015
“Companies Act”	:	The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time
“Company”	:	Sunright Limited (Company Registration Number: 197800523M)
“Completion”	:	The completion of the sale, purchase and transfer of the Sale Shares in accordance with the SSA
“Consideration”	:	Shall have the meaning ascribed to it in paragraph 3.2.1
“Defaulting Party”	:	Shall have the meaning ascribed to it in paragraph 3.2.8
“Directors”	:	Directors of the Company as at the Latest Practicable Date
“EGM”	:	Extraordinary General Meeting
“EPS”	:	Earnings per Share
“FY2014”	:	Financial year ended 31 July 2014
“Group”	:	Collectively, the Company and its subsidiaries as at the Latest Practicable Date
“Interim Dividend”	:	The interim dividend for the financial year ending 31 July 2015 declared and paid by KESM Test prior to the date of the SSA amounting to RM30.00 million (approximately S\$11.34 million) ¹
“KESMI”	:	KESM Industries Berhad (Company No. 13022-A), a public company incorporated in Malaysia and listed on the Main Board of Bursa Securities in Malaysia and having its registered address at 802, 8 th Floor, Block C, Kelana Square, 17 Jalan SS 7/26, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia

¹ Unless otherwise stated, in this Circular, all conversions from Malaysian Ringgit to Singapore dollars and cents are based on the exchange rate of RM1.00 to S\$0.378.

“KESM Test”	:	KESM Test (M) Sdn Bhd (Company No. 345857-W), a private limited company incorporated in Malaysia and having its registered address at 802, 8 th Floor, Block C, Kelana Square, 17 Jalan SS 7/26, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia
“Latest Practicable Date”	:	20 April 2015, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	:	The listing manual of the Main Board of the SGX-ST
“Non-Defaulting Party”	:	Shall have the meaning ascribed to it in paragraph 3.2.8
“Notice of EGM”	:	The notice of the EGM as set out on page 15 of this Circular
“NTA”	:	Net tangible assets
“Ordinary Resolution”	:	Ordinary resolution to be passed at the EGM in respect of the Proposed Disposal
“Ordinary Share”	:	Ordinary share of par value RM1.00 in the share capital of KESM Test and “Ordinary Shares” shall be construed accordingly
“Proposed Disposal”	:	The proposed sale and disposal by the Company to KESMI of the Sale Shares in KESM Test, free from all encumbrances and with all rights, benefits and entitlements together with all dividends and distributions attaching thereto as at the date of the SSA ²
“Proxy Form”	:	The proxy form in respect of the EGM as attached to this Circular
“RTI”	:	Shall have the meaning ascribed to it in paragraph 4
“Sale Shares”	:	The 692,308 Ordinary Shares, representing approximately 34.62% of the total issued and paid-up share capital of KESM Test, legally and beneficially owned by the Company and to be sold and transferred to KESMI in accordance with and subject to the provisions of the SSA
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share”	:	An ordinary share in the share capital of the Company and “Shares” shall be construed accordingly
“Shareholders”	:	The registered holders of the Shares, except where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the Depositors whose securities accounts are credited with the Shares

² For the avoidance of doubt, the Company retained its proportionate share of the Interim Dividend of approximately RM10.39 million (approximately S\$3,926,000).

“SSA” : The conditional share sale agreement entered into between the Company and KESMI on 13 February 2015 in relation to the Proposed Disposal

Currencies, Units and Others

“S\$” and “cents” : Singapore dollars and cents, the lawful currency of the Republic of Singapore

“RM” : Malaysian Ringgit, the lawful currency of Malaysia

“%” or “per cent.” : Per centum or percentage

The terms **“Depositor”** and **“Depository Register”** shall have the same meanings ascribed to them, respectively, in Section 130A of the Companies Act. The term **“subsidiary”** shall have the same meaning ascribed to it in Section 5 of the Companies Act. The term **“associated company”** shall have the same meaning ascribed to it in the Listing Manual.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference in this Circular to “paragraph” is a reference to a paragraph in this Circular.

Any reference in this Circular to any statute or enactment is a reference to that statute or enactment as for the time being amended or re-enacted. Any word or term defined under the Companies Act, the Listing Manual or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning ascribed to it under the Companies Act, the Listing Manual or any statutory modification thereof, as the case may be.

Any reference to any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

Any reference to a time of day and to dates in this Circular shall be a reference to Singapore time and dates, unless otherwise stated.

Unless otherwise stated, references to the shareholdings of the Company are computed based on the total number of Shares of 122,806,000 as at the Latest Practicable Date. The Company has no treasury shares.

SUNRIGHT LIMITED

Company Registration Number 197800523M
(Incorporated in the Republic of Singapore)

Directors:

Mr Samuel Lim Syn Soo
(Executive Chairman/Chief Executive Officer)
Mr Kenneth Tan Teoh Khoon
(Executive Director)
Ms Lim Mee Ing
(Non-Independent, Non-Executive Director)
Mr Francis Lee Choon Hui
(Independent, Non-Executive Director)
Mr Timothy Brooks Smith
(Independent, Non-Executive Director)

Registered Office:

Block 1093 Lower Delta Road
#02-01/08 Tiong Bahru
Industrial Estate
Singapore 169204

23 April 2015

To: The Shareholders of Sunright Limited

Dear Sir/Madam

THE PROPOSED DISPOSAL OF APPROXIMATELY 34.62% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF KESM TEST (M) SDN BHD TO KESM INDUSTRIES BERHAD

1. INTRODUCTION

- 1.1 On 13 February 2015, the Company announced that it had on 13 February 2015 entered into the SSA with KESMI, an associated company³ of the Company and a company listed on the Main Board of Bursa Securities, in relation to the Proposed Disposal (the “**Announcement**”).
- 1.2 The Proposed Disposal, being the proposed sale and disposal by the Company to KESMI of 692,308 Ordinary Shares of KESM Test, representing approximately 34.62% of the total issued and paid-up share capital of KESM Test, is a major transaction under Rule 1014 of the Listing Manual and the Group will comply with the relevant requirements of Chapter 10 of the Listing Manual, which requires the approval of the Shareholders.
- 1.3 Upon completion of the Proposed Disposal, the Company will cease to have a direct interest in KESM Test and KESMI will have a direct interest in 100% of the total issued and paid-up share capital of KESM Test following the Proposed Disposal. The Company will nevertheless continue to have an indirect interest in KESM Test through its 48.41% shareholding interest in KESMI.
- 1.4 The Proposed Disposal is considered a “**related party transaction**” pursuant to Paragraph 10.08 of the Main Market Listing Requirements of Bursa Securities and is therefore subject to and conditional upon, *inter alia*, the approval of non-interested shareholders of KESMI.
- 1.5 The Directors are convening an EGM to be held on 8 May 2015 to seek Shareholders’ approval for the Proposed Disposal.

³ Upon adoption of FRS 110 *Consolidated Financial Statements* on 1 August 2014, the Group has consolidated the financial statements of KESMI and its subsidiaries on a line by line basis, as the Group has met the conditions for *de facto* control. The consolidation of the KESMI Group’s financial statements has changed the presentation of the Group’s investment in associates on the Balance Sheet and its share of results on the Group’s Statement of Profit or Loss and Other Comprehensive Income respectively, but will not have any effect on the consolidated net assets of the Group or the net profit attributable to the equity holders of the Company.

1.6 The purpose of this Circular is to explain the reasons for, and to provide Shareholders with information pertaining to, the Proposed Disposal, which resolution is to be tabled at the EGM.

1.7 The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.

2. INFORMATION RELATING TO KESMI AND KESM TEST

2.1 Information relating to KESMI

As at the date hereof, KESMI, a public limited liability company incorporated and domiciled in Malaysia, is 48.41%-owned by the Company. The principal activities of KESMI are investment holding and provision of semiconductor burn-in services.

2.2 Information relating to KESM Test

As at the date hereof, the authorised share capital of KESM Test, a private limited company incorporated in Malaysia, is RM10 million only divided into 10,000,000 Ordinary Shares, out of which RM2 million only divided into 2,000,000 Ordinary Shares are fully issued and paid-up. The Company and KESMI are the legal and beneficial owners of 692,308 Ordinary Shares and 1,307,692 Ordinary Shares respectively, representing approximately 34.62% and 65.38% of the total issued and paid-up share capital in KESM Test respectively. KESM Test does not have any subsidiaries or associated companies.

The directors of KESM Test as at the date hereof are Mr Samuel Lim Syn Soo, Mr Kenneth Tan Teoh Khoon, Tuan Haji Zakariah Bin Yet and Mr Yong Chee Hou.

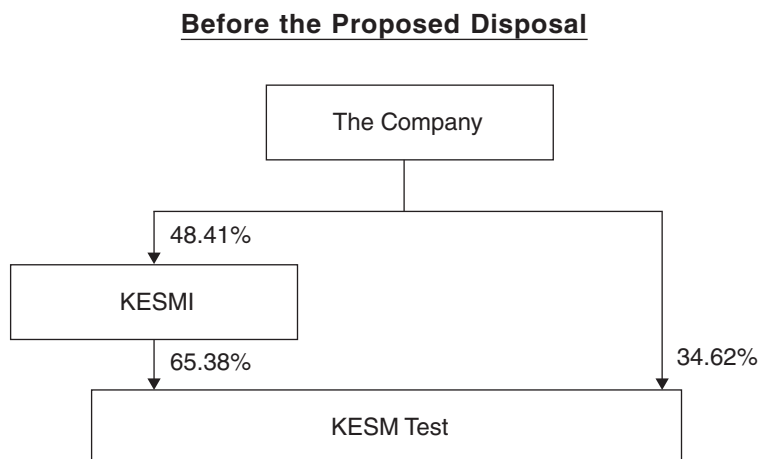
The principal activity of KESM Test is the provision of semiconductor testing services.

3. THE PROPOSED DISPOSAL

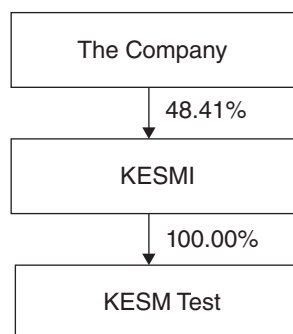
3.1 Background

On 13 February 2015, the Company and KESMI entered into the SSA for the sale and disposal by the Company to KESMI of the Sale Shares in KESM Test.

By way of illustration, the shareholding interests of the Company and KESMI in KESM Test before and after the Proposed Disposal is set out below:



After the Proposed Disposal



3.2 Salient terms of the Proposed Disposal

3.2.1 Consideration

The aggregate consideration of the Proposed Disposal is RM35.00 million (approximately S\$13.23 million) (the “**Consideration**”).

The Consideration was arrived at through arm’s length, commercial negotiations between the Company and KESMI, on a “willing-buyer, willing-seller” basis after taking into account the price-to-earnings multiple of approximately 6.4 times of the profit after tax of KESM Test of approximately RM15.76 million (approximately S\$5.96 million) based on its audited financial statements for FY2014.

3.2.2 Terms of Payment

The Consideration shall be fully satisfied by KESMI in cash.

3.2.3 Value of Sale Shares

The net tangible asset value of the Sale Shares as recorded in the audited financial statements of KESM Test for FY2014 was approximately S\$13.64 million. No valuation was conducted in respect of the Sale Shares.

3.2.4 Loss from the Proposed Disposal

Based on the audited financial statements of the Group for FY2014, the net loss attributable to the Sale Shares was approximately S\$0.41 million.⁴

Had the Company’s proportionate share of the Interim Dividend of approximately RM10.39 million (approximately S\$3,926,000) been accounted for, the Proposed Disposal would have resulted in a net gain. The net gain attributable to the Sale Shares for FY2014 would then be approximately S\$3.51 million.

⁴ The net loss attributable to the Sale Shares represents the difference between the Consideration and the net tangible asset value of the Sale Shares.

3.2.5 Use of Proceeds from the Proposed Disposal

The Group expects to receive net proceeds of approximately S\$13.03 million (after deducting estimated expenses of approximately S\$0.20 million from the Proposed Disposal). The deficit of the net proceeds from the Proposed Disposal over the net tangible asset value of the Sale Shares as at 31 July 2014 will be approximately S\$0.61 million.⁵

Had the net proceeds of approximately S\$13.03 million (after deducting estimated expenses of approximately S\$0.20 million from the Proposed Disposal) been aggregated with the Company's proportionate share of the Interim Dividend of approximately RM10.39 million (approximately S\$3,926,000), the total cash realisation from the Proposed Disposal would be approximately S\$16.96 million. The excess of this cash realisation over the net tangible asset value of the Sale Shares as at 31 July 2014 would then be approximately S\$3.31 million.

The Group intends to utilise the net proceeds for product development innovations and to build on highly complex board design capabilities, for working capital requirements, as well as for general corporate purposes and/or to reduce the bank borrowings of the Group.

Pending the deployment thereof, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities, or used for any other purpose on a short-term basis, as the Directors may deem appropriate in the interests of the Group.

3.2.6 Conditions Precedent

The Proposed Disposal is conditional on the following:

- (a) the grant of the approval from the Shareholders in general meeting for the sale, purchase and transfer of the Sale Shares in accordance with the terms and conditions contained in the SSA;
- (b) the grant of the approval from the shareholders of KESMI in general meeting for the sale, purchase and transfer of the Sale Shares in accordance with the terms and conditions contained in the SSA;
- (c) the grant of the approval of the Ministry of International Trade and Industry of Malaysia/the Malaysian Investment Development Authority for the sale, purchase and transfer of the Sale Shares in accordance with the terms and conditions contained in the SSA and such approval not having been revoked on or before completion of the Proposed Disposal; and
- (d) the grant of the approval by any other relevant authority and/or third party (if applicable).

The approval from the shareholders of KESMI in general meeting for the sale, purchase and transfer of the Sale Shares referred to in paragraph 3.2.6(b) was obtained on 16 April 2015.

⁵ The deficit of approximately S\$0.61 million represents the difference between the net proceeds of S\$13.03 million and the net tangible asset value of the Sale Shares.

The application to the Ministry of International Trade and Industry of Malaysia/the Malaysian Investment Development Authority referred to in paragraph 3.2.6(c) was made on 16 February 2015 and was approved by the Ministry of International Trade and Industry of Malaysia/the Malaysian Investment Development Authority on 15 April 2015.

In the event that any of the conditions above is not fulfilled or has not been duly waived by the Company or KESMI (as the case may be) on or before a date falling six (6) months from the date of the SSA (unless otherwise extended by mutual agreement between the parties to the SSA (being the Company and KESMI) in writing), then either the Company or KESMI shall be at liberty to forthwith terminate the SSA by giving notice in writing to the other party.

3.2.7 Completion

Subject to the SSA becoming unconditional in accordance with the terms and conditions of the SSA and provided always that there is no material breach or non-observance of any of the terms and conditions of the SSA by the parties to the SSA (being the Company and KESMI), the Completion shall not be later than three (3) business days from the date on which the last of the conditions set out in paragraph 3.2.6 is fulfilled or otherwise waived in accordance with the terms and conditions of the SSA, unless otherwise extended by mutual agreement of the Company and KESMI in writing.

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Board expects the Proposed Disposal to be completed by the first (1st) half of the calendar year 2015.

3.2.8 Termination

If prior to Completion, a party to the SSA (being the Company or KESMI) shall have committed an event of default (the “**Defaulting Party**”) which is not capable of remedy or which is capable of remedy but not remedied by the Defaulting Party within fourteen (14) days from the date of receipt of the notice from the other party (the “**Non-Defaulting Party**”) detailing such event of default, the Non-Defaulting Party shall be entitled to:

- (a) terminate the SSA forthwith by notice in writing to the Defaulting Party without prejudice to all other rights and remedies available at any time to the Non-Defaulting Party; or
- (b) claim for specific performance.

4. RATIONALE FOR THE PROPOSED DISPOSAL

KESM Test was established in 1995 through a joint venture arrangement among KESMI, the Company and Rood Testhouse International, N.V. (“RTI”) to provide testing of semiconductor integrated circuit services in Malaysia. Under the joint venture, KESMI, the Company and RTI owned 51%, 27% and 22% of KESM Test respectively. In 1999, RTI exited from the joint venture and transferred its equity interest of 22% of KESM Test to KESMI and the Company in proportion to their shareholding interests in KESM Test. As such, the current shareholding structure of the Company’s investment in KESM Test is a legacy structure following the termination of the joint venture.

The Proposed Disposal will rationalise the Company’s interest in KESM Test, as the test business will be wholly-owned by KESMI, the latter being a significant associated company of the Company. This will allow KESMI and KESM Test to dictate the pace of growth of the test business which requires high capital expenditure and takes into account the test business’ investment risk and rewards.

The Proposed Disposal also provides additional resources for the Group to expand its product portfolio and new product development. The Group intends to introduce new innovations with differentiated values by building on its patented solutions in burn-in and test technologies.

The Group’s focus on equipment development will further complement KESMI’s investment roadmap in burn-in and test equipment and enable both the Group and KESMI’s group to provide advanced total burn-in and test solutions to their blue chip customer base.

5. FINANCIAL EFFECTS

The financial effects of the Proposed Disposal on the Group set out below are purely for illustrative purposes only and do not reflect the future financial position of the Company or the Group after completion of the Proposed Disposal.

The pro-forma financial effects have been prepared based on the audited consolidated financial statements of the Group for FY2014, being the end of the most recently completed financial year.

(a) **NTA per Share**

Had the Proposed Disposal been effected on 31 July 2014 (being the end of FY2014), the Proposed Disposal would have had the following financial effects on the Group's NTA per Share as at 31 July 2014:

For FY2014	Before Proposed Disposal	After Proposed Disposal	After Proposed Disposal (Adjusted)
NTA attributable to the owners of the Company (S\$'000)	71,750	71,137 ⁽¹⁾	75,063 ⁽²⁾
Number of Shares ('000)	122,806	122,806	122,806
NTA per Share (S\$)	0.58	0.58	0.61

Notes:

1. After deducting the estimated transaction expenses of approximately S\$200,000 incurred in relation to the Proposed Disposal and loss on disposal of S\$413,000.

For clarification purposes, the above pro-forma effects have not taken into account the impact of the Interim Dividend, of which the Company's proportionate share is approximately RM10.39 million (approximately S\$3,926,000).
2. Had the Company's proportionate share of the Interim Dividend of approximately RM10.39 million (approximately S\$3,926,000) been accounted for, the NTA attributable to the owners of the Company and the NTA per Share after the Proposed Disposal would have been adjusted to S\$75,063,000 and S\$0.61 respectively.

(b) **EPS**

Had the Proposed Disposal been effected on 1 August 2013 (being the beginning of FY2014), the Proposed Disposal would have had the following financial effects on the Group's EPS for FY2014:

For FY2014	Before Proposed Disposal	After Proposed Disposal	After Proposed Disposal (Adjusted)
Net profit attributable to the owners of the Company (S\$'000)	135	(1,066) ⁽¹⁾	2,247 ⁽²⁾
Weighted average number of Shares ('000)	122,806	122,806	122,806
Earnings/(loss) per Share (cents)	0.1	(0.9)	1.8

Notes:

1. After deducting the Company's direct proportionate share of profits derived from KESM Test of approximately S\$1,201,000.
2. Had the loss on disposal of S\$413,000, estimated transaction expenses of S\$200,000 and the Company's proportionate share of the Interim Dividend of approximately RM10.39 million (approximately S\$3,926,000) been accounted for, the net profit attributable to the owners of the Company and EPS would have been adjusted to S\$2,247,000 and 1.8 cents respectively.

6. RELATIVE FIGURES UNDER CHAPTER 10 OF THE LISTING MANUAL IN RELATION TO THE PROPOSED DISPOSAL

6.1 General

Under Chapter 10 of the Listing Manual, a transaction will be classified as a “**major transaction**” if any of the relative figures calculated on the bases set out in Rule 1006 of the Listing Manual exceeds 20% and if so, shareholders’ approval must be obtained for the “**major transaction**”.

6.2 Relative Figures under Rule 1006 of the Listing Manual

The relative figures computed on the applicable bases set out in Rule 1006 of the Listing Manual in respect of the Proposed Disposal and based on the audited consolidated financial statements of the Group for FY2014 are set out below.

(a)	Rule 1006(a) – The net asset value of the assets to be disposed of, compared with the Group’s net asset value	19.01%
(b)	Rule 1006(b) – The net profits attributable to the assets to be disposed of, compared with the Group’s net profits	More than 100%
(c)	Rule 1006(c) – The aggregate value of the consideration received, compared with the Company’s market capitalisation based on the total number of issued Shares excluding treasury shares	82.89%
(d)	Rule 1006(d) – The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable as the transaction is a disposal
(e)	Rule 1006(e) – The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group’s proved and probable reserves	Not applicable as the Company is not a mineral, oil and gas company

Notes:

1. Net asset value of the Sale Shares to be disposed of as at 31 July 2014 = S\$13.64 million
Net asset value of the Group as at 31 July 2014 = S\$71.75 million
Relative figure = 19.01%
2. Net profit attributable to the assets disposed for FY2014 = S\$1.20 million
Net profit attributable to the owners of the Company for FY2014 = S\$0.14 million
Net profit of the Group (before tax) for FY2014 = S\$10,000
Relative figure = More than 100%
3. The aggregate value of the Consideration to be received by the Group = S\$13.23 million
The Company’s market capitalisation based on the total number of issued Shares excluding treasury shares multiplied by the weighted average price of such Shares transacted on the market day preceding the date of the SSA = S\$15.96 million.
Relative figure = 82.89%

6.3 Major Transaction

As the relative figures computed on the bases set out in Rules 1006(b) and 1006(c) of the Listing Manual exceed 20% as at the date of the Announcement, the Proposed Disposal constitutes a “**major transaction**” under Chapter 10 of the Listing Manual and is conditional upon the approval of Shareholders at a general meeting.

7. SERVICE CONTRACTS

No new directors are proposed to be appointed to the Board in connection with the Proposed Disposal. As such, no service contracts will be entered into with any new director of the Company in connection with the transaction.

8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDER IN THE PROPOSED DISPOSAL

Mr Samuel Lim Syn Soo, Mr Kenneth Tan Teoh Khoon and Ms Lim Mee Ing, being Directors of the Company, are also directors of KESMI.

Mr Samuel Lim Syn Soo (being also the only controlling Shareholder of the Company) has a deemed interest in 20,825,000 shares in KESMI, representing approximately 48.41% of the total issued and paid-up share capital of KESMI, by virtue of his direct interest in 67,466,666 Shares, representing approximately 54.94% of the total issued and paid-up share capital of the Company. Save for such deemed interest in KESMI through the Company, Mr Samuel Lim Syn Soo does not hold any shares in KESMI.

Mr Kenneth Tan Teoh Khoon and Ms Lim Mee Ing do not hold any shares in KESMI.

Save as disclosed above and other than through their shareholdings in the Company, none of the Directors nor, as far as the Directors are aware, the controlling Shareholder of the Company, has any interest, direct or indirect, in the Proposed Disposal.

9. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out in this Circular, will be held at Room 801, Level 8, No. 1 Marina Boulevard, NTUC Centre, Singapore 018989 on 8 May 2015 (Friday) at 9.30 a.m. for the purpose of considering and, if thought fit, passing the Ordinary Resolution set out in the Notice of EGM.

10. ACTION TO BE TAKEN BY SHAREHOLDERS

10.1 Appointment of proxies

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote at the EGM on their behalf will find attached to this Circular, a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company not less than forty-eight (48) hours before the time fixed for the EGM. The completion and lodgment of the Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he finds that he is able to do so.

10.2 When Depositor regarded as Shareholder

A Depositor will not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register as at forty-eight (48) hours before the EGM.

11. DIRECTORS' RECOMMENDATIONS

After having considered, *inter alia*, the terms, rationale for and benefits of the Proposed Disposal, the Directors (except for Mr Samuel Lim Syn Soo, Mr Kenneth Tan Teoh Khoon and Ms Lim Mee Ing, who will abstain from making any recommendation in respect of the Proposed Disposal by reason of their common directorship in KESMI) are of the opinion that the Proposed Disposal is in the interests of the Company and is not prejudicial to the interests of its minority Shareholders. Accordingly, they recommend that Shareholders vote in favour of the Ordinary Resolution relating to the Proposed Disposal as set out in the Notice of EGM.

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposal, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

13. INSPECTION OF DOCUMENTS

Copies of the SSA are available for inspection during normal business hours at the registered office of the Company at Block 1093 Lower Delta Road #02-01/08 Tiong Bahru Industrial Estate Singapore 169204 for a period of three (3) months from the date of the Announcement.

Yours faithfully

For and on behalf of the Board of Directors of
SUNRIGHT LIMITED

SAMUEL LIM SYN SOO
Executive Chairman and CEO
23 April 2015

SUNRIGHT LIMITED

Company Registration Number 197800523M
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of SUNRIGHT LIMITED (the “**Company**”) will be held at Room 801, Level 8, No. 1 Marina Boulevard, NTUC Centre, Singapore 018989 on 8 May 2015 (Friday) at 9.30 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following Ordinary Resolution:

Unless otherwise defined, all terms defined in this Notice of EGM shall have the same meanings as those defined or construed in the Circular dated 23 April 2015 issued by the Company to the Shareholders.

ORDINARY RESOLUTION – THE PROPOSED DISPOSAL OF APPROXIMATELY 34.62% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF KESM TEST (M) SDN BHD TO KESM INDUSTRIES BERHAD

THAT, approval be and is hereby given:

- (a) for the Proposed Disposal on the terms and subject to the conditions set out in the SSA; and
- (b) for the Directors of the Company and each of them to be authorised to take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be necessary or expedient for the purpose of completing the Proposed Disposal and/or the transactions contemplated by this resolution.

By Order of the Board

Adeline Lim Kim Swan
Company Secretary

Singapore
23 April 2015

Notes:

1. A member of the Company (“**Member**”) entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote on his/her behalf. A proxy need not be a Member of the Company.
2. The instrument appointing a proxy or proxies that has been executed by a Member, together with the power of attorney or other authority (if any) under which it is signed (or a certified copy thereof), must be lodged at the registered office of the Company at Block 1093 Lower Delta Road #02-01/08 Tiong Bahru Industrial Estate Singapore 169204, not less than 48 hours before the time appointed for the EGM. The sending of a Proxy Form by a Member does not preclude him from attending and voting in person at the EGM if he finds that he is able to do so. In such event, the relevant Proxy Forms will be deemed to be revoked.
3. **Personal data privacy:** By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, or by attending the EGM, a Member (a) consents to the collection, use and disclosure of the Member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “**Purposes**”), (b) warrants that where the Member discloses the personal data of the Member’s proxy(ies) and/or representative(s) to the Company (or its agents), the Member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (c) agrees that the Member will indemnify the Company (or its agents) in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Member’s breach of warranty. In addition, by attending the EGM and/or any adjournment thereof, a Member consents to the collection, use and disclosure of the Member’s personal data by the Company (or its agents) for any of the Purposes.

SUNRIGHT LIMITED

Company Registration Number 197800523M
(Incorporated in the Republic of Singapore)

Important:

1. For investors who have used their Central Provident Fund ("CPF") monies to buy shares in the capital of Sunright Limited, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors who wish to attend the EGM as OBSERVERS have to submit their requests through their CPF Approved Nominees so that their Agent Banks may register with the Company Secretary of Sunright Limited within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

PROXY FORM

I/We _____ (Name) of
_____ (Address)

being a Member/Members of Sunright Limited (the "Company") hereby appoint:

Name	NRIC/Passport Number	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or failing him/her (delete as appropriate):

Name	NRIC/Passport Number	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him, the Chairman of the Extraordinary General Meeting ("EGM") as my/our proxy/proxies, to attend and vote for me/us on my/our behalf at the EGM of the Company to be held at Room 801, Level 8, No. 1 Marina Boulevard, NTUC Centre, Singapore 018989 on 8 May 2015 (Friday) at 9.30 a.m., and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolution to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion.

	To be used in the event of a Poll	
	No. of Votes For*	No. of Votes Against*
Ordinary Resolution The Proposed Disposal by the Company to KESM Industries Berhad of 692,308 ordinary shares of par value RM1.00 in KESM Test (M) Sdn Bhd ("KESM Test"), representing approximately 34.62% of the total issued and paid-up share capital of KESM Test, for a cash consideration of RM35.00 million (approximately S\$13.23 million).		

* If you wish to exercise all your votes "For" or "Against", please indicate with an "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2015

Total Number of shares held:	
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Signature(s) of shareholder(s) or
common seal of corporate shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act (Chapter 50) of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. A Member entitled to attend and vote at a meeting of the Company is entitled to appoint one (1) or two (2) proxies to attend and vote on his behalf. Where a Member appoints two (2) proxies, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of the proxy. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as alternate to the first named or at the Company's option to treat the instrument of proxy as invalid.
3. The instrument appointing the proxy or proxies must be deposited at the registered office of the Company at Block 1093 Lower Delta Road #02-01/08 Tiong Bahru Industrial Estate Singapore 169204, not less than 48 hours before the time appointed for the EGM.
4. The instrument appointing the proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
5. Where the instrument appointing a proxy is signed by an attorney, the letter or power of attorney or other authority, if any, or a duly certified copy thereof shall (failing previous registration with the Company), if required by law, be stamped and be deposited at the registered office of the Company, not less than 48 hours before the time for holding the EGM and/or any adjournment thereof at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.
6. A corporation which is a Member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act (Chapter 50) of Singapore.
7. In the case of joint holders of shares, any one of such persons may vote, but if more than one of such persons are present at the EGM, the person whose name stands first on the Register of Members or (as the case may be) in the Depository Register shall alone be entitled to vote.
8. Any alteration made to the instrument of proxy should be initialled by the person who signs it.
9. CPF Approved Nominees acting on the request of the CPF investors who wish to attend the EGM as observers are requested to submit in writing, a list with details of the CPF investors' names, NRIC/Passport numbers, addresses and number of shares held. The list, signed by an authorised signatory of the CPF Approved Nominee, should reach the Company's registered office at Block 1093 Lower Delta Road #02-01/08 Tiong Bahru Industrial Estate Singapore 169204, not less than 48 hours before the time set for the EGM.

General:

The sending of a Proxy Form by a Member does not preclude him from attending and voting in person at the EGM if he finds that he is able to do so. In such event, the relevant Proxy Forms will be deemed to be revoked. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Members whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such Members are not shown to have shares entered against their names in the Depository Register as at 48 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the Member accepts and agrees to the personal data privacy terms set out in the Notice of EGM.

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