

SUNNINGDALE TECH LTD.
Company Registration No: 199508621R
(Incorporated in the Republic of Singapore)

BUSINESS UPDATE ON THE IMPACT OF COVID-19

The Board of Directors ("**Board**") of Sunningdale Tech Ltd. (the "**Company**") would like to update shareholders on the impact of the Corona Virus Disease 2019 ("**Covid-19**") on the Company's operations. On 11 March 2020, the World Health Organisation declared the outbreak to be a global pandemic. The rapid spread of the virus has caused major disruptions to worldwide supply chains, dampened economic sentiment and led to several countries declaring national emergencies while closing their borders to contain the outbreak.

At the Company's manufacturing facilities in China, operations have gradually resumed after the expiry of mandatory government closures and the Company has put in place business continuity initiatives to ensure ongoing operations. As of today, the Company's operations in China are running at between 75% to 90% of its workforce and is expected to fully recover by the end of March, barring any unforeseen circumstances or further governmental restrictions.

In Malaysia, the government on 18 March 2020 announced a 14-day restricted movement order ("**RMO**"), where all Malaysians are prohibited from leaving Malaysia, and all firms are to be closed except for those involved in certain essential goods and services. The Company's manufacturing facilities in Malaysia are subject to this RMO and production will be temporarily halted in compliance with the RMO. During this time, the Company is working closely with the Malaysian authorities and its customers to get clearance for the production of products related to essential goods and services, such as medical and surgical devices.

The RMO will also affect the Company's operations in Singapore which rely on its Malaysian manufacturing plants for production capacity. Shipments of goods from the Company's Malaysian plants to Singapore will not be possible during the RMO. Malaysia-based employees who commute to Singapore daily to work at the Company's facilities are also no longer able to do so because of the RMO. To mitigate the impact of the RMO on its Singapore operations, the Company has arranged accommodation in Singapore for some of its affected Malaysian-based employees.

To mitigate the impact from Covid-19, the Company is focusing on tightening cost controls, improving productivity and enhancing operational efficiency. During this difficult period, the priority across the Company's global operations is the health and wellbeing of its employees while ensuring the long-term sustainability of its operations.

By Order of the Board

Khoo Boo Hor
Executive Director & Chief Executive Officer

20 March 2020