



ASX Announcement

18 May 2026

Scheme Booklet registered with ASIC

SDI Limited (ASX:SDI) (**SDI**) refers to its announcement released to the ASX on 27 February 2026 in relation to the proposed acquisition by InnoXvest Dental Pty. Ltd, a wholly owned subsidiary of Beijing Guoci Kebo Technology Co., Ltd (**Beijing Guoci**), which is an entity controlled by Shenzhen Stock Exchange listed Shandong Sinocera Functional Material Co. Ltd (**Sinocera**), of 100% of the issued share capital of SDI by way of a scheme of arrangement (**Scheme**) for A\$1.40 per SDI share in cash (**Scheme Consideration**).

Court approval

SDI is pleased to announce that the Supreme Court of New South Wales (**Court**) has today made the following orders in relation to the Scheme:

- that SDI convene and hold a meeting of SDI shareholders to consider and vote on the Scheme (**Scheme Meeting**); and
- that the distribution of a scheme booklet providing information about the Scheme, and the notice convening the Scheme Meeting, be approved for distribution to SDI shareholders (**Scheme Booklet**).

Scheme Booklet

SDI is pleased to confirm that the Australian Securities and Investments Commission (**ASIC**) has today registered the Scheme Booklet.

A copy of the Scheme Booklet containing information about the Scheme, the independent expert's report prepared by RSM Corporate Australia Pty Ltd (**Independent Expert**) (**Independent Expert's Report**) and the notice convening the Scheme Meeting accompanies this announcement and will also be made available for viewing and downloading at <https://www.sdi.com.au/au/company/investor-information/>. A sample of the proxy form for the Scheme Meeting is also attached to this announcement.

SDI shareholders should read the Scheme Booklet in its entirety before making a decision on whether or not to vote in favour of the Scheme.

Dispatch of Scheme Booklet

SDI shareholders who have previously elected to receive communications electronically will receive an email to their nominated email address which contains instructions about how to view or download a copy of the Scheme Booklet and the 'Virtual Meeting Online Guide', and how to lodge their proxy form for the Scheme Meeting online.

SDI shareholders who have elected to receive hard copy documents only will receive a printed copy of the Scheme Booklet together with a personalised proxy form for the Scheme Meeting (sent by post to their registered address).

All other SDI shareholders will receive a letter that contains instructions on how to view and download a copy of the Scheme Booklet together with a personalised proxy form and the 'Virtual Meeting Online Guide', as well as instructions on how to lodge their proxy form.

For personal use only

Independent Expert's Report

The Scheme Booklet includes the Independent Expert's Report prepared by the Independent Expert. The Independent Expert has concluded that the Scheme is fair and reasonable and therefore in the best interests of SDI shareholders, in the absence of a Superior Proposal. The Independent Expert's conclusion should be read in context with the full Independent Expert's Report and the Scheme Booklet.

SDI Directors' recommendation and voting intention

The SDI Board unanimously recommends that SDI shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of SDI shareholders.

Subject to those qualifications, each SDI Director has confirmed that they intend to vote all of the SDI shares they hold or control in favour of the Scheme.

Jeffery Cheetham (Chairman of SDI) and Currango Pastoral Company Pty. Ltd., SDI's largest shareholder and an entity controlled by Jeffery Cheetham, have confirmed their intention to vote, or cause to be voted, all SDI shares held or controlled by them (representing, in aggregate, approximately 45.3% of the issued share capital in SDI) in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of SDI shareholders.

Details of the Scheme Meeting

The Scheme Meeting to approve the Scheme will be held as a virtual meeting on Monday, 22 June 2026 commencing at 11:00am (Sydney time) at <https://meetings.openbriefing.com/SDI26>. SDI shareholders or their duly appointed proxies, attorneys or corporate representatives will have an opportunity to ask questions and vote virtually at appropriate times during the Scheme Meeting.

All registered SDI shareholders as at 7:00pm (Sydney time) on Saturday, 20 June 2026 will be eligible to vote at the Scheme Meeting.

SDI shareholders are encouraged to vote by attending the Scheme Meeting online or by attorney or corporate representative, or alternatively, by completing and ensuring that the proxy appointment in the proxy form is received by 11:00am (Sydney time) on Saturday, 20 June 2026.

Further information in relation to how to participate and vote at the Scheme Meeting is set out in Section 3 and Annexure 5 of the Scheme Booklet.

Indicative timeline

If the Requisite Majority of SDI shareholders approve the Scheme at the Scheme Meeting, and all other applicable conditions to implementation of the Scheme (other than the conditions relating to final Court approval and the lodgement of the Court orders with ASIC) are satisfied (or, if applicable, waived) SDI will apply to the Court for orders approving the Scheme.

The key events and expected timing in relation to the approval and implementation of the Scheme are set out in the table below.

Date of the Scheme Booklet	18 May 2026
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Latest time and date for lodgement of completed proxy form for the Scheme Meeting	11:00am (Sydney time) on 20 June 2026
Time and date for determining eligibility of SDI shareholders to vote at the Scheme Meeting	7:00pm (Sydney time) on 20 June 2026
Time and date of the Scheme Meeting	11:00am (Sydney time) on 22 June 2026
Second Court Date	24 June 2026
Effective Date of the Scheme	25 June 2026
Last date of trading of SDI shares on ASX	25 June 2026
Record Date for determining entitlements to the Scheme Consideration	7:00pm (Sydney time) on 29 June 2026
Implementation Date for the Scheme	6 July 2026
Delisting of SDI from ASX	7 July 2026

All stated dates and times are indicative only. The actual timetable will depend on many factors outside the control of SDI and Beijing Guoci, including the Court approval process and the satisfaction or waiver of the conditions precedent to the implementation of the Scheme by each of SDI and Beijing Guoci. Any changes to the above timetable will be announced to ASX and will be available under SDI's market announcement platform on ASX at www.asx.com.au.

In particular, the date of the Scheme Meeting and/or the Second Court Date may be postponed or adjourned if the satisfaction of a condition precedent to implementation of the Scheme, for example, relating to receipt of FIRB Approval or the PRC Approvals, is delayed. As at the date of this announcement, in relation to the PRC Approvals, approvals from NDRC and MOFCOM have been obtained.

It is a condition precedent to the implementation of the Scheme that FIRB Approval and the PRC Approvals be obtained before 5:00pm on the Business Day before the Second Court Date. The Second Court Date is currently expected to occur on 24 June 2026, subject to the approval of the Scheme by the Requisite Majority of SDI shareholders at the Scheme Meeting on 22 June 2026.

Further information

If you require further information or have questions in relation to the Scheme or the Scheme Booklet, please visit the website at <https://www.sdi.com.au/au/company/investor-information/> or contact the SDI Shareholder Information Line on 1300 761 372 (within Australia) or +61 1300 761 372 (outside Australia), Monday to Friday between 9:00am and 5:00pm (Sydney time) (excluding public holidays).

Unless otherwise indicated, capitalised terms used in this announcement have the meaning given to them in the Scheme Booklet dated 18 May 2026.

This announcement has been authorised by the Board of Directors of SDI Limited.

Investor contact:

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About SDI

SDI Limited (ASX:SDI) is a leading Australian manufacturer and global distributor of specialist dental materials. With a strong focus on innovation and excellence, SDI develops, produces, and markets restorative dental products including amalgams, composites, adhesives, cements, and tooth whitening systems. All SDI products are proudly manufactured in Victoria, Australia, and distributed in over 100 countries worldwide.

Founded in 1972 and publicly listed in 1985, SDI has built a reputation for pioneering advancements in minimal intervention dentistry an approach that integrates prevention, remineralisation, and conservative treatment. SDI also continues to invest in research and development to bring new solutions to market, supporting better oral health outcomes globally. To learn more about SDI, please visit www.sdi.com.au/au/.

About Sinocera and Beijing Guoci

Sinocera is a leading China-based advanced materials company specialising in the development and production of functional ceramic materials. With a strong global footprint and a commitment to innovation, Sinocera serves a broad range of industries including electronics, automotive, and healthcare.

Beijing Guoci is the holding company of the majority of Sinocera's domestic and international dental businesses.

InnoXvest Dental Pty. Ltd is an Australian proprietary company that was incorporated for the purposes of acquiring the SDI shares under the Scheme.

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SDI LIMITED

SCHEME BOOKLET

for the recommended scheme of arrangement in relation to the proposed acquisition by Beijing Guoci Kebo Technology Co., Ltd, and InnoXvest Dental Pty Ltd, entities controlled by Shandong Sinocera Functional Material Co., Ltd, of all your SDI Limited shares

The notice of meeting for the Scheme Meeting is included in this Scheme Booklet.

Your Directors unanimously recommend that you

VOTE IN FAVOUR

of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders

The Independent Expert has concluded that the Scheme is fair and reasonable and therefore is in the best interests of SDI Shareholders, in the absence of a Superior Proposal.

This is an important document and requires your immediate attention. You should read this document in its entirety before deciding whether or not to vote in favour of the Scheme. If you are in any doubt as to how to deal with this document, you should consult your financial, legal or other professional adviser immediately.

If you require further information or have questions in relation to the Scheme, please visit the investor website at <https://www.sdi.com.au/au/company/investor-information/> or contact the SDI Shareholder Information Line on 1300 761 372 (within Australia) or +61 1300 761 372 (outside Australia), Monday to Friday between 9:00am and 5:00pm (Sydney time) (excluding public holidays).

This Scheme Booklet is prepared for persons shown in the SDI Register holding SDI Shares. If you have recently sold or transferred ownership of all of your SDI Shares, please disregard this document.



DLA Piper
Legal Adviser to SDI



Houlihan Lokey

Houlihan Lokey
Financial adviser to SDI

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Date of this Scheme Booklet

This Scheme Booklet is dated 18 May 2026.

Defined terms and interpretation

Capitalised terms used in this Scheme Booklet (other than in the Independent Expert's Report contained in Annexure 1) are either defined in brackets when first used or are defined in the Glossary in Section 11. The Glossary also sets out some rules of interpretation which apply to this Scheme Booklet. The Independent Expert's Report contains its own defined terms which may differ from those set out in the Glossary in Section 11.

References to Scheme Booklet, Sections and Annexures

References to Sections and Annexures are to the named Sections and Annexures in this Scheme Booklet.

Purpose of this Scheme Booklet

This Scheme Booklet includes the Explanatory Statement for the Scheme required by section 412(1) of the Corporations Act. The purpose of this Scheme Booklet is to explain the terms of the Scheme and the manner in which it will be implemented (if approved). This Scheme Booklet provides all information required to be given to SDI Shareholders or that is otherwise material to the making of a decision in relation to the Scheme, being information that is within the knowledge of any Director which has not previously been disclosed to SDI Shareholders.

General

This Scheme Booklet is important. You should read this Scheme Booklet carefully before making a decision about how to vote on the Scheme Resolution to be considered at the Scheme Meeting.

No financial product or investment advice

This Scheme Booklet does not constitute financial product advice and has been prepared without reference to individual investment objectives, financial situation, taxation position or particular needs of any SDI Shareholder or any other person. It is important that you read this Scheme Booklet before making any decision, including a decision on whether or not to vote in favour of the Scheme. If you are in doubt as to what you should do, you should consult your legal, investment, taxation or other professional adviser.

Each SDI Shareholder's tax position is different. Therefore, SDI Shareholders are urged to seek their own independent tax advice regarding the specific tax consequences of the Scheme, including the application and effect of income tax and other tax laws to their particular circumstances.

A summary of the Australian income tax, stamp duty and GST consequences of the Scheme for SDI Shareholders is set out in Section 8. However, SDI Shareholders should not solely rely on the summary in Section 8 in substitution for specific advice on their own affairs from a registered tax agent.

Responsibility statement

The SDI Information has been prepared by SDI and is the responsibility of SDI. To the maximum extent permitted by law, neither Bidder, its affiliates or related entities nor any of its Related Bodies Corporate, nor any of their respective directors, officers, employees or advisors is responsible for the accuracy or completeness of the information contained in this Scheme Booklet other than the Bidder Group Information and disclaim any liability in this regard.

The Bidder Group Information has been prepared by the Bidder Group Parties and is the responsibility of Bidder. To the maximum extent permitted by law, neither SDI, its affiliates or related entities nor any of its Related Bodies Corporate, nor any of their respective directors, officers, employees or advisors is responsible for the accuracy or completeness of any Bidder Group Information contained in the Scheme Booklet and disclaim any liability in this regard.

RSM Corporate Australia Pty Ltd has prepared, and is responsible for, the Independent Expert's Report contained in Annexure 1 of this Scheme Booklet. To the maximum extent permitted by law, none of

SDI, Bidder, their respective Related Bodies Corporate or the directors, officers, employees or advisers of any of those entities assumes any responsibility for the accuracy or completeness of the Independent Expert's Report and disclaim any liability in this regard.

Role of ASIC

A copy of this Scheme Booklet has been lodged with, and registered by, ASIC for the purposes of section 412(6) of the Corporations Act. ASIC has been given the opportunity to examine and comment on this Scheme Booklet in accordance with section 411(2)(b) of the Corporations Act. Neither ASIC nor any of its officers takes any responsibility for the contents of this Scheme Booklet.

ASIC has been requested to provide a statement, in accordance with section 411(17)(b) of the Corporations Act, that it has no objection to the Scheme. If ASIC provides that statement, it will be produced to the Court on the Second Court Date.

Role of ASX

A copy of this Scheme Booklet has been lodged with ASX. Neither ASX nor any of its officers takes any responsibility for the contents of this Scheme Booklet.

Court order under subsection 411(1) of the Corporations Act

Important notice associated with the Court order under section 411(1) of the Corporations Act

The fact that, under section 411(1) of the Corporations Act, the Court has ordered that a meeting be convened does not mean that the Court:

- (i) has formed any view as to the merits of the proposed Scheme or as to how you should vote (on this matter, you must reach your own decision); or
- (ii) has prepared, or is responsible for the content of, the Explanatory Statement.

The order of the Court that the Scheme Meeting be convened is not, and should not be treated as, an endorsement by the Court of, or any other expression of opinion by the Court on, the Scheme.

Forward looking statements

Certain statements in this Scheme Booklet relate to the future, including forward looking statements and information (**forward looking statements**). The forward looking statements in this Scheme Booklet, including statements relating to Bidder's or Sinocera's intentions if the Scheme is implemented and the transactions contemplated by the Scheme Implementation Deed, are not based on historical facts, but rather reflect the current views and expectations of SDI or, in relation to the Bidder Group Information, Bidder concerning future events and circumstances. These statements may generally be identified by the use of forward looking verbs such as "aim", "anticipate", "believe", "estimate", "expect", "foresee", "intend" or "plan", qualifiers such as "may", "should", "likely" or "potential", or similar words. Similarly, statements that describe the expectations, goals, objectives, plans, targets and future costs of are, or may be, forward looking statements.

Forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual results, performances or achievements of SDI to be materially different from future results, performances or achievements expressed or implied by such statements. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which SDI will operate in the future, including the anticipated costs and ability to achieve goals. Certain important factors that could cause actual results, performances or achievements to differ materially from those in the forward looking statements include, among others, litigation risks, regulatory restrictions, activities by governmental authorities (including changes in regulation), currency fluctuations, the global economic climate, competition, loss of key personnel, issues with third party IT infrastructure and service providers, issues in relation to patents and

intellectual property rights. See Section 7 for a (non-exhaustive) discussion of potential risk factors underlying, and other information relevant to, the forward looking statements and information. Forward looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on them. All forward looking statements should be read in light of such risks and uncertainties.

You should note that the historical performance of SDI is no assurance of its future financial performance. None of SDI, Bidder and their respective directors, or any other person, gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements and information in this Scheme Booklet will actually occur.

The forward looking statements in this Scheme Booklet reflect views and expectations held only at the date of this Scheme Booklet. SDI believes that all forward looking statements included in the SDI Information have been made on a reasonable basis and Bidder believes that all forward looking statements included in the Bidder Group Information have been made on a reasonable basis. However, none of SDI, or the Bidder Group Parties and their respective directors nor any other person gives any representation, assurance or guarantee that any outcome, performance or results expressed or implied by any forward looking statements in this Scheme Booklet will actually occur. SDI Shareholders should therefore treat all forward looking statements with caution and not place undue reliance on them.

Subject to any continuing obligations under law or the Listing Rules, SDI and the Bidder Group Parties and their respective directors, officers, employees and advisers disclaim any obligation to revise or update, after the date of this Scheme Booklet, any forward looking statements to reflect any change in views, expectations or assumptions on which those statements are based.

Diagrams, charts, maps, graphs and tables

Any diagrams, charts, maps, graphs and tables appearing in this Scheme Booklet are illustrative only and may not be drawn to scale.

Effect of rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Scheme Booklet, including but not limited to those in respect of the Scheme Consideration, are subject to the effect of rounding (unless otherwise stated). Accordingly, the actual calculation of these figures may differ from the figures set out in this Scheme Booklet, and any discrepancies in any table between totals and sums of amounts listed in that table or to previously published figures are due to rounding.

Not an offer

This Scheme Booklet does not constitute or contain an offer to SDI Shareholders or any other person, or a solicitation of an offer from SDI Shareholders or any other person, in any jurisdiction.

No website is part of this Scheme Booklet

SDI and Sinocera each maintain websites at <https://www.sdi.com.au/> and <https://en.sinocera.cn/> respectively. Any references in this Scheme Booklet to those or other internet sites are for information purposes only and do not form part of this Scheme Booklet.

Currency

All references in this Scheme Booklet to "A\$", "AUD", "Australian dollars" are to Australian currency.

Privacy and personal information

SDI and Bidder will need to collect personal information to implement the Scheme. The personal information may include the names, contact details and details of shareholdings of SDI Shareholders together with contact details of individuals appointed by SDI Shareholders as proxies, body corporate representatives or attorneys at the Scheme Meeting. The collection of some of this information is required or authorised by the Corporations Act.

SDI Shareholders who are individuals, and other individuals in respect of whom personal information is collected, have certain rights to access the personal information collected about them and may contact the Share Registry if they wish to exercise those rights.

The information may be disclosed to print and mail service providers, and to SDI, Bidder and their respective advisers and agents to the extent necessary to effect the Scheme. If the information outlined above is not collected, SDI may be hindered in, or prevented from, conducting the Scheme Meeting or implementing the Scheme effectively, or at all.

SDI Shareholders who appoint an individual as their proxy, body corporate representative or attorney to vote at the Scheme Meeting should inform that individual of the matters outlined above.

Persons are entitled, under section 173 of the Corporations Act, to inspect and copy the SDI Register. The SDI Register contains personal information about SDI Shareholders.

Important matters relating to the Scheme Meeting

The Scheme Meeting is scheduled to be held as a virtual meeting.

SDI Shareholders and their proxies, attorneys or corporate representatives will be able to participate in the Scheme Meeting virtually through an online platform at <https://meetings.openbriefing.com/SDI26>. The online platform enables participants to listen to the Scheme Meeting, live vote on the Scheme Resolution in real time and ask questions in real time and online.

Further details with respect to the conduct of the Scheme Meeting, including how to join the virtual Scheme Meeting, raise questions during the Scheme Meeting and vote on the Scheme Resolution are set out in the Notice of Scheme Meeting contained in Annexure 5 and in Section 3.

SDI strongly encourages SDI Shareholders to consider lodging a directed proxy in the event they are not able to, or do not wish to, participate in the Scheme Meeting. For further details regarding voting and appointing proxies for the Scheme Meeting, see Section 3.

Letter from the Chairperson of SDI Limited

Dear SDI Shareholder,

On behalf of the SDI Board, I am pleased to provide you with this Scheme Booklet for your information and consideration.

This Scheme Booklet contains important information in relation to, and seeks your support for, the proposed acquisition of all of the issued shares in SDI Limited (ACN 008 075 581) (**SDI**) by Beijing Guoci Kebo Technology Co., Ltd (**Bidder**) and InnoXvest Dental Pty Ltd (**Bidder Sub**), entities controlled by Shandong Sinocera Functional Material Co., Ltd (**Sinocera**), by way of scheme of arrangement (**Scheme**).

Background on Transaction

On 27 February 2026, SDI announced it had entered into the Scheme Implementation Deed under which Bidder (or its nominee) agreed to acquire all of the SDI Shares for the Scheme Consideration of A\$1.40 in cash per SDI Share¹ by way of the Scheme.

The SDI Board was approached by Sinocera in early 2025 and provided an indicative, confidential and non-binding proposal. During a period of discussions between the parties, SDI received a number of revised proposals with Sinocera's revised and improved proposal in December 2025 being accepted by SDI (**Indicative Proposal**).

As the founder of the business over 50 years ago, I am proud of the journey that has now led to delivering a transaction that gives SDI Shareholders the opportunity to realise the full value of their entire SDI shareholding.

The Scheme Consideration represents:

- 58% premium to SDI's closing share price of A\$0.885 on 27 February 2026, being the last day on which SDI Shares traded on the ASX before SDI's announcement that it had entered into the Scheme Implementation Deed (the **Last Undisturbed Trading Date**);
- 56% premium to the 30-day VWAP of SDI Shares (up to and including the Last Undisturbed Trading Date) of A\$0.899;
- 53% premium to the 90-day VWAP of SDI Shares (up to and including the Last Undisturbed Trading Date) of A\$0.914; and
- 53% premium to the 180-day VWAP of SDI Shares (up to and including the Last Undisturbed Trading Date) of A\$0.913.

SDI Board's recommendation

The SDI Directors unanimously recommend that SDI Shareholders vote in favour of the Scheme Resolution at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders.²

¹ Up to A\$0.015 of the cash consideration of A\$1.40 may be payable as a Permitted Dividend, to be determined by SDI. As at the date of this Scheme Booklet, the SDI Board does not intend to pay a Permitted Dividend. Refer to Section 4.3 for further details relating to any Permitted Dividend.

² You should note when considering this recommendation, the interests of each SDI Director in shares in SDI, as set out in Section 10.1 of this Scheme Booklet, and the transaction bonuses intended to be paid to certain SDI Directors, as set out in Section 4.4 of this Scheme Booklet. If the Scheme becomes Effective, the SDI Directors will be entitled to receive Scheme Consideration the same as any other Scheme Shareholder, in the aggregate, A\$78,698,781 in connection with their 56,213,415 SDI Shares. This comprises of A\$75,373,405.80 payable to Jeffery Cheetham in respect of his 53,838,147 SDI Shares, A\$1,933,828.40 payable to Geoffrey Knight in respect of his 1,381,306 SDI Shares, A\$560,000 payable to Gerald Bullon in respect of his 400,000 SDI Shares, A\$14,000 payable to Cameron Allen in respect of his 10,000 SDI Shares, A\$159,600 payable to Gerard Kennedy in respect of his 114,000 SDI Shares, A\$502,982.20 payable to Samantha Cheetham in respect of her 359,273 SDI Shares and A\$154,964.60 payable to John Slaviero in respect of his 110,689 SDI Shares. In addition, each of Samantha Cheetham and John Slaviero (who are each a director of SDI) will receive a transaction bonus of A\$350,000. The SDI Board (with Samantha Cheetham and John Slaviero excluded) considers that it is appropriate for Samantha Cheetham and John Slaviero to make a recommendation on the Scheme notwithstanding these transaction bonuses, given their role in the management and operations of SDI.

Subject to the same qualifications, each Director who holds or controls SDI Shares intends to vote (or arrange to vote) all SDI Shares they hold or control in favour of the Scheme. The SDI Directors collectively hold or control approximately 47.29% of SDI Shares as at the date of this Scheme Booklet.

Key reasons for the Board's recommendation

In reaching their recommendation, your Directors have carefully considered the advantages and disadvantages of the proposed Scheme. The SDI Directors consider that the Scheme Consideration of A\$1.40 per SDI Share³ is an attractive price for your SDI Shares and unanimously believe the reasons for you to vote in favour of the Scheme significantly outweigh the reasons for you to vote against the Scheme. We set out the reasons in detail in Section 1 of this Scheme Booklet. In summary, we recommend that you vote in favour of the Scheme for the following reasons:

- (a) The Board has assessed the Scheme to be in the best interests of SDI Shareholders. In forming this view, the Board weighed the certainty of the Scheme Consideration against SDI's longer-term fundamental value as a standalone ASX-listed entity and the alternative strategic options available. Prior to receipt of the confidential Indicative Proposal, SDI and its advisers engaged with several interested parties both solicited and unsolicited during 2025 to test whether a more attractive proposal might be available. The Board ultimately determined that no alternative offered a better outcome for SDI Shareholders. The Scheme recognises the company's future potential while delivering certainty of value now.
- (b) The Independent Expert concluded that the Scheme is in the best interests of SDI Shareholders, assuming no Superior Proposal emerges.
- (c) The A\$1.40 per SDI Share⁴ cash consideration reflects a meaningful premium to recent trading prices of SDI Shares.
- (d) The all-cash Scheme Consideration provides SDI Shareholders with certainty of value and the opportunity to realise their investment in full for 100% cash consideration (subject to conditions precedent to the Scheme being satisfied or waived and the Scheme being implemented).
- (e) No Superior Proposal has been received as at the date of this Scheme Booklet, and the Board is unaware of any alternative proposal likely to arise.
- (f) If the Scheme does not proceed and no comparable alternative emerges, the SDI Share price may fall below the Scheme Consideration (including, potentially, to a price that is equal, close to or below the SDI Share price on the Last Undisturbed Trading Price), at least in the short term.
- (g) If the Scheme does not proceed, and no other proposal or competing transaction (including any Superior Proposal) is brought forward, SDI Shareholders will remain subject to the various risks linked to SDI's ongoing business activities. These include, but are not limited to, economic conditions, and broader macroeconomic factors such as movements in interest rates and foreign exchange rates, in addition to the other risks outlined in Section 7.
- (h) You will not incur any brokerage or stamp duty costs on the transfer of your SDI Shares to Bidder Sub under the Scheme.

Nonetheless, there may be reasons why an SDI Shareholder decides to vote against the Scheme, including the following:

- (a) Despite the SDI Directors' unanimous recommendation and the Independent Expert concluding that the Scheme is in the best interests of SDI Shareholders in the absence of a Superior Proposal, you may believe that the Scheme is not in the best interests of SDI Shareholders or not in your own individual best interests.

³ Up to A\$0.015 of the cash consideration of A\$1.40 may be payable as a Permitted Dividend, to be determined by SDI. As at the date of this Scheme Booklet, the SDI Board does not intend to pay a Permitted Dividend. Refer to Section 4.3 for further details relating to any Permitted Dividend.

⁴ See footnote 3 directly above.

- (b) You may prefer to retain your SDI Shares and continue participating in the Company's potential future financial performance as an independently listed entity on the ASX. However, there is no guarantee as to SDI's future performance, as is the case with all investments in listed equities.
- (c) The Scheme may result in personal tax consequences that may not be favourable to you.
- (d) You may believe that a Superior Proposal could arise in the future (although, as at the date of this Scheme Booklet, no such proposal has been put forward, and the SDI Directors are not aware of any Superior Proposal likely to emerge).

Additional detail regarding the Directors' recommendation, along with the reasons for SDI Shareholders to vote both for and against the Scheme Resolution at the Scheme Meeting and other relevant considerations for SDI Shareholders, can be found in Section 1 of the Scheme Booklet.

When considering this recommendation, you should consider the interests of each SDI Director, as set out in Section 10 of this Scheme Booklet, and the transaction bonuses intended to be paid to certain SDI Directors, as set out in Section 4.4 of this Scheme Booklet. In particular, you should note the Relevant Interests held by the SDI Directors in SDI Shares, as well as their interests in connection with the Scheme (refer to Section 10.1). SDI Shareholders should take these interests into account when considering the SDI Directors' unanimous recommendation, which is repeated throughout this Scheme Booklet.

Independent Expert

RSM Corporate Australia Pty Ltd (**Independent Expert**) has prepared the Independent Expert's Report in relation to the Scheme.

The Independent Expert has concluded that the Scheme is in the best interests of SDI Shareholders.

The Independent Expert has concluded that the Scheme Consideration of A\$1.40 per Scheme Share exceeds its assessed valuation range of A\$1.21 and A\$1.38 per SDI Share. A complete copy of the Independent Expert's Report is included as Annexure 1 to this Scheme Booklet.

Implementation of the Scheme

Implementation of the Scheme is subject to satisfaction of a number of conditions, including SDI Shareholder and Court approval, FIRB approval, Chinese regulatory approvals and the satisfaction or waiver of other conditions precedent summarised in Section 9.13.

How to vote

Your vote is important and I encourage you to vote on the Scheme. In considering your vote I urge you to read this Scheme Booklet (including the Independent Expert's Report) carefully in full, and to seek your own legal, financial, taxation or other professional advice.

The SDI Board has decided to hold the Scheme Meeting as a virtual meeting. Please refer to Section 3 for information setting out how to participate in and vote at the Scheme Meeting. The Scheme Meeting is being arranged to ensure all SDI Shareholders can participate, question the Board and have their voices heard on this important decision for SDI Shareholders.

Further information

This Scheme Booklet is intended to give you the information to assist you in making an informed decision about how to vote on the Scheme Resolution at the Scheme Meeting.

If you require further information or have questions in relation to the Scheme, please visit the investor website at <https://www.sdi.com.au/au/company/investor-information/> or contact the SDI Shareholder Information Line on 1300 761 372 (within Australia) or +61 1300 761 372 (outside Australia), Monday to Friday between 9:00am and 5:00pm (Sydney time) (excluding public holidays).

On behalf of the SDI Board, I would like to thank you for your ongoing support of SDI. We believe the Scheme is an exciting opportunity for SDI Shareholders. We look forward to your participation at the Scheme Meeting and

encourage you to vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders.



Jeffery Cheetham OAM

Chairman

SDI Limited

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Important dates and times for the Scheme

Date of this Scheme Booklet	18 May 2026
Latest time and date for lodgement of completed Proxy Form for the Scheme Meeting	11:00am (Sydney time) on 20 June 2026
Time and date for determining eligibility of SDI Shareholders to vote at the Scheme Meeting	7:00pm (Sydney time) on 20 June 2026
Time and date of the Scheme Meeting	11:00am (Sydney time) on 22 June 2026
Second Court Date	24 June 2026
Effective Date of the Scheme	25 June 2026
Last date of trading of SDI Shares on ASX	25 June 2026
Record Date for determining entitlements to the Scheme Consideration	7:00pm (Sydney time) on 29 June 2026
Implementation Date for the Scheme	6 July 2026
Delisting of SDI from ASX	7 July 2026

All stated dates and times are indicative only. The actual timetable will depend on many factors outside the control of SDI and Bidder, including the Court approval process and the satisfaction or waiver of the conditions precedent to the implementation of the Scheme by each of SDI and Bidder. Any changes to the above timetable will be announced to ASX and will be available under SDI's market announcement platform on ASX at www.asx.com.au.

In particular, the date of the Scheme Meeting and/or the Second Court Date may be postponed or adjourned if the satisfaction of a condition precedent to implementation of the Scheme, for example, relating to receipt of FIRB Approval or the PRC Approvals, is delayed. As at the date of this Scheme Booklet, in relation to the PRC Approvals, approvals from NDRC and MOFCOM have been obtained.

It is a condition precedent to the implementation of the Scheme that FIRB Approval and the PRC Approvals be obtained before 5.00pm on the Business Day before the Second Court Date. The Second Court Date is currently expected to occur on 24 June 2026, subject to the approval of the Scheme by the Requisite Majority of SDI Shareholders at the Scheme Meeting on 22 June 2026.

What to do next

(a) Read the remainder of this Scheme Booklet

Read the remainder of this Scheme Booklet in full before making any decision on the Scheme.

(b) Consider your options

SDI Shareholders should refer to Section 1 for further guidance on the reasons to vote in favour of or against the Scheme and Section 7 for guidance on the risk factors associated with the Scheme.

If you have any questions in relation to the Scheme or the Scheme Meeting, please visit the investor website at <https://www.sdi.com.au/au/company/investor-information/> or contact the SDI Shareholder Information Line on 1300 761 372 (within Australia) or +61 1300 761 372 (outside Australia), Monday to Friday between 9:00am and 5:00pm (Sydney time) or consult your legal, investment, taxation, financial or other professional adviser.

(c) Vote at the Scheme Meeting

Your vote is important and the SDI Directors urge you to vote at the Scheme Meeting. The Scheme affects your shareholding and your vote at the Scheme Meeting is important in determining whether the Scheme proceeds.

Your Directors unanimously recommend that you vote in favour of the Scheme, subject to no Superior Proposal emerging and the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders.⁵

⁵ You should note when considering this recommendation, the interests of each SDI Director in SDI Shares, as set out in Section 10.1 of this Scheme Booklet, and the transaction bonuses intended to be paid to certain SDI Directors, as set out in Section 4.4 of this Scheme Booklet. If the Scheme becomes Effective, the SDI Directors will be entitled to receive Scheme Consideration the same as any other Scheme Shareholder, in the aggregate, A\$78,698,781 in connection with their 56,213,415 SDI Shares. This comprises of A\$75,373,405.80 payable to Jeffery Cheetham in respect of his 53,838,147 SDI Shares, A\$1,933,828.40 payable to Geoffrey Knight in respect of his 1,381,306 SDI Shares, A\$560,000 payable to Gerald Bullon in respect of his 400,000 SDI Shares, A\$14,000 payable to Cameron Allen in respect of his 10,000 SDI Shares, A\$159,600 payable to Gerard Kennedy in respect of his 114,000 SDI Shares, A\$502,982.20 payable to Samantha Cheetham in respect of her 359,273 SDI Shares and A\$154,964.60 payable to John Slaviero in respect of his 110,689 SDI Shares. In addition, each of Samantha Cheetham and John Slaviero (who are each a director of SDI) will receive a transaction bonus of A\$350,000. The SDI Board (with Samantha Cheetham and John Slaviero excluded) considers that it is appropriate for Samantha Cheetham and John Slaviero to make a recommendation on the Scheme notwithstanding these transaction bonuses, given their role in the management and operations of SDI.

Further details of the Scheme Meeting, including how to vote, are contained in Section 3.

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1. Reasons to vote in favour of or against the Scheme

1.1 SDI Directors' recommendation and voting intentions in respect of the Scheme

The SDI Directors unanimously recommend that SDI Shareholders vote in favour of the Scheme Resolution at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders.

Subject to the same qualifications, each SDI Director who holds or controls SDI Shares intends to vote, or cause to be voted, all the SDI Shares that he or she holds or controls in favour of the Scheme at the Scheme Meeting.

You should note when considering this recommendation, the interests of each SDI Director in shares in SDI, as set out in Section 10.1 of this Scheme Booklet, and the transaction bonuses intended to be paid to certain SDI Directors, as set out in Section 4.4 of this Scheme Booklet. If the Scheme becomes Effective, the SDI Directors will be entitled to receive, in the aggregate, A\$78,698,781 in connection with their 56,213,415 SDI Shares, and each of Samantha Cheetham and John Slaviero (who are each a director of SDI) will receive a transaction bonus of A\$350,000. The SDI Board (with Samantha Cheetham and John Slaviero excluded) considers that it is appropriate for Samantha Cheetham and John Slaviero to make a recommendation on the Scheme notwithstanding these transaction bonuses, given their role in the management and operations of SDI.

1.2 Reasons for the SDI Directors' recommendation and advantages of the Scheme

The key reasons for the SDI Directors' recommendation in respect of the Scheme are:

- (a) **The SDI Board has assessed the Scheme, and unanimously recommends that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders.**

In reaching its conclusion that the Scheme is in the best interests of SDI Shareholders and determining that SDI should enter into the Scheme Implementation Deed, the SDI Board has taken into account, amongst other factors, the value and certainty of the Scheme relative to the long-term fundamental value of SDI and alternative options to deliver value to SDI Shareholders, including continuing to deliver on growth opportunities as a standalone, ASX-listed company.

The SDI Board has undertaken an extensive process to reach this outcome, with the assistance of financial and legal advisers. This included:

- (i) an evaluation of SDI's long term fundamental value as an independent company which involved applying the appropriate discounting / probability weighting for both time and operational and execution risks inherent in delivering the long term fundamental value; and
- (ii) following receipt of a confidential non-binding indicative proposal from Sinocera, with the assistance of SDI's financial advisers, engaging with other interested parties through the course of 2025, on an unsolicited and solicited, confidential basis, with the objective of seeking to obtain the most favourable offer price and terms and conditions for SDI Shareholders.

Following consideration of these matters, the SDI Board unanimously concluded that the Scheme is the most attractive option for SDI Shareholders as the Scheme Consideration recognises the value and future growth potential of SDI and provides certainty of value for Scheme Shareholders in the near-term at an attractive premium to recent SDI Share prices.

Accordingly, the SDI Directors unanimously recommend that SDI Shareholders vote in favour of the Scheme Resolution, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders. Subject to the same qualifications, each of the SDI Directors intends to vote, or cause to be voted, all SDI Shares that he or she holds or controls in favour of the Scheme Resolution at the Scheme Meeting.

- (b) **The Independent Expert has concluded that the Scheme is in the best interests of SDI Shareholders, in the absence of a Superior Proposal**

The SDI Board appointed the Independent Expert, RSM Corporate Australia Pty Ltd, to prepare the Independent Expert's Report, including an opinion as to whether the Scheme is in the best interests of SDI Shareholders. The Independent Expert concluded in the Independent Expert's Report that the Scheme is in the best interests of SDI Shareholders, in the absence of a Superior Proposal.

The basis for this conclusion is that the Scheme Consideration of A\$1.40 per SDI Share exceeds the valuation range (as assessed by the Independent Expert) of A\$1.21 to A\$1.38 per SDI Share on a 100% controlling interest basis.

A complete copy of the Independent Expert's Report is included in Annexure 1 to this Scheme Booklet and the SDI Directors encourage you to read this report in its entirety. As at the date of this Scheme Booklet, the Independent Expert has not changed or qualified its conclusion, and no Superior Proposal has emerged.

(c) **The Scheme Consideration of A\$1.40 per SDI Share⁶ represents a significant premium to recent trading prices of SDI Shares**

The Scheme Consideration of A\$1.40 per SDI Share represents a significant premium to recent trading prices of SDI Shares, including:

- (i) 58% premium to SDI's closing share price of A\$0.885 (up to and including the Last Undisturbed Trading Date);
- (ii) 56% premium to the 30-day VWAP of SDI Shares (up to and including the Last Undisturbed Trading Date) of A\$0.899;
- (iii) 53% premium to the 90-day VWAP of SDI Shares (up to and including the Last Undisturbed Trading Date) of A\$0.914; and
- (iv) 53% premium to the 180-day VWAP of SDI Shares (up to and including the Last Undisturbed Trading Date) of A\$0.913.

(d) **The all-cash Scheme Consideration provides Scheme Shareholders with certainty of value and the opportunity to realise their investment in full for 100% cash consideration**

The Scheme provides Scheme Shareholders with an opportunity to dispose of all their SDI Shares in a single transaction for certain cash value of A\$1.40 per SDI Share.

If the Scheme is implemented, Scheme Shareholders will receive A\$1.40 in cash for each SDI Share⁷ held by them at the Record Date (currently expected to be 7:00pm (Sydney time) on 29 June 2026), to be paid on the Scheme Implementation Date.

In contrast, if the Scheme does not proceed, the amount that Scheme Shareholders will be able to realise for their investment in SDI will depend on a range of factors outside the control of the SDI Directors, including future SDI performance, market conditions, and the liquidity of the market in SDI Shares. For further details including key risks of not proceeding with the Scheme and remaining a SDI Shareholder if the Scheme is not implemented, see Section 7.

(e) **No Superior Proposal has emerged as at the date of this Scheme Booklet**

Since the execution of the Scheme Implementation Deed by SDI and Bidder on 27 February 2026, no Superior Proposal has emerged. As at the date of this Scheme Booklet, the SDI Directors are not aware of any Superior Proposal that is likely to emerge.

(f) **If the Scheme does not proceed, and no comparable proposal to the Scheme or Superior Proposal emerges, the SDI Share price may fall to a price that is below the Scheme**

⁶ Up to A\$0.015 of the cash consideration of A\$1.40 may be payable as a Permitted Dividend, to be determined by SDI. As at the date of this Scheme Booklet, the SDI Board does not intend to pay a Permitted Dividend. Refer to Section 4.3 for further details relating to any Permitted Dividend.

⁷ See footnote 6 directly above.

Consideration (including, potentially, to a price that is equal, close to, or below the SDI Share price on the Last Undisturbed Trading Date), at least in the immediate near-term

If the Scheme is not implemented, SDI Shares will continue to remain quoted on the ASX and the price at which SDI Shares trade will continue to be subject to market volatility (including general stock market movements, the impact of general economic conditions and the demand for listed securities) and SDI Shareholders will continue to be exposed to the risks associated with SDI's business (see Section 7 for a summary of these key risks). As such, if the Scheme is not implemented, the price at which SDI Shares trade may fall to a price that is below the Scheme Consideration of A\$1.40 per SDI Share (including, potentially, to a price that is equal, close to, or below the SDI Share price on the Last Undisturbed Trading Date), at least in the near-term.

- (g) **If the Scheme does not proceed, and no alternative or competing proposal (including a Superior Proposal) is implemented, SDI Shareholders will continue to be exposed to risks and uncertainties associated with SDI's business, as well as external economic and general market risks**

If the Scheme does not proceed, and no alternative or competing proposal (including a Superior Proposal) is implemented, SDI Shareholders will continue to be exposed to risks associated with SDI's business, including, but not limited to, risks associated with the operating and regulatory environment in which SDI operates, macro-economic risks (including interest rate and foreign exchange risks), the operational, commercial and financial risks relating to the business of SDI and the other risks outlined in Section 7. If the Scheme is implemented, this will remove these risks for Scheme Shareholders and allow Scheme Shareholders to realise their investment in SDI.

- (h) **No brokerage or stamp duty will be payable by you on the transfer of your SDI Shares to Bidder Sub under the Scheme**

You will not incur any brokerage or stamp duty on the transfer of your SDI Shares to Bidder Sub under the Scheme.

1.3 Reasons why SDI Shareholders may consider voting against the Scheme, and disadvantages of the Scheme

Although the SDI Directors unanimously recommend that you vote in favour of the Scheme Resolution, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders, there may be reasons why SDI Shareholders might choose to vote against the Scheme including:

- (a) **You may disagree with the SDI Directors and the opinion of the Independent Expert and consider that the Scheme is not in your best interests**

Despite the recommendation of the SDI Board, and the opinion of the Independent Expert that the Scheme is in the best interests of SDI Shareholders, in the absence of a Superior Proposal, you may believe that the Scheme is not in your best interests as an SDI Shareholder.

- (b) **You may prefer to retain your SDI Shares and have the opportunity to participate in the future financial performance of SDI as a standalone, ASX-listed company**

If the Scheme is implemented, Scheme Shareholders will not have the opportunity to participate in any future financial performance of SDI as a standalone ASX-listed company, including potential dividends or returns of capital. While the SDI Directors believe the Scheme Consideration offers an attractive premium given the risks associated with operating as a standalone entity, some SDI Shareholders may disagree and instead prefer to continue participating in the future financial performance of SDI. However, there is no guarantee as to SDI's future performance, as is the case with all investments in listed equities.

- (c) **You may wish to maintain an investment in a publicly listed company with the specific characteristics of SDI, including its industry, operations, profile, size and capital structure.**

Not all SDI Shareholders may wish to dispose of their interest in SDI and instead may wish to maintain an investment in a publicly listed company with the specific characteristics of SDI, including its industry, operations, profile, size and capital structure.

Although the SDI Directors believe that the Scheme Consideration is attractive, some SDI Shareholders may wish to maintain an investment in publicly listed companies with a similar profile to that of the profile of SDI rather than receive cash consideration.

(d) **The tax consequences of the Scheme may not suit your current financial position**

Implementation of the Scheme may trigger taxation consequences for Scheme Shareholders, and these consequences may not be favourable to you. A general guide to the taxation implications of the Scheme for Scheme Shareholders is set out in Section 8. This guide is expressed in general terms only and SDI Shareholders should seek professional taxation advice regarding the tax consequences applicable to their own circumstances.

(e) **You may believe that there is the potential for a Superior Proposal to be made in the foreseeable future**

You may believe that there is the potential for a Superior Proposal to be made in the foreseeable future, in which case you may wish to retain your SDI Shares. However, as at the date of this Scheme Booklet, no Superior Proposal has been received by the SDI Board (or has otherwise emerged) and the SDI Directors are not aware of any Superior Proposal that is likely to emerge.

1.4 Other relevant considerations

In addition to the factors that the SDI Directors have taken into account in recommending the Scheme to SDI Shareholders or which may lead SDI Shareholders to vote against the Scheme, as described above, the other key considerations that the SDI Board considers may be relevant to an SDI Shareholder's decision on how to vote on the Scheme Resolution are summarised below.

(a) **The Scheme may be implemented even if you vote against it**

Even if you do not vote, or vote against, the Scheme Resolution at the Scheme Meeting, the Scheme may still be implemented if the Scheme Resolution is approved by the Requisite Majorities of SDI Shareholders and, subsequently, the Court.

(b) **Conditions Precedent**

The Scheme is subject to a number of Conditions Precedent, which are summarised in Section 9.13. If these Conditions Precedent are not satisfied or, if applicable, not waived, the Scheme will not proceed, even if it is approved by the Requisite Majorities of SDI Shareholders at the Scheme Meeting.

(c) **Costs of the Scheme**

SDI has already incurred, and will incur, significant costs in respect of the proposal to implement the Scheme. These costs include negotiation with Sinocera, retention of advisers, provision of information to Sinocera, facilitating Sinocera's access to due diligence, engagement of the Independent Expert and the preparation of this Scheme Booklet. If the Scheme is not implemented in circumstances where no Superior Proposal emerges and is implemented, you will not receive any material value for the costs that SDI has incurred in connection with the Scheme. If the Scheme is not implemented, transaction costs of approximately A\$1,425,000 are expected to be payable by SDI.

Under the Scheme Implementation Deed, a reimbursement fee of A\$1,664,000 may become payable by SDI to Bidder, in certain circumstances. Failure by SDI Shareholders to approve the Scheme at the Scheme Meeting or failure of the Court to approve the Scheme, will not trigger an obligation to pay the reimbursement fee. Further details of the circumstances in which a reimbursement fee may become payable by SDI to Bidder are in Section 9.16.

(d) **Risks**

If the Scheme becomes Effective, SDI Shareholders will receive the Scheme Consideration, cease to be a SDI Shareholder, and will also no longer be exposed to the existing risks relating to SDI's business and an investment in SDI Shares. However, there are risks that if the Scheme is not implemented, SDI will continue to operate as a stand-alone entity listed on the ASX and SDI Shareholders will continue to be exposed to risks relating to such an investment as well as the prospect and any opportunities associated with that investment.

To understand these risks and how to vote on the Scheme Resolution, you should read this Scheme Booklet carefully and in its entirety. You should also have regard to the matters set out in Section 7, including your individual circumstances (including your personal tax position, financial position and investment objectives), the potential advantages and disadvantages (outlined in Sections 1.2 and 1.3 above) of an investment in SDI and the Scheme Consideration.

While the SDI Board unanimously recommends that SDI Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders,⁸ SDI Shareholders are encouraged to make their own independent assessment as to whether to vote in favour of the Scheme.

⁸ You should note when considering this recommendation, the interests of each SDI Director in shares in SDI, as set out in Section 10.1 of this Scheme Booklet, and the transaction bonuses intended to be paid to certain SDI Directors, as set out in Section 4.4 of this Scheme Booklet. If the Scheme becomes Effective, the SDI Directors will be entitled to receive Scheme Consideration the same as any other Scheme Shareholder, in the aggregate, A\$78,698,781 in connection with their 56,213,415 SDI Shares. This comprises of A\$75,373,405.80 payable to Jeffery Cheetham in respect of his 53,838,147 SDI Shares, A\$1,933,828.40 payable to Geoffrey Knight in respect of his 1,381,306 SDI Shares, A\$560,000 payable to Gerald Bullon in respect of his 400,000 SDI Shares, A\$14,000 payable to Cameron Allen in respect of his 10,000 SDI Shares, A\$159,600 payable to Gerard Kennedy in respect of his 114,000 SDI Shares, A\$502,982.20 payable to Samantha Cheetham in respect of her 359,273 SDI Shares and A\$154,964.60 payable to John Slaviero in respect of his 110,689 SDI Shares. In addition, each of Samantha Cheetham and John Slaviero (who are each a director of SDI) will receive a transaction bonus of A\$350,000. The SDI Board (with Samantha Cheetham and John Slaviero excluded) considers that it is appropriate for Samantha Cheetham and John Slaviero to make a recommendation on the Scheme notwithstanding these transaction bonuses, given their role in the management and operations of SDI.

2. Frequently Asked Questions

The following table provides brief answers to questions you may have in relation to the Scheme, but must be read in conjunction with the more detailed information included in this Scheme Booklet. You are urged to read this Scheme Booklet in its entirety.

Overview of the Scheme	Section Reference
<p>What is the Scheme?</p> <p>The Scheme is a proposed acquisition by Bidder Sub of SDI to be implemented by way of a scheme of arrangement under Part 5.1 of the Corporations Act between SDI and SDI Shareholders. Under the Scheme, all SDI Shares held by Scheme Shareholders will be transferred to Bidder Sub for the payment by Bidder Sub of the Scheme Consideration of A\$1.40 for each SDI Share⁹ you hold on the Record Date.</p> <p>The Scheme requires the approval of both the Requisite Majority of SDI Shareholders at the Scheme Meeting and the Court.</p> <p>The terms of the Scheme are set out in full in Annexure 3.</p>	<p>Section 4.1 and Annexure 3</p>
<p>What is the Scheme Consideration?</p> <p>The Scheme Consideration is A\$1.40 for each Scheme Share. If the Scheme proceeds, this will be paid to Scheme Shareholders.</p> <p>Up to A\$0.015 per SDI Share may be payable as a Permitted Dividend, to be determined by SDI. Any such Permitted Dividend will be deducted from the Scheme Consideration of A\$1.40. Refer to Section 4.3 and the question directly below for further details relating to any Permitted Dividend.</p>	<p>Section 4.2 and Section 4.3</p>
<p>What is the Permitted Dividend?</p> <p>SDI may at its discretion declare and pay at any time prior to the Implementation Date, a cash dividend of up to A\$0.015 per SDI Share (Permitted Dividend).</p> <p>The final decision on whether or not to pay a Permitted Dividend and the quantum of any Permitted Dividend will be made by the SDI Board and will depend upon several factors. The SDI Board will provide an update regarding any Permitted Dividend to SDI Shareholders by way of an ASX announcement before the Scheme Meeting. As at the date of this Scheme Booklet, the SDI Board does not intend to pay a Permitted Dividend.</p> <p>It should be noted that the Scheme Consideration will be reduced by the cash amount of the Permitted Dividend, except that the Scheme Consideration will not be reduced by the value attributed to any franking credits attached to the Permitted Dividend. Refer to Section 4.3 which includes an example of how this works.</p>	<p>Section 4.3</p>
<p>Why has the Scheme Booklet been made available?</p> <p>This Scheme Booklet has been made available to you because you are shown on the SDI Register as holding SDI Shares. SDI Shareholders are being asked to vote on the Scheme, which, if approved and the conditions to the Scheme are satisfied or waived (where applicable), will result in Bidder Sub acquiring all of the SDI Shares for the Scheme Consideration. If you have sold your SDI Shares, please disregard this Scheme Booklet.</p> <p>This Scheme Booklet is intended to help you to decide how to vote on the Scheme Resolution, which needs to be passed by the</p>	<p>-</p>

⁹ Up to A\$0.015 of the cash consideration of A\$1.40 may be payable as a Permitted Dividend, to be determined by SDI. As at the date of this Scheme Booklet, the SDI Board does not intend to pay a Permitted Dividend. Refer to Section 4.3 for further details relating to any Permitted Dividend.

Overview of the Scheme	Section Reference	
	Requisite Majority at the Scheme Meeting to allow the Scheme to proceed.	
<p>What will be the effect of the Scheme?</p>	<p>If the Scheme is approved by the Requisite Majority of SDI Shareholders and the Court and is implemented:</p> <ul style="list-style-type: none"> • all your SDI Shares will be transferred to Bidder Sub; • in exchange, you will receive the Scheme Consideration of A\$1.40 for each SDI Share¹⁰ you hold on the Record Date; and • SDI will become a wholly-owned subsidiary of Bidder Sub and will be removed from the official list of ASX. 	<p>Section 4.1 and Section 9.4</p>
<p>Are there conditions that need to be satisfied before the Scheme can proceed?</p>	<p>Implementation of the Scheme is subject to satisfaction or waiver (where applicable) of a number of conditions contained in the Scheme Implementation Deed, set out in Annexure 2.</p> <p>As at the date of this Scheme Booklet, the conditions that must be satisfied or waived (where applicable) before the Scheme can be implemented are set out in Section 9.13 and include:</p> <ul style="list-style-type: none"> • Bidder Sub obtaining Australian FIRB approval in respect of the acquisition of the Scheme Shares; • Bidder obtaining Chinese regulatory approvals from NDRC, MOFCOM and SAFE in respect of the acquisition of the Scheme Shares; • ASIC and ASX providing (and not withdrawing, suspending, restricting or amending) all relief, waivers, confirmations, exemptions, consents or approvals in respect of the Scheme (if any); • approval of the Scheme by the Requisite Majority of SDI Shareholders; • the Independent Expert not withdrawing, qualifying or changing its conclusion that the Scheme is in the best interests of SDI Shareholders; • Court approval of the Scheme in accordance with section 411(4)(b) of the Corporations Act; • no court, Government Agency or material legal restraint prohibits, prevents or makes illegal the implementation of the Scheme; • no Target Prescribed Occurrence; • no Target Regulated Event; • no Target Material Adverse Change; • SDI having received and provided Bidder with a change of control consent and waiver from HSBC in respect of the Scheme; and • SDI having obtained all necessary financing required for its intended capital expenditures in respect of Project Montrose 	<p>Section 9.13 and Annexure 2</p>

¹⁰ Up to A\$0.015 of the cash consideration of A\$1.40 may be payable as a Permitted Dividend, to be determined by SDI. As at the date of this Scheme Booklet, the SDI Board does not intend to pay a Permitted Dividend. Refer to Section 4.3 for further details relating to any Permitted Dividend.

Overview of the Scheme	Section Reference
	<p>and, to the extent SDI intends to release any of its mortgages in connection with obtaining financing for Project Montrose, written confirmation from the relevant financiers that no prepayment, early termination, wind up or break costs are payable by SDI as a result of release of these mortgages.</p>
<p>What are the reasons to vote in favour of the Scheme?</p>	<p>Reasons why you should consider voting in favour of the Scheme include:</p> <ul style="list-style-type: none"> • the SDI Board has assessed the Scheme, and unanimously recommends that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders; • the Independent Expert has concluded that the Scheme is in the best interests of SDI Shareholders, in the absence of a Superior Proposal; • the Scheme Consideration of A\$1.40 per SDI Share represents a significant premium to recent trading prices of SDI Shares; • the all-cash Scheme Consideration provides Scheme Shareholders with certainty of value and the opportunity to realise their investment in full for 100% cash consideration; • no Superior Proposal has emerged as at the date of this Scheme Booklet; • if the Scheme does not proceed, and no comparable proposal to the Scheme or Superior Proposal emerges, the SDI Share price may fall to a price that is below the Scheme Consideration (including, potentially, to a price that is equal, close to, or below the SDI Share price on the Last Undisturbed Trading Date), at least in the immediate near term; • if the Scheme does not proceed, and no alternative or competing proposal (including a Superior Proposal) is implemented, SDI Shareholders will continue to be exposed to risks and uncertainties associated with SDI's business, as well as external economic and general market risks; and • no brokerage or stamp duty will be payable by you on the transfer of your SDI Shares to Bidder Sub under the Scheme. <p>Further details are set out in Section 1.2.</p>
<p>What are the reasons to vote against the Scheme?</p>	<p>Reasons why you might consider voting against the Scheme include:</p> <ul style="list-style-type: none"> • you may disagree with the SDI Directors and the opinion of the Independent Expert and consider that the Scheme is not in your best interests; • you may prefer to retain your SDI Shares and have the opportunity to participate in the future financial performance of SDI as a standalone, ASX listed company; • you may wish to maintain an investment in a publicly listed company with the specific characteristics of SDI, including its industry, operations, profile, size and capital structure;

Overview of the Scheme	Section Reference
<ul style="list-style-type: none"> the tax consequences of the Scheme may not suit your current financial position; and you may believe that there is the potential for a Superior Proposal to be made in the foreseeable future. <p>Further details are set out in Section 1.3.</p>	
<p>What are the risks in connection with the Scheme?</p> <p>There are certain risks associated with the Scheme not proceeding, including continuing exposure to the risks associated with an investment in SDI Shares.</p> <p>There are also risk factors which may prevent the Scheme from proceeding.</p> <p>Refer to Section 7 for further details.</p>	Section 7
<p>If I wish to support the Scheme, what should I do?</p> <p>Your Directors unanimously recommend that you vote in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders.¹¹ If you are a registered SDI Shareholder and are unable to attend the Scheme Meeting, you may be entitled to vote by proxy, corporate representative or attorney.</p> <p>See Section 3 for directions on how to vote and important voting information generally.</p>	Section 3
<p>What happens if I vote against the Scheme?</p> <p>If, despite your Directors' unanimous recommendation and the conclusion of the Independent Expert, you do not support the Scheme, you may vote against the Scheme at the Scheme Meeting.</p> <p>If the Scheme is approved by the Requisite Majority of SDI Shareholders and by the Court, and all other conditions to the Scheme are satisfied or waived (where applicable), your SDI Shares will be transferred to Bidder Sub in consideration for Bidder Sub paying to you the Scheme Consideration. This will occur even if you voted against the Scheme at the Scheme Meeting.</p> <p>If the Scheme is not approved by the Requisite Majority of SDI Shareholders or the Court, SDI will remain an independent company and you will remain an SDI Shareholder.</p>	Section 4.8
<p>How will the Scheme be implemented?</p> <p>If the Scheme becomes Effective, no further action is required on the part of the Scheme Shareholders in order to implement the Scheme. Under the Scheme, SDI is given authority to effect a valid transfer of all SDI Shares to Bidder Sub and to enter the name of Bidder Sub in the SDI Register as holder of all SDI Shares.</p>	Section 9.4

¹¹ You should note when considering this recommendation the interests of each SDI Director in securities in SDI as set out in Section 10.1 of this Scheme Booklet, and the transaction bonuses intended to be paid to certain SDI Directors, as set out in Section 4.4 of this Scheme Booklet. If the Scheme becomes Effective, the SDI Directors will be entitled to receive Scheme Consideration the same as any other Scheme Shareholder, in the aggregate, A\$78,698,781 in connection with their 56,213,415 SDI Shares. This comprises of A\$75,373,405.80 payable to Jeffery Cheetham in respect of his 53,838,147 SDI Shares, A\$1,933,828.40 payable to Geoffrey Knight in respect of his 1,381,306 SDI Shares, A\$560,000 payable to Gerald Bullon in respect of his 400,000 SDI Shares, A\$14,000 payable to Cameron Allen in respect of his 10,000 SDI Shares, A\$159,600 payable to Gerard Kennedy in respect of his 114,000 SDI Shares, A\$502,982.20 payable to Samantha Cheetham in respect of her 359,273 SDI Shares and A\$154,964.60 payable to John Slaviero in respect of his 110,689 SDI Shares. In addition, each of Samantha Cheetham and John Slaviero (who are each a director of SDI) will receive a transaction bonus of A\$350,000. The SDI Board (with Samantha Cheetham and John Slaviero excluded) considers that it is appropriate for Samantha Cheetham and John Slaviero to make a recommendation on the Scheme notwithstanding these transaction bonuses, given their role in the management and operations of SDI.

Overview of the Scheme	Section Reference
<p>What happens if the Scheme is not approved?</p>	<p>If the Scheme is not approved by the Requisite Majority of SDI Shareholders or the Court, the Scheme will not be implemented.</p> <p>Further, if any of the conditions to the Scheme are not satisfied or waived (where applicable), including if the Scheme is not approved by the Requisite Majority of SDI Shareholders and by the Court, the Scheme Implementation Deed may be terminated and the Scheme will not be implemented.</p> <p>The consequences of the Scheme not being implemented include:</p> <ul style="list-style-type: none"> • you will retain your SDI Shares, you will not be paid the Scheme Consideration, and you will continue to be exposed to the risks associated with your investment in SDI Shares (see Section 7.3); • the SDI Board and management will continue to operate SDI's business; • the expected benefits of the Scheme (set out in Section 1.2) will not be realised; • SDI's Share price is likely to fall to the extent that the market price reflects an assumption that the Scheme will be completed; and • SDI will have incurred significant costs and management time and resources for no outcome.
<p>Is a Superior Proposal likely? What happens if a Superior Proposal emerges?</p>	<p>At the date of this Scheme Booklet, no Superior Proposal for SDI has emerged.</p> <p>Until the Scheme becomes Effective, there is nothing preventing third parties from making unsolicited Competing Proposals for SDI. If an alternative proposal is received, the Board will review that proposal and determine if it represents a Superior Proposal and advise you on their recommendation.</p> <p>The Scheme Implementation Deed contains certain exclusivity arrangements that restrict the ability for SDI to engage on Competing Proposals. For example, it restricts certain SDI actions, obliges SDI to disclose certain information to Bidder in the event a Competing Proposal emerges and also gives Bidder a right to match a Superior Proposal in certain circumstances. None of those exclusivity obligations preclude SDI from responding to any unsolicited Competing Proposal that may emerge.</p> <p>It is possible that, if SDI were to continue as an independent company, a Superior Proposal for SDI may materialise in the future, however there can be no assurance that this will be the case.</p>
<p>What are the tax implications of the Scheme?</p>	<p>If the Scheme becomes Effective, there will be tax consequences for SDI Shareholders which may include tax being payable on any gain on disposal of their SDI Shares.</p> <p>Section 8 provides a general description of the Australian tax consequences of the Scheme. However, the tax consequences of the Scheme may vary depending on the nature and characteristics of each SDI Shareholder and their individual circumstances.</p>

Overview of the Scheme		Section Reference
	It is recommended you seek professional tax advice in regard to the income tax implications for you associated with the Scheme.	
Questions about your entitlements		Section Reference
Who is entitled to participate in the Scheme?	Each person who is an SDI Shareholder on the Record Date (expected to be 7:00pm (Sydney time) on 29 June 2026) will be entitled to participate in the Scheme.	Section 9.9
What warranties do I give?	<p>Under the Scheme, each Scheme Shareholder is deemed to have warranted to Bidder and Bidder Sub, that as at the Implementation Date:</p> <ul style="list-style-type: none"> • all their SDI Shares (including any rights and entitlements attaching to those SDI Shares) which are transferred under this Scheme will, at the date of transfer to Bidder Sub, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the <i>Personal Property Securities Act 2009</i> (Cth)) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind; • they have full power and capacity to transfer their SDI Shares to Bidder Sub together with any rights and entitlements attaching to those SDI Shares; and • they have no existing right to be issued any SDI Shares, or other SDI securities. 	Section 9.7
When will I be paid the Scheme Consideration?	<p>If the Scheme is implemented, the Scheme Consideration will be paid to all Scheme Shareholders on the Implementation Date (currently expected to be 6 July 2026 subject to all conditions to the Scheme being satisfied or waived (where applicable)). However, there is no assurance that implementation of the Scheme will occur on that date.</p> <p>If you have validly registered your bank account details with the Share Registry by the Record Date, your Scheme Consideration will be credited directly to your bank account. Otherwise, your Scheme Consideration will be sent by cheque to your address shown in the SDI Register.</p> <p>You can review and update your bank account details via your portfolio login at https://au.investorcentre.mpms.mufg.com or completing a "Request for Direct Credit of Payments" form at https://www.mpms.mufg.com/en/for-individuals/au/shareholders/forms/. If you require assistance with this, please contact the Share Registry at 1300 554 474 (within Australia) or +61 1300 554 474 (outside Australia).</p>	Section 9.10
Will I have to pay brokerage fees on the disposal of my SDI Shares?	Scheme Shareholders will not pay brokerage fees on the disposal of their SDI Shares under the Scheme.	-

Questions about your entitlements		Section Reference
Can I sell my SDI Shares now?	The Scheme does not preclude you from selling your SDI Shares on market for cash, if you wish, provided you do so before close of trading in SDI Shares on ASX on the Effective Date (currently expected to be 25 June 2026 subject to all conditions to the Scheme being satisfied or waived (where applicable)), which is when trading in SDI Shares on ASX will end if the Scheme is Effective. However, there is no assurance that the Effective Date will occur on that date.	Section 4.8

Questions about the Independent Expert and the Directors' recommendations and intentions		Section Reference
What is the Independent Expert's conclusion?	<p>The Independent Expert has concluded that the Scheme is in the best interests of SDI Shareholders, in the absence of a Superior Proposal.</p> <p>A principal reason for this conclusion is that the Scheme Consideration of A\$1.40 per SDI Share exceeds the assessed valuation range (as concluded by the Independent Expert) of A\$1.21 to A\$1.38 per SDI Share on a 100% controlling basis.</p> <p>The Independent Expert has assessed the fair market value of SDI on a control basis between A\$1.21 to A\$1.38 per SDI Share.</p> <p>The Independent Expert's Report is set out in Annexure 1.</p>	Annexure 1
What is the Directors' recommendation and how do the Directors intend to vote?	<p>Your Directors have carefully considered the advantages and disadvantages of the Scheme and unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders.¹²</p> <p>Your Directors intend to vote, or cause to be voted, all SDI Shares held or controlled by them in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders.</p> <p>Jeffery Cheetham and Currango Pastoral Company Pty. Ltd., SDI's largest shareholder and an entity controlled by Jeffery Cheetham, intend to vote, or cause to be voted, all SDI Shares held or controlled by them (representing, in aggregate, approximately 45.29% of the issued share capital in SDI) in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders.</p>	Section 4.7

¹² You should note when considering this recommendation the interests of each SDI Director in securities in SDI as set out in Section 10.1 of this Scheme Booklet, and the transaction bonuses intended to be paid to certain SDI Directors, as set out in Section 4.4 of this Scheme Booklet. If the Scheme becomes Effective, the SDI Directors will be entitled to receive Scheme Consideration the same as any other Scheme Shareholder, in the aggregate, A\$78,698,781 in connection with their 56,213,415 SDI Shares. This comprises of A\$75,373,405.80 payable to Jeffery Cheetham in respect of his 53,838,147 SDI Shares, A\$1,933,828.40 payable to Geoffrey Knight in respect of his 1,381,306 SDI Shares, A\$560,000 payable to Gerald Bullon in respect of his 400,000 SDI Shares, A\$14,000 payable to Cameron Allen in respect of his 10,000 SDI Shares, A\$159,600 payable to Gerard Kennedy in respect of his 114,000 SDI Shares, A\$502,982.20 payable to Samantha Cheetham in respect of her 359,273 SDI Shares and A\$154,964.60 payable to John Slaviero in respect of his 110,689 SDI Shares. In addition, each of Samantha Cheetham and John Slaviero (who are each a director of SDI) will receive a transaction bonus of A\$350,000. The SDI Board (with Samantha Cheetham and John Slaviero excluded) considers that it is appropriate for Samantha Cheetham and John Slaviero to make a recommendation on the Scheme notwithstanding these transaction bonuses, given their role in the management and operations of SDI.

Questions about the Independent Expert and the Directors' recommendations and intentions	Section Reference																								
<p>A Director may also abstain from making or may withdraw their recommendation if required or requested to do so by a Court or Government Agency.</p> <p>As at the date of this Scheme Booklet, your Directors hold or control in aggregate approximately 47.29% of all SDI Shares on issue.¹³</p>																									
<p>What are the Directors' interests in the Scheme?</p> <p>If the Scheme is implemented, the Directors (who are also shareholders in SDI) will be entitled to receive the Scheme Consideration in connection with their SDI Shares and two directors (being Samantha Cheetham and John Slaviero) will also be entitled to receive a one-off transaction bonus, as set out below:</p> <table border="1" data-bbox="448 674 1278 1305"> <thead> <tr> <th data-bbox="453 680 724 770">Director</th> <th data-bbox="729 680 1000 770">Scheme Consideration</th> <th data-bbox="1005 680 1278 770">Transaction bonus</th> </tr> </thead> <tbody> <tr> <td data-bbox="453 777 724 866">Jeffery Cheetham OAM</td> <td data-bbox="729 777 1000 866">A\$75,373,405.80</td> <td data-bbox="1005 777 1278 866">-</td> </tr> <tr> <td data-bbox="453 873 724 963">Dr Geoffrey Knight AM</td> <td data-bbox="729 873 1000 963">A\$1,933,828.40</td> <td data-bbox="1005 873 1278 963">-</td> </tr> <tr> <td data-bbox="453 969 724 1025">Gerald Bullon</td> <td data-bbox="729 969 1000 1025">A\$560,000</td> <td data-bbox="1005 969 1278 1025">-</td> </tr> <tr> <td data-bbox="453 1032 724 1088">Cameron Allen</td> <td data-bbox="729 1032 1000 1088">A\$14,000</td> <td data-bbox="1005 1032 1278 1088">-</td> </tr> <tr> <td data-bbox="453 1095 724 1151">Gerard Kennedy</td> <td data-bbox="729 1095 1000 1151">A\$159,600</td> <td data-bbox="1005 1095 1278 1151">-</td> </tr> <tr> <td data-bbox="453 1158 724 1247">Samantha Cheetham</td> <td data-bbox="729 1158 1000 1247">A\$502,982.20</td> <td data-bbox="1005 1158 1278 1247">A\$350,000</td> </tr> <tr> <td data-bbox="453 1254 724 1305">John Slaviero</td> <td data-bbox="729 1254 1000 1305">A\$154,964.60</td> <td data-bbox="1005 1254 1278 1305">A\$350,000</td> </tr> </tbody> </table>	Director	Scheme Consideration	Transaction bonus	Jeffery Cheetham OAM	A\$75,373,405.80	-	Dr Geoffrey Knight AM	A\$1,933,828.40	-	Gerald Bullon	A\$560,000	-	Cameron Allen	A\$14,000	-	Gerard Kennedy	A\$159,600	-	Samantha Cheetham	A\$502,982.20	A\$350,000	John Slaviero	A\$154,964.60	A\$350,000	
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Samantha Cheetham	A\$502,982.20	A\$350,000																							
John Slaviero	A\$154,964.60	A\$350,000																							

Questions about the Scheme Meeting and voting	Section Reference	
<p>What am I being asked to vote on?</p>	<p>As an SDI Shareholder, you are being asked to vote at the Scheme Meeting on whether the Scheme should proceed.</p>	<p>Section 4</p>
<p>Am I entitled to vote?</p>	<p>If you are registered as an SDI Shareholder at 7:00pm (Sydney time) on 20 June 2026 you will be entitled to vote on the Scheme Resolution to be proposed at the Scheme Meeting.</p> <p>For further details, see Section 3.</p>	<p>Section 3</p>
<p>How do I vote?</p>	<p>SDI Shareholders entitled to vote at the Scheme Meeting can vote:</p> <ul style="list-style-type: none"> • by attending the Scheme Meeting virtually; or 	<p>Section 3.2</p>

¹³ The interests of each SDI Director in securities in SDI are set out in Section 10.1.

Questions about the Scheme Meeting and voting	Section Reference
<ul style="list-style-type: none"> by appointing a proxy, an attorney or in the case of corporate shareholders a corporate representative, to attend the Scheme Meeting virtually and vote on their behalf. 	
<p>When and where will the Scheme Meeting be held?</p> <p>The Scheme Meeting to approve the Scheme is scheduled to be held on Monday, 22 June 2026 commencing at 11:00am (Sydney time) via the online Scheme Meeting platform at https://meetings.openbriefing.com/SDI26.</p> <p>The Scheme Meeting is scheduled to be held as a virtual meeting. SDI strongly encourages SDI Shareholders to consider lodging a directed proxy in the event they are not able to participate in the Scheme Meeting.</p> <p>Further details of the Scheme Meeting, including how to vote are contained in Section 3. The Notice of Scheme Meeting is contained in Annexure 5.</p>	Section 3 and Annexure 5
<p>What voting majority is required to approve the Scheme?</p> <p>The Scheme needs to be approved by the Requisite Majority of SDI Shareholders, which is:</p> <ul style="list-style-type: none"> unless the Court orders otherwise, a majority in number (more than 50%) of SDI Shareholders present and voting at the Scheme Meeting (in person or by proxy, corporate representative or attorney); and at least 75% of the total number of votes cast on the Scheme Resolution at the Scheme Meeting. 	Section 3.1
<p>Is voting compulsory?</p> <p>No, voting is not compulsory. However, the Scheme can only proceed if the Scheme Resolution is passed by the Requisite Majority of SDI Shareholders. Therefore, your vote is important.</p> <p>If you cannot attend the Scheme Meeting you should appoint a proxy, corporate representative or attorney to vote on your behalf.</p> <p>For further details regarding voting and appointing a proxy for the Scheme Meeting, see Section 3.</p>	Section 3
<p>Why should I vote?</p> <p>Your vote will be important in determining whether the Scheme will proceed.</p> <p>Your Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders.¹⁴</p> <p>Reasons to vote in favour of or against the Scheme are set out in Section 1.</p>	Section 1

¹⁴ You should note when considering this recommendation the interests of each SDI Director in securities in SDI as set out in Section 10.1 of this Scheme Booklet, and the transaction bonuses intended to be paid to certain SDI Directors, as set out in Section 4.4 of this Scheme Booklet. If the Scheme becomes Effective, the SDI Directors will be entitled to receive Scheme Consideration the same as any other Scheme Shareholder, in the aggregate, A\$78,698,781 in connection with their 56,213,415 SDI Shares. This comprises of A\$75,373,405.80 payable to Jeffery Cheetham in respect of his 53,838,147 SDI Shares, A\$1,933,828.40 payable to Geoffrey Knight in respect of his 1,381,306 SDI Shares, A\$560,000 payable to Gerald Bullon in respect of his 400,000 SDI Shares, A\$14,000 payable to Cameron Allen in respect of his 10,000 SDI Shares, A\$159,600 payable to Gerard Kennedy in respect of his 114,000 SDI Shares, A\$502,982.20 payable to Samantha Cheetham in respect of her 359,273 SDI Shares and A\$154,964.60 payable to John Slaviero in respect of his 110,689 SDI Shares. In addition, each of Samantha Cheetham and John Slaviero (who are each a director of SDI) will receive a transaction bonus of A\$350,000. The SDI Board (with Samantha Cheetham and John Slaviero excluded) considers that it is appropriate for Samantha Cheetham and John Slaviero to make a recommendation on the Scheme notwithstanding these transaction bonuses, given their role in the management and operations of SDI.

Questions about the Scheme Meeting and voting		Section Reference
What happens if I do not vote?	<p>If you do not vote and the Scheme is approved by a Requisite Majority of SDI Shareholders and the Court and becomes Effective, your SDI Shares will be transferred to Bidder Sub in consideration for Bidder Sub paying to you the Scheme Consideration for your SDI Shares.</p> <p>If the Scheme is not approved, SDI will remain an independent company and you will remain an SDI Shareholder.</p>	Section 4.8
Can I attend the Court and oppose the Court approval of the Scheme?	<p>If you wish to oppose approval by the Court of the Scheme at the Court hearing to be held on the Second Court Date, you may do so by filing with the Court, and serving on SDI, a notice of appearance in the prescribed form together with any affidavit on which you wish to rely at the hearing. The notice of appearance and affidavit must be served on SDI at least one Business Day (in Sydney, New South Wales) before the Second Court Date.</p>	Section 9.3
What are my options?	<p>You may:</p> <ul style="list-style-type: none"> • vote in favour of the Scheme at the Scheme Meeting; • vote against the Scheme at the Scheme Meeting; • sell your SDI Shares on market at any time before the close of trading on ASX on the Effective Date; or • do nothing. 	Section 4.8
What if I cannot, or do not wish to, attend the Scheme Meeting?	<p>If you cannot, or do not wish to, attend the Scheme Meeting, you may appoint a proxy, corporate representative or attorney to vote on your behalf. For further details regarding voting and appointing proxies for the Scheme Meeting, see Section 3.</p>	Section 3
Can I be bound by the Scheme if I do not vote or if I vote against its approval?	<p>If the Scheme is implemented, you will be bound by the Scheme whether or not you were present at the Scheme Meeting, whether or not you voted and whether or not you voted in favour of or against the Scheme Resolution.</p>	Section 4.8

Questions about Bidder Group		Section Reference
Who is Sinocera?	<p>Sinocera is the ultimate holding company of Bidder and Bidder Sub. Sinocera is a widely-held publicly listed company on the Shenzhen ChiNext Board (SZSE:300285) which was incorporated in Shandong, China in 2005 and is headquartered in Dongying City in the Shandong Province of China.</p> <p>Sinocera operates in the new materials sector, primarily focusing on the research and development, production, and sales of high-end ceramic materials and products. The company has developed six major business segments: electronic materials, catalytic materials, biomedical materials, new energy materials, precision ceramics, and other materials.</p>	Section 6

Questions about Bidder Group		Section Reference
Who is Bidder and Bidder Sub?	<p>Bidder is an unlisted private limited company that was incorporated in Beijing, China in 2023 and is a wholly owned subsidiary of Sinocera. Bidder is the holding company of all of Sinocera's domestic and overseas dental businesses except its powder business. It also engages in the trade of dental materials and equipment in the People's Republic of China.</p> <p>Bidder Sub is a special purpose company that was incorporated for the purpose of acquiring all of the Scheme Shares. Bidder Sub is an unlisted Australian private company.</p> <p>See Section 6 for further information on the Bidder Group Parties' intentions if the Scheme is implemented.</p>	Section 6
What are Bidder's intentions for the SDI Group if the Scheme proceeds and how is Bidder funding the Scheme Consideration?	Information about the Bidder's intentions for the SDI Group and its funding arrangements for the Scheme Consideration can be found in Section 6.5 and Section 6.6 respectively.	Section 6.5 and Section 6.6

General questions		Section Reference
What happens on the Implementation Date?	<p>On the Implementation Date (currently expected to be 6 July 2026), the Scheme will be implemented and you will be sent your Scheme Consideration, following which Bidder Sub will acquire all of the Scheme Shares.</p> <p>It is intended that SDI will be delisted shortly after the Implementation Date.</p> <p>You are not required to do anything in relation to these implementation matters.</p>	Section 9.10 and Section 9.11
What other information is available?	<p>You should read the detailed information in relation to the Scheme provided in this Scheme Booklet.</p> <p>Further information in relation to SDI can be obtained from ASX on its website www.asx.com.au.</p> <p>Further information in relation to the Bidder Group can be obtained from https://en.sinocera.cn/.</p>	-
Who can help answer my questions about the Scheme?	If you require further information or have questions in relation to the Scheme, please visit the investor website at https://www.sdi.com.au/au/company/investor-information/ or contact the SDI Shareholder Information Line on 1300 761 372 (within Australia) or +61 1300 761 372 (outside Australia), Monday to Friday between 9:00am and 5:00pm (Sydney time) (excluding public holidays).	-

3. Scheme Meeting and voting information

This Section contains information relating to voting entitlements and information on how to vote at the Scheme Meeting for SDI Shareholders.

3.1 Scheme Meeting

(a) Time and location

The Scheme Meeting to approve the Scheme is scheduled to be held through an online Scheme Meeting platform at <https://meetings.openbriefing.com/SDI26> on 22 June 2026 at 11:00am (Sydney time).

The Board has decided to hold the Scheme Meeting as a virtual meeting.

SDI Shareholders and their proxies, attorneys or corporate representatives will be able to participate online from their personal device, computer or online device. See Section 3.3 below, for further information.

(b) Requisite Majority

For the Scheme to become Effective, the Scheme Resolution will be proposed to the Scheme Meeting which must be approved by:

- (i) unless the Court orders otherwise, a majority in number (more than 50%) of SDI Shareholders present and voting at the Scheme Meeting (in person or by proxy, corporate representative or attorney); and
- (ii) at least 75% of the total number of votes which are cast at the Scheme Meeting,

(c) Notice of Scheme Meeting

The Scheme Resolution is set out in the Notice of Scheme Meeting in Annexure 5.

3.2 Entitlement and ability to vote at the Scheme Meeting

If you are registered as an SDI Shareholder as at 7:00pm (Sydney time) on 20 June 2026, you will be entitled to vote on the Scheme Resolution at the Scheme Meeting. Voting on the Scheme Resolution will be by poll.

(a) Voting

SDI Shareholders entitled to vote at the Scheme Meeting can vote:

- (i) by attending the Scheme Meeting virtually;
- (ii) by appointing a proxy, an attorney in the case of corporate shareholders or a corporate representative, to attend the Scheme Meeting virtually and vote on their behalf; or
- (iii) by submitting their proxy vote prior to the Scheme Meeting online at <https://au.investorcentre.mpms.mufg.com>.

(b) Appointing a proxy

SDI Shareholders who are unable to attend the Scheme Meeting are strongly encouraged to submit their votes by proxy instead.

Online

SDI Shareholders who have elected to receive notices of meeting electronically will receive an email with instructions on how to lodge their proxy vote for the Scheme Meeting online at <https://au.investorcentre.mpms.mufg.com>.

You will be taken to have signed a Proxy Form and appointed a proxy if you submit your proxy online in accordance with the instructions on the website. Please read the instructions for online proxy submissions carefully before you lodge your proxy.

The online proxy appointment must be received by the Share Registry by no later than 11:00am (Sydney time) on Saturday, 20 June 2026 to be effective. A proxy cannot be appointed using the online system if they are appointed under a power of attorney or similar authority.

Hard copy

Your personalised Proxy Form for the Scheme Meeting accompanies this Scheme Booklet. SDI Shareholders who have not elected to receive notices of meeting electronically will receive a letter which includes a hard copy of the Proxy Form.

SDI Shareholders may appoint a proxy by completing and returning the Proxy Form to SDI or the Share Registry, MUFG Corporate Markets (AU) Limited, by either sending, delivering, faxing or lodging it online as follows:

(i) **Mail to:**

MUFG Corporate Markets (AU) Limited
Parramatta Square, Level 22, Tower 6
10 Darcy Street, Paramatta NSW 2150

(ii) **Fax to:**

+61 2 9287 0309

(iii) **Online:**

<https://au.investorcentre.mpms.mufg.com>

(iv) **Mobile device:**

Scan the QR code on your Proxy Form and follow the prompts. You will need your SRN or HIN, the allocated control number and PIN as shown on your Proxy Form.

The signed Proxy Form (and an original or certified copy of any power of attorney under which it has been signed, unless already provided) must be received by SDI or the Share Registry, MUFG Corporate Markets (AU) Limited, by no later than 11:00am (Sydney time) on 20 June 2026, to be effective.

For further information on proxy voting, please refer to the instructions set out in the Notice of Meeting in Annexure 5 and the Proxy Form.

(c) **Appointing a corporate representative**

An SDI Shareholder or proxy, which is a body corporate, may appoint an individual to act as its representative to vote at the Scheme Meeting. The appointment must comply with section 250D of the Corporations Act. If a representative of an SDI Shareholder or proxy, which is a body corporate is to participate in the Scheme Meeting you will need to provide the appropriate "Appointment of Corporate Representative" form to SDI's Share Registry or SDI. A form may be obtained from MUFG Corporate Markets (AU) Limited or online at <https://www.mpms.mufg.com/en/for-individuals/au/shareholders/forms/>.

(d) **Appointing an attorney**

SDI Shareholders who wish to vote by attorney at the Scheme Meeting should, if they have not already presented an appropriate power of attorney to SDI, deliver to SDI's Share Registry

or SDI an original or certified copy of the power of attorney by no later than 11:00am (Sydney time) on Saturday, 20 June 2026.

3.3 Guide to participating in the Scheme Meeting virtually

The Scheme Meeting will be held as a virtual meeting.

SDI Shareholders and their proxies, attorneys or corporate representatives will be able to participate online from their personal device, computer or online device. The online Scheme Meeting platform will allow eligible SDI Shareholders, their proxies, attorneys or corporate representatives to listen to the Scheme Meeting live and ask questions and vote in real time at appropriate times during the Scheme Meeting.

Attend the Scheme Meeting virtually via the online Scheme Meeting platform at <https://openbriefing.com/SDI26>.

To participate in the Scheme Meeting, SDI Shareholders (or their attorney or corporate representative, as applicable) will need their:

- (a) Shareholder's SRN or HIN; and
- (b) Postcode registered to that Shareholder's holding (in the case of overseas shareholders, their country code).

Proxies

Proxyholders will need their proxy code to access the online Scheme Meeting platform which the Share Registry will provide via email no later than the day prior to the Scheme Meeting.

Further information

Further information regarding participating in the Scheme Meeting electronically, including browser requirements, is detailed in the Virtual Meeting Online Guide available on the Company's website at www.sdi.com.au/au/company/investor-information and on the online Scheme Meeting platform at <https://meetings.openbriefing.com/SDI26>.

Registration will open 30 minutes prior to the Scheme Meeting. We recommend logging on to the online platform at least 15 minutes prior to the scheduled start time for the Scheme Meeting.

Alternative arrangements

If it becomes necessary or appropriate to make alternative or supplementary arrangements to hold the Scheme Meeting, SDI Shareholders will be given as much notice as possible. Any changes to the Scheme Meeting will be communicated to SDI via an SDI ASX announcement.

How to ask questions?

SDI Shareholders who would like to ask questions at the Scheme Meeting are encouraged to do so in writing before the Scheme Meeting by submitting their questions online at <https://au.investorcentre.mpms.mufg.com> prior to 11:00am (Sydney time) on Saturday, 20 June 2026.

Alternatively, SDI Shareholders will have an opportunity to ask questions virtually at appropriate times during the Scheme Meeting.

Technical difficulties

Technical difficulties may arise during the course of the Scheme Meeting. The Chair has discretion as to whether and how the Scheme Meeting should proceed in the event that a technical difficulty arises. In exercising this discretion, the Chair will have regard to the number of SDI Shareholders impacted and the extent to which participation in the business of the meeting is affected. Where the Chair considers it appropriate, the Chair may continue to hold the Scheme Meeting and transact business,

including conducting a poll and voting in accordance with valid proxy instructions. Accordingly, SDI Shareholders are encouraged to lodge a directed proxy in advance of the Scheme Meeting.

If you require technical assistance during the Scheme Meeting, please call 1300 761 372 (within Australia) or +61 1300 761 372 (outside Australia).

For personal use only

4. Overview of the Scheme

The purpose of this Section 4 is to identify important issues for you to consider in relation to the Scheme.

Before deciding how to vote at the Scheme Meeting, you should carefully consider the factors discussed below and the risk factors outlined in Section 7, as well as the other information contained in this Scheme Booklet.

4.1 Scheme

If the Scheme is implemented, Bidder Sub will acquire all of the SDI Shares held by Scheme Shareholders by way of a scheme of arrangement and SDI will become a wholly owned subsidiary of Bidder Sub.

The Scheme is subject to, among other things, approval by the Requisite Majority of SDI Shareholders at the Scheme Meeting and approval by the Court pursuant to section 411(4)(b) of the Corporations Act at the Court hearing on the Second Court Date. For further details of the conditions, refer to Section 9.13.

If the Scheme becomes Effective, the Scheme Consideration will be provided to Scheme Shareholders on the Implementation Date. SDI will request that ASX remove SDI from the official list on the trading day immediately following the Implementation Date (unless otherwise directed by Bidder in writing).

Bidder and Bidder Sub have executed the Deed Poll pursuant to which Bidder Sub has agreed, subject to the Scheme becoming Effective, to acquire the SDI Shares held by Scheme Shareholders for the Scheme Consideration.

4.2 Scheme Consideration

If the Scheme is implemented, each Scheme Shareholder will receive cash consideration of A\$1.40 for each Scheme Share held at the Record Date.¹⁵

If, pursuant to the calculation of your Scheme Consideration, you would be entitled to a fraction of cent, the aggregate amount will be rounded down to the nearest whole cent.

A general summary of the Australian tax considerations in relation to the Scheme Consideration can be found in Section 8.

If the Scheme is implemented, the Scheme Consideration will be paid to all Scheme Shareholders on the Implementation Date (currently expected to be 6 July 2026). If you have validly registered your bank account details with the Share Registry by the Record Date, your Scheme Consideration will be credited directly to your bank account. Otherwise, your Scheme Consideration will be sent by cheque to your address shown in the SDI Register.

You can review and update your bank account details via your portfolio login at <https://au.investorcentre.mpms.mufg.com> or completing a "Request for Direct Credit of Payments" form at <https://www.mpms.mufg.com/en/for-individuals/au/shareholders/forms/>. If you require assistance with this, please contact the Share Registry at 1300 554 474 (within Australia) or +61 1300 554 474 (outside Australia).

The *Unclaimed Money Act 1995* (NSW) will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in section 7 of the *Unclaimed Money Act 1995* (NSW)).

4.3 Permitted Dividend

Under the Scheme Implementation Deed, SDI may at its discretion declare and pay at any time prior to the Implementation Date, a cash dividend of up to A\$0.015 per SDI Share (**Permitted Dividend**).

The final decision on whether or not to pay a Permitted Dividend and the quantum of any Permitted Dividend will be made by the SDI Board and will depend upon several factors, including the availability of franking credits, the requirements of the Corporations Act and the *Income Tax Assessment Act 1997* (Cth) and the financial position of the SDI Group. The SDI Board will provide an update regarding any Permitted Dividend to SDI Shareholders by way of an ASX announcement before the Scheme Meeting. At the date of this Scheme Booklet,

¹⁵ Up to A\$0.015 of the cash consideration of A\$1.40 may be payable as a Permitted Dividend, to be determined by SDI. As at the date of this Scheme Booklet, the SDI Board does not intend to pay a Permitted Dividend. Refer to Section 4.3 for further details on any Permitted Dividend.

the SDI Board does not intend to pay a Permitted Dividend, however the SDI Board retains its discretion in relation to the declaration and payment of a Permitted Dividend.

It should be noted that the Scheme Consideration will be reduced by the cash amount of any Permitted Dividend, except that the Scheme Consideration will not be reduced by the value attributed to any franking credits attached to the Permitted Dividend.

By way of example, if a Permitted Dividend of A\$0.015 per SDI Share was declared and paid to SDI Shareholders prior to the Implementation Date, the Scheme Consideration paid on the Implementation Date would be reduced by A\$0.015 per SDI Share so that you would receive A\$1.40 less A\$0.015 per SDI Share, being A\$1.385 per SDI Share. If SDI paid a Permitted Dividend of A\$0.015 per SDI Share, then, in addition to the Scheme Consideration payable to SDI Shareholders, franking credits of up to A\$0.0064 per SDI Share may be attached to the Permitted Dividend subject to, amongst other things, the availability of franking credits at the time the Permitted Dividend is paid. The value of any Permitted Dividend, including any attached franking credits, to SDI Shareholders will depend on their individual tax circumstances. A general outline of the tax consequences of the Permitted Dividend has been included in Section 8.

4.4 Transaction bonuses

In recognition of the significant roles played by certain directors and senior executives of SDI in connection with the Scheme and the additional personal efforts required by those individuals to successfully implement the Scheme, SDI intends to pay a one-off transaction bonus of A\$350,000 to each of those individuals if the Scheme is implemented, being each of:

- (a) Samantha Cheetham, Executive Director, Chief Executive Officer and Managing Director;
- (b) John Slaviero, Executive Director, Director of Finance and Chief Operating Officer;
- (c) Ilario Squillace, Global Financial Controller; and
- (d) Nicholas Cheetham, Chief Information Officer.

These transaction bonuses, being approximately A\$1.4 million in aggregate, will be payable by SDI on or shortly after implementation.

4.5 Independent Expert's Report

The SDI Board has engaged the Independent Expert, RSM Corporate Australia Pty Ltd to prepare a report expressing an opinion on whether the Scheme is in the best interests of SDI Shareholders.

The Independent Expert has concluded that the Scheme is in the best interests of SDI Shareholders in the absence of a Superior Proposal.

The Independent Expert's Report is set out in Annexure 1 and should be read in its entirety, including the assumptions on which the conclusions are based.

4.6 Competing Proposals

During the Exclusivity Period, the Scheme Implementation Deed prohibits SDI from, and requires SDI to ensure that each of its Related Persons does not, directly or indirectly solicit, invite, encourage or facilitate any Competing Proposal or any approaches, proposals, enquiries, offers, negotiations or discussions with any third party in relation to, or that may reasonably be expected to lead to, any actual, proposed or potential Competing Proposal, or communicate any intention to do any of these things.

There are also certain restrictions in the Scheme Implementation Deed in relation to discussions with third parties concerning Competing Proposals, providing due diligence access and making available any non-public information (with certain exceptions relevant to the fiduciary duties of SDI Directors).

During the Exclusivity Period, SDI must notify Bidder as soon as possible (and in any event within 24 hours) if it, or any of its Related Bodies Corporate or any of their respective Related Persons, becomes aware of any approach, proposal, enquiry or offer in connection with, or in respect of any exploration or completion of, an actual, proposed or potential Competing Proposal (including any requests to SDI or its Related Persons for non-public information or provision of any non-public information by SDI in connection with a Competing Proposal).

Where a Competing Proposal is received which constitutes a Superior Proposal, SDI must notify Bidder of that determination and Bidder has the right, but not the obligation, within 5 Business Days of receipt of notice of such intention, to submit an updated proposal.

As at the date of this Scheme Booklet, SDI has not received any Competing Proposals.

Your Directors will carefully consider any Competing Proposal received from a third party (provided it does not breach the terms of the Scheme Implementation Deed) and inform you of any material developments. However, presently your Directors are not aware of any such Competing Proposals.

4.7 Directors' recommendation

Your Directors believe that the Scheme is in the best interests of SDI Shareholders, and they unanimously recommend that SDI Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders.¹⁶

Your Directors have formed their conclusion and made their recommendation on the Scheme based on the reasons outlined in Section 1.

Each of the Directors intends to vote or procure the voting of, any SDI Shares controlled or held by, such Director, in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders.

The reasons SDI Shareholders might elect to vote against the Scheme are set out in Section 1.3.

4.8 What are your options and what should you do?

You have the following four options in relation to your SDI Shares. SDI encourages you to consider your personal risk profile, portfolio strategy, tax position and financial circumstances and seek professional advice before making any decision in relation to your SDI Shares.

(a) Vote in favour of the Scheme at the Scheme Meeting

Your Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders.¹⁷ The reasons for your Directors' unanimous recommendation are set out in Section 1.2.

If you wish to support the Scheme, you can do so by voting in favour of the Scheme Resolution at the Scheme Meeting. For directions on how to vote at the Scheme Meeting, and important voting information generally, please refer to Section 3.

(b) Vote against the Scheme at the Scheme Meeting

If, despite your Directors' unanimous recommendation and the conclusion of the Independent Expert, you do not support the Scheme, you may vote against the Scheme Resolution at the Scheme Meeting.

¹⁶ You should note when considering this recommendation the interests of each SDI Director in securities in SDI as set out in Section 10.1 of this Scheme Booklet, and the transaction bonuses intended to be paid to certain SDI Directors, as set out in Section 4.4 of this Scheme Booklet. If the Scheme becomes Effective, the SDI Directors will be entitled to receive Scheme Consideration the same as any other Scheme Shareholder, in the aggregate, A\$78,698,781 in connection with their 56,213,415 SDI Shares. This comprises of A\$75,373,405.80 payable to Jeffery Cheetham in respect of his 53,838,147 SDI Shares, A\$1,933,828.40 payable to Geoffrey Knight in respect of his 1,381,306 SDI Shares, A\$560,000 payable to Gerald Bullon in respect of his 400,000 SDI Shares, A\$14,000 payable to Cameron Allen in respect of his 10,000 SDI Shares, A\$159,600 payable to Gerard Kennedy in respect of his 114,000 SDI Shares, A\$502,982.20 payable to Samantha Cheetham in respect of her 359,273 SDI Shares and A\$154,964.60 payable to John Slaviero in respect of his 110,689 SDI Shares. In addition, each of Samantha Cheetham and John Slaviero (who are each a director of SDI) will receive a transaction bonus of A\$350,000. The SDI Board (with Samantha Cheetham and John Slaviero excluded) considers that it is appropriate for Samantha Cheetham and John Slaviero to make a recommendation on the Scheme notwithstanding these transaction bonuses, given their role in the management and operations of SDI.

¹⁷ See footnote 16 directly above.

However, you should note that if all of the conditions to the Scheme are satisfied or waived (where applicable), the Scheme will bind all SDI Shareholders, including those who vote against the Scheme Resolution at the Scheme Meeting or those who do not vote at all.

(c) **Sell your SDI Shares on ASX**

The Scheme does not preclude you from selling your SDI Shares on market for cash, if you wish, provided you do so before close of trading in SDI Shares on ASX on the Effective Date (currently expected to be 25 June 2026) when trading in SDI Shares on ASX will end.

If you are considering selling your SDI Shares on ASX you should have regard to the prevailing trading prices of SDI Shares at that time.

If you sell your SDI Shares on market for cash, you:

- (i) will not be entitled to receive the Scheme Consideration;
- (ii) may incur a brokerage charge;
- (iii) may incur capital gains tax; and
- (iv) will not be able to participate in a Superior Proposal, if one emerges, noting that, at the date of this Scheme Booklet, your Directors have not received notice from any third party of an intention to make any Competing Proposal or Superior Proposal.

(d) **Do nothing**

If, despite your Directors' unanimous recommendation and the conclusion of the Independent Expert, you decide to do nothing, you should note that if all of the conditions to the Scheme are satisfied or waived (where applicable), the Scheme will bind all SDI Shareholders, including those who vote against the Scheme Resolution at the Scheme Meeting or those who do not vote at all.

5. Information about SDI

5.1 Introduction

The information contained in this Section 5 has been prepared by SDI. The information concerning SDI, and the intentions, views and opinions contained in this Section 5 are the responsibility of SDI. Bidder does not assume any responsibility for the accuracy or completeness of the information in this Section 5.

5.2 Overview of SDI

(a) Background

SDI is a leading Australian manufacturer and global distributor of specialist dental materials. With a strong focus on innovation and excellence, SDI develops, produces, and markets restorative dental products including amalgams, composites, adhesives, cements, and tooth whitening systems. The majority of SDI's products are manufactured in Victoria, Australia, and distributed in over 100 countries worldwide.

Founded in 1972 and publicly listed in 1985, SDI has built a reputation for pioneering advancements in minimal intervention dentistry, an approach that integrates prevention, remineralisation, and conservative treatment. SDI also continues to invest in research and development to bring new solutions to market, supporting better oral health outcomes globally. For more information about SDI, please refer to www.sdi.com.au/au/.

(b) SDI's business

SDI's principal activities comprise the manufacture and distribution of dental restorative materials and tooth whitening systems, together with associated product research and development. SDI's product portfolio spans the following categories:

- **Aesthetics:** composite resins, glass ionomers, adhesives, cements, etchants, sealants, and sodium diamine fluoride used for the direct and indirect restoration of teeth, with a focus on aesthetic outcomes.
- **Whitening:** the Pola range of professional and take-home tooth whitening systems and tooth desensitising agents.
- **Equipment:** small dental equipment including LED curing lights, capsule mixers, and whitening lights which are part of the restorative procedures.
- **Amalgam:** SDI remains a global leader in silver amalgam restorations while the category phases out, and the company is transitioning customers to its mercury-free, lower-sensitivity replacement solution that delivers improved aesthetics and simplified clinical handling.

The majority of SDI's products are currently manufactured at its Bayswater, Victoria facility, which has both Therapeutic Goods Administration (TGA) and relevant international regulatory certifications. SDI sells its products directly to dentists in Australia and distributes through distributors across more than 100 countries.

5.3 SDI Directors and Senior Management

(a) SDI Board

As at the date of this Scheme Booklet, the SDI Board comprises the following SDI Directors:

Executive Directors
Samantha Cheetham
John Slaviero
Non-Executive Directors
Jeffery Cheetham OAM
Dr Geoffrey Knight AM
Gerald Bullon

Cameron Allen
Gerard Kennedy

(b) **SDI Senior Management**

Senior Management	
Samantha Cheetham	Managing Director and Chief Executive Officer
John Slaviero	Chief Operating Officer, Director of Finance and Company Secretary

5.4 Corporate structure

As at the date of this Scheme Booklet, SDI was the ultimate holding company of the following entities:

Name	Principal place of business / country of incorporation	Ownership interest
SDI Holdings Pty Ltd	Australia	100%
SDI (North America), Inc.	United States of America	100%
SDI Germany GmbH	Germany	100%
SDI Dental Innovations Limited	United Kingdom	100%

5.5 SDI issued securities

(a) **SDI issued securities**

As at the Last Practicable Trading Date, there were 118,865,530 SDI Shares on issue and quoted on ASX under the trading symbol 'SDI'. There are no other securities on issue in SDI.

(b) **Substantial holders**

As at the Last Practicable Trading Date, so far as known to SDI based on substantial holding notices disclosed to SDI by SDI Shareholders or released by SDI Shareholders on the ASX's website, the only substantial holder of relevant interests in SDI Shares is as set out below:

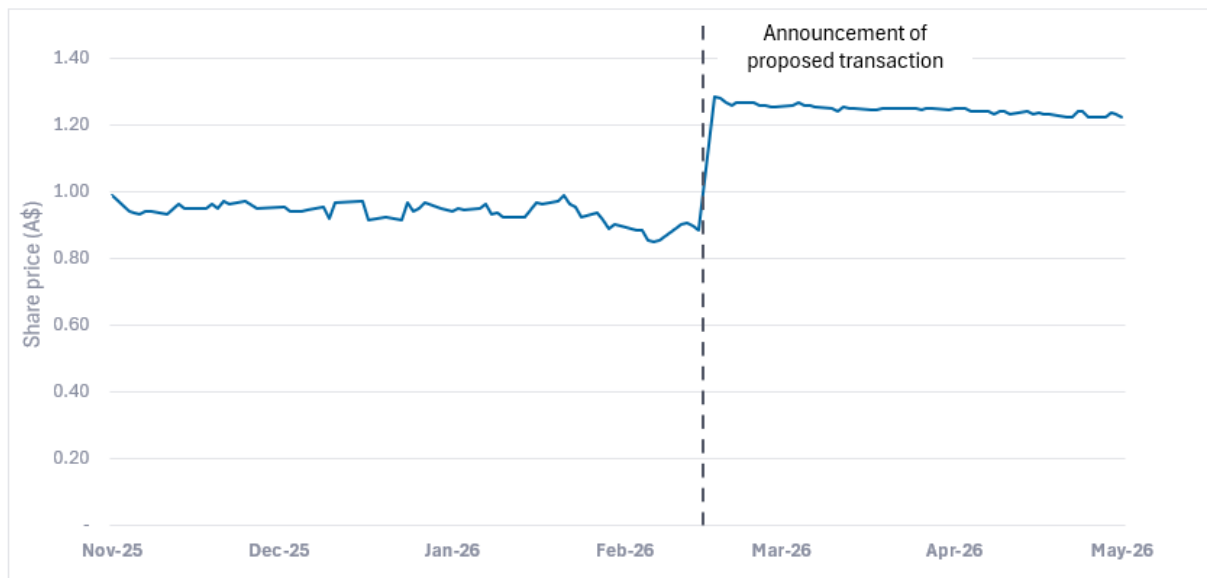
Substantial holder	Number of SDI Shares Held	Ownership interest
Jeffery Cheetham	53,838,147	45.29%

Jeffery Cheetham has a relevant interest in 53,838,147 SDI Shares which is comprised of 37,905 SDI Shares held directly by Mr Jeffery Cheetham, 50,691,328 SDI Shares held by Currango Pastoral Company Pty. Ltd. (Mr Jeffery Cheetham is a director and controls Currango Pastoral Company Pty. Ltd.), 751,085 SDI Shares held by Jeffnpam Superannuation Pty. Ltd. (Mr Jeffery Cheetham is a director, shareholder and controller of, Jeffnpam Superannuation Pty. Ltd.) and 2,657,829 SDI Shares held by Silver Glades Pty. Ltd. (Mr Jeffery Cheetham is a director, shareholder and controller of, Silver Glades Pty. Ltd.).

Information in respect of substantial holdings arising, changing or ceasing after the Last Practicable Trading Date, or in respect of which the relevant announcement containing such information is not available on ASX's website, is not included above.

5.6 Recent SDI Share price history

The graph below shows the closing SDI Share price during the six-month period that ended on the Last Practicable Trading Date.



Source: CapitalIQ

The closing price of SDI Shares on 27 February 2026, being the last trading day before the announcement of the Scheme, was A\$0.885 per SDI Share. Up to and including this date:

- (a) the 30-day VWAP of SDI Shares was A\$0.899 per SDI Share;
- (b) the 90-day VWAP of SDI Shares was A\$0.914 per SDI Share;
- (c) the 180-day VWAP of SDI Shares was A\$0.913 per SDI Share; and
- (d) the lowest and highest SDI Share price during the preceding 180 trading days were A\$0.850 and A\$1.025 per SDI Share, respectively.

Source: CapitalIQ

The SDI Directors cannot predict the future trading price of SDI Shares, however, they consider that if the Scheme is not implemented and no comparable proposal to the Scheme or any Superior Proposal is received by the SDI Board or otherwise emerges, the SDI Share price may decline or trade at a level below the Scheme Consideration of A\$1.40 per SDI Share (including, potentially, to a price equal to, close to, or below the SDI Share price on the last trading date before the announcement of the Scheme), at least in the near term.

5.7 Dividends

SDI has maintained a policy of paying twice-annual dividends to SDI Shareholders in each financial year, comprising an interim dividend (typically determined in connection with SDI's half-year results and paid in April of each year) and a final dividend (typically determined in connection with SDI's full-year results and paid in September of each year). All dividends determined and paid by SDI in recent financial years have been fully franked.

The following table sets out a summary of the dividends determined and paid by SDI in respect of each of the full financial years ended 30 June 2022 to 30 June 2025:

Financial year	Interim dividend (cents per SDI Share)	Final dividend (cents per SDI Share)	Total dividend (cents per SDI Share)	Franking
FY25	1.50	1.90	3.40	Fully franked

FY24	1.50	1.90	3.40	Fully franked
FY23	1.50	1.75	3.25	Fully franked
FY22	1.50	1.75	3.25	Fully franked
FY21	1.50	1.65	3.15	Fully franked

As noted in Section 4.3, SDI may at its discretion declare and pay the Permitted Dividend of up to A\$0.015 per SDI Share at any time prior to the Implementation Date. The final decision on whether or not to pay a Permitted Dividend and the quantum of any Permitted Dividend will be made by the SDI Board and will depend upon several factors, including the availability of franking credits, the requirements of the Corporations Act and the Income Tax Assessment Act 1997 (Cth) and the financial position of the SDI Group. The SDI Board will provide an update regarding any Permitted Dividend to SDI Shareholders by way of an ASX announcement before the Scheme Meeting. At the date of this Scheme Booklet, the SDI Board does not intend to pay a Permitted Dividend, however, the SDI Board retains its discretion in relation to the declaration and payment of a Permitted Dividend.

It should be noted that the Scheme Consideration will be reduced by the cash amount of any Permitted Dividend, except that the Scheme Consideration will not be reduced by the value attributed to any franking credits attached to the Permitted Dividend. For more information, please refer to Section 4.3.

5.8 Historical financial information relating to SDI

This Section 5.8 sets out audited financial information for SDI for the financial years ended 30 June 2025 and 30 June 2024, and the financial half year ended 31 December 2025. The historical financial information included in this Section 5.8 is a summary only and has been specifically prepared and extracted solely for inclusion in this Scheme Booklet.

The historical financial information for SDI presented in this Section 5.8 is abbreviated and does not include all disclosures, presentations, statements or comparative information that would ordinarily be provided in an annual report prepared in accordance with the Corporations Act. SDI considers that, for the purposes of this Scheme Booklet, the form of historical financial information included in this Section 5.8 is more appropriate. The historical financial information of SDI contained in this Scheme Booklet has been prepared in accordance with the recognition and measurement principles of the Australian Accounting Standards and is presented on a stand-alone basis. As such, it does not reflect any effects arising from the implementation of the Scheme (or the transactions contemplated under it).

Further details regarding SDI's historical financial performance are available in SDI's financial statements for the financial half year ended 31 December 2025 (included in the Half Year Report for that period, released to the ASX on 27 February 2026), the financial year ended 30 June 2025 (included in the Annual Report for that year, released to the ASX on 25 September 2025) and the financial year ended 30 June 2024 (included in the Annual Report for that year, released to the ASX on 26 September 2024). Copies of these documents are available free of charge from the ASX website (www.asx.com.au) or from the SDI website (<https://www.sdi.com.au/au/company/investor-information/>).

(a) Historical consolidated income statement

	6 Months to 31 Dec 2025 \$'000	12 Months to 30 Jun 2025 \$'000	12 Months to 30 Jun 2024 \$'000
Revenue			
Sales revenue	52,928	110,384	111,206
Cost of goods sold	(18,232)	(41,006)	(42,168)
Gross profit	34,696	69,378	69,038

Other (losses)/gains	(275)	1,041	(147)
Selling and administration expenses	(26,443)	(50,462)	(47,468)
Research and development costs	(1,194)	(1,635)	(1,151)
Impairment of receivables and other assets	(724)	(10)	(995)
Other expenses	(1,230)	(1,835)	(2,504)
Finance costs	(523)	(1,375)	(1,535)
Profit before income tax expense	4,307	15,102	15,238
Income tax expense	(1,062)	(2,942)	(4,817)
Profit after income tax expense	3,245	12,160	10,421
Other comprehensive (loss)/income, net of tax	(223)	924	(674)
Total comprehensive income	3,022	13,084	9,747
Basic earnings per share (cents)	2.73	10.23	8.77
Diluted earnings per share (cents)	2.73	10.23	8.77

(b) **Historical consolidated balance statement**

	31 Dec 2025	30 Jun 2025	30 Jun 2024
	\$'000	\$'000	\$'000
Cash and cash equivalents	4,559	8,981	6,275
Trade and other receivables	16,432	20,886	21,045
Inventories	29,429	27,788	28,748
Current tax asset	425	-	-
Prepayments	3,142	3,086	3,781
Assets classified as held for sale	-	-	4,837
Total current assets	53,987	60,741	64,686
Non-current assets			
Property, plant and equipment	45,702	45,437	43,643
Right-of-use assets	1,676	1,557	1,631
Intangibles	34,465	33,456	30,564
Deferred tax asset	5	7	137
Total non-current assets	81,848	80,457	75,975
Total assets	135,835	141,198	140,661
Trade and other payables	8,288	11,517	11,616
Borrowings (current)	1,105	1,726	7,818
Lease liabilities (current)	650	708	657
Provision for income tax	289	2,385	1,663
Employee benefits (current)	3,768	3,988	3,957
Total current liabilities	14,100	20,324	25,711
Non-current liabilities			

Borrowings (non-current)	14,050	14,300	15,300
Lease liabilities (non-current)	763	648	1,004
Deferred tax liability	3,189	2,961	4,401
Employee benefits (non-current)	295	291	271
Total non-current liabilities	18,297	18,200	20,976
Total liabilities	32,397	38,524	46,687
Net assets	103,438	102,674	93,974
Equity			
Issued capital	12,890	12,890	12,890
Reserves	2,193	2,416	1,835
Retained profits	88,355	87,636	79,249
Total equity	103,438	102,674	93,974

(c) **Historical consolidated cash flow statement**

	6 Months to 31 Dec 2025 \$'000	12 Months to 30 Jun 2025 \$'000	12 Months to 30 Jun 2024 \$'000
Cash flows from operating activities			
Receipts from customers	57,589	112,769	111,938
Payments to suppliers and employees	(50,680)	(88,693)	(93,810)
Interest received	5	15	19
Interest and other finance costs paid	(523)	(1,375)	(1,535)
Income taxes paid	(3,353)	(3,530)	(2,285)
Net cash from operating activities	3,038	19,186	14,327
Cash flows from investing activities			
Payments for property, plant and equipment	(1,529)	(4,069)	(5,337)
Payments for intangibles	(2,476)	(4,816)	(4,960)
Proceeds from disposal of property, plant and equipment	36	4,716	1,521
Net cash used in investing activities	(3,969)	(4,169)	(8,776)
Cash flows from financing activities			
Proceeds from borrowings	250	1,029	0
Repayment of borrowing	(1,121)	(8,121)	(1,002)
Repayment of lease liabilities	(407)	(918)	(469)
Dividends paid	(2,258)	(4,041)	(3,863)
Net cash used in financing activities	(3,536)	(12,051)	(5,334)
Net decrease in cash and cash equivalents	(4,467)	2,966	217
Cash and cash equivalents at beginning	8,981	6,275	6,022
Effects of exchange rate changes	45	(260)	36
Cash and cash equivalents at end	4,559	8,981	6,275

5.9 Material changes to the financial position of SDI since 30 June 2025

Except for:

- (a) the ongoing accumulation of earnings through normal trading activities; and
- (b) matters disclosed in this Scheme Booklet or otherwise communicated to the ASX by SDI,

the SDI Directors are not aware of any material change to SDI's financial position since 30 June 2025, being the reporting date for the full financial year.

Shareholders may obtain SDI's Annual Report for the full financial year ended 30 June 2025 (released to the ASX on 25 September 2025) and Half Year Report for the financial half year ended 31 December 2025 (released to the ASX on 27 February 2026 and containing the consolidated financial statements for that period) from the ASX website (www.asx.com.au) or via the SDI website (<https://www.sdi.com.au/au/company/investor-information/>).

5.10 SDI Directors' intentions for SDI's business

Under the Corporations Act, the SDI Directors must outline their intentions regarding the future operations of the SDI Group. If the Scheme proceeds, Bidder Sub intends to appoint its own nominees to the SDI Board (refer to Section 6).

As a result, the current SDI Directors are unable to state their intentions concerning:

- (a) the continuation of SDI Group's business;
- (b) any major changes to be made to the SDI Group's business; or
- (c) the future employment of the present employees of the SDI Group,

for the period following implementation of the Scheme.

If the Scheme is implemented, Bidder Sub will assume ownership and control of all SDI Shares. Bidder Sub's intentions regarding the above matters are described in Section 6.

If the Scheme does not proceed, the current SDI Directors intend that SDI will continue operating under its existing strategies, on a standalone basis, and remain listed on the ASX.

5.11 Risks relating to SDI's business

SDI's business is subject to various risks, and these risks will continue to apply to Shareholders should the Scheme not become Effective. A summary of the principal risks associated with SDI's business and with investment in SDI Shares is provided in Section 7.

5.12 Publicly available information about SDI

SDI is an ASX listed disclosing entity for the purposes of the Corporations Act. As such, SDI is required to comply with ongoing reporting and disclosure obligations. In particular, as an entity listed on the ASX, SDI is subject to the ASX Listing Rules, which (subject to some exceptions) impose a continuous disclosure regime requiring the release of any information that a reasonable person would consider likely to have a material impact on the price or value of SDI Shares.

The ASX maintains publicly accessible records for all listed companies. Information disclosed by SDI to the ASX can be accessed through the ASX website.

SDI is also required to lodge various documents with ASIC, and copies of these lodged documents are available directly from ASIC.

SDI Shareholders may obtain a copy of SDI's Half Year Report for the half year ended 31 December 2025, Annual Report for the financial year ended 30 June 2025 and Annual Report for the financial year ended 30 June 2024, from the ASX website (www.asx.com.au) or via the SDI website (<https://www.sdi.com.au/au/company/investor-information/>).

A list of announcements made by SDI to the ASX from the date SDI announced that it had entered into the Scheme Implementation Deed with Bidder on 27 February 2026 through to the Last Practicable Trading Date is set out in the table below.

Date	Description of Announcement
25 March 2026	Change of Director's Interest Notice

5.13 Litigation

As at the Last Practicable Trading Date, the SDI Group is not currently subject to any material legal disputes and is not party to any material litigation proceedings.

6. Information about Sinocera, Bidder and Bidder Sub

6.1 Introduction

The information contained in this Section 6 has been prepared by Sinocera. The information in relation to Bidder Group has been prepared as at the date of the Scheme Booklet and is the responsibility of Bidder. Additional information is included in the Independent Expert's Report attached in Annexure 1. SDI does not assume any responsibility for the accuracy or completeness of the information in this Section 6.

6.2 Overview of Sinocera

(a) Principal activities of Sinocera

Sinocera is a leading enterprise in the new materials sector, primarily focusing on the research and development, production, and sales of high-end ceramic materials and products. Sinocera has six major business segments: electronic materials, catalytic materials, biomedical materials, new energy materials, precision ceramics, and other materials. These products are widely used in sectors such as electronic information and communications, automotive and industrial catalysis, biomedicine, new energy vehicles, architectural ceramics, solar photovoltaics, and more.

Sinocera operates in various regions of China, as well as Europe, United States of America and Southeast Asia.

(b) Sinocera Board

Name	Position	Profile
Zhang Xi	Chairman of the Board	He graduated from China University of Petroleum (East China) in July 1994. From August 1996 to August 2002, he studied in the United States and obtained a master's degree in computer science from the University of Houston. After returning to China, he founded Dongying Yingtai Petroleum Technology Co., Ltd., and served as its executive director and legal representative. Since 2005, he has served as the chairman of Sinocera.
Zhang Bing	Vice Chairman	He graduated from Chengdu University of Technology in July 1994 with a major in mineral exploration. From April 2005 to March 2022, he served as a director and general manager of Sinocera. Since March 2022, he has served as the vice chairman of the Sinocera.
Song Xi Bin	Director	He graduated from Beijing University of Aeronautics and Astronautics in July 2000 with a major in Materials Science and Engineering; from April 2005 to March 2022, he served as the company's vice general manager; and from August 2019 to the present, he has served as a director of Sinocera.
Qin Jian Min	Director	He worked at Shengli Oilfield from 1971 to 1978, and at the Shengli Oilfield Office from 1978 to 1994. From 1994 to 2009, he successively served as Deputy Director of the Oilfield's Education and Training Department, President of the Workers' University, Deputy Chief Economist of the Oilfield, and Executive Vice President and School for Advanced Training. He retired in 2010. He is currently the Executive Vice President of the Shandong Alumni Association of Shanghai Jiao Tong University and a Director of the EMBA Alumni Association.
Li Ji Dong	Independent Director	He holds a Master's degree from China University of Petroleum. From December 1977 to January 1986, he worked in the Finance Department of the Binnan Oil Production Command of Shengli Oilfield; from February 1986 to December 2000, he served successively as Deputy Section Chief, Section Chief, and Chief Accountant of the Finance Department at Chunliang Oil Production Plant of Shengli Oilfield; from January 2001 to April 2006, he

		served as Deputy Director, Director, and Deputy Chief Accountant of the Finance and Assets Department of Shengli Oilfield Company Limited; from May 2006 to October 2010, he served as Deputy Director of the Supervisory Department and Deputy Director of the Audit Bureau of China National Chemical Corporation; from April 2011 to May 2015, he served as Deputy General Manager of Shandong Shengtong Steel Cord Co., Ltd. He retired from Shandong Shengtong Steel Cord Co., Ltd in June 2015.
Liu Xin Mei	Independent Director	She received her doctoral degree in 2004. She has served as an assistant lecturer, lecturer, and associate professor at China University of Petroleum (East China). She is currently the dean, professor, and doctoral supervisor of the School of Chemistry and Chemical Engineering at China University of Petroleum (East China). She also serves as a member of the National Industry Vocational Education Steering Committee, a director of the Shandong Chemical Industry Society, and a reviewer or special editor for well-known domestic and international journals.
Wang Yue	Independent Director	He graduated from Tsinghua University in July 2001 with a degree in Automotive Engineering; and from CEIBS in July 2015 with a Master of Business Administration degree. From 2004 to 2015, he co-founded KeyLogic and served as its president; from 2015 to 2017, he served as a partner at Entrepreneurship Bang and the head coach of BC Entrepreneurship Camp; and since 2017, he has served as the chairman of Lianjie, the founding partner of Lianjie Qichen, and the founder of Youxin Bookstore.
Chen Han	Director	He obtained his Bachelor of Laws and Master of Laws degrees from China University of Political Science and Law, and his Doctor of Laws degree from the University of Rome Tor Vergata in Italy. He joined the School of Civil, Commercial and Economic Law at China University of Political Science and Law in July 2008 and has been teaching there ever since.
Wang Xiao Hong	Employee Director	She graduated from China University of Petroleum (East China) with a degree in Accounting. From April 2005 to December 2013, she successively served as Cashier, Accountant, and Accounting Supervisor at Sinocera. From July 2016 to July 2019, she served as an Employee Supervisor at Sinocera. Since 2014, she has been serving as the Financial Controller of the holding subsidiary, Shandong Sinocera Create-Tide New Materials High-Tech Co., Ltd.

(c) **History, structure and ownership of Sinocera**

Sinocera is a widely-held publicly listed company on the Shenzhen ChiNext Board (SZSE:300285) and as at the Last Practicable Trading Date, has a market capitalisation of approximately RMB 40,997,000,000 (approximately A\$8,322,391,000 as converted based on an RMB/AUD exchange rate of 0.203 as at the Last Practicable Trading Date).

Sinocera was incorporated in Shandong, China in 2005 and is headquartered in Dongying City in the Shandong Province of China. As at 31 December 2025, Sinocera employs approximately 5,170 people and generated approximately RMB 4,580,000,000 in sales in FY2025.

Sinocera is the listed parent company in the Bidder Group, which includes subsidiary companies and businesses in various regions including Singapore, Germany, the United States, British Virgin Islands and Cayman Islands.

6.3 Overview of Bidder and Bidder Sub

(a) **Bidder**

Bidder is an unlisted private limited company that was incorporated in Beijing, China in 2023 and is a direct wholly-owned subsidiary of Sinocera. Bidder is the holding company of all of Sinocera’s domestic and overseas dental businesses except its powder business. It also engages in the trade of dental materials and equipment in China.

As the date of this Scheme Booklet, the sole director of Bidder is Xu Shaomei.

(b) **Bidder Sub**

InnoXvest Dental Pty. Ltd (**Bidder Sub**) is an Australian proprietary company incorporated in New South Wales on 16 April 2026 for the purposes of acquiring SDI Shares under the Scheme. Bidder Sub has not conducted any other business.

Bidder Sub is a direct wholly owned subsidiary of InnoXvest Pty. Ltd, which is also an Australian proprietary company that was incorporated in New South Wales on 15 April 2026 (**Midco**). Midco was incorporated for the purpose of holding all the shares in Bidder Sub and has not conducted any other business. MidCo is an indirect wholly-owned subsidiary of Sinocera.

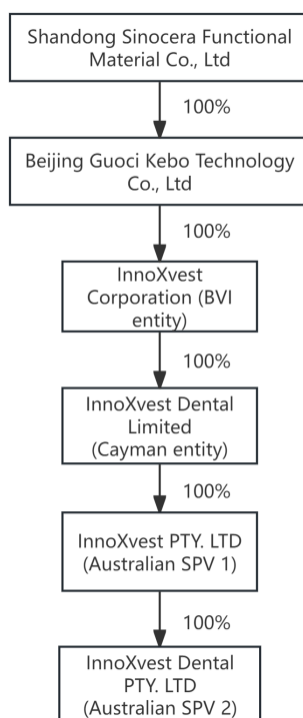
Bidder Sub has not conducted any business and does not own any assets or have any liabilities other than in connection with its incorporation and the taking of such other actions as necessary to facilitate implementation of the Scheme.

If the Scheme is implemented, subject to Bidder Sub having paid the Scheme Consideration, Bidder Sub will acquire all of the SDI Shares on the Implementation Date.

As the date of this Scheme Booklet, the directors of Bidder Sub are Shaomei Xu, Qiang Xiao and Lei Yu.

(c) **Structure of the Bidder Group**

As at the date of this Scheme Booklet, the structure of the Bidder Group is as follows:



6.4 Rationale for the Scheme

The acquisition of SDI aligns with Sinocera’s broader long-term strategy to expand its footprint into the Australian manufacturing market, complementing its existing offshore operations which is primarily focused on

high-end ceramic materials. Sinocera considers that the acquisition represents an opportunity to diversify its business activities and enhance its presence in the dental manufacturing and equipment supply chain within the Oceania region. In the field of dental materials, it can complement existing ceramic materials and form strategic synergies in global market channels, product development, and brand operation. The acquisition of SDI will provide Sinocera with ready access to an Australian nationwide network of dental capabilities.

6.5 Sinocera's intentions if the Scheme is implemented

This Section sets out Sinocera's present intentions in relation to:

- the continuation of the business of the SDI Group;
- any major changes to be made to the business of SDI, including any redeployment of fixed assets; and
- the future employment of the present employees of SDI Group,

if the Scheme is implemented.

The statements of intention in this Section are based on the information concerning SDI Group and its business known to Sinocera at the time of preparation of this Scheme Booklet. Following the transaction, Sinocera intends to conduct a detailed review of SDI and its operations, assets, liabilities, structure and employees, following which it may, as required, review its intentions as set out in this Section. Sinocera will only make any final decisions in light of the information available to it and circumstances at the relevant time. The statements in this Section are therefore statements of present intention only, which may vary as new information becomes available or circumstances change.

(a) **Business, operations and assets**

Subject to the findings of the detailed review referred to in section 6.5 above, Sinocera's current intention is to continue to operate the business substantially in the same manner as it is currently operated while actively pursuing acquisition and expansion opportunities available to SDI. Any further decisions around the future of SDI and intentions for the SDI business will be made after, and informed by, the results of the review.

(b) **Removal from ASX**

If the Scheme is implemented, it is intended that quotation of SDI Shares on ASX will be terminated with effect from the close of trading on the Effective Date and SDI will be removed from the official list of ASX on the trading day immediately following the Implementation Date (unless otherwise directed by Bidder in writing).

(c) **Head office**

Sinocera currently intends for SDI to maintain its current head office, located at 3-15 Brunsdon Street in Bayswater, Victoria, following implementation of the Scheme.

(d) **Board composition**

If the Scheme is implemented, the SDI Board and the boards of each of its subsidiaries will be reconstituted, such that some or all of the SDI Directors will be replaced with effect on and from the Implementation Date.

(e) **Employees**

Sinocera recognises that SDI's employees are an integral part, and critical to the success of SDI's business. Sinocera believes that the acquisition of SDI will offer opportunities for SDI's employees and management team as part of a larger global enterprise and leader in dental materials.

Sinocera intends to undertake a review to ensure that SDI has the appropriate mix and level of employees and skills to enhance the business going forward, noting that Sinocera may make limited changes to employee and management roles as a result of potential duplication or redundancy arising from SDI becoming part of Sinocera and no longer being a listed entity, although no determination has been made in respect of such changes.

(f) **Intentions generally**

Other than as set out in this Section 6.5 and elsewhere in this Scheme Booklet, it is Sinocera's intention (based on information presently known to it):

- to continue the business of SDI Group;
- not to make any major changes to the business of SDI Group;
- not to redeploy any of SDI Group's fixed assets, other than those changes referred to in Section 6.5(a); and
- to continue the employment of the present employees of SDI Group, other than those changes referred to in Section 6.5(e).

6.6 Funding arrangements

This Section sets out how Bidder Sub intends to fund amounts payable in connection with the Scheme.

The Scheme Consideration will be paid wholly in cash.

If the Scheme is approved and implemented, each SDI Shareholder will be entitled to receive the Scheme Consideration of A\$1.40 for each SDI Share they own as at the Record Date.¹⁸

The maximum consideration payable by Bidder Sub in connection with the Scheme is estimated to be A\$166,411,742. This amount has been calculated based on SDI's fully diluted share capital of 118,865,530 SDI Shares as at the date of this Scheme Booklet.

Subject to the Scheme becoming Effective, under the terms of the Deed Poll, Bidder Sub undertakes in favour of each Scheme Shareholder to deposit, or procure the deposit of, in cleared funds, by no later than the Business Day before the Implementation Date, an amount equal to the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders into a trust account operated by SDI as trustee for the Scheme Shareholders.

The cash necessary to fund the total amount payable by Bidder Sub in connection with the Scheme will be provided to Bidder Sub as follows:

- Bidder Sub has the benefit of an equity commitment letter from Sinocera, under which Sinocera commits to cause Bidder Sub to receive, directly or indirectly, an aggregate equity contribution of 40% of the Scheme Consideration, being an amount of \$66,564,697, and the Bidder Reimbursement Fee (**Equity Financing**). The obligation on Sinocera to provide the Equity Financing for the purpose of Bidder Sub paying the Scheme Consideration under the Scheme is conditional on the Scheme becoming Effective in accordance with the Scheme Implementation Deed.

Midco has entered into a binding debt commitment letter with China Merchants Bank Co. Ltd., Shenzhen Branch (**Lender**) (**Debt Commitment Letter**). Under the Debt Commitment Letter, the Lender has agreed to provide a financing package to Midco comprising a term loan facility in an aggregate amount of up to RMB 600,000,000 (approximately A\$121,800,000 as converted based on an RMB/AUD exchange rate of 0.203 as at the Last Practicable Trading Date) provided that the financing under the Debt Commitment Letter shall not exceed 70% of the Scheme Consideration (**Facility**).

The proceeds under the Facility will be available to Midco, and Midco has undertaken by way of a deed poll enforceable by Bidder Sub and Scheme Shareholders, to make these available to Bidder Sub, for, among other things, the purpose of funding payment of the Scheme Consideration by Bidder Sub.

Bidder Sub will fund 60% of the aggregate Scheme Consideration payable to all Scheme Shareholders through drawdowns under the Facility. The remaining 40% of the Scheme Consideration payable to all Scheme Shareholders will be funded by cash made available by Sinocera to Bidder Sub in accordance

¹⁸ Up to A\$0.015 of the cash consideration of A\$1.40 may be payable as a Permitted Dividend, to be determined by SDI. Refer to Section 4.3 for further details relating to any Permitted Dividend.

with the Equity Financing. As at 31 December 2025, Sinocera has a cash balance of RMB 738,968,912 (approximately A\$150,010,689 as converted based on an RMB/AUD exchange rate of 0.203 as at the Last Practicable Trading Date).

The proceeds that will be available to Bidder Sub from the Facility, together with the Equity Financing, are in excess of the amount that is required to fund the Scheme Consideration. The drawdown of the Facility is subject to the satisfaction of certain conditions precedent, which are customary for a facility of this kind and include (without limitation):

- evidence that SDI Shareholders have approved the Scheme by the requisite majorities in accordance with the Corporations Act;
- evidence that all necessary regulatory and governmental approvals, consents or actions applicable to the Scheme have been obtained;
- each of the conditions to the Scheme Implementation Deed having been satisfied or waived.

If all of the conditions precedent are satisfied or waived, then subject to the provisions set out in the paragraph below and provided that it is not unlawful for the Lender to do so, the Lender must provide the funds under the Debt Commitment Letter. As at the date of this Scheme Booklet, Bidder is not aware of any reason why any of the conditions precedent under the Debt Commitment Letter will not be satisfied to allow payment in full of the aggregate Scheme Consideration for the Scheme Shares as and when due under the terms of the Scheme.

The availability of the Facility is on customary “certain funds” terms. The circumstances in which the Facility can be terminated include:

- the current ultimate controller of Sinocera ceases to be the ultimate controller of Sinocera and Midco;
- a change of control occurs in respect of Sinocera; or
- an event of default in respect of Bidder Sub, MidCo or Sinocera occurs.

As at the date of this Scheme Booklet, Bidder is not aware of the occurrence of any circumstance which would give rise to a right by the Lender to terminate the Facility. As at the date of this Scheme Booklet, Bidder is not aware of any reason why the Facility will not be available to be drawn down for the purposes of funding the acquisition of the Scheme Shares as contemplated by the Scheme.

On the basis of the funding arrangements described above, Bidder Sub holds the view, and is of the opinion that it has a reasonable basis to hold the view, that it will be able to pay the amounts payable in connection with the Scheme and related transaction costs.

6.7 Interests in SDI securities

As at the Last Practicable Trading Date, none of the Bidder, Bidder Sub nor any of their respective Associates had any relevant interest in SDI Shares.

Except for the consideration to be provided under the Scheme and as described in this Scheme Booklet, none of Bidder, Bidder Sub nor any of their respective Associates has provided or agreed to provide consideration for any SDI Shares under any transaction during the period of 4 months before the date of this Scheme Booklet.

6.8 Collateral benefits

Except as otherwise disclosed in this Scheme Booklet, in the four months before the date of this Scheme Booklet, none of Bidder, Bidder Sub nor any of their respective Associates has given or offered to give or agreed to give a benefit to another person where the benefit was likely to induce the other person, or an associate, to vote in favour of the Scheme or dispose of SDI Shares which benefit is not offered to all SDI Shareholders under the Scheme.

6.9 Other agreements or arrangements

Except as otherwise disclosed in this Scheme Booklet, none of Bidder, Bidder Sub nor any of their respective Associates will be making any payment or giving any benefit to any of the current directors, secretaries or executive officers of any SDI Group Member as compensation for, or otherwise in connection with, his or her resignation from their respective offices if the Scheme is implemented.

6.10 Other material information

Except as otherwise disclosed in this Section 6, there is no information regarding Bidder, or its intentions regarding SDI, that is material to the making of a decision by an SDI Shareholder on whether or not to vote in favour of the Scheme that is within the knowledge of any director of Bidder as at the date of this Scheme Booklet that has not been previously disclosed to SDI Shareholders.

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7. Risk factors

7.1 Introduction

In considering the Scheme, you should be aware that there are a number of general and specific risks associated with your current investment in SDI Shares and with the Scheme. This Section outlines some of those risks.

The risk factors presented in this Section are presented as a summary only and are not an exhaustive list of all risks and risk factors related to SDI, or the Scheme. Additional risks and uncertainties not currently known to SDI may also have a material adverse impact on SDI's business, including its financial and operational performance, now or in the future.

In making your decision to vote on the Scheme Resolution, you should carefully consider the risk factors outlined below and your individual circumstances. This Section is general in nature only and does not take into account the investment objectives, financial situation, position or particular needs of SDI Shareholders. Each SDI Shareholder should consult their legal, financial, taxation or other professional adviser if they have any queries.

The SDI Board considers that it is appropriate for SDI Shareholders, in considering the Scheme, to be aware that there are a number of general risk factors as well as risks specific to SDI and/or the industries in which it operates, which could materially adversely affect the future operating and financial performance of SDI, as well as the value of SDI and the SDI Shares.

This Section 7 outlines:

- general investment risks;
- specific risks associated with your current investment in SDI; and
- risks relating to the Scheme.

If the Scheme becomes Effective, SDI Shareholders will receive the Scheme Consideration and will cease to be an SDI Shareholder and will therefore not be exposed to the risks set out below (and other risks to which SDI may be exposed). If the Scheme does not become Effective, SDI will continue to operate as a stand-alone entity listed on the ASX, and you will continue to hold your SDI Shares and continue to be exposed to risks and opportunities associated with that investment.

While the Directors unanimously recommend that eligible SDI Shareholders vote in favour of the Scheme in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Shareholders, SDI Shareholders are encouraged to make their own independent assessment as to whether to vote in favour of the Scheme.

7.2 General investment risks

(a) General market, liquidity and share price risks

There are general risks associated with an investment in the share market. The price at which SDI Shares are quoted on the ASX may increase or decrease due to a number of factors. Some of the factors which may affect the price of SDI Shares include:

- stock market conditions in Australia and international markets including fluctuations in those markets for listed stocks;
- changes in investor sentiment towards particular market sectors;
- general economic conditions in Australia and in other countries, including domestic and international economic growth and recessions, tariffs and other trade barriers, interest rates, inflation rates, exchange rates, commodity prices (including oil), changes to government fiscal, monetary or regulatory policies, legislation or regulation and changes in political stability;
- inclusion in or removal from market indices;

- the nature of the markets in which SDI operates; and
- general operational and business risks.

Any investment in SDI is subject to the liquidity of SDI Shares on the ASX and is dependent on market appetite, the size of the shareholding and the price sought for any SDI shares. There is a risk that any SDI Shares owned by an investor will be illiquid and not able to be sold at a desired price, or at all.

(b) **Force majeure events**

Events may occur within or outside Australia that could impact upon the global and Australian economies, the operations of SDI and the price of SDI Shares. These events include but are not limited to pandemics and health epidemics, geopolitical uncertainty, acts of terrorism, an outbreak of international hostilities including wars, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other man-made or natural events or occurrences that can have an adverse effect on the demand for SDI's products and services and its ability to conduct business. SDI has only a limited ability to insure against some of these risks.

(c) **Dilution risk**

SDI may issue further shares or other securities from time to time. SDI cannot predict the size of the future issues or the impact, if any, that future issues of securities will have on the market price of its shares. Issues of substantial numbers of shares, or the perception that the issue or sale of substantial numbers of shares could occur, may adversely impact prevailing market prices of SDI Shares. While SDI will be subject to the constraints of the Listing Rules relating to the issue of shares or other securities, with any additional issue of shares, investors will suffer dilution to their voting power and SDI may experience dilution in its earnings per share.

(d) **Changes in taxation and accounting rules**

From time to time, relevant authorities in the jurisdictions in which SDI will operate may choose to change their taxation policies, which may impact the level of tax that the Company must pay. Changes to accounting standards and their interpretation may also impact SDI's reported financial performance.

7.3 **Specific risks associated with your current investment in SDI**

This Section outlines some business specific risks relating to your current investment in SDI. These risk factors will continue to apply to SDI Shareholders if the Scheme is not implemented and SDI remains a standalone entity listed on the ASX. In considering the Scheme, SDI Shareholders should be aware of these business specific risks as they could materially and adversely affect the future operating and financial performance, and value, of SDI. Some of these risks may be mitigated (or partially mitigated) by appropriate controls, systems and other actions, but others will be outside the control of SDI. This list is not exhaustive and there may be other risks and uncertainties which could have a material and adverse impact on your investment in SDI.

(a) **Industry regulatory risks**

SDI operates within a highly regulated industry, relating to the manufacture as well as the distribution and supply of dental products and devices. As such, the business of SDI is continually exposed to the risk of new government policies, regulations and legislation being introduced and changes to existing government policies, regulations and legislation in Australia, the US and other foreign jurisdictions which may impact or restrict its potential profitability. Changes to these or other regulatory requirements, policies and procedures may materially adversely affect SDI, its business operations or have other unforeseen implications.

In particular, SDI must satisfy various legal and regulatory requirements for its dental products and devices set by the following authorities in jurisdictions in which SDI operates: the Therapeutic Goods Administration (TGA) in Australia, the U.S. Food and Drug Administration (FDA) in the US, Brazilian Health Regulatory Agency (ANVISA) in Brazil, the Ministry of Food and Drug Safety in South Korea (MFDS), Health Canada (HC) in Canada, the Pharmaceuticals and Medical Devices Agency in Japan (PMDA), and regulatory bodies in the European Union.

Failure to comply with the relevant legal and regulatory obligations or changes to existing legal and regulatory obligations could result in compliance action, costs associated with voluntary and involuntary

remedial action undertaken by SDI, loss of market access in key markets and reputational damage including loss of standing with relevant authorities in the jurisdictions in which SDI operates.

(b) **Relationships with key distributors and customers**

The performance of SDI is reliant on its relationships with distributors and key customers. Loss of key supplier and customer relationships or a change in the size and/or structure of the markets in which SDI operates may impact SDI's revenues and profitability in the future.

(c) **Product registrations**

The ability of SDI to offer certain of its products for sale depends on licences and registrations being obtained by SDI and its customers from regulatory agencies such as the TGA and FDA. SDI can give no assurance that it (or its customers) will successfully register new products or that the appropriate approvals will be granted for these products on a timely basis, or once granted, will continue without change. Delays, or failure to obtain or changes to such registration and/or approval may have an adverse effect on the financial performance of SDI.

(d) **Loss of supply of key raw materials**

SDI's manufacturing operations depend on the continuous availability of key raw materials used in the production process. There is a risk that suppliers discontinue supply of specific items or that SDI does not remain a large enough customer to warrant continued supply. Materials may become unavailable due to supply, quality issues, import and other trade restrictions, and suppliers may notify SDI of discontinuation at short notice. The consequences of an inability to obtain critical raw materials could be significant to SDI's operations and include SDI being unable to supply certain products to customers, unplanned additional cost and effort to identify new sources of supply, disruption to customer service, and loss of reputation.

(e) **Amalgam product decline and product transition risks**

Amalgam sales represented approximately 13.0% of SDI's total sales in FY25 and it is expected that sales in this product category will continue to decline as this product reaches its end of life in many markets (as a result of the Minamata Convention on Mercury establishing a global phase-out of dental amalgam in the year 2034 and the European Union restrictions on exports of amalgam products on 1 January 2025 and import restrictions to come into effect in 2027).

While SDI has released a composite replacement product (Stela) and is focused on transitioning amalgam customers to this and other aesthetic products, there can be no assurance that SDI will successfully retain all of its current amalgam customer base or that the successful transition to other related products will be achieved without a reduction in overall revenue or profitability. If SDI is unable to effectively transition its amalgam customer base to replacement products, this may adversely impact SDI's revenue and financial performance.

(f) **Product innovation and competitive risk**

SDI operates in a competitive global dental materials market where several larger competitors have significantly greater resources and capacity to invest in research and development, marketing, and geographic expansion.

There is a risk that SDI may fail to improve, develop and successfully commercialise existing and new products that meet market demands or keep pace with new and existing competitors, which could erode SDI's market position and revenues.

(g) **Foreign exchange risk**

SDI exports approximately 90% of its products which are invoiced in various foreign currencies. Accordingly, foreign exchange movements can have a significant impact on SDI's financial performance. A strengthening of the Australian dollar against SDI's key trading currencies could adversely affect SDI's overall sales in Australian dollar terms and have a material adverse effect on SDI's financial performance.

(h) **Logistics and transport exposure**

SDI exports finished products to over 100 countries by air and sea freight. Disruptions to global supply chains, changes in shipping routes or flight paths resulting in increased transit times and changes to and compliance with import and export requirements (including shipments held up in customs and clearing delays) may adversely affect SDI's ability to deliver its products to customers in a timely manner. Any material disruption to SDI's logistics and distribution network could result in delays to fulfilment of customer orders resulting in lost sales, unplanned increases in costs and reputational damage. Such disruptions, together with disruptions to inputs to the global freight industry, such as a global pandemic and market instabilities, may also result in additional freight costs and may have a material adverse effect on SDI's financial performance.

(i) **Patent infringement and intellectual property risk**

SDI relies on a number of patents and intellectual property as part of its core product offerings. SDI's intellectual property and know-how are carefully guarded by a number of trademarks, patents and confidentiality agreements. However, these legal measures afford only limited protection and may not provide sufficient protection to prevent the infringement, misuse or misappropriation of SDI's intellectual property. Accordingly, this could adversely affect SDI's competitive position.

The patents SDI owns (and any future applications for or granting of patents) could be challenged, invalidated or circumvented by others and may not be of sufficient scope or strength to provide meaningful protection or commercial advantage. SDI's trade secrets, data and know-how could be subject to unauthorised use. Competitors or new entrants may seek to copy or emulate SDI's intellectual property.

While SDI may seek to resist any breaches of its intellectual property, there is no guarantee it will be successful in doing so or it may not be economical to do so. This may adversely affect SDI's revenue or operating costs.

(j) **Third party intellectual property risk**

There is also a risk that SDI may unknowingly infringe the intellectual property rights of third parties. The ability of SDI to operate without infringing the proprietary intellectual property rights of third parties is an integral part of its business. In the future, SDI may be subject to intellectual property or other claims, which are costly to defend, could result in significant damage awards, and could limit its ability to use certain technologies in the future. Regardless of the merits of the claims, intellectual property claims are often time consuming, expensive to litigate or settle, and cause significant diversion of management attention. To the extent such intellectual property infringement claims are successful, they may have a material adverse effect on SDI's business and financial performance.

(k) **Defective product recalls**

SDI is exposed to the risk of product quality concerns or defects that could require product recalls. A product quality issue could adversely impact SDI's brand reputation and expose SDI to product liability claims, litigation, and enforcement action, which could result in the loss of regulatory approvals and/or monetary damages being awarded against SDI. SDI maintains quality and regulatory controls throughout its operations, from material sourcing and product design through to manufacturing and distribution, including stringent quality control checks. However, there can be no assurance that unforeseen adverse manufacturing defects or other events will not arise. SDI does not have product recall insurance coverage, such that in the event of a significant product recall, SDI's liability could have a significant adverse impact on SDI's financial position and reputation.

(l) **Environmental and mercury handling risks**

SDI holds a significant volume of mercury in Australia for use in its amalgam products. There is a risk of mercury-related environmental issues including spills, sabotage, or breaches of environmental regulations. Any environmental incident could result in damage to SDI's brand and reputation, fines, and reinstatement costs for breaching regulations.

(m) **Human resources and key personnel risk**

SDI relies on its ability to attract, retain and develop skilled employees, including senior management and experienced technical personnel. The loss of key personnel without suitable replacements or the

inability to attract qualified personnel could adversely affect SDI's financial performance and ability to execute its business strategy.

SDI's people, capability and culture are critical to the organisation achieving near and long-term business objectives. An inability to attract, retain and develop the required skills and people, including key personnel, and a failure to foster the right organisational culture may impact SDI's business, prospects, reputation, financial performance or financial condition.

(n) **Montrose relocation and project risk**

SDI is undertaking a strategic initiative to relocate its manufacturing operations to a new 24,000sqm property in Montrose, Victoria. While SDI anticipates the project will proceed as planned, there is a risk that potential delays, unforeseen costs, or operational challenges could impact the project's execution and reduce the expected return on investment. Delays or cost overruns in the Montrose relocation project could increase SDI's operating costs and adversely impact its financial performance and profitability.

(o) **Contractual risk**

SDI relies on manufacturing agreements, distribution agreements and other contractual arrangements with third parties in foreign jurisdictions to sell its products. There is a risk that SDI may not have adequate written contractual arrangements in place with all suppliers, customers and other counterparties, or that other existing arrangements may not adequately protect SDI's legal interests in all jurisdictions. In some cases, commercial relationships may have developed over time on an informal basis without the protections that would ordinarily be included in a written agreement. Even where such written agreements exist, enforcing these agreements through foreign legal systems can be difficult, time-consuming and expensive and such challenges may be prohibitive relative to the amounts in dispute, and the outcomes may be uncertain.

(p) **Cyber security and information technology risk**

SDI's business relies on information technology infrastructure, systems and processes to support its operations. Through the ordinary course of business, SDI collects and stores confidential information, including personal information, about customers, suppliers and employees. There is a risk that SDI's IT systems may fail to perform as expected or be adversely impacted by factors outside its control, including equipment failure, misuse by employees or contractors, service outages, or data corruption. SDI may face cyber-attacks, ransomware attacks, computer viruses, hacking or data breaches, particularly given the increasing frequency and sophistication of cyber-attacks across the global corporate landscape. A significant cyber security incident could have a material adverse effect on SDI's financial performance, reputation and prospects.

(q) **Maintenance of equipment**

Key production equipment requires maintenance and replacement over time. Failure to properly maintain production equipment may result in breakdowns of the equipment which in turn may result in disruptions to production. Maintenance and repair costs may be higher than estimated and maintenance and repairs could take longer than expected to complete. These matters could adversely affect SDI's financial performance.

If SDI is unable to repair key production equipment, SDI may need to purchase replacement equipment which may cost more than the price paid for the damaged equipment or may generally be more than anticipated. Any cost increases could materially adversely impact the operating and financial performance of SDI.

(r) **Litigation and disputes**

SDI may be exposed to potential legal claims, disputes and litigation in the future, with respect to its operations, suppliers, customers or products in the ordinary course of business. Proceedings may result in high legal costs, adverse monetary judgements and/or damage to SDI's reputation, which could have an adverse effect on SDI and its financial performance.

(s) **Brand and reputational risk**

The reputation and brand of SDI and its products are important in attracting customers to use SDI's products. Any reputational damage or negative publicity around SDI or its products could adversely impact on SDI's financial performance or prospects.

(t) **Changes or additions to existing regulations**

SDI's operations are regulated by competition and anti-trust, industrial/employment, anti-bribery and corruption, international and local trading, privacy, health and safety and other laws, instruments and regulations in the large number of countries where it operates. These regulations govern parts of SDI's operations, including the manufacturing, marketing, advertising, distribution and sales of their products. SDI may be subject to costs, investigations, penalties, liabilities, loss of reputation and other adverse effects as a result of failure to comply with these laws and regulations.

The impact of the regulatory environment could also result in new or more stringent forms of regulatory oversight of both SDI and the industries in which it operates. This may lead to increased levels of expenditure on compliance, monitoring, controls, access regimes and arrangements, affecting SDI or its suppliers, and other conditions that could materially adversely affect its business, financial condition and results of operation.

(u) **Occupational health and safety risk**

SDI is exposed to risks associated with the occupational health and safety of its employees and contractors. Injuries to employees and contractors may result in significant lost time for the employee and contractor and costs and impacts on SDI's business beyond what is covered under workers compensation schemes. SDI takes out insurance to cover these risks within certain parameters, however it is possible for injuries and/incidents to occur which may result in expenses in excess of the amount insured or provided for with a resultant impact on SDI's financial performance.

While SDI has established a comprehensive set of workplace health and safety rules and protocols, it is still exposed to the risk of injury of its employees and contractors, which may result in significant impacts to SDI's reputation and result in regulatory/enforcement actions.

7.4 Risks relating to the Scheme

(a) **Implementation of the Scheme is subject to various conditions that must be satisfied or waived and there are termination rights in the Scheme Implementation Deed**

Implementation of the Scheme is subject to a number of conditions. There can be no certainty, nor can SDI provide any assurance, that these conditions will be satisfied or waived (where applicable), or if satisfied or waived (where applicable), when that will occur. In addition, there are a number of other conditions precedent to the Scheme which are outside the control of SDI and Bidder, including, but not limited to, approval of the Scheme by the Requisite Majority of SDI Shareholders and approval by the Court of the Scheme at the Court hearing to be held on the Second Court Date, FIRB Approval, and the PRC Approvals.

The timing of receipt of FIRB Approval and the PRC Approvals is uncertain and may be impacted by factors outside the control of SDI and Bidder. There can be no certainty as to how long these approval processes may take.

In addition, SDI and Bidder each have the right to terminate the Scheme Implementation Deed in certain circumstances. Accordingly, there is no certainty that the Scheme Implementation Deed will not be terminated by either SDI or Bidder before the implementation of the Scheme.

If for any reason the conditions to the Scheme are not satisfied or waived (where applicable) or the Scheme Implementation Deed is terminated and the Scheme is not completed, this may adversely affect the market price of SDI Shares and SDI Shareholders will not receive the Scheme Consideration.

(b) **Tax consequences for Scheme Shareholders**

If the Scheme is successfully implemented, there may be tax consequences for Scheme Shareholders. The tax consequences for Scheme Shareholders will vary depending on a number of factors, including their place of residence for tax purposes and their individual tax circumstances.

A summary of the general Australian income tax, stamp duty and GST consequences for SDI Shareholders participating in the Scheme is set out in Section 8.

SDI Shareholders are encouraged to seek independent professional advice regarding the individual tax consequences applicable to them.

(c) **Potential upside lost**

If the Scheme proceeds you will cease to be an SDI Shareholder and will lose the ability to participate in any potential upside that may result from maintaining your investment in SDI. However, as with all investments in securities, there is no guarantee as to SDI's future performance if it remains an independent ASX listed entity.

(d) **If the Scheme does not proceed, SDI Shareholders will not receive the Scheme Consideration**

If the Scheme is not implemented, SDI Shareholders will retain their SDI Shares and will not receive the Scheme Consideration. If the Scheme is not implemented, SDI would remain listed on ASX and would continue to operate its business. In those circumstances, SDI Shareholders will continue to be exposed to the risks and benefits of owning SDI Shares.

(e) **If the Scheme does not proceed, there is no guarantee of future dividends**

If the Scheme is not implemented, there is no guarantee that SDI will pay future dividends. This will be a matter for the SDI Board to consider, based on various factors, at the applicable time.

(f) **If the Scheme does not proceed, the price of an SDI Share may fall below its recent trading price, in the absence of a Superior Proposal**

The market price of a company's publicly traded securities is affected by many variables, some of which are not directly related to the company. Price fluctuations in the SDI Share price could result from national and global economic and financial conditions, the market's response to the Scheme, market perceptions of SDI, regulatory changes affecting SDI's operations, variations in SDI's operating results and liquidity of financial markets. In recent years, the securities markets have experienced a high level of price and volume volatility, and the market price of securities of many companies has experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that such fluctuations will not affect the price of SDI Shares in the future if the Scheme does not proceed.

The trading price of an SDI Share rose by 48% following the announcement of the Scheme on the Announcement Date (based on the closing price of SDI Shares on ASX on the date prior to the Announcement Date).

If the Scheme is not approved and no Superior Proposal emerges it is likely that the trading price of SDI Shares will fall to below the level at which it has been trading since the Scheme was announced (although this is difficult to predict with any degree of certainty).

(g) **Transaction costs will be incurred**

If the Scheme is not implemented, SDI's transaction costs will be borne by SDI alone, subject to any off-set by way of reverse reimbursement fee payment of A\$1,664,000 from Bidder Sub (if any). SDI may also be required to pay a reimbursement fee of A\$1,664,000 to Bidder Sub depending on the circumstances in which the Scheme does not proceed. Further details of the circumstances in which a reimbursement fee or a reverse reimbursement fee may become payable are in Section 9.16 and Section 9.17.

SDI has already incurred, and will incur, significant costs in respect of the proposal to implement the Scheme. These costs include negotiation with Sinocera, retention of advisers, provision of information to Sinocera, facilitating Sinocera's access to due diligence, engagement of the Independent Expert and the preparation of this Scheme Booklet.

If the Scheme is not implemented in circumstances where no Superior Proposal emerges and is completed, SDI will not receive any material value for the costs it has incurred in connection with the

Scheme. If the Scheme is not implemented, transaction related costs of approximately A\$1,425,000 are expected to be payable by SDI.

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8. Australian taxation considerations

8.1 Introduction

This section provides a general summary of the Australian income tax, GST and stamp duty consequences that may arise for SDI Shareholders in relation to the Scheme. This summary is based on the applicable Australian tax laws and administrative practices as at the date of this Scheme Booklet.

This summary is limited in scope and is relevant only to those SDI Shareholders who hold their SDI Shares on capital account. This summary may not apply to SDI Shareholders who:

- (a) acquired or hold any SDI Shares in the course of carrying on a business or for the purpose of resale at a profit (for example, in the business of trading or investment, holding shares as a revenue asset or as trading stock);
- (b) are subject to the taxation of financial arrangement rules in Division 230 of the *Income Tax Assessment Tax 1997* (Cth) in relation to gains and losses on their SDI Shares;
- (c) acquired their SDI Shares pursuant to an employee share, option or rights plan;
- (d) are subject to specific tax rules applicable to certain types of entities or taxpayers, including partnerships, insurance companies, tax exempt entities or entities subject to the Investment Manager Regime under Subdivision 842-I of the *Income Tax Assessment Act 1997* (Cth); or
- (e) acquired their SDI Shares prior to 20 September 1985.

The information contained in this summary is of a general nature only. It does not constitute tax advice and is not intended to be an exhaustive opinion on all possible tax implications that could apply to SDI Shareholders in relation to the Scheme. This summary does not address any tax implications in jurisdictions outside of Australia.

Since the specific tax consequences of the Scheme for SDI Shareholders will depend on each SDI Shareholder's individual circumstances, each SDI Shareholder should seek independent professional advice regarding the Australian and foreign tax consequences of the Scheme relevant to their own particular facts and circumstances.

8.2 Australian resident shareholders

This section applies to SDI Shareholders who are residents of Australia for Australian income tax purposes.

Capital Gains Tax (CGT) Event

Under the Scheme, SDI Shareholders will dispose of their SDI Shares to Bidder Sub. This disposal will constitute a CGT event A1 in relation to the SDI Shares for CGT purposes. The time of the CGT event for the SDI Shareholders should be the date the SDI Shares are disposed of, which will occur on the Implementation Date.

The following tax consequences are expected to arise for the SDI Shareholders from the CGT event:

- (a) a capital gain will be realised to the extent the capital proceeds received by an SDI Shareholder from the disposal of their SDI Shares exceed the cost base of those shares; or
- (b) a capital loss will be realised by an SDI Shareholder to the extent that the capital proceeds received from the disposal of their SDI Shares is less than the reduced cost base of those shares.

Capital losses can be offset against capital gains derived in the same income year or in later income years. Capital losses can only be used to reduce capital gains. Specific loss recoupment rules may apply (e.g. for SDI Shareholders who are companies for Australian income tax purposes) which must be satisfied if those carry forward capital losses are to be used in future years.

Cost Base

The cost base of each SDI Share should generally include the amount of money paid, or value of property given, to acquire the SDI Share and certain incidental costs of acquisition and disposal (such as brokerage fees and legal costs).

The reduced cost base of an SDI Share is determined in a manner similar to the cost base although certain amounts are excluded from the calculation of reduced cost base depending on the SDI Shareholder's individual circumstances.

Capital Proceeds

The capital proceeds received in respect of the disposal of each SDI Share should be equal to the Scheme Consideration, being of A\$1.40 cash per SDI Share.

Reduction in capital gain

If a Permitted Dividend is paid by SDI on or before the Implementation Date, any capital gain made by the SDI Shareholder on the disposal of their SDI Shares under the Scheme should be reduced to the extent the dividend is separately included in the SDI Shareholder's assessable income (however that reduction cannot result in a capital loss).

CGT discount

The CGT discount may apply to SDI Shareholders that are individuals, complying superannuation funds or trusts, who have held, or are taken to have held, their SDI Shares for at least 12 months (not including the date of acquisition or the date of disposal) at the time of the disposal of their SDI Shares to Bidder Sub.

The CGT discount is:

- (a) one-half if the SDI Shareholder is an individual or trustee, meaning only 50% of the net capital gain after recoupment of capital losses will be included in assessable income; and
- (b) one-third if the SDI Shareholder is a trustee of a complying superannuation entity, meaning only two-thirds of the net capital gain after recoupment of capital losses will be included in assessable income.

The CGT discount is not available to SDI Shareholders that are companies.

If an SDI Shareholder makes a discount capital gain, any carried forward capital losses will be applied to reduce the undiscounted capital gain before the relevant CGT discount is applied. The resulting amount is then included in the SDI Shareholder's net capital gain for the income year and included in assessable income.

As an alternative to the CGT discount, cost base indexation may be available for any SDI Shareholders who acquired their SDI shares on or before 11:45am (AEST) on 21 September 1999.

Australian income tax treatment of the Permitted Dividend (if any)

SDI Shareholders who receive the Permitted Dividend (if any) should include the amount of that dividend and the attached franking credits in their assessable income in the income year in which the dividend is paid. SDI Shareholders may be entitled to a tax offset equal to the franking credit attached to a Permitted Dividend.

However, SDI Shareholders will only be required to include the amount of the franking credits and be entitled to a tax offset for the franking credits if they are "qualified persons" in relation to the Permitted Dividend and certain franking integrity rules do not apply. In order to be considered a "qualified person" in relation to any Permitted Dividend, the SDI Shareholder must have held their SDI Shares "at risk" for a continuous period of 45 days (excluding the day of acquisition and the day of disposal) beginning on the day that is 45 days before the relevant ex-dividend date of the Permitted Dividend and ending on the 45th day after the relevant ex-dividend date of the Permitted Dividend.

SDI Shareholders should seek independent professional taxation advice regarding the application of the franking rules, including the "qualified person" and franking integrity rules, to their particular circumstances.

8.3 Non-resident shareholders

This Section applies to SDI Shareholders that are not residents of Australia for income tax purposes (i.e. foreign tax residents) and do not hold their SDI shares in carrying on a business through a permanent establishment in Australia.

Capital Gains Tax (CGT)

Such foreign tax resident SDI Shareholders should generally not be subject to CGT in Australia on the disposal of their SDI Shares, provided their SDI Shares are not an "indirect Australian real property interest" as at the time of disposal.

Broadly, an SDI Shareholder's SDI Shares will be an indirect Australian real property interest, only if both the following conditions are satisfied:

- (a) the foreign tax resident SDI Shareholder and their associates (as defined for tax purposes) together hold 10% or more (by value) of the issued shares in SDI at the time of disposal, or held 10% or more of the issued shares for at least 12 months during the 24 months prior to disposal of their SDI Shares ("**Non-Portfolio Interest**" test); and
- (b) the aggregate market value of SDI's assets which are taxable Australian property (being direct and indirect interests in real property, including land, leases of land, mining tenements and property affixed to land, situated in Australia) exceeds the aggregate market value of SDI's assets which are not taxable Australian property.

SDI management has determined that the aggregate market value of SDI's assets, which are taxable Australian property, do not exceed the aggregate market value of SDI's assets which are not taxable Australian property.

Accordingly, any foreign tax resident SDI Shareholders should not be subject to Australian CGT upon a disposal of their SDI Shares under the Scheme.

Foreign Resident CGT Withholding Rules

Under the foreign resident CGT withholding tax rules, unless an exemption or variation applies, a buyer (in this case Bidder Sub) may be required to withhold and pay to the Commissioner of Taxation an amount equal to 15% of the capital proceeds paid for the acquisition of SDI Shares (i.e. 15% of the Scheme Consideration).

The foreign resident CGT withholding tax rules aim to facilitate the collection of CGT from foreign resident sellers, but can still be triggered where the seller is an Australian tax resident, unless certain declarations are provided, in writing, by the seller to the buyer.

However, these foreign resident CGT withholding tax rules should only apply to the extent an SDI Shareholder's SDI Shares are an indirect Australian real property interest.

As outlined above, SDI management has determined that the aggregate market value of SDI's assets, which are taxable Australian property, do not exceed the aggregate market value of SDI's assets which are not taxable Australian property.

As such, none of the SDI Shares held by an SDI Shareholder are expected to be an indirect Australian real property interest. Therefore, the foreign resident CGT withholding rules should not apply.

Australian income tax treatment of the Permitted Dividend (if any)

If an SDI Shareholder is a non-resident of Australia, any Permitted Dividend that they receive should not be subject to income tax in Australia. To the extent that the Permitted Dividend is unfranked, the unfranked portion may be subject to dividend withholding tax (of rates up to 30%).

Non-resident SDI Shareholders should consult with a professional tax adviser regarding their particular circumstances (including in the jurisdiction where they are a tax resident).

8.4 GST

SDI Shareholders will not be liable to GST in respect of a disposal of their SDI Shares.

SDI Shareholders may be charged GST on any costs incurred in connection with their participation in the Scheme (such as advisor costs). The entitlement to input tax credits in relation to those costs (if any) will depend

on each SDI Shareholder's particular circumstances. SDI Shareholders who are registered for GST should seek their own independent professional advice in relation to GST.

8.5 Stamp duty

No stamp duty will be payable by SDI Shareholders in relation to the disposal of SDI Shares to Bidder Sub under the Scheme.

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9. Information about the Scheme

9.1 Scheme Implementation Deed

SDI and Bidder have entered into the Scheme Implementation Deed in connection with the proposed Scheme. The Scheme Implementation Deed sets out the obligations of SDI and Bidder in relation to the Scheme.

The Scheme Implementation Deed is contained in Annexure 2.

9.2 Scheme Meeting

The Court has ordered that a meeting of SDI Shareholders be held at 11:00am (Sydney time) on 22 June 2026 to consider the Scheme.

The fact that under section 411(1) of the Corporations Act the Court has ordered that the Scheme Meeting be convened and has approved this Scheme Booklet does not mean that the Court:

- (a) has formed any view as to the merits of the proposed Scheme or as to how SDI Shareholders should vote (on this matter SDI Shareholders must reach their own decision); or
- (b) has prepared, or is responsible for, the content of this Scheme Booklet.

The order of the Court that the Scheme Meeting be convened is not, and should not, be treated as an endorsement by the Court of, or any other expression of opinion by the Court on, the Scheme.

The Scheme is conditional, among other things, on approval of the Scheme Resolution by the Requisite Majority of SDI Shareholders, being:

- (a) unless the Court orders otherwise, a majority in number (more than 50%) of SDI Shareholders present and voting at the Scheme Meeting (in person or by proxy, corporate representative or attorney); and
- (b) at least 75% of the total number of votes which are cast at the Scheme Meeting.

Further details of the consequences of the Scheme not being implemented are set out in Section 2 under the heading titled "What happens if the Scheme is not approved?".

9.3 Court approval of the Scheme

SDI will apply to the Court for orders approving the Scheme if:

- (a) the Scheme Resolution is approved by the Requisite Majority of SDI Shareholders at the Scheme Meeting; and
- (b) all other conditions to the Scheme which are required (under the Scheme Implementation Deed) to be satisfied by the Second Court Date are satisfied or waived (where applicable).

The date on which the Court hears SDI's application is the Second Court Date.

The Court may refuse to grant the orders referred to above even if the Scheme Resolution is approved by the Requisite Majority of SDI Shareholders.

ASIC has been requested to issue a written statement that it has no objection to the Scheme. ASIC would not be expected to issue such a statement until shortly before the Second Court Date. If ASIC does not produce a written statement that it has no objection to the Scheme, the Court may still approve the Scheme provided it is satisfied that section 411(17)(a) of the Corporations Act is satisfied.

SDI Shareholders have the right to seek leave to appear at the Court on the Second Court Date to oppose the approval of the Scheme by the Court or make representations to the Court in relation to the Scheme. If you wish to oppose approval of the Scheme by the Court on the Second Court Date you may do so by filing with the Court, and serving on SDI, a notice of appearance in the prescribed form together with any affidavit on which you wish to rely at the hearing. The notice of appearance and affidavit must be served on SDI at least one Business Day (in Sydney, New South Wales) before the Second Court Date. That date is currently scheduled

to occur on or around 24 June 2026. Any change to this date will be announced through ASX and will be available on ASX's website, www.asx.com.au. Alternatively, if you wish to make representations to the Court in relation to the Scheme, the Court may grant you leave to be heard at the hearing without becoming a party to the proceeding.

9.4 Actions by SDI, Bidder and Bidder Sub

If Court orders approving the Scheme are obtained, the SDI Board and the Bidder Board will take or procure the taking of the steps required for the Scheme to be implemented. These will include the following:

- (a) SDI will lodge with ASIC an office copy of the Court order approving the Scheme, under section 411(10) of the Corporations Act, and the Scheme will become Effective;
- (b) on the close of trade on the Effective Date, SDI Shares will be suspended from trading on ASX;
- (c) no later than the Business Day before the Implementation Date, Bidder Sub will deposit, or procure the deposit, in cleared funds of an amount equal to the aggregate amount of the Scheme Consideration into the Trust Account, in advance of despatch to Scheme Shareholders on the Implementation Date;
- (d) on the Implementation Date, the Scheme Consideration will be despatched to Scheme Shareholders and all of the SDI Shares held by Scheme Shareholders on the Record Date will be transferred to Bidder Sub, in exchange;
- (e) on the Implementation Date, SDI will enter the name of Bidder Sub in the SDI Register as the holder of the SDI Shares; and
- (f) unless otherwise directed by Bidder in writing, SDI will apply to ASX for SDI to be removed from the official list of ASX on the trading day immediately following the Implementation Date.

9.5 Effective Date

The Scheme will become Effective on the date upon which the office copy of the order of the Court under section 411(10) of the Corporations Act approving the Scheme is lodged with ASIC or such earlier date as the Court determines or specifies in the order.

If the Scheme becomes Effective, SDI will immediately give notice of the event to ASX. It is expected that SDI Shares will be suspended from trading on ASX on the close of trade on the Effective Date.

Once the Scheme becomes Effective, SDI and Bidder will become bound to implement the Scheme in accordance with its terms.

9.6 Scheme

If the Scheme becomes Effective (i.e. after it is approved by SDI Shareholders and the Court and the Court order is lodged with ASIC), all SDI Shares outstanding at 7:00pm (Sydney time) on the Record Date will be transferred on the Implementation Date to Bidder Sub, in return for the Scheme Consideration.

9.7 Warranty provided by each Scheme Shareholder

Under the Scheme, each Scheme Shareholder is deemed to have warranted to Bidder, Bidder Sub and SDI on the Implementation Date that:

- all their SDI Shares (including any rights and entitlements attaching to those SDI Shares) which are transferred under this Scheme will, at the date of transfer of them to Bidder Sub, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind;
- they have full power and capacity to transfer their SDI Shares, and all rights and entitlements attaching to those SDI Shares to Bidder Sub; and
- they have no existing right to be issued any SDI Shares, or other SDI securities.

In each case, SDI undertakes in favour of each Scheme Shareholder that it will provide such warranties to Bidder Sub as agent and attorney of that Scheme Shareholder.

9.8 Deed Poll

Bidder and Bidder Sub have executed a Deed Poll in favour of Scheme Shareholders, under which, subject to the Scheme becoming Effective, Bidder and Bidder Sub undertake in favour of each Scheme Shareholder to pay the Scheme Consideration for each Scheme Share, being A\$1.40 for each Scheme Share¹⁹ held by a Scheme Shareholder, in accordance with the terms of the Scheme.

See Annexure 4 for a copy of the Deed Poll.

9.9 Record Date

The Record Date for the Scheme is 7:00pm (Sydney time) on the date which is the second Business Day after the Effective Date (or on such other date as agreed in writing by SDI and Bidder). Only SDI Shareholders who appear on the SDI Register on the Record Date will be entitled to receive the Scheme Consideration.

9.10 Implementation Date

The Implementation Date for the Scheme is the date which is the fifth Business Day after the Record Date (or such other date after the Record Date as agreed in writing by SDI and Bidder).

On the Implementation Date for the Scheme, subject to Bidder Sub having paid the Scheme Consideration into the Trust Account, SDI must pay or procure the payment of the Scheme Consideration to each Scheme Shareholder from the Trust Account. This will be satisfied by SDI (in its absolute discretion and despite any election referred to below made or given by the Scheme Shareholder) as follows:

- (a) if a Scheme Shareholder has, before the Record Date, made a valid election in accordance with the requirements of the Share Registry to receive dividend payments from SDI by electronic funds transfer to a bank account nominated by the Scheme Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election;
- (b) paying, or procuring the payment of, the relevant amount in Australian currency by electronic means to a bank account nominated by the Scheme Shareholder by an appropriate authority from the Scheme Shareholder to SDI; or
- (c) dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Scheme Shareholder by prepaid post to their Registered Address, such cheque being drawn in the name of the Scheme Shareholder (or in the case of joint holders, in accordance with the procedures set out below).

In the case of SDI Shares held in joint names, the Scheme Consideration is payable to the joint holders and any cheque required to be sent under the Scheme will be made payable to the joint holders and sent to either, at the sole discretion of SDI, the holder whose name appears first in the SDI Register as at the Record Date or to the joint holders.

On the Implementation Date for the Scheme, subject to the provision of the Scheme Consideration in the manner contemplated above and the Deed Poll, the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, will be transferred to Bidder Sub without the need of any further act by any Scheme Shareholder, by SDI delivering to Bidder Sub a duly completed Scheme Transfer executed on behalf of the Scheme Shareholders by SDI for registration and Bidder Sub duly executing the Scheme Transfer, attending to the stamping of the Scheme Transfer (if required) and delivering it to SDI for registration.

Immediately following receipt of the Scheme Transfer in accordance with the above, but subject to the stamping of the Scheme Transfer (if required), SDI will enter, or procure the entry of, the name of Bidder Sub in the SDI Register in respect of all the Scheme Shares transferred to Bidder Sub in accordance with the Scheme.

¹⁹ Up to A\$0.015 of the cash consideration of A\$1.40 may be payable as a Permitted Dividend, to be determined by SDI. As at the date of this Scheme Booklet, the SDI Board does not intend to pay a Permitted Dividend. Refer to Section 4.3 for further details relating to any Permitted Dividend.

9.11 Delisting of SDI

Unless otherwise directed by Bidder in writing, SDI will apply to ASX for SDI to be removed from the official list of ASX on the trading day immediately following the Implementation Date.

9.12 End Date

If the Effective Date for the Scheme has not occurred on or before the End Date, then the Scheme will lapse and implementation will not occur, unless SDI and Bidder otherwise agree in writing. The End Date is currently expected to be 30 September 2026.

9.13 Conditions precedent to the Scheme

(a) Outstanding conditions precedent to Scheme

The Scheme and the obligations of SDI and Bidder to implement the Scheme are subject to the following outstanding conditions precedent (which are set out in full in clause 3.1 of the Scheme Implementation Deed) being satisfied or, where applicable, waived, in accordance with the terms of the Scheme Implementation Deed:

- (i) before 5:00pm on the Business Day before the Second Court Date, the receipt by Bidder Sub of a written notice by or on behalf of the Treasurer of the Commonwealth stating that it does not object to the Scheme (**FIRB Approval**) and the written notice has not been withdrawn, suspended or revoked;
- (ii) before 5:00pm on the Business Day before the Second Court Date, Bidder obtaining Chinese regulatory approvals from NDRC, MOFCOM and SAFE in respect of the acquisition of the Scheme Shares (**PRC Approvals**);
- (iii) ASIC and ASX providing (and not withdrawing, suspending, restricting or amending) all relief, waivers, confirmations, exemptions, consents or approvals in respect of the Scheme (if any);
- (iv) approval of the Scheme by the Requisite Majority of SDI Shareholders;
- (v) the Independent Expert not withdrawing, qualifying or changing its conclusion that the Scheme is in the best interests of SDI Shareholders at any time before 8:00am on the Second Court Date;
- (vi) Court approval of the Scheme in accordance with section 411(4)(b) of the Corporations Act;
- (vii) as at 8.00am on the Second Court Date, there is not in effect any temporary, preliminary or final order, injunction, decision or decree issued by any court of competent jurisdiction or other Government Agency, or other material legal restraint or prohibition, that would prevent, make illegal or prohibit implementation of the Scheme between (and including) the date of the Scheme Implementation Deed and 8.00am on the Second Court Date;
- (viii) no Target Prescribed Occurrence occurs between (and including) the date of the Scheme Implementation Deed and 8.00am on the Second Court Date;
- (ix) no Target Regulated Event occurs between (and including) the date of the Scheme Implementation Deed and 8.00am on the Second Court Date;
- (x) no Target Material Adverse Change occurs or otherwise becomes known to Bidder, between (and including) the date of the Scheme Implementation Deed and 8.00am on the Second Court Date;
- (xi) before 5:00pm on the Business Day before the Second Court Date, SDI having received and provided to Bidder an executed change of control consent and waiver from HSBC in respect of the Scheme; and
- (xii) before 5:00pm on the Business Day before the Second Court Date, SDI having obtained all necessary financing required for its intended capital expenditures in respect of Project Montrose and, to the extent SDI intends to release any of its mortgages in connection with obtaining

financing for Project Montrose, written confirmation from the relevant financiers that no prepayment, early termination, wind up or break costs are payable by SDI as a result of release of these mortgages.

As at the date of this Scheme Booklet, in relation to the PRC Approvals, approvals from NDRC and MOFCOM have been obtained.

9.14 Exclusivity arrangements

The Scheme Implementation Deed contains exclusivity arrangements which, during the Exclusivity Period, prevent SDI and its Related Persons, except with the prior written consent of Bidder, from:

- (a) **(No shop):** directly or indirectly soliciting, inviting, encouraging, initiating or facilitating any Competing Proposal or any approaches, proposals, enquiries, offers, negotiations or discussions with any Third Party in relation to, or that may reasonably be expected to encourage or to lead to, any actual, proposed or potential Competing Proposal, or communicating any intention to do any of these things;
- (b) **(No talk):** entering into, continuing or participating in negotiations or discussions with, or entering into any agreement, arrangement or understanding with, any Third Party, in relation to, or that may reasonably be expected to encourage or lead to, any actual, proposed or potential Competing Proposal even if:
 - (i) the Competing Proposal was not directly or indirectly solicited, invited, encouraged or initiated by SDI or any of its Related Persons; or
 - (ii) the Competing Proposal has been publicly announced.
- (c) **(No due diligence):** directly or indirectly:
 - (i) soliciting, inviting, encouraging, initiating, facilitating or permitting any Third Party to undertake due diligence investigations on SDI, any member of the SDI Group, any of the operations or assets of the SDI Group or its businesses or any part thereof;
 - (ii) make available to any Third Party, or permit any Third Party to receive, any Non-Public Information (other than in response to a requirement by a Government Agency that has the right to obtain that information and has sought it); or
 - (iii) make available to any Third Party, or permit any Third Party to have access to, any officers or employees of, or premises used, leased, licenced or owned by, any member of the SDI Group,

with a view to, or in circumstances that might lead to, such Third Party formulating, developing or finalising, or being assisted in the formulation, development or finalisation of, a Competing Proposal.

Fiduciary Out: SDI is not required to comply with the 'No talk' and 'No due diligence' if the SDI Board determines in good faith, after consulting with its advisers, that the Competing Proposal is, or could reasonably be considered likely to become, a Superior Proposal, and after receiving written legal advice from its external legal advisers, that complying with those provisions would constitute, or would be reasonably likely to constitute, a breach of the fiduciary or statutory duties or obligations of an SDI Board member.

Notification: During the Exclusivity Period, SDI must notify Bidder as soon as possible (and in any event within 24 hours) in writing if it, any of its Related Bodies Corporate or any of their respective Related Persons becomes aware of any approach, request for the provision of Non-Public Information or provision of any Non-Public Information in connection with an actual, proposed or potential Competing Proposal (whether direct or indirect, solicited or unsolicited, and in writing or otherwise), which notice must include the identity of the relevant person making or proposing the relevant actual, proposed or potential Competing Proposal, together with all material terms of the actual, proposed or potential Competing Proposal (to the extent known by SDI or any of its Related Persons).

Matching Right: During the Exclusivity Period, SDI must not, and must procure that each of its Related Bodies Corporate do not, enter into any legally binding agreement, arrangement or understanding (whether or not in writing) to give effect to an actual, proposed or potential Competing Proposal and must use best endeavours to procure that none of its directors change their recommendation in favour of the Scheme, publicly recommend

an actual, proposed or potential Competing Proposal or make any public statement to the effect that they may do so at a future point, unless:

- (d) the SDI Board determines that the Competing Proposal would be or would reasonably likely to be a Superior Proposal;
- (e) the actual, proposed or potential Competing Proposal has not arisen as a result of SDI's breach of the 'No shop', 'No talk' or 'No due diligence';
- (f) SDI has provided Bidder with the notice setting out the information discussed further above and the reasons why the SDI Board considers the Competing Proposal is, or could reasonably be considered likely to become, a Superior Proposal;
- (g) SDI has given Bidder at least five Business Days after the date of the provision of the information above to provide a matching or superior proposal; and
- (h) by the expiry of the five Business Day period above, Bidder has not announced or otherwise formally proposed to SDI a counterproposal that the SDI Board determines, acting in good faith and after consultation with its external legal and financial advisers, would produce a matching or superior outcome for SDI Shareholders as compared to the outcome that would be produced by the Competing Proposal, taking into account all of the terms and conditions of the counterproposal.

At the date of this Scheme Booklet, SDI has not received any Competing Proposals.

For further information, refer to clause 10 of the Scheme Implementation Deed in Annexure 2.

9.15 Termination of the Scheme Implementation Deed

The Scheme Implementation Deed may be terminated at any time before 8:00am on the Second Court Date in certain circumstances, including (in summary):

- (a) by SDI or Bidder if:
 - (i) **(Material breach of the Scheme Implementation Deed):** the other party is in material breach of the Scheme Implementation Deed (other than a material breach of a representation or warranty) and, the party entitled to terminate has given written notice to the other, and the other has failed to remedy the breach within five Business Days (or any shorter period ending at 5:00pm on the Business Day before the Second Court Date) after the date on which the notice is given;
 - (ii) **(Conditions Precedent):** there is an act, a failure to act, an event or an occurrence that would, does, or will prevent any of the conditions precedent being satisfied, which is not waived and there is failure to agree on an alternative means of completing the Scheme; or
 - (iii) **(Effective Date):** the Effective Date for the Scheme has not occurred, or will not occur, on or before the End Date;
- (b) by SDI if:
 - (i) **(Bidder breaches any representation or warranty):** Bidder materially breaches any representation or warranty given by Bidder to SDI under the Scheme Implementation Deed where that breach is material in the context of the Scheme taken as a whole, and SDI has given written notice to Bidder and the relevant breach continues to exist ten Business Days (or any shorter period ending at 5.00pm on the Business Day before the Second Court Date) after the date on which the notice is given; or
 - (ii) **(Change of recommendation):** the SDI Board or a majority of the SDI Board changes, withdraws, modifies or qualifies its recommendation as permitted under the SID (such as where the Independent Expert provides a report to SDI that concludes that the Scheme is not in the best interest of SDI Shareholders or a Superior Proposal has been received and SDI has complied with its obligations under the matching right provisions) and , if applicable, SDI has paid the SDI Reimbursement Fee; and

- (c) by Bidder if:
- (i) **(SDI breaches any representation or warranty):** SDI materially breaches any representation or warranty provided by SDI to Bidder under the Scheme Implementation Deed where that breach is material in the context of the Scheme taken as a whole, and Bidder has given written notice to SDI and the relevant breach continues to exist ten Business Days (or any shorter period ending at 5.00pm on the Business Day before the Second Court Date) after the date on which the notice is given;
 - (ii) **(Change of recommendation):** any SDI Board member fails to recommend the Scheme, withdraws, adversely changes, adversely modifies or adversely qualifies their support of the Scheme or their recommendation that SDI Shareholders vote in favour of the Scheme, or makes a public statement indicating that he or she no longer recommends the Scheme or recommends, supports or endorses another transaction including a Competing Proposal; or
 - (iii) **(Entry into Competing Proposal):** SDI enters into any legally binding agreement, arrangement or understanding in relation to the undertaking or giving effect to any actual, proposed or potential Competing Proposal.

9.16 SDI Reimbursement Fee

SDI has agreed to pay to Bidder the SDI Reimbursement Fee (being A\$1,664,000) if, in summary:

- (a) during the Exclusivity Period, one or more SDI Board members:
 - (i) withdraws, adversely changes, adversely modifies or adversely qualifies their support of the Scheme or their recommendation that SDI Shareholders vote in favour of the Scheme or fails to recommend that SDI Shareholders vote in favour of the Scheme; or
 - (ii) recommends, supports or endorses a Competing Proposal, including by making a public statement,

subject to certain limited exceptions, including where the Independent Expert concludes in the Independent Expert's Report that the Scheme is not in the best interests of SDI Shareholders (except where the conclusion is due wholly or partly to the existence, announcement or publication of a Competing Proposal), or where SDI is terminating the Scheme Implementation Deed for material breach (other than material breach of representation or warranty) by Bidder, or where the SDI Board member is required or requested to change, abstain or withdraw from making a recommendation by the Court or a Government Agency;

- (b) a Competing Proposal of any kind is announced during the Exclusivity Period and within 12 months of such announcement, the party that proposed the Competing Proposal completes certain types of Competing Proposal or acquires a Relevant Interest (either alone or in aggregate) in more than 50% of SDI Shares or otherwise acquires (either alone or in aggregate) control of SDI;
- (c) Bidder validly terminates the Scheme Implementation Deed due to a material breach (including a material breach of representation or warranty) by SDI; or
- (d) Bidder terminates the Scheme Implementation Deed due to a failure of the Target Prescribed Occurrence condition or Target Regulated Event condition.

9.17 Bidder Reimbursement Fee

Bidder has agreed to pay to SDI the Bidder Reimbursement Fee (being A\$1,664,000) if:

- (a) SDI terminates the Scheme Implementation Deed due to a material breach (including a material breach of representation or warranty) by Bidder; or
- (b) SDI Shareholders have approved the Scheme but Bidder defaults in its obligation to provide the Scheme Consideration to Scheme Shareholders.

10. Additional information

10.1 Interests of SDI Directors in SDI securities

The number, description and amount of SDI marketable securities controlled or held by, or on behalf of, each SDI Director as at the date of this Scheme Booklet are:

Director	SDI Shares	SDI Options
Jeffery James Cheetham OAM	53,838,147 ¹	-
Samantha Jane Cheetham	359,273 ²	-
John Joseph Slaviero	110,689 ³	-
Dr Geoffrey Macdonald Knight AM	1,381,306 ⁴	-
Gerald Allan Bullon	400,000 ⁵	-
Cameron Neil Allen	10,000 ⁶	-
Gerard Desmond Kennedy	114,000 ⁷	-

Notes:

¹ Consisting of 37,905 SDI Shares held directly by Mr Jeffery James Cheetham, 50,691,328 SDI Shares held by Currango Pastoral Company Pty. Ltd. (Mr Jeffery James Cheetham is a director and controls Currango Pastoral Company Pty. Ltd.), 751,085 SDI Shares held by Jeffnpam Superannuation Pty. Ltd. as trustee for the Jeffnpam Superannuation Fund (Mr Jeffery James Cheetham is a director and shareholder of, and controls Jeffnpam Superannuation Pty. Ltd. and is a beneficiary of the Jeffnpam Superannuation Fund) and 2,357,829 SDI Shares held by Silverglades Pty. Ltd. (Mr Jeffery James Cheetham is a director and shareholder of, and controls Silverglades Pty. Ltd.).

² Consisting of 333,565 SDI Shares held directly by Ms Samantha Jane Cheetham and 25,709 SDI Shares held by Charlton Court (Aust) Pty. Ltd. (Ms Cheetham is the sole director and shareholder of Charlton Court (Aust) Pty. Ltd.

³ Consisting of 31,689 SDI Shares held directly by Mr John Joseph Slaviero and 79,000 SDI Shares held by Revelation Alpha Pty Ltd as trustee for the Slaviero Superannuation Fund (Mr Slaviero is the sole director and sole shareholder of Revelation Alpha Pty Ltd and a beneficiary of the Slaviero Superannuation Fund).

⁴ Consisting of 165,516 SDI Shares held directly by Dr Geoffrey Macdonald Knight and 1,215,790 SDI Shares held in his capacity as trustee for the Geoff Knight Superannuation Fund (Dr Knight is a beneficiary of the Geoff Knight Superannuation Fund).

⁵ Held by Insor Pty Ltd as trustee for the Insor Superannuation Fund (Mr Bullon is the sole director and sole shareholder of Insor Pty Ltd and a beneficiary of the Insor Superannuation Fund).

⁶ Held by Charles Bridge Nominees Pty Ltd as trustee for the Allen Family Trust (Mr Allen is the sole director and sole shareholder of Charles Bridge Nominees Pty Ltd and a beneficiary of the Allen Family Trust).

⁷ Held by Frankserve Pty. Limited as trustee for the GDK Superannuation Fund (Mr Kennedy is a director and shareholder of Frankserve Pty. Limited and a beneficiary of the GDK Superannuation Fund).

Since the date the Scheme was first announced to ASX on 27 February 2026, Jeffnpam Superannuation Pty. Ltd. as trustee for the Jeffnpam Superannuation Fund, which is an entity controlled by SDI Chairman and Director, Jeffery Cheetham, disposed of 670,000 SDI shares by way of an on-market transfer on 24 March 2026. This sale was made for personal reasons. In accordance with ASX Listing Rule 3.19A.2A, this transaction was disclosed to the ASX and an accompanying Appendix 3Y on 25 March 2026.

Jeffery Cheetham continues to intend to vote, or cause to be voted, all SDI Shares held or controlled by him in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of SDI Shareholders. SDI Chairman and Director Jeffery Cheetham also continues to recommend that SDI Shareholders vote in favour of the Scheme subject to the same qualifications.

10.2 Agreements or arrangements with SDI Directors and executive officers

(a) Deeds of indemnity, access and insurance

SDI has entered into deeds of indemnity, insurance and access with its Directors and various executive officers, on customary terms.

SDI pays premiums in respect of a directors and officers insurance policy for the benefit of the Directors and executive officers. SDI may, prior to the Implementation Date, enter into arrangements to secure directors and officers run-off insurance for any and all directors and executive officers of each member of the SDI Group for up to a 7-year period from the Implementation Date. Clause 7.3(a) of the Scheme Implementation Deed provides various Bidder undertakings in support of that insurance.

Clause 7 of the Scheme Implementation Deed also provides for certain releases by SDI of each director, officer or employee of any member of the SDI Group as is customary for transactions such as the Scheme.

(b) Other termination benefits

There are no payments or other benefits that are proposed to:

- (i) be made or given to any director, secretary or executive officer of SDI as compensation for loss of, or as consideration for or in connection with his or her retirement from, office in SDI or in a Related Body Corporate of SDI; or
- (ii) be made or given to any director, secretary or officer of any Related Body Corporate of SDI as compensation for the loss of, or as consideration for or in connection with his or her retirement from, office in that body corporate or in SDI.

(c) Agreements or arrangements connected with or conditional on the Scheme

If the Scheme is implemented, SDI intends to pay a one-off transaction bonus of A\$350,000 to each of Samantha Jane Cheetham (Executive Director, Chief Executive Officer and Managing Director) and John Joseph Slaviero (Executive Director, Director of Finance and Chief Operating Officer) (being directors of SDI) in connection with the Scheme. One-off transaction bonuses of A\$350,000 are also intended to be paid to senior executives of SDI, being Ilario Squillace (Global Financial Controller) and Nicholas Cheetham (Chief Information Officer).

There are no agreements or arrangements that are or will be made between any SDI Director and Bidder, or any other person in connection with, or conditional on the outcome of the Scheme.

(d) Interests in contracts with Bidder

Except as set out below, or elsewhere in this Scheme Booklet, none of the SDI Directors have any interest in any contract entered into by Bidder.

(e) Interests of SDI Directors in Bidder securities

No Bidder shares or other marketable securities of the Bidder are currently held by, or on behalf of, any SDI Director.

No SDI Director acquired or disposed of a Relevant Interest in any Bidder shares or other marketable securities of Bidder in the 4 month period ending on the date immediately before the date of this Scheme Booklet.

(f) Other interests of SDI Directors

Except as disclosed in this Section 10.2 and elsewhere in this Scheme Booklet, no SDI Director has any other interest, whether as a director, member, or creditor of SDI or otherwise, which is material to the Scheme, other than in their capacity as a holder of SDI Shares.

10.3 Intentions of SDI Directors

As at the Last Practicable Trading Date, all SDI Directors have confirmed their intention to vote in favour of the Scheme subject to no Superior Proposal emerging and the Independent Expert continuing to conclude that the Scheme is in the best interest of SDI Shareholders.

10.4 Intentions of Bidder Sub after the Implementation Date

If the Scheme is implemented, it will be a matter for Bidder Sub to determine its intentions in relation to:

- (a) the continuation of the business of SDI;
- (b) any major changes to be made to the business of SDI; and
- (c) the future employment of the present employees of SDI.

The current intentions of Bidder Sub in relation to the SDI Group if the Scheme is implemented are set out in this Scheme Booklet, particularly in Section 6.5.

10.5 Lodgement of Scheme Booklet

This Scheme Booklet was lodged with ASIC on 18 May 2026 in accordance with section 412(6) of the Corporations Act.

10.6 No unacceptable circumstances

The Directors believe that the Scheme does not involve any circumstances in relation to the affairs of any SDI Shareholder that could reasonably be characterised as constituting “unacceptable circumstances” for the purposes of section 657A of the Corporations Act.

10.7 Creditors of SDI

The Scheme, if implemented, is not expected to materially prejudice SDI’s ability to pay its creditors, as the Scheme involves the acquisition of SDI Shares for consideration provided by a third party, rather than the acquisition of SDI’s underlying assets. No material new liability (other than transaction costs) is expected to be incurred by SDI as a consequence of the Scheme (refer also to Section 9.16 for information relating to the SDI Reimbursement Fee). SDI has paid and is paying all of its creditors within normal terms of trade and is solvent and trading in an ordinary commercial manner.

10.8 Consents

(a) Role of advisers and experts

The persons named in this Scheme Booklet as performing a function in a professional, advisory or other capacity in connection with the Scheme or the preparation or distribution of this Scheme Booklet are:

- (i) RSM Corporate Australia Pty Ltd as the Independent Expert;
- (ii) DLA Piper Australia as the legal adviser to SDI;
- (iii) Houlihan Lokey as financial adviser to SDI; and
- (iv) MUFG Corporate Markets (AU) Limited as SDI's share registry.

(b) Consents

Each person named in Section 10.8(a) has given, and before the time of registration of this Scheme Booklet with ASIC, has not withdrawn, their consent to being named in this Scheme Booklet in the capacity indicated next to their name.

RSM Corporate Australia Pty Ltd has also given and has not withdrawn, before the time of registration of this Scheme Booklet with ASIC, its written consent to the inclusion of its Independent Expert's Report in this Scheme Booklet in the form and context in which it is included and to all references in this Scheme Booklet to the Independent Expert's Report in the form and context in which they appear.

Sinocera has also given and has not withdrawn, before the time of registration of this Scheme Booklet with ASIC, its written consent to the inclusion of the Bidder Group Information and the references to the Bidder Group Information in the form and context in which they are included in this Booklet.

Bidder has also given and has not withdrawn, before the time of registration of this Scheme Booklet with ASIC, its written consent to the inclusion of the Bidder Group Information and the references to the Bidder Group Information in the form and context in which they are included in this Booklet.

(c) **Disclaimer**

Each person named in Section 10.8(a):

- (i) has not authorised or caused the issue of this Scheme Booklet;
- (ii) does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based other than as specified in Section 10.8; and
- (iii) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for any part of this Scheme Booklet other than a reference to its name and any statement or report which has been included in this Scheme Booklet with the consent of that person.

(d) **Fees**

If the Scheme is implemented, costs of approximately A\$10.2 million (excluding GST) are expected to be paid by SDI. This includes advisory fees for SDI's financial, legal, accounting and tax advisers, the Independent Expert's fees, governance support, general administrative fees, printing and distribution costs, expenses associated with convening and holding the Scheme Meeting and other expenses.

If the Scheme is not implemented, costs of approximately A\$1,425,000 (excluding GST) are expected to be paid by SDI.

10.9 ASIC relief and ASX waivers

No ASIC relief or ASX waivers were sought for the purposes of the Scheme or the issue of this Scheme Booklet.

10.10 Supplementary information

If, between the date of lodgement of this Scheme Booklet for registration by ASIC and the Effective Date, SDI becomes aware of any of the following:

- (a) a material statement in this Scheme Booklet is false or misleading or deceptive;
- (b) a material omission from this Scheme Booklet;
- (c) a significant change affecting a matter included in this Scheme Booklet; or
- (d) a significant new matter that has arisen and that would have been required to be included in this Scheme Booklet if it had arisen before the date of lodgement of this Scheme Booklet for registration by ASIC,

SDI will make available supplementary material to SDI Shareholders. SDI intends to make available any supplementary material by releasing that material to ASX (www.asx.com.au) and posting the supplementary document to SDI's website (<https://www.sdi.com.au/au/>). Depending on the nature and timing of the changed

circumstances and subject to obtaining any relevant approvals, SDI may also send such supplementary materials to SDI Shareholders.

10.11 Other material information

Except as set out in this Scheme Booklet, there is no other information material to the making of a decision in relation to the Scheme, being information that is within the knowledge of any director of SDI or a related company which has not previously been disclosed to SDI Shareholders.

For personal use only

THE ISSUE OF THIS SCHEME BOOKLET IS AUTHORISED BY THE DIRECTORS OF SDI LIMITED AND THIS SCHEME BOOKLET HAS BEEN SIGNED BY OR ON BEHALF OF THE DIRECTORS OF SDI ON 18 MAY 2026.



Samantha Jane Cheetham
Chief Executive Officer

For personal use only

11. Glossary

In this Scheme Booklet, unless the context requires otherwise:

\$ or A\$ means the lawful currency of Australia.

Annexure means an annexure to this Scheme Booklet.

Announcement Date means the date on which SDI and Bidder announced to ASX that they had entered into the Scheme Implementation Deed, being 27 February 2026.

ASIC means the Australian Securities and Investments Commission

Associate has the meaning given in section 12 of the Corporations Act.

ASX means ASX Limited (ABN 98 008 624 691) or, if the context requires, the financial market operated by it.

ASX Listing Rules or **Listing Rules** means the official listing rules of ASX.

ASX Settlement means ASX Settlement Pty Ltd ABN 49 008 504 532.

Bidder means Beijing Guoci Kebo Technology Co., Ltd.

Bidder Group means Sinocera, Bidder, Bidder Sub and each of their Related Bodies Corporate (and each member is a **Bidder Group Party**).

Bidder Group Information means information regarding the information about Bidder and other members of the Bidder Group, their business and interests and dealings in SDI Shares and Sinocera and Bidder Sub's intentions for the SDI Group (including its assets, business and employees) and Bidder Sub's funding, being the information in the sections or parts of those sections described below:

- (a) the Important Notices section:
 - (i) the second paragraph under the heading "Responsibility Statement"; and
 - (ii) the first, fourth and fifth paragraphs under the heading "Forward looking statements" to the extent they relate to Bidder Group;
- (b) Section 2 under the part named "Questions about Bidder Group";
- (c) Section 6; and
- (d) Sections 10.2(c), 10.2(d) and 10.4,

except in each case to the extent that information is based on information provided or prepared by or on behalf of SDI.

Bidder Reimbursement Fee means A\$1,664,000.

Bidder Sub means InnoXvest Dental Pty. Ltd.

Board means the board of directors of SDI or Bidder (as applicable).

Business Day means a day that is not a Saturday, Sunday or a public holiday or bank holiday in Sydney, Australia and Beijing, China.

CHESS means the clearing house electronic sub-register system of security transfers operated by ASX Settlement.

Competing Proposal has the meaning given in the Scheme Implementation Deed.

Corporations Act means the *Corporations Act 2001* (Cth).

Corporations Regulations means the *Corporations Regulations 2001* (Cth).

Court means the Supreme Court of New South Wales or such other court of competent jurisdiction under the Corporations Act as agreed in writing between SDI and Bidder.

Deed Poll means the deed poll executed by Bidder and Bidder Sub and set out in Annexure 4 of this Scheme Booklet.

Director means a director of SDI or Bidder (as applicable).

Effective means, when used in relation to the Scheme, the coming into effect pursuant to section 411(10) of the Corporations Act of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme and **Effect** has a corresponding meaning.

Effective Date means the date the Scheme becomes Effective.

End Date has the meaning given in the Scheme Implementation Deed.

Exclusivity Period has the meaning given in the Scheme Implementation Deed.

Explanatory Statement means the statement pursuant to section 412 of the Corporations Act, registered by ASIC in relation to the Scheme, which is included in this Scheme Booklet.

FIRB means the Foreign Investment Review Board.

FIRB Approval has the meaning given in Section 9.13(a)(i).

Government Agency means any government or representative of a government or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency, arbitrator, competition or antitrust authority, agency or entity and includes any minister, FIRB, ASIC, ASX, the Takeovers Panel and any regulatory organisation established under statute or any stock exchange.

GST means a goods and services tax or similar value added tax levied or imposed in Australia under the GST Law.

GST Law means the same as "GST Law" in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Headcount Test means the requirement under section 411(4)(a)(ii)(A) of the Corporations Act that the resolution to approve the Scheme at the Scheme Meeting is passed by a majority in number of SDI Shareholders present and voting, either in person or by proxy.

HSBC means HSBC Bank Australia Limited ACN 006 434 162.

Implementation Date means the fifth Business Day after the Record Date, or such other date after the Record Date as SDI and Bidder agree in writing.

Independent Expert means RSM Corporate Australia Pty Ltd ACN 050 508 024.

Independent Expert's Report means the report in Annexure 1.

Last Practicable Trading Date means 14 May 2026.

Last Undisturbed Trading Date means the last day on which SDI Shares traded on the ASX before SDI's announcement that it had entered into the Scheme Implementation Deed, being 27 February 2026.

Midco means InnoXvest Pty. Ltd.

MOFCOM means the Ministry of Commerce, People's Republic of China or its local branch.

NDRC means the National Development and Reform Commission of the People's Republic of China or its local branch.

Non-Public Information has the meaning given in the Scheme Implementation Deed.

Notice of Scheme Meeting means the notice convening the Scheme Meeting as set out in Annexure 5.

Permitted Dividend has the meaning given in Section 4.3.

PRC Approvals has the meaning given in Section 9.13(a)(ii).

Project Montrose has the meaning given in the Scheme Implementation Deed.

Proxy Form means the proxy form that is dispatched to SDI Shareholders in accordance with the orders of the Court or is available from the Share Registry.

Record Date means 7.00pm (Sydney time) on the second Business Day after the Effective Date, or such other time and date as SDI and Bidder agree in writing.

Registered Address means, in relation to a Scheme Shareholder, the address of the Scheme Shareholder shown in the SDI Register as at the Record Date.

Related Body Corporate has the meaning given to that term in section 50 of the Corporations Act.

Related Person has the meaning given in the Scheme Implementation Deed.

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Requisite Majority means in relation to the Scheme Resolution, a resolution passed by:

- (a) unless the Court orders otherwise, a majority in number (more than 50%) of SDI Shareholders (as the case may be), who are present and voting, either in person or by proxy, attorney or in the case of a corporation its duly appointed corporate representative; and
- (b) at least 75% of the votes cast on the resolution.

SAFE means the State Administration of Foreign Exchange of the People's Republic of China or its local branch.

Scheme means the proposed scheme of arrangement pursuant to Part 5.1 of the Corporations Act between SDI and Scheme Shareholders, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and approved in writing by Bidder and SDI.

Scheme Booklet means the scheme booklet to be despatched to all SDI Shareholders in connection with the Scheme, which will contain (among other things) the Independent Expert's Report and a notice of meeting in respect of the Scheme Meeting.

Scheme Consideration means A\$1.40 for each Scheme Share held by a Scheme Shareholder, reduced by any amount up to A\$0.015 which may be payable as a Permitted Dividend (if any).

Scheme Implementation Deed means the Scheme Implementation Deed dated 27 February 2026 between SDI and Bidder included in Annexure 2.

Scheme Meeting means the meeting of SDI Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act to consider and vote on the Scheme and includes any meeting convened following any adjournment or postponement of such meeting.

Scheme Resolution means the resolution to be proposed to the SDI Shareholders at the Scheme Meeting to approve the Scheme, set out in the Notice of Scheme Meeting.

Scheme Share means an SDI Share on issue as at the Record Date.

Scheme Shareholder means an SDI Shareholder as at the Record Date.

Scheme Transfer has the meaning given in the Scheme in Annexure 3.

SDI or Company means SDI Limited ACN 008 075 581.

SDI Board means the board of SDI Directors as constituted from time to time.

SDI Director means a director of SDI.

SDI Group means SDI and each of its Related Bodies Corporate.

SDI Information means all information included in the Scheme Booklet other than the Bidder Group Information and the Independent Expert's Report.

SDI Register or **SDI Share Register** means the register of SDI Shareholders maintained by or on behalf of SDI in accordance with section 168(1) of the Corporations Act.

SDI Reimbursement Fee means A\$1,664,000.

SDI Share means a fully paid ordinary share issued in the capital of SDI.

SDI Shareholder means each person who is registered in the SDI Register as the holder of SDI Shares.

Second Court Date means the first day on which the application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme is heard or, if the application is adjourned for any reason, means the date on which the adjourned or appeal application is heard.

Section means a section of this Scheme Booklet.

Share Registry means MUFG Corporate Markets (AU) Limited ACN 083 214 537.

Sinocera means Shandong Sinocera Functional Material Co., Ltd.

Sinocera Board means the board of directors of Sinocera.

Subsidiary has the meaning given to that term in Division 6 of Part 1.2 of the Corporations Act.

Superior Proposal has the meaning given in the Scheme Implementation Deed.

Target Material Adverse Change has the meaning given in the Scheme Implementation Deed.

Target Prescribed Occurrence has the meaning given in the Scheme Implementation Deed.

Target Regulated Event has the meaning given in the Scheme Implementation Deed.

Third Party has the meaning given in the Scheme Implementation Deed.

Trust Account means the Australian denominated account operated by SDI as trustee for the benefit of Scheme Shareholders and otherwise on the terms set out in the Scheme in Annexure 3, into which the Scheme Consideration is required to be deposited by Bidder.

Voting Power has the meaning given to it in the Corporations Act.

VWAP means the volume weighted average price.

In this Scheme Booklet (other than in Annexures 1 to 5):

- (a) all dates and times are Sydney, New South Wales times unless otherwise indicated;
- (b) words and phrases not otherwise defined in this Scheme Booklet have the same meaning (if any) as is given to them by the Corporations Act;
- (c) the singular includes the plural and vice versa. A reference to a person includes a reference to a corporation;
- (d) headings are for ease of reference only and do not affect the interpretation of this Scheme Booklet; and
- (e) a reference to a Section is to a Section in this Scheme Booklet unless stated otherwise.

Annexure 1 Independent Expert's Report

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SDI LIMITED

Financial Services Guide and Independent Expert's Report

15 May 2026

For personal use only



Financial Services Guide

15 May 2026

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 (“**RSM**” or “**we**” or “**us**” or “**our**” as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide (“**FSG**”). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- who we are and how we can be contacted;
- the financial services that we will be providing you under our Australian Financial Services Licence (“**AFSL**”), Licence No 255847;
- remuneration that we and/or our staff and any associates receive in connection with the financial services that we will be providing to you;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

Financial services we will provide

For the purposes of our report and this FSG, the financial service we will be providing to you is the provision of general financial product advice in relation to securities.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we produce is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

General financial product advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

Benefits that we may receive

We charge various fees for providing different financial services. However, in respect of the financial service being provided to you by us, fees will be agreed, and paid by, the person who engages us to provide the report and such fees will be agreed on either a fixed fee or time cost basis. You will not pay to us any fees for our services; SDI Limited will pay our fees. These fees are disclosed in the Report.

Except for the fees referred to above, neither RSM Corporate Australia Pty Ltd, nor any of its directors, employees, or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the Report.

Remuneration or other benefits received by our employees

All our employees receive a salary.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia, a large national firm of chartered accountants and business advisors. Our directors are partners of RSM Australia Partners.

From time to time, RSM Corporate Australia Pty Ltd, RSM Australia Partners, RSM Australia and/or RSM Australia related entities may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

Complaints resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints should be directed to The Complaints Officer, RSM Corporate Australia Pty Ltd, PO Box R1253, Perth, WA, 6844.

If we receive a written complaint, we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination. If a complaint is received in advance of a shareholder meeting or other key date where shareholders or investors may be making decisions which are influenced by our report, we will make all reasonable efforts to respond to complaints prior to that date.

Referral to external dispute resolution scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority (“AFCA”). AFCA is an independent dispute resolution scheme that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about AFCA are available at the AFCA website www.afca.org.au. You may contact AFCA directly by email, telephone or in writing at the address set out below.

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
Toll Free: 1800 931 678
Email: info@afca.org.au

Time limits may apply to make a complaint to AFCA, so you should act promptly or consult the AFCA website to determine if or when the time limit relevant to your circumstances expires.

Contact details

You may contact us using the details set out at the top of our letterhead on page 4 of this report.

15 May 2026

The Directors
SDI Limited
5-9 Brunsdon Street,
Bayswater, VIC 3153

RSM Corporate Australia Pty Ltd
Level 27, 120 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007
T +61(03) 9286 8000
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rsm.com.au

By email

Dear Directors,

Independent Expert's Report

Introduction

On 27 February 2026, SDI Limited ("**SDI**" or the "**Company**") announced that it had entered into a Scheme Implementation Deed ("**SID**") with Beijing Guoci Kebo Technology Co., Ltd ("**Beijing Guoci**" or "**Bidder**"), a wholly-owned subsidiary of Shandong Sinocera Functional Material Co. Ltd ("**Sinocera**"), under which Beijing Guoci (or its nominee) agreed to acquire 100% of the issued share capital of SDI by way of scheme of arrangement ("**Scheme**") under Part 5.1 of the Corporations Act 2001 (Cth) (the "**Act**" or the "**Corporations Act**"). Under the terms of the Scheme, SDI Shareholders ("**SDI Shareholders**" or "**Shareholders**") will receive \$1.40 per SDI Share in cash¹ ("**Scheme Consideration**").

Subsequent to the SID, Sinocera and Beijing Guoci established a wholly-owned subsidiary InnoXvest Dental Pty Ltd ("**InnoXvest**" or "**Bidder Sub**"), an Australian proprietary company incorporated to acquire the issued capital of SDI under the Scheme.

If the Scheme becomes effective, SDI will become a wholly-owned subsidiary of InnoXvest. SDI and Beijing Guoci have executed the SID to give effect to the Scheme if all conditions precedent are satisfied or waived.

The Scheme is subject to the Court convening a meeting of Shareholders where Shareholders will consider a resolution seeking approval of the Scheme ("**Scheme Meeting**"). The Scheme Meeting is to be held on or about 22 June 2026 and, under the Act, it will be approved by Shareholders if the resolution is passed by a majority in number (more than 50%) of Shareholders present (in person or by proxy) and voting at the Scheme Meeting, and at least 75% of the total votes cast on the resolution approve the Scheme. If this occurs, a second Court hearing will be held to approve the Scheme which, if approved, will become binding on all SDI Shareholders who hold SDI Shares as at the Scheme Record Date (as defined in the Scheme Booklet), irrespective of whether or not they voted for the Scheme, and InnoXvest will acquire 100% of the issued capital of SDI, with Shareholders receiving the Scheme Consideration.

Purpose of the Report

There is no regulatory requirement for the Directors to commission an independent expert's report. However, a Condition Precedent to the Scheme requires an independent expert's report concluding that the Scheme is in the best interests of Shareholders, and that the independent expert does not withdraw, qualify or change that conclusion at any time before 8.00 am on the Second Court Date.

The Directors of SDI have requested that RSM Corporate Australia Pty Ltd ("**RSM**" or "**we**" or "**us**" or "**ours**"), being independent and qualified for the purpose, express an opinion as to whether the Scheme is fair and reasonable to, and therefore in the best interests of SDI Shareholders.

¹ Up to \$0.015 of the cash consideration of \$1.40 may be payable as a permitted dividend, to be determined by SDI. As at the date of the Scheme Booklet, the SDI Board does not intend to declare and pay a permitted dividend.

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RSM Corporate Australia Pty Ltd is beneficially owned by the Directors of RSM Australia Pty Ltd. RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 Australian Financial Services Licence No. 255847

Accordingly, we have prepared this report (“**the Report**” or “**IER**”) for the purpose of stating, in our opinion, whether or not the Scheme, and as such the offer (“**Offer**”) under the Scheme, is in the best interests of Shareholders and to set out the reasons for that opinion. Our Report is to be included in the Scheme Booklet and Notice of Meeting to be sent to Shareholders in respect of the Scheme Meeting.

This Report represents general financial product advice only and has been prepared without taking into consideration the circumstances of individual SDI Shareholders. The ultimate decision whether to approve the Scheme should be based on each Shareholders’ assessment of their circumstances, including their risk profile, liquidity preference, tax position, and expectations as to value and future market conditions. If in doubt about the Scheme or matters dealt with in this Report, Shareholders should seek independent professional advice.

Summary of opinion

In the absence of any other relevant information and/or a superior proposal, RSM considers the Scheme to be **fair and reasonable** to Shareholders and as such, that the Scheme is **in the best interests** of Shareholders.

We have formed this opinion for the reasons set out below.

Approach

In assessing whether the Scheme is “fair and reasonable” to Shareholders, we have considered Australian Securities and Investment Commission (“**ASIC**”) Regulatory Guide 111 – Content of expert reports (“**RG 111**”), which provides specific guidance as to how an expert is to appraise a Scheme of Arrangement.

Schemes of Arrangement can be used as an alternative to a takeover bid under Chapter 6 of the Act to achieve substantially the same outcome. In these circumstances, RG 111 suggests that the form of analysis to be undertaken by the expert should be substantially the same as for a takeover bid with certain exceptions, such as in the case of a merger of entities of equivalent value.

In effect, the Scheme represents a takeover offer for SDI where it is proposed that, subject to the satisfaction or waiver of a number of conditions precedent, InnoXvest will acquire all of the issued capital in SDI through the offer of the Scheme Consideration to the Shareholders.

Therefore, consistent with the guidance set out in RG 111, in assessing whether or not we consider the Scheme to be “in the best interests” of Shareholders, we have considered whether the Scheme is “fair” to Shareholders by assessing and comparing:

- the Fair Value of a share in SDI (“**SDI Share**”) on a controlling basis prior to the Scheme; with
- the Scheme Consideration of \$1.40 cash per SDI Share².

We have considered whether the Scheme is “reasonable” to Shareholders by undertaking an analysis of the other factors relating to the Scheme which are likely to be relevant to Shareholders in their decision of, whether or not, to approve the Scheme.

Fairness opinion

In assessing whether we consider the Scheme to be fair to Shareholders, we have valued an SDI Share prior to the implementation of the Scheme on a controlling basis and compared it to the Scheme Consideration, to determine whether a Shareholder would be better or worse off should the Scheme be approved.

Our assessment is set out in the table below.

Table 1 Valuation Summary

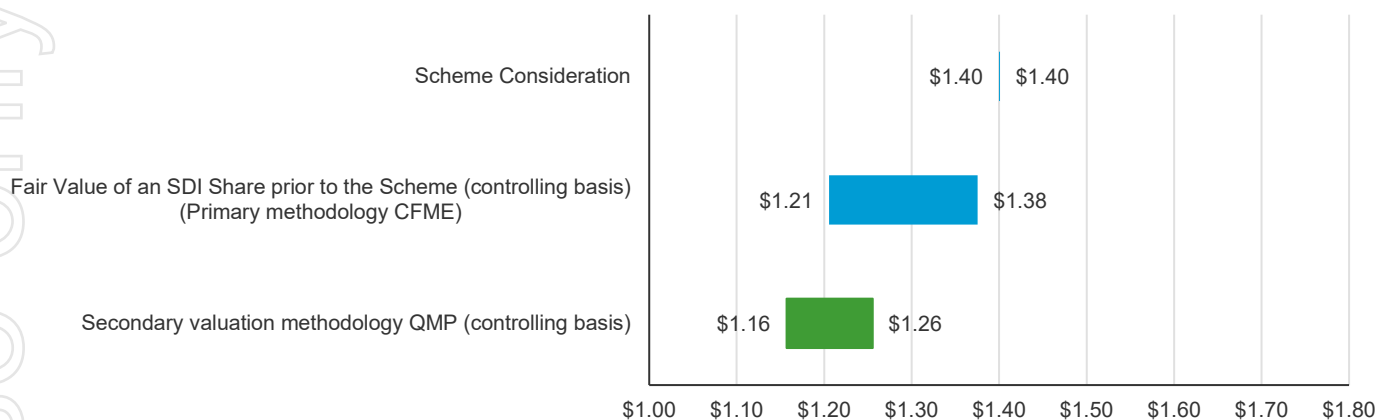
	Low	High	Preferred
Fair Value of an SDI Share prior to the Scheme (controlling basis) (Primary methodology CFME)	1.21	1.38	1.29
Secondary valuation methodology QMP (controlling basis)	1.16	1.26	1.21
Scheme Consideration	1.40	1.40	1.40

Source: RSM Calculations

² Up to \$0.015 of the cash consideration of \$1.40 may be payable as a permitted dividend, to be determined by SDI. As at the date of the Scheme Booklet, the SDI Board does not intend to declare and pay a permitted dividend.

The above comparison is presented graphically below.

Figure 1 Assessed Fair Value of an SDI Share prior to the Scheme on a controlling basis compared to the Scheme Consideration



Source: RSM analysis

In our opinion, as the value of the Scheme Consideration payable per SDI Share of \$1.40 exceeds the assessed Fair Value range of an SDI Share (as assessed under the primary valuation methodology), in our opinion the Scheme is **Fair** to the Shareholders of SDI.

Reasonableness opinion

RG 111 establishes that an offer is reasonable if it is fair. It might also be reasonable if, despite not being fair, there are sufficient reasons for security holders to approve the offer in the absence of a higher bid. We consider and outline in this section of the Report an analysis of other factors which are likely to be relevant to Shareholders in their assessment of the Scheme.

As such, we have also considered the following factors in relation to the reasonableness aspect of the Scheme:

- the future prospects of the Company if the Scheme does not proceed;
- the trading of SDI's Shares following the announcement of the Scheme;
- the potential advantages and disadvantages of the Scheme for the Shareholders, including the specific terms of the Scheme; and
- the existence of alternative proposals.

Future prospects of SDI if the Scheme does not proceed

In the event the Scheme is not approved, InnoXvest will not provide the Scheme Consideration, and SDI will continue to operate as an ASX listed company. SDI Shareholders will retain their SDI Shares and will continue to have the benefits of their current SDI investment. Shareholders will continue to be exposed to the risks of holding their SDI Shares, as detailed in section 7 of the Scheme Booklet.

We note that, as of 8 April 2026, the closing share price of SDI was \$1.250, representing a significant increase from the closing price on the day prior to the announcement of the Scheme of \$0.885 and the historical 10-day, 60-day and 90-day VWAP of SDI's Shares in the period prior to announcement of the Scheme of \$0.833, \$0.916 and \$0.929, respectively. Therefore, should the Scheme not be approved by SDI Shareholders, we consider it likely that, in the absence of an alternative proposal, SDI's share price would decrease in the short to medium term.

If the Scheme does not proceed, a reimbursement fee of \$1.66m may become payable by SDI to Beijing Guoci. Failure by SDI Shareholders to approve the Scheme will not trigger an obligation to pay the reimbursement fee.

The Directors expect transaction costs of approximately \$1.425m to be payable by SDI. If the Scheme is not implemented, SDI Shareholders will not receive any value for the costs incurred.

Advantages and disadvantages of approving the Scheme

SDI's directors have unanimously recommended that Shareholders vote in favour of the Scheme in the absence of a superior proposal, subject to the independent expert continuing to conclude that the Scheme is in the best interests of Shareholders.

The key advantages of the Scheme are outlined below.

Table 2 Advantages of the Scheme

Advantage	Details
The Scheme is fair	The Scheme Consideration exceeds the high end of our assessed Fair Value range of an SDI Share on a control basis.
Premium to recent share price	The Scheme Consideration represents a significant premium relative to the SDI Share price and historical VWAP ranges of SDI Shares prior to the announcement of the SID. The Scheme Consideration represents a 58% premium to the closing SDI Share Price on 27 February 2026, immediately prior to the announcement of the Scheme and a 56% premium to the 30 day VWAP of SDI Shares up to and including 27 February 2026.
The Share price may fall if the Scheme is unsuccessful	Immediately prior to the Offer being announced, SDI Shares were trading at \$0.885. Over the 30 days immediately prior to the Offer being announced, SDI Shares traded at a VWAP of \$0.908. As at 8 April 2026, the closing price of SDI Shares was \$1.25, representing a 41.2% premium to the pre Offer closing price and a 37.7% premium to the pre Offer 30 day VWAP. If the Scheme does not proceed and no alternative proposals are received, the Share price may fall towards the previously traded levels over the short to medium term.
Realisation of value in the form of cash	The Scheme provides Shareholders with the opportunity to realise the fair value of their SDI Shares in the form of cash, which provides certainty of realisable value. If the Scheme proceeds, Shareholders will no longer be exposed to the downside risk of an investment in SDI. We further note that there would be no brokerage costs in realising the Scheme Consideration.

Source: RSM analysis

The key disadvantages of the Scheme are outlined below.

Table 3 Disadvantages of the Scheme

Disadvantage	Details
Participation in future growth	If the Scheme is implemented Shareholders will not participate in any future value created by SDI over and above that reflected in the Scheme Consideration.
Potential tax considerations	Approval of the Scheme and the disposal of SDI Shares will trigger a capital gains tax ("CGT") event that may result in a tax liability for Shareholders. The tax implications will vary between Shareholders depending on their personal circumstances and, therefore, individual taxation advice should be obtained.
Change in investment profile	Approval of the Scheme may result in disadvantages to those who wish to maintain their current investment profile. SDI Shareholders who wish to maintain their investment profile may find it difficult to identify an investment with a similar profile to that of SDI and may incur transaction costs in undertaking a new investment.

Source: RSM Analysis

The price of SDI's shares after the announcement of the Scheme

We have reviewed the movements in the SDI Share price since the Scheme was announced on 27 February 2026.

A graph of the closing share price in the four weeks prior to and the five weeks following the announcement is shown below.

Figure 2. SDI Share price pre- and post-announcement



Source: RSM analysis and S&P Capital IQ

The Share price closed at \$0.885 prior to the announcement of the Scheme and in the period since has traded in the range of \$1.250 to \$1.285.

The VWAP of SDI's shares for the 40-day period after the announcement was \$1.259 which is 38.7% higher than the 30-day VWAP of \$0.908 prior to the announcement of the Scheme.

Based on the above, we consider that the market has reacted favourably to the announcement of the Scheme, indicating market expectations that the Scheme will be successfully implemented, or an alternative superior proposal will emerge.

Alternative proposals to the Scheme

The directors of SDI have advised us that no credible alternative offers exceeding the current Offer had been received prior to the announcement of the Scheme on 27 February 2026 and no further alternative offers have emerged since the announcement of the Scheme. As set out in the Scheme Booklet, SDI and its advisors engaged with several interested parties prior to the receipt of a proposal from Beijing Guoci and the SDI board determined that no alternative offered a better outcome for SDI Shareholders.

The alternative to the Scheme is for Shareholders to vote against the Scheme in the hope that they can realise greater value from their investment in SDI either through maintaining SDI as a standalone business or through the emergence of a superior proposal to the Scheme. Whilst there is currently no evidence of an alternative offer, it is possible that an alternative offer may emerge prior to the Scheme Meeting. However, since the announcement of the Scheme, we understand that no superior offers have been put forward as at the date of this Report.

Liquidity

Historically, the liquidity of SDI's shares has been relatively low, with 1.47% of issued capital traded in the 60-days pre-announcement. The Scheme provides Shareholders with an ability to convert their investment in SDI to cash.

Conclusion on Reasonableness

In the absence of any other relevant information and/or a superior proposal, RSM considers the Scheme to be **reasonable** to Shareholders and as such, that the Scheme is **in the best interests of Shareholders**.

An individual Shareholder's opinion in relation to the Scheme may be influenced by their individual circumstances. If in doubt, Shareholders should consult an independent advisor.

General

This Report represents general financial product advice only and has been prepared without taking into consideration the individual circumstances of Shareholders.

The ultimate decision whether to approve the Scheme should be based on each Shareholders' assessment of their circumstances, including their risk profile, liquidity preference, tax position and expectations of future market conditions.

Shareholders should read and have regard to the contents of the Scheme Booklet and Notice of Meeting which has been prepared by the Directors and management of SDI.

Shareholders who are in doubt as to the action they should take with regard to the Scheme and the matters dealt with in this Report, should seek independent professional advice. This summary should be considered in conjunction with the detail contained in the following sections of this Report.

Yours faithfully,

RSM CORPORATE AUSTRALIA PTY LTD



Andrew Clifford
Partner – Corporate Finance



Albert Meintjes
Partner – Corporate Finance

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1. Summary of the Scheme

1.1 Overview

On 27 February 2026, SDI announced that it had entered into a Scheme Implementation Deed with Beijing Guoci, a wholly-owned subsidiary of Sinocera, under which Beijing Guoci has agreed to acquire 100% of the issued share capital of SDI by way of scheme of arrangement under Part 5.1 of the Corporations Act. Under the terms of the Scheme, eligible Shareholders will receive \$1.40 per SDI Share in cash³. Subsequent to the SID, Sinocera established InnoXvest, an Australian proprietary company incorporated to acquire the issued capital of SDI under the Scheme.

The Scheme is subject to the Court convening a meeting of Shareholders where Shareholders will consider a resolution seeking approval of the Scheme. The Scheme Meeting is to be held on or about 22 June 2026 and, under the Act, it will be approved by Shareholders if the resolution is passed by a majority in number (more than 50%) of Shareholders present (in person or by proxy) and voting at the Scheme Meeting, and at least 75% of the total votes cast on the resolution approve the Scheme. If this occurs, a second Court hearing will be held to approve the Scheme which, if approved, will become binding on all SDI Shareholders who hold SDI Shares as at the Scheme Record Date (as defined in the Scheme Booklet), irrespective of whether or not they voted for the Scheme, and InnoXvest will acquire 100% of the issued capital of SDI, with Shareholders receiving the Scheme Consideration.

If the Scheme becomes effective, SDI will request that the ASX suspends trading of SDI Shares with effect from the close of trading on the date at which the Scheme become effective ("**Effective Date**") and request that the ASX removes SDI from the official list of ASX on the trading day immediately following the implementation date of the Scheme ("**Implementation Date**") (unless otherwise directed by the Bidder in writing). SDI will become a wholly-owned subsidiary of InnoXvest. SDI and Beijing Guoci have executed the SID to give effect to the Scheme if all conditions precedent are satisfied or waived.

1.2 Key conditions of the Scheme

The implementation of the Scheme is subject to a number of conditions precedent which are set out in section 3.1 of the SID. The conditions precedent which must be satisfied or waived are⁴:

(a) **Regulatory Approvals:** before 5:00pm on the Business Day before the second court date ("**Second Court Date**"):

a. **Foreign Investment Review Board ("FIRB") approval:**

- i. Bidder has received written notice under the Foreign Acquisitions and Takeovers Act 1975 (Cth) ("**FATA**"), by or on behalf of the Treasurer of the Commonwealth of Australia ("**Treasurer**"), advising that the Commonwealth Government has no objections to the Transaction either unconditionally or on terms that are acceptable to Bidder acting reasonably and in good faith (subject to clause 3.2(d) of the SID), and the written notice has not been withdrawn, suspended or revoked; or
- ii. The Treasurer becomes precluded by the passage of time from making an order or decision under Part 3 of the FATA in relation to the Transaction and the Transaction is not prohibited by section 82 of the FATA; or
- iii. When an interim order is made under section 68 of the FATA in respect of the Transaction, the subsequent period for making a final order or decision under Part 3 of the FATA elapses without the Treasurer making such a final order or decision,

b. **People's Republic of China Approvals:** all of the following have occurred:

- i. National Development and Reform Commission of China having approved or accepted (either unconditionally or subject to the conditions acceptable to the Bidder acting reasonably and in good faith (subject to clause 3.29(d) of the SID) the filing made by the Bidder or its Associate for the Transaction and the Bidder's participation in the development of the Scheme contemplated under the SID;
- ii. Ministry of Commerce having approved or accepted (either unconditionally or subject to conditions acceptable to the Bidder acting reasonably and in good faith (subject to clause 3.2(d) of the SID) the filing made by the Bidder or its Associate for the Transaction and the Bidder's participation in the development of the Scheme contemplated under the SID; and
- iii. State Administration of Foreign Exchange having accepted the registration of the Bidder (or its Associate) in relation to the remittance of funds or the provision of security in either case in relation to the Transaction and the Bidder's participation in the development of the Scheme contemplated under the SID; and

³ Up to \$0.015 of the cash consideration of \$1.40 may be payable as a permitted dividend, to be determined by SDI. As at the date of the Scheme Booklet, the SDI Board does not intend to declare and pay a permitted dividend.

⁴ Where not specifically defined, capitalised terms in Section 1.2 have the meaning as defined in the SID.

- c. **ASIC and ASX:** ASIC and ASX issue or provide all relief, waivers, confirmations, exemptions, consents or approvals, and do all other acts, necessary, or which Target and Bidder agree are desirable, to implement the Scheme and such relief, waivers, confirmations, exemptions, consents, approvals or other acts (as the case may be) remain in full force and effect in all respects and have not been withdrawn, revoked, suspended, restricted or amended (or become subject to any notice, intimation or indication of intention to do any such thing) before 8.00am on the Second Court Date.

- (b) **Shareholder approval:** Target Shareholders approve the Scheme at the Scheme Meeting by the requisite majorities under subparagraph 411(4)(a)(ii) of the Corporations Act.
- (c) **Independent Expert:** the Independent Expert issues an Independent Expert Report which concludes that the Scheme is in the best interest of Target Shareholders before the time when the Scheme Booklet is registered by ASIC and the Independent Expert does not withdraw, qualify or change that conclusion at any time before 8:00am on the Second Court Date.
- (d) **Court approval:** the Court approves the Scheme in accordance with paragraph 411(4)(b) of the Corporations Act.
- (e) **Restraints:** as at 8:00am on the Second Court Date, there is not in effect any temporary, preliminary or final order, injunction, decision or decree issued by any court of competent jurisdiction or other Government Agency, or other material legal restraint or prohibition, that would prevent, make illegal or prohibit implementation of the Scheme between (and including) the date of this deed and 8:00am on the Second Court Date.
- (f) **No Target Prescribed Occurrence:** no Target Prescribed Occurrence occurs between (and including) the date of the SID and 8:00am on the Second Court Date.
- (g) **No Target Regulated Event:** no Target Regulated Event occurs between (and including) the date of the SID and 8:00am on the Second Court Date.
- (h) **No Target Material Adverse Change:** no Target Material Adverse Change occurs or otherwise becomes known to Bidder, between (and including) the date of this deed and 8:00am on the Second Court Date.
- (i) **Target HSBC Financing:** before 5:00pm on the Business Day before the Second Court Date, the Target having received and provided to the Bidder:
- a. An executed consent from HSBC Bank Australia Limited to any change of control of the Target in connection with the Scheme, in accordance with the terms of the Target HSBC Financing (and such consent is either unconditional or subject to only conditions which Target is able to satisfy); and
 - b. An executed waiver from HSBC Bank Australia Limited confirming that the Target's entry into the SID or the Scheme or any action or steps take in relation to entry into the SID or the Scheme do not breach the Target's undertaking that there is no change in its ownership or control.
- (j) **Project Montrose Financing:** before 5:00pm on the Business Day before the Second Court Date, the Target has:
- a. Obtained all necessary financing required for its intended capital expenditures in respect of Project Montrose; and
 - b. To the extent target intends to release any of its mortgages in respect of the properties at 2-9, 11 and 13 Brunsdon Street, Bayswater VIC 3153 in connection with obtaining financing for Project Montrose, obtained written confirmation from the relevant financiers of these mortgages that no prepayment, early termination, wind up or break costs are payable by Target as a release of these mortgages.

Other terms

A reimbursement fee of \$1,664,000 (excluding GST) ("**Reimbursement Fee**") is payable by SDI to Beijing Guoci if the Scheme does not proceed in certain circumstances as specified in the SID. This includes circumstances where there is a valid termination of the SID by Beijing Guoci in certain circumstances or a competing proposal is publicly announced or made during the exclusivity period and within 12 months of the date of such announcement, the competing transaction completes. The SID also provides for a reverse reimbursement fee of \$1,664,000 payable by Beijing Guoci to SDI under certain circumstances. We note that payment of the Reimbursement Fee is not contingent on approval of the Scheme by SDI Shareholders. Therefore, we have not considered the Reimbursement Fee in our assessment of the Scheme.

2. Scope of the Report

2.1 Purpose of this Report

The Directors of SDI have requested RSM, being independent and qualified for the purpose, to express an opinion as to whether the Offer is in the best interests of Shareholders. Accordingly, this Report has been prepared to accompany the Scheme Booklet which will be provided to SDI Shareholders in relation to the Offer.

2.2 Regulatory guidance

In assessing whether the Scheme is “fair” and “reasonable”, we have given regard to the views expressed by the ASIC in RG 111.

RG 111 provides ASIC’s views on how an expert can help security holders make informed decisions about transactions. Specifically, it gives guidance to experts on how to evaluate whether or not a proposed transaction is fair and reasonable.

RG 111 states that the expert’s report should focus on:

- the issues facing the security holders for whom the report is being prepared; and
- the substance of the transaction rather than the legal mechanism used to achieve it.

RG 111 applied the “fair and reasonable” test as two distinct criteria in the circumstance of a takeover offer, stating:

- a takeover offer is considered “fair” if the value of the offer price or consideration is equal to or greater than the value of the securities that are the subject of the offer; and
- a takeover is considered “reasonable” if it is fair, or where the offer is “not fair” it may still be “reasonable” if the expert believes that there are sufficient reasons for security holders to approve the offer.

RG 111 contends that if an expert was to conclude that a Scheme is “fair and reasonable” if it was in the form of a takeover bid, it will also be able to conclude that the scheme is in the best interests of the members of the company.

2.3 Adopted basis of evaluation

Consistent with the guidelines in RG 111 as summarised above, we have considered whether the Scheme is “fair” to SDI Shareholders by assessing and comparing:

- the Fair Value of a Share in SDI on a controlling basis prior to the Offer; with
- the Scheme Consideration.

Our assessment of the Fair Value has been prepared on the following basis:

“the value that should be agreed in a hypothetical transaction between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, acting at arm’s length”.

In accordance with RG 111, we have considered whether the Scheme is “reasonable” to SDI Shareholders by undertaking an analysis of the other factors relating to the Scheme which are likely to be relevant to SDI Shareholders in their decision as to whether or not to approve the Scheme.

We have also considered whether the Scheme is “reasonable” by undertaking an analysis of the following factors:

- the future prospects of the Company if the Scheme does not proceed;
- the trading of SDI’s Shares following the announcement of the Scheme;
- the potential advantages and disadvantages of the Scheme for the Shareholders, including the specific terms of the Scheme; and
- the existence of alternative proposals.

Our assessment of the Scheme is based on economic, market and other conditions prevailing at the date of this Report.

3. Company profile

3.1 Background

SDI is an ASX listed company that principally engages in the manufacturing and distribution of specialist dental materials including amalgam, glass ionomer and composite restorative materials and tooth whitening. The Company also undertakes product research and development. All of SDI's products are manufactured in Victoria and are sold through distributors and retailers in over 100 countries around the world. In addition to its head office and manufacturing facility in Victoria, Australia, SDI has offices and warehouses in Chicago, USA, Cologne, Germany and Sao Paulo, Brazil.

SDI employs circa 340 full time equivalents ("FTE").

Company history

SDI Limited was founded in 1972 by Jeffery James Cheetham O.A.M., who currently serves as Chairman. The company began as a home-based business under the name Southern Dental Industries and was incorporated in South Australia in June 1985 before listing on the Australian Securities Exchange ("ASX") in November of that same year. SDI established an office and warehouse in Cologne, Germany circa 1986 and expanded into North America in 1990 through the establishment of Southern Dental Industries Incorporated (USA). A year later, in 1991, SDI became the world's first producer of a direct-placement amalgam capsule system. International expansion continued with the establishment of a subsidiary in Brazil in 1994 and another in Japan in 2004.

In 2018, the U.S. Food and Drug Administration ("FDA") granted registration approval for SDI to market Riva Star in the United States. In the following year, SDI received a \$3 million Australian Commonwealth Government grant to support a research partnership with the Universities of New South Wales, Sydney, and Wollongong to develop alternative materials to dental amalgam.

In August 2022, SDI announced the acquisition of a six-acre site at Montrose, Victoria, for a total consideration of \$17.8 million. SDI is currently in the process of redeveloping the Montrose site. It is currently utilising warehousing space at the Montrose property and intends to relocate its some existing Bayswater manufacturing and office facilities to Montrose at the completion of the project.

The Company's key product segments are summarised below.

Aesthetics

The aesthetics product segment is SDI's largest revenue stream, representing approximately 50% of total revenue from FY23 to HY26. This segment represents restorative and preventative consumables, such as glass ionomers (Riva line), composites (Aura, Luna, Stela and Wave), silver diamine fluoride (Riva Star/Aqua), adhesives, etchants, sealants and resin cements. The flagship product of the aesthetics segment is Glass ionomers, a group of materials that use reactive silicate glass powder and an aqueous solution of polyacid copolymer.

A key strategic driver of the segment is Minimally Invasive Dentistry ("MID"), which aims to prevent, detect, and treat tooth decay with minimal removal of tooth structures. SDI's MID offering is centralised by its glass ionomers (restoratives, cements, and sealants) and Silver Diamine Fluoride ("SDF"), a non-invasive treatment that can be used to stop or prevent tooth decay.

SDI recently launched Stela, a self-curing composite, designed as a replacement for amalgam which is being phased out following global mercury-reduction regulations and environmental policy. Composites are required to be cured with the assistance of a curing light. Standard hybrid composites have over 5 steps whereas Stela only requires 2 steps, minimising sensitivity, reducing chair time, simplifying the procedure and minimising errors and costs.

Whitening segment

The whitening product segment generated approximately 29% of revenue from FY23 through to FY26. SDI's range of teeth whitening solutions are sold under the Pola brand and are sold directly through dental distributors or direct to dentists, either used in dental offices or sold via dentists to patients in the format of take-home kits. SDI differentiates its teeth whitening products through limited sensitivity and rapid application.

The Pola range of products include in-office whitening systems and take-home kits.

Amalgam segment

The amalgam product segment has historically been a key revenue generator for SDI, with the Company holding an estimated circa 60% of market share. However, amalgam is being globally phased out of dental practices due to its contribution to mercury waste in the environment and will be formally removed from most markets in FY34.

In response to this global market change, SDI launched Stela (refer aesthetics above). In addition to the Stela product, SDI's composites and glass ionomers products provide a modern, mercury free and aesthetic appearance alternative to amalgam.

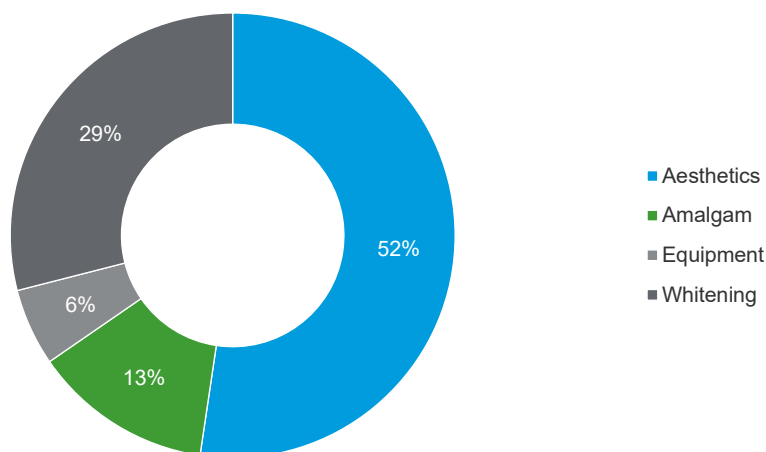
Equipment segment

The equipment product segment offers a range of small-format, high performance dental equipment, complementing SDI's core consumable product offerings. The equipment portfolio includes LED curing lights and capsule mixers.

SDI's flagship LED curing light range is called Radii – LED curing lights that set restoratives such as composites and light cured glass ionomers. The key products of the range include the Radii Xpert, representing the high-end of the range, and the Radii-Cal CX, which represents the cost effective end of the range. The LED curing light products are complemented by a range of replacement parts and accessories, including lens caps, barrier sleeves, and light shields. The triturators section of the portfolio, such as the Ultramat 2 is an extremely high-speed multi-use mixer which is capable of mixing dental materials to ensure that contents are completely mixed and ready for the dentist to use.

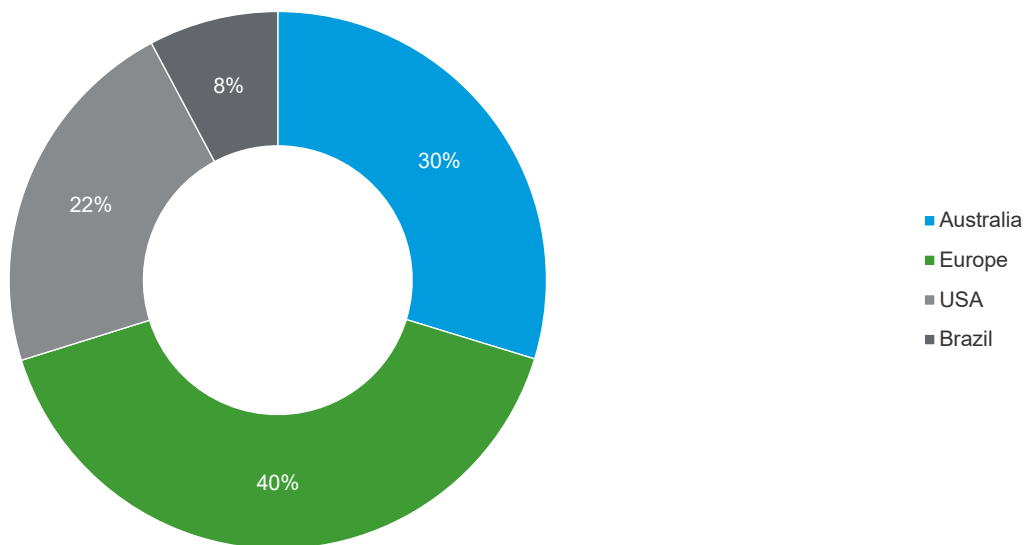
SDI's revenue streams stem from its product sales and geographical region which are summarised below:

Figure 3 SDI revenue split by product (FY25)



Source: SDI Limited FY2025 annual report

Figure 4 SDI revenue split by geographical region (FY25)



Source: SDI Limited FY2025 annual report

Research and development

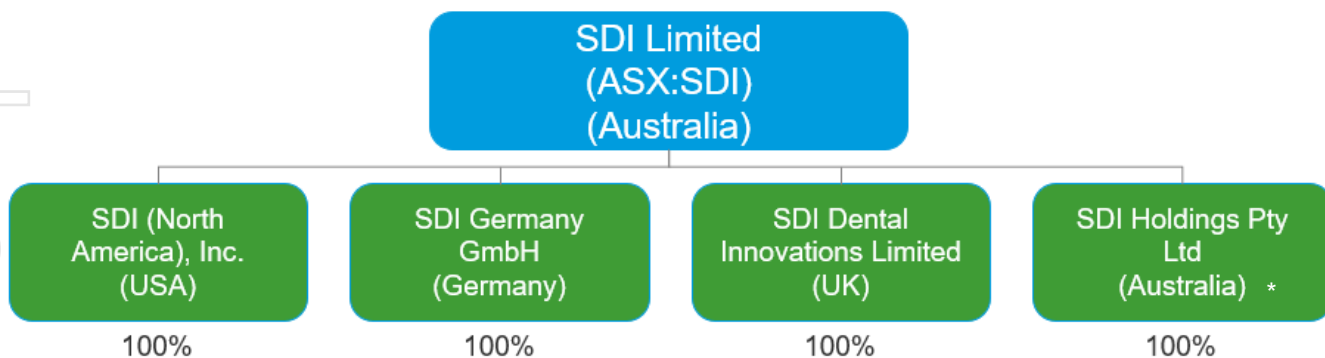
SDI has a research and development team of circa 18 FTEs that is focused on new product development and attaining and maintaining regulatory approvals and registrations for new and existing products.

The Company aims to release one to two new products to market each year.

3.2 Legal structure

The current legal structure of SDI is shown in the figure below.

Figure 5 SDI legal structure



Source: SDI Limited FY2025 Annual Report

* SDI Holdings Pty Limited includes the Brazil branch

3.3 Directors and management

The directors and key management of SDI are summarised in the table below.

Table 4 SDI Directors

Name	Title	Experience
Jeffery Cheetham	Chairman	Mr Cheetham is the Founder and Chairman of SDI Limited, whilst also sitting on the Audit Committee and the Remuneration Committee. Mr Cheetham received his Medal of the Order of Australia (OAM) on 1 July 2004.
Samantha Cheetham	Managing Director Chief Executive Director	Ms Cheetham has over 27 years of experience in Sales & Marketing in Australia and Overseas before becoming CEO of SDI in 2016. Ms Cheetham holds a Bachelor of Business (Banking and Finance) and a Master of Business Administration. Ms Cheetham is a Director of the Australian Dental Industry Association and the President of the International Dental Manufacturers.
John Slaviero	Director of Finance Chief Operating Officer Company Secretary	Mr Slaviero has extensive experience in financing and accounting in both commercial and professional fields. Much of this experience was gained from senior finance and accounting roles in large multinational and medium size manufacturing companies. Mr Slaviero holds a Bachelor of Business, is a Certified Practicing Accountant (CPA), and is a Fellow of the Association of Taxation and Management Accountants.
Cameron Allen	Chairman of the Audit Committee	Mr Allen is currently Managing Partner of Andersen in Australia, a member of Andersen Global. Prior to Andersen, Cameron was a tax partner at Deloitte Touche Tohmatsu, as well as holding a senior role at Ernst & Young. He has over 25 years' experience in advising large and small corporate organisation on domestic and international taxation and 'best practice' processes. Mr Allen holds a Master of Taxation (University of Melbourne), Bachelor of Business (Accounting) (Deakin University) and is a Chartered Tax Advisor, Member of the Tax Institute (Australia, and Member of the Institute of Public Accountants (Australia).
Gerald Bullon	Chairman of the Remuneration Committee	Mr Bullon has managed his own investor relations consultancy firm, Insor Pty Ltd, since 1996. He has been involved with several ASX initial public offerings including Australian Hospital Care Limited, Sigma Pharmaceuticals Limited and Nick Scali Limited. He has also held senior executive roles in a number of public companies. Mr Bullon is a Fellow of the Australian Institute of Company Directors. Mr Bullon is a Member of the Audit Committee and Chairman of the Remuneration Committee.
Dr Geoffrey Knight	Non-Executive Director	Dr Knight is a world class dental scientist and has been a practising dentist. He is an adjunct professor of rural oral health and has published numerous technical dentistry papers both locally and internationally and has held senior positions with the Australian Dental Association (Victorian Branch), Australian Society of Periodontology (Victorian Branch), Australian Society of Dental Aesthetics, the Society of Occlusal Studies, and other professional groups. Dr Knight holds a Bachelor of Dental Science, Master of Business Administration, Master of Science (London University), Doctor of Philosophy (Adelaide University), Adjunct Professor of Rural Health (La Trobe University).
Gerald Kennedy	Non-Executive Director	Mr Kennedy was a Special Council in the law firm of Macpherson and Kelley Lawyers and has spent many years in advising clients on matters of mergers and acquisitions, contract, licencing, joint ventures, tenders, corporate governance and compliance, Corporation law and international trade. Mr Kennedy is a member of the Law Institute of Victoria, Barrister and Solicitor of the Supreme Court of Victoria and the High Court of Australia, he holds a Postgraduate Diploma in Commercial Law (Monash University) majoring in International Trade Law and International Banking and Finance Law, Notary Public and a Member of the Victorian Lawyers RPA Ltd. Mr Kennedy is a Member of the Audit Committee and a Member of the Remuneration Committee.

Source: SDI Limited FY2025 Annual Report

3.4 Financial information

The information in the following section provides a summary of the financial performance of SDI for the financial years ended 30 June 2023 (“FY23”), 30 June 2024 (“FY24”), 30 June 2025 (“FY25”), and 31 December 2025 (“HY26”), (collectively the “Historical Period”), extracted from the audited and reviewed financial statements of SDI.

The auditors of SDI, Deloitte Touche Tohmatsu, provided an unqualified review conclusion as at 31 December 2025.

3.5 Financial performance

The following table sets out a summary of the financial performance of SDI for the Historical Period.

Table 5 SDI historical financial performance

Consolidated statement of profit or loss and other comprehensive income (\$'000)	FY23 <i>Audited</i>	FY24 <i>Audited</i>	FY25 <i>Audited</i>	HY26 <i>Reviewed</i>
Revenue				
Sales	107,855	111,206	110,384	52,928
<i>Revenue growth %</i>	<i>n/a</i>	<i>3.1%</i>	<i>(0.7%)</i>	<i>n/a</i>
Cost of goods sold	(46,588)	(42,168)	(41,006)	(18,232)
Gross profit	61,267	69,038	69,378	34,696
<i>Gross margin %</i>	<i>56.8%</i>	<i>62.1%</i>	<i>62.9%</i>	<i>65.6%</i>
Operating expenses				
Selling and administration expenses	(47,583)	(47,468)	(50,462)	(26,443)
Research and development costs	(1,354)	(1,151)	(1,635)	(1,194)
Other expenses	(2,396)	(2,504)	(1,835)	(1,230)
Total operating expenses	(51,333)	(51,123)	(53,932)	(28,867)
<i>Opex margin %</i>	<i>47.6%</i>	<i>46.0%</i>	<i>48.9%</i>	<i>54.5%</i>
Other income	1,556	(166)	1,026	(280)
Add back depreciation and amortisation	4,278	4,187	4,859	2,993
EBITDA	15,768	21,936	21,331	8,542
<i>EBITDA margin %</i>	<i>14.6%</i>	<i>19.7%</i>	<i>19.3%</i>	<i>16.1%</i>
Depreciation and amortisation	(4,278)	(4,187)	(4,859)	(2,993)
Impairment expenses	(49)	(995)	(10)	(724)
EBIT	11,441	16,754	16,462	4,825
<i>EBIT margin %</i>	<i>10.6%</i>	<i>15.1%</i>	<i>14.9%</i>	<i>9.1%</i>
Interest income	8	19	15	5
Finance costs	(759)	(1,535)	(1,375)	(523)
Profit before income tax expense	10,690	15,238	15,102	4,307
Income tax expense	(3,634)	(4,817)	(2,942)	(1,062)
Profit after income tax expense for the year attributable to the owners of SDI Limited	7,056	10,421	12,160	3,245
Other comprehensive income for the year, net of tax	933	(674)	924	(223)
Total comprehensive income for the year attributable to the owners of SDI Limited	7,989	9,747	13,084	3,022

Source: SDI Limited audited and reviewed financial statements

The table below sets out revenue by segment over the Historical Period.

Table 6 Revenue by segment

Revenue \$('000)	FY23 <i>Audited</i>	FY24 <i>Audited</i>	FY25 <i>Audited</i>	HY26 <i>Reviewed</i>
Aesthetics	51,108	55,324	57,785	29,449
<i>% of revenue</i>	<i>47.4%</i>	<i>49.7%</i>	<i>52.3%</i>	<i>55.6%</i>
Whitening	31,303	31,002	31,995	15,644
<i>% of revenue</i>	<i>29.0%</i>	<i>27.9%</i>	<i>29.0%</i>	<i>29.6%</i>
Amalgam	18,977	18,348	14,405	5,206
<i>% of revenue</i>	<i>17.6%</i>	<i>16.5%</i>	<i>13.0%</i>	<i>9.8%</i>
Equipment	6,467	6,532	6,199	2,629
<i>% of revenue</i>	<i>6.0%</i>	<i>5.9%</i>	<i>5.6%</i>	<i>5.0%</i>
Total revenue	107,855	111,206	110,384	52,928
<i>Revenue Growth rate %</i>	<i>n/a</i>	<i>3.1%</i>	<i>-0.7%</i>	<i>n/a</i>

Source: SDI Limited audited and reviewed financial statements and RSM Analysis

We make the following comments in relation to the financial performance set out above:

- Revenue over the 3 years to 30 June 2025 grew by a compound annual growth rate (“**CAGR**”) of 1.2% (3.9% excluding amalgam).
 - Revenue growth of 3.1% in FY24 was primarily driven by the expansion of the aesthetics product group with the release of new products from prior periods gaining momentum in the market. Growth in FY24 was partly offset by a structural decline in amalgam sales and a decline in whitening sales as a result of strong competition and a decline in discretionary spend.
- Gross margin in FY24 increased to 62.1% as a result of operational efficiencies driven by in-housing of warehousing activities at the Montrose site and geographic and product mix (sales growth in the European market generating higher product margins).
 - Revenue declined slightly in FY25 driven by continued declines in amalgam sales (decline of 21.9% on FY24) partly offset by an increase in aesthetic and whitening sales of 4.5% and 3.2%, respectively. Stela sales in FY25 represented \$2.5m.
 - Gross margin in FY25 increased to 62.9% as a result of efficiencies from new plant and equipment and product and geographical sales mix.
- Revenue of \$52.9 million in the first half of FY26 was up 1.5% on the previous corresponding period (“**PCP**”) following strong growth in the Australian Direct Export markets driven by the Middle Eastern market, however offset by the continued decline in Amalgam product sales.
 - The Company generated a gross margin of 65.6%, reflecting operational efficiencies, geographical and product mix, and favourable currency movements.
 - Operating costs increased as a percentage of revenue over the period, primarily as a result of inflationary impacts on employment costs and increase marketing costs in relation to new product releases.
 - HY26 operating costs included a \$724k doubtful debt provision.

3.6 Financial position

The table below sets out a summary of the financial position of SDI as at 30 June 2023, 30 June 2024, 30 June 2025 and 31 December 2025.

Table 7 Financial position

	30-Jun-23	30-Jun-24	30-Jun-25	31-Dec-25
Consolidated statement of financial position (\$'000)	Audited	Audited	Audited	Reviewed
Assets				
Current assets				
Cash and cash equivalents	6,022	6,275	8,981	4,559
Trade and other receivables	21,124	21,045	20,886	16,432
Inventories	25,553	28,748	27,788	29,429
Prepayments	4,643	3,781	3,086	3,142
Current tax asset	250	-	-	425
Assets classified as held for sale	1,138	4,837	-	-
Total current assets	58,730	64,686	60,741	53,987
Non-current assets				
Property, plant and equipment	45,829	43,643	45,437	45,702
Intangibles	27,318	30,564	33,456	34,465
Right-of-use assets	1,432	1,631	1,557	1,676
Deferred tax asset	-	137	7	5
Total non-current assets	74,579	75,975	80,457	81,848
Total assets	133,309	140,661	141,198	135,835
Liabilities				
Current liabilities				
Trade and other payables	(11,986)	(11,616)	(11,517)	(8,288)
Employee benefits	(3,920)	(3,957)	(3,988)	(3,768)
Provision for income tax	(371)	(1,663)	(2,385)	(289)
Borrowings	(7,820)	(7,818)	(1,726)	(1,105)
Lease liabilities	(557)	(657)	(708)	(650)
Total current liabilities	(24,654)	(25,711)	(20,324)	(14,100)
Non-current liabilities				
Borrowings	(16,300)	(15,300)	(14,300)	(14,050)
Deferred tax liability	(3,274)	(4,401)	(2,961)	(3,189)
Lease liabilities	(919)	(1,004)	(648)	(763)
Employee benefits	(246)	(271)	(291)	(295)
Total non-current liabilities	(20,739)	(20,976)	(18,200)	(18,297)
Total liabilities	(45,393)	(46,687)	(38,524)	(32,397)
Net assets	87,916	93,974	102,674	103,438
Equity				
Issued capital	12,890	12,890	12,890	12,890
Reserves	2,335	1,835	2,416	2,193
Retained profits	72,691	79,249	87,368	88,355
Total equity	87,916	93,974	102,674	103,438

Source: SDI Limited audited and reviewed financial statements

We make the following comments in relation to the financial position as at 31 December 2025:

- SDI reported net assets of \$103.4m including:
 - Current assets of \$54.0m, primarily comprised of inventories (\$29.4m), trade and other receivables (\$16.4m) and cash and cash equivalents (\$4.6m).
 - Non-current assets as at 31 December 2025 primarily comprised property, plant and equipment (\$45.7m) and intangible assets (\$34.5m). Property plant and equipment include the properties at Bayswater and Montrose.
 - Intangible assets of \$34.5m as at 31 December 2025 comprised:
 - capitalised product development costs: \$21.8m;
 - intellectual property: \$1.8m; and
 - development work in progress: \$10.8m.
 - Current liabilities as at 31 December 2025 primarily comprised of trade and other payables (\$8.3m) and employee benefits (\$3.8m) and borrowings (\$1.1m).
 - Non-current liabilities as of 31 December 2025 primarily comprised borrowings (\$14.1m), deferred tax liability (\$3.2m) and lease liabilities (\$0.8m).

The table below sets out the working capital position of SDI as at 30 June 2023, 30 June 2024, 30 June 2025 and 31 December 2025.

Table 8 Historical net working capital

	30-Jun-23	30-Jun-24	30-Jun-25	31-Dec-25
Net working capital \$('000)	Audited	Audited	Audited	Reviewed
Inventories	25,553	28,748	27,788	29,429
Trade and other receivables	21,124	21,045	20,886	16,432
Prepayments	4,643	3,781	3,086	3,142
Employee benefits	(4,166)	(4,228)	(4,279)	(4,063)
Trade and other payables	(11,986)	(11,616)	(11,517)	(8,288)
Net working capital	35,168	37,730	35,964	36,652

Source: SDI Limited audited and reviewed financial statements

At 31 December 2025, SDI had a net debt position of \$12.3m on a Post AASB 16 basis as per the table below:

Table 9 Historical net debt

	30-Jun-23	30-Jun-24	30-Jun-25	31-Dec-25
Net debt \$('000)	Audited	Audited	Audited	Reviewed
Cash and cash equivalents	6,022	6,275	8,981	4,559
Lease liabilities	(1,476)	(1,661)	(1,356)	(1,413)
Borrowings	(24,120)	(23,118)	(16,026)	(15,155)
Provision for income tax	(371)	(1,663)	(2,385)	(289)
Net debt	(19,945)	(20,167)	(10,786)	(12,298)

Source: SDI Limited audited and reviewed financial statements

3.7 Cash flow

The table below sets out a summary of the cash flow statement SDI over the Historical Period.

Table 10 Historical cash flow statement

	FY23	FY24	FY25	HY26
Consolidated statement of cash flows (\$'000)	<i>Audited</i>	<i>Audited</i>	<i>Audited</i>	<i>Reviewed</i>
Cash flows from operating activities				
Receipts from customers	109,049	111,938	112,769	57,589
Payments to suppliers and employees	(91,375)	(93,810)	(88,693)	(50,680)
Interest received	8	19	15	5
Government grants received	180	-	-	-
Interest and other finance costs paid	(1,064)	(1,535)	(1,375)	(523)
Income taxes paid	(3,735)	(2,285)	(3,530)	(3,353)
Net cash from operating activities	13,063	14,327	19,186	3,038
Cash flows from investing activities				
Payments for property, plant and equipment	(30,669)	(5,337)	(4,069)	(1,529)
Payments for intangibles	(3,817)	(4,960)	(4,816)	(2,476)
Proceeds from disposal of property, plant and equipment	1,080	1,521	4,716	36
Net cash used in investing activities	(33,406)	(8,776)	(4,169)	(3,969)
Cash flows from financing activities				
Proceeds / (repayment) of borrowings	23,451	(1,002)	(8,121)	(1,121)
Repayment of lease liabilities	(391)	(469)	(918)	(407)
Dividends paid	(3,863)	(3,863)	(4,041)	(2,258)
Proceeds from borrowings	-	-	1,029	250
Net cash used in financing activities	19,197	(5,334)	(12,051)	(3,536)
Net increase in cash and cash equivalents	(1,146)	217	2,966	(4,467)
Cash and cash equivalents at the beginning of the financial year	7,013	6,022	6,275	8,981
Effects of exchange rate changes on cash and cash equivalents	155	36	(260)	45
Cash and cash equivalents at the end of the financial year	6,022	6,275	8,981	4,559

Source: SDI Limited audited and reviewed financial statements

We note the following with respect to SDI's consolidated statement of cash flows as presented in audited annual financial statements from FY23 to FY25 and reviewed half year financial statements for the 6 months ended 31 December 2025.

- SDI has generated positive net cash flows from operating activities ranging from \$13.1m in FY23 to \$19.2m in FY25.
- Payments for property, plant and equipment in FY23 included the purchase of Montrose site for \$17.8m, funded by borrowings.
- SDI has paid dividends of \$11.8m plus a further \$2.3m in HY26.

3.8 Capital structure

At the date of this Report, SDI has 118.87m ordinary shares on issue. The top 20 shareholders of SDI as at 23 April 2026 are set out below.

Table 11 SDI Top 20 Shareholders

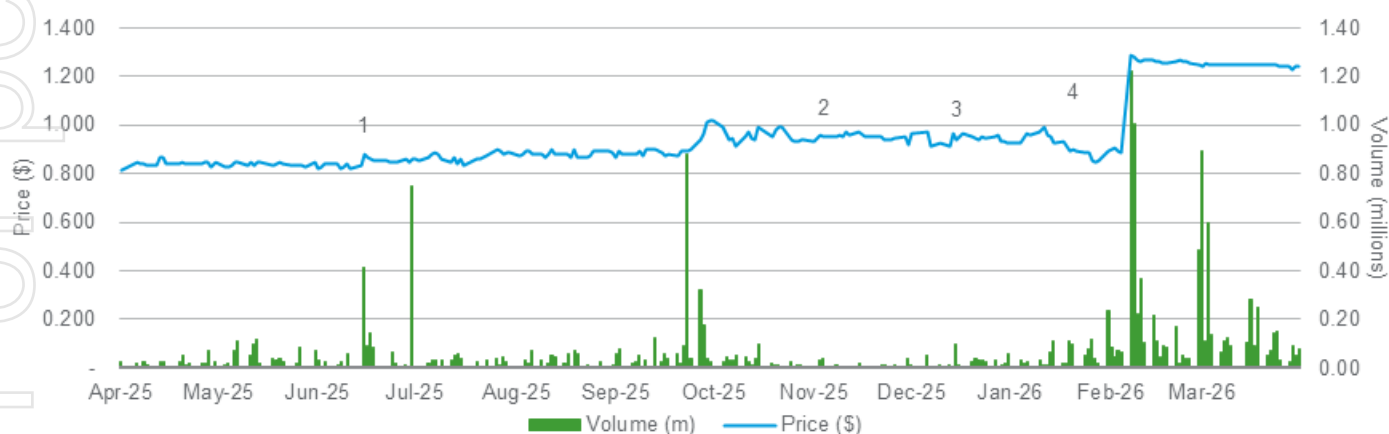
Shareholder	Number held	% of total shares issued
Currango Pastoral Company Pty Ltd	50,691,328	42.6%
Citicorp Nominees Pty Limited	3,937,473	3.3%
Garrett Smythe Ltd	3,779,583	3.2%
Mr Nicholas Barry Debenham & Mrs Annette Cecilia Debenham	3,623,039	3.0%
Silverglades Pty Ltd	2,357,829	2.0%
Indcorp Consulting Group Pty Limited	2,257,148	1.9%
J P Morgan Nominees Australia Pty Limited	2,148,852	1.8%
Mr Nicholas Barry Debenham	1,811,441	1.5%
Mr Michael Lazzarin	1,725,189	1.5%
Fairview (Qld) Pty Ltd	1,333,861	1.1%
Geoff Knight Pty Ltd	1,215,790	1.0%
HSBC Custody Nominees (Australia) Limited	1,135,430	1.0%
Mr Brendan Francis Carroll	1,040,490	0.9%
BNP Paribas Nominees Pty Ltd	961,330	0.8%
Neweconomy Com Au Nominees Pty Limited	949,065	0.8%
Certane CT Pty Ltd	934,389	0.8%
Dr Martin James Grehan & Dr Penelope Jane Spring	931,500	0.8%
Buttonwood Nominees Pty Ltd	761,035	0.6%
Jeffnpam Superannuation Fund Pty Ltd	751,085	0.6%
Berger Equities Pty Limited	653,689	0.5%
Total Top 20 Shareholders Total	82,999,546	69.8%
Other shareholders	35,865,984	30.2%
Total	118,865,530	100.0%

Source: SDI share register

3.9 Share price performance

A summary of SDI's recent share price movement for the 12 months to 24 April 2026 is set out in the figure below.

Figure 6 Historical share price performance of SDI



Source: ASX and S&P Capital IQ

Over the period between 24 April 2025 and 24 April 2026, SDI Shares traded at a low of \$0.82 to a high of \$1.29.

The table below sets out a summary of recent announcements of SDI which impacted its share price performance.

Table 12 SDI selected announcements

Ref	Date	Commentary
1	8/07/2025	SDI released an FY25 trading update, including total sales of \$111 million, which were broadly flat year-on-year, with strong regional growth in Europe and Brazil offsetting weaker export demand in the Middle East and Asia, as well as a continued decline in Amalgam products. The Company provided an NPAT outlook of \$10.0m to \$10.4m.
2	27/11/2025	SDI held its annual general meeting including updates from the Chairman and CEO, in relation to FY25 financial results, market dynamics, regulatory approvals process and the development of the Montrose facility.
3	7/01/2026	SDI released a trading update for the six months ending 31 December 2025, reporting preliminary unaudited sales of \$53.1 million, up 3.0% on the prior corresponding period but down 1.2% after currency adjustments. The update highlighted growth in Australian direct export markets, ongoing weakness in Amalgam sales, and softer results in North America and Europe. The Company provided an NPAT outlook of \$3.5m to \$4m for the half year.
4	27/02/2026	SDI announced that it has entered into a Scheme Implementation Deed under which Beijing Guoci Kebo Technology Co., Ltd, or a wholly-owned subsidiary of Beijing Guoci Kebo Technology Co., Ltd, each a subsidiary of Sinocera, has agreed to acquire 100% of SDI's issued share capital via a scheme of arrangement.

Source: ASX and S&P Capital IQ

4. Profile of Shandong Sinocera Functional Material Co., Ltd and subsidiaries

4.1 Background

Sinocera

Sinocera is a publicly listed company on the Shenzhen ChiNext Board (SZSE:300285) with a market capitalisation of circa \$6.6b as at 8 April 2026.

Headquartered in Dongying City in the Shandong Province of China, Sinocera is a leading enterprise in the new materials sector, primarily focusing on the research and development, production, and sales of high-end ceramic materials and products. Sinocera has six major business segments: electronic materials, catalytic materials, biomedical materials, new energy materials, precision ceramics, and other materials. These products are widely used in sectors such as electronic information and communications, automotive and industrial catalysis, biomedicine, new energy vehicles, architectural ceramics, solar photovoltaics, and more.

Sinocera operates in various regions of China, as well as Europe, United States of America and Southeast Asia.

Beijing Guoci

Beijing Guoci is a direct wholly-owned subsidiary of Sinocera and is the holding company of all of Sinocera's domestic and overseas dental businesses except its powder business. It also engages in the trade of dental materials and equipment in China.

InnoXvest

InnoXvest is an Australian proprietary company incorporated in New South Wales for the purposes of acquiring SDI Shares under the Scheme. InnoXvest has not conducted any other business.

4.2 Funding arrangements

The maximum consideration payable by InnoXvest under the Scheme is estimated to be \$166.4m⁵. The cash necessary to fund the total amount payable is to be provided by a debt facility (for which a debt commitment letter is in place) and cash from available cash balances. Sinocera has provided InnoXvest with an equity commitment letter in relation to funding the Scheme Consideration.

⁵ Up to \$0.015 of the cash consideration of \$1.40 may be payable as a permitted dividend, to be determined by SDI. As at the date of the Scheme Booklet, the SDI Board does not intend to declare and pay a permitted dividend.

5. Valuation Approach

5.1 Valuation methodologies

RG 111 proposes that it is generally appropriate for an expert to consider using the following valuation methodologies:

- the discounted cash flow (“DCF”) method and the estimated realisable value of any surplus and non-operating assets and liabilities;
- the application of earnings multiples to the estimated future maintainable earnings added to the estimated realisable value of any surplus assets surplus and non-operating assets and liabilities;
- the amount which would be available for distribution on an orderly realisation of assets;
- the quoted price for listed securities; and
- any recent genuine offers received.

We consider that the valuation methodologies proposed by RG 111 can be split into three valuation methodology categories, as follows.

Market based methods

Market based methods estimate the fair value by considering the market value of a company’s securities or the market value of comparable companies. Market based methods include;

- the quoted price for listed securities; and
- industry specific methods.

The recent quoted price for listed securities method provides evidence of the fair value of a company’s securities where they are publicly traded in an informed and liquid market.

Industry specific methods usually involve the use of industry rules of thumb to estimate the fair value of a company and its securities. Generally, rules of thumb provide less persuasive evidence of the fair value of a company than other market-based valuation methods because they may not account for company specific risks and factors.

Income based methods

Income based methods estimate value by calculating the present value of a company’s estimated future stream of earnings or cash flows. Income based methods include:

- discounted cash flow;
- capitalisation of future maintainable earnings (“CFME”).

The DCF technique has a strong theoretical basis, valuing a business on the net present value of its future cash flows. It requires an analysis of future cash flows, the capital structure and costs of capital and an assessment of the residual value or the terminal value of the company’s cash flows at the end of the forecast period. This method of valuation is appropriate when valuing companies where future cash flow projections can be made with a reasonable degree of confidence.

CFME is generally considered a short form DCF, where an estimation of the Future Maintainable Earnings (“FME”) of the business, rather than a stream of cash flows is capitalised based on an appropriate capitalisation multiple. Multiples are derived from the analysis of transactions involving comparable target companies and the trading multiples of comparable listed companies. This methodology is commonly applied where earnings are stable and a FME stream can be established with a degree of confidence. Capitalisation multiples can be applied to either estimates of future maintainable operating cash flows, EBITDA, EBIT or net profit after tax (“NPAT”). The earnings from any surplus and non-operating assets and liabilities are excluded from the estimate of FME and the value of such assets and liabilities is separately added/subtracted to the value of the business in order to derive the total value of the company. The appropriate multiple to be applied is usually derived from an analysis of stock market trading multiples of comparable companies (which do not include a control premium) and the implied multiples paid in comparable transactions (which include a control premium).

Asset based methods

Asset based methodologies estimate the fair value of a company’s securities based on the realisable value of its identifiable net assets. Asset based methods include:

- orderly realisation of assets method;
- liquidation of assets method; and
- net assets on a going concern basis.

The value achievable in an orderly realisation of assets is estimated by determining the net realisable value of the assets of a company which would be distributed to security holders after payment of all liabilities, including realisation costs and taxation

charges that arise, assuming the company is wound up in an orderly manner. This technique is particularly appropriate for businesses with relatively high asset values compared to earnings and cash flows.

The liquidation of assets method is similar to the orderly realisation of assets method except the liquidation method assumes that the assets are sold in a shorter time frame. The liquidation of assets method will result in a value that is lower than the orderly realisation of assets method and is appropriate for companies in financial distress or where a company is not valued on a going concern basis.

The net assets on a going concern method estimates the market values of the net assets of a company but unlike the orderly realisation of assets method it does not take into account realisation costs. Asset based methods are appropriate when companies are not profitable, a significant proportion of the company's assets are liquid, or for asset holding companies.

5.2 Selection of valuation methodologies

Valuation of an SDI Share

We consider the most appropriate valuation methodology for valuing SDI to be the CFME methodology due to:

- SDI has generated profitable trading results over the Historical Period and an earnings based valuation is likely to exceed the value derived under an asset based methodology;
- RG 111 states that an expert should not include prospective financial information (including forecasts and projections) or any other statements or assumptions about future matters (together, "**forward-looking information**") in its report unless there are reasonable grounds for the forward-looking information. In our opinion, forward-looking information is inherently uncertain, and is only applied both where the use of current FME and multiples do not accurately reflect the value of a business and there are reasonable grounds to rely on the forward-looking information. In this instance, SDI's recent historical financial performance and the observed trading multiples are considered adequate in estimating the Fair Value of the Company, and accordingly budgets or long-term forecasts prepared by SDI's Management have not been relied on;
- there are a number of suitably comparable listed companies in the market that provide observable comparable trading multiples; and
- there a number of transactions involving target entities comparable to SDI that provide observable multiples on a control basis.

We have also considered the implied value of an SDI Share based on recent trading prices for portfolio shareholding parcels of SDI Shares on the ASX. In accordance with RG 111, we have assessed the value of SDI's shares on a 100% controlling interest.

Prices at which a company's shares have been traded on the ASX can, in the absence of low liquidity or unusual circumstances, provide an objective measure of the value of the company, excluding a premium for control.

As a secondary valuation methodology, we have considered the quoted market price by considering the historical weighted average price of SDI Shares and the volatility of the share price prior to and post the announcement of the Scheme.

6. Valuation of an SDI Share prior to the Scheme

As stated in Section 5 of this Report, we have assessed the value of SDI prior to the Scheme on the basis of the Fair Value of its future maintainable earnings and have also utilised the recent quoted price of its listed securities.

6.1 Capitalisation of future maintainable earnings methodology

The table below sets out assessment of the Fair Value of SDI on a 100% controlling interest basis, prior to the Scheme, using the CFME methodology.

Table 13 Valuation summary – Capitalisation of future maintainable earnings

\$'000	Low	High	Preferred
Future maintainable earnings - EBITDA	20,500	21,000	20,750
Assessed EBITDA multiple (control)	6.8x	7.6x	7.2x
Enterprise Value (control)	139,400	159,600	149,400
Less: Net debt	(12,298)	(12,298)	(12,298)
Add: Surplus assets	16,200	16,200	16,200
Equity Value (control)	143,302	163,502	153,302
No. of ordinary shares (#'000)	118,866	118,866	118,866
Equity Value per ordinary share (control) (\$)	1.21	1.38	1.29

Source: RSM analysis

As set out above, we consider the equity value per SDI Share to be \$1.21 to \$1.38 with a preferred mid-point of \$1.29 as assessed under the CFME methodology.

Key assumptions

The CFME methodology estimates the value of the equity of a company by capitalising the future maintainable earnings of the business at an appropriate multiple, which reflects the underlying risk profile and growth prospects of the business, applying a premium for control where necessary, adding any surplus or non-operating assets (or deducting any excess or non-operating liabilities) and deducting net debt (or adding net cash). Accordingly, valuing SDI using the CFME methodology requires the determination of the following variables:

- future maintainable earnings;
- an appropriate capitalisation multiples;
- an appropriate premium for control;
- the current level of net cash or net debt;
- the value of surplus assets and excess liabilities; and
- the number of shares and dilutionary impact of outstanding options.

Our considerations with regard to each of these factors are presented below.

Assessment of future maintainable earnings

In assessing the future maintainable earnings of SDI we have considered and reviewed the following:

- SDI's audited and reviewed financial performance for the Historical Period;
- SDI's unaudited management accounts for the 2 months ended 28 February 2026;
- trends and changes in SDI's financial performance over the Historical Period;
- any abnormal or non-recurring revenue or expense items discussed below;
- the market conditions and outlook for the SDI business, including trends in key markets and product groups, the phase out of amalgam and the related replacement products; and
- correspondence with SDI's Management.

Our normalisation adjustments are presented in the table below.

Table 14 Normalised EBITDA

Normalised EBITDA (\$'000)	Ref	FY23	FY24	FY25	HY26
Reported revenue		107,855	111,206	110,384	52,928
Reported EBITDA		15,768	21,936	21,331	8,542
<i>Reported EBITDA %</i>		<i>14.62%</i>	<i>19.73%</i>	<i>19.32%</i>	<i>16.14%</i>
Adjustments					
Net foreign currency (gain) / loss	1	(828)	691	(810)	448
Net gain on disposal of propert, plant and equipment	2	(496)	(216)	148	(36)
Normalised EBITDA (\$'000)		14,444	22,411	20,669	8,954
<i>Normalised EBITDA %</i>		<i>13.39%</i>	<i>20.15%</i>	<i>18.72%</i>	<i>16.92%</i>

Source: RSM calculations

With respect to normalisation adjustments, we have adjusted EBITDA to remove the impact of foreign currency gain or losses and gains or losses on the sale of property, plant and equipment which we do not consider to be reflective of the underlying trading performance.

On the basis of the above, we have assessed an applicable FME range to be between \$20.5m and \$21.0m.

Assessment of capitalisation multiple

The assessment of an appropriate earnings multiple to be applied in the assessment of the Fair Value of SDI requires consideration of a number of factors including:

- stability and continuity of earnings;
- size and lifecycle of the business;
- capital structure and leverage of the Company;
- expected growth prospects of the Company;
- expected growth prospect of the broader industry;
- trading multiples attributed by the market to other industry participants; and
- multiples paid by the market in recent acquisitions of industry participants.

The table below summarises the LTM and NTM EBITDA multiples of publicly listed comparable companies, including SDI. A description of each company is set out in Appendix E of the Report.

Table 15 Comparable companies trading multiples

Company	Country	Market cap A\$m	Enterprise value A\$m	LTM EV/EBITDA	NTM EV/EBITDA
SDI Limited	Australia	105	117	6.3x	NM
Australian medical equipment manufacturers					
Ansell Limited	Australia	3,745	4,664	8.3x	8.2x
EBOS Group Limited	New Zealand	3,649	5,113	8.7x	NM
International medical equipment manufacturers					
Solvantum Corporation	United States	16,640	22,760	7.5x	5.4x
medmix AG	Switzerland	626	1,032	6.6x	6.1x
AdaptHealth Corp.	United States	2,436	4,963	5.1x	5.1x
InfuSystem Holdings, Inc.	United States	292	322	8.1x	6.9x
International dental equipment manufacturers					
DENTSPLY SIRONA Inc.	United States	3,328	6,306	5.1x	6.1x
Envista Holdings Corporation	United States	6,117	6,658	8.5x	8.5x
Shofu Inc.	Japan	518	432	7.6x	6.9x
COLTENE Holding AG	Switzerland	518	565	11.3x	10.3x
BenQ Medical Technology Corporation	Taiwan	79	168	5.8x	NM
Nakanishi Inc.	Japan	2,028	1,712	9.0x	8.9x
Henry Schein, Inc.	United States	12,461	19,227	11.2x	11.8x
Low		79	168	5.1x	5.1x
High		16,640	22,760	11.3x	11.8x
Mean		4,034	5,686	7.9x	7.7x
Median		2,436	4,664	8.1x	6.9x

Source: Capital IQ

Note SDI data is as at 27 February 2026, prior to the announcement of the SID. SDI is not included in the low, high mean or median data.

We make the following observations in relation to the comparable companies and trading multiples considered above:

- The mean and median market capitalisation of the comparable companies were \$4.0b and \$2.3b, respectively;
- The mean and median LTM EV/EBITDA multiples were 7.9x and 8.1x, respectively;
- The mean and median NTM EV/EBITDA multiples were 7.7x and 6.9x, respectively;
- We note that the most comparable company in terms of market capitalisation is BenQ Medical Technology Corporation;
- We have included right of use assets and lease liabilities in our assessment of the equity value of SDI to ensure consistency with the trading multiples which have been observed on a post-AASB16 basis;
- Solventum Corporation, DENTSPLY SIRONA Inc, and Envista Holdings Corporation report under USGAAP and have material research and development costs expensed to the profit and loss statement, consistent with USGAAP requirements. We have added back R&D expenses to LTM EBITDA for consistency with SDI that capitalises R&D costs under IFRS requirements. R&D costs are not available for NTM EBITDA estimates. Consequently, we have adjusted the NTM EV/EBITDA multiples by the same percentage as the LTM adjustment.
- The share prices of the listed companies above represent the market value of a non-controlling interest. As such, any multiples derived from the remaining comparable companies' share prices do not include a premium for control (i.e. are representative of a non-controlling shareholding).

Based on our analysis, we have selected a comparable listed company EV/EBITDA multiple of 8.1x based on the LTM EV/EBITDA compatible multiples, which we have adjusted for control, size and other business specific risks of SDI as set out below.

Premium for control

Obtaining control of an entity usually provides the acquirer with a number of advantages including the following:

- access to potential synergies;
- control over decision making and strategic direction;
- access to underlying cash flows; and
- control over dividend policies.

In the case of publicly traded securities, given the advantages control of an entity provides an acquirer, they are usually expected to pay a premium to the quoted market price to achieve control, which is often referred to as a control premium. Earnings multiples for listed companies do not reflect the market value of a controlling interest in the company as they are derived from market prices which usually represent the buying and selling of non-controlling portfolio holdings (small parcels of shares).

RSM has conducted a study on 605 takeovers and schemes of arrangement involving companies listed on ASX over the 15.5 years ended 31 December 2020 ("**RSM Control Premium Study**"). In determining the control premium, RSM compared the offer price to the closing trading price of the target company 20, 5 and 2 trading days pre the date of the announcement of the offer. Where the consideration included shares in the acquiring company, RSM used the closing share price of the acquiring company on the day prior to the date of the offer.

The table below sets out a summary of average control premiums relevant to the Scheme, as per the RSM Control Premium Study, of which all are applied at the Equity level.

Table 16 RSM Control Premium Study

	Number of transactions	20 days pre	5 days pre	2 days pre
Average control premium - all industries	605	34.70%	29.20%	27.10%

Source: RSM Control Premium Study

As the Scheme represents a control transaction, in assessing the value of 100% of SDI and a share in SDI (on a controlling interest basis), we consider an appropriate control premium at the equity value level to be 30% to 35%. Having regard to the average gearing level observed in relation to the comparable listed companies have applied a premium for control ranging between 20% and 25% at the Enterprise Value level.

Discount for size and business specific risk

In calculating the appropriate capitalisation multiple for SDI, we have considered the following:

- SDI is listed on the ASX, has a diversified geographical footprint and a relatively diversified portfolio of products within the dental products and consumables industry;
- notwithstanding the above, amalgam has historically represented a key product for SDI and currently represents circa 10% of annual revenue, having declined from 17.6% in FY23. Whilst the Company has developed the Stela product in response to the global phase out of amalgam, and notwithstanding the initial positive early uptake of the product, there remains an element of uncertainty in relation to the Company's ability to generate comparable sales of Stela over the medium to long term;
- SDI is smaller than all of the comparable companies, except for BenQ Medical Technology Corporation. The mean Enterprise Value of comparable companies is \$5.7b; and
- the historic revenue growth trends of the Company in comparison to the peer group.

On the basis of the above, we have assessed an appropriate discount for size and other business specific risk factors applicable to SDI to be 25% to 30%. We discuss the research that we have referenced in determining an appropriate size and business specific risk factor below.

- a) The discount for size represents the discount an investor will demand for investing in a small business relative to market peers. A number of studies have been undertaken attempting to establish the existence of and measure the size discount or size premium (applied in the calculation of the cost of capital, in particular in the US. The most notable US study is the Valuation Handbook published by Kroll (formerly known as Duff & Phelps), which contains calculations of the size premium for each decile of market capitalisation of US companies.
- b) Several Australian studies have also been undertaken demonstrating the existence of the size premium, including the most recent study by Macquarie University as set out in their Business Valuation paper entitled The Size Premium: Australian Evidence, which found evidence supporting the existence of a size premium. The application of size premiums in Australia is however somewhat subjective and largely based on professional judgement.

We have applied a discount for business specific risks based on our professional judgement, having considered the factors mentioned above.

On the basis of the above, we have assessed a controlling multiple range for SDI of 6.80x to 7.60x with a midpoint of 7.20x as set out in the table below.

Table 17 Assessed EBITDA multiple

Capitalisation multiple (E/V/EBITDA)	Low	High	Preferred
Comparable listed EBITDA multiple	8.10	8.10	8.10
Add: Control premium	20.0%	25.0%	22.5%
Assessed EBITDA multiple basis	9.72	10.13	9.92
Less: Discount for size and specific business risk	(30%)	(25%)	(28%)
Assessed EBITDA multiple	6.80	7.59	7.19
Say	6.80	7.60	7.20

Source: Capital IQ and RSM calculations

Multiple cross checks

As a cross check of our assessed earnings multiple based on the observed multiples of publicly listed comparable companies, we have also considered the earnings multiples implied by transactions involving companies operating in the medical consumables and equipment industries.

Details of the target company business descriptions are set out in Appendix F of the Report.

The table below summarises the historical earnings multiples of the observed comparable transactions.

Table 18 Comparable transaction EBITDA multiples

Completion date (\$'000)	Target	Acquirer	Country	Implied Enterprise Value	Implied EBITDA multiple LTM	Implied EBITDA multiple NTM
Australian medical equipment manufacturers						
3/06/2024	Paragon Care Limited	CH2 Holdings Pty Limited	Australia	315.0	10.6x	7.9x
16/02/2022	Quantum Health Group Limited	Paragon Care Limited	Australia	102.1	8.2x	NA
International medical equipment manufacturers						
7/05/2024	Agiliti, Inc.	TA Associates Management, L.P.	United States	4,004.5	9.4x	9.8x
14/07/2021	Elos Medtech AB (publ)	TA Associates Management, L.P.; T. Sweden		298.4	10.7x	12.3x
International dental equipment manufacturers						
17/04/2025	Patterson Companies, Inc.	Patient Square Capital, LP	United States	5,590.3	9.3x	10.1x
24/02/2023	Osstem Implant Co., Ltd.	MBK Partners; UCK Partners, Inc.	South Korea	3,278.2	11.0x	9.4x
Low				102.1	8.2x	7.9x
High				5,590.3	11.0x	12.3x
Mean				2,264.7	9.9x	9.9x
Median				1,796.6	10.0x	9.8x

Source: S&P Capital IQ

The observed transaction multiples related to targets engaged in the medical products and consumables manufacturing and wholesale industry. All of the acquisitions are of controlling stakes in the targets and therefore include a premium for control.

The six identified transactions had implied EV/EBITDA LTM range of 8.2x to 11.0x with mean and median multiples of 9.9x and 10.0x respectively. The implied EV/EBITDA NTM range was 7.9x to 12.3x with mean and median multiples of 9.9x and 9.8x respectively.

The EV/EBITDA LTM mean multiple of 9.9x is consistent with our selected comparable listed company multiple of 8.1x after the application of a 20% to 25% control premium (prior to the application of discounts for size and business specific risks). Accordingly, we consider that the transaction multiple analysis is broadly supportive of the selected multiple.

Valuation of SDI – Enterprise Value

We have assessed the Enterprise Value of SDI to be in the range of \$139.4m to \$159.6m, with a preferred value of \$149.4m, as detailed in the table below.

Table 19 SDI Enterprise Value

\$'000	Low	High	Preferred
Future maintainable earnings - EBITDA	20,500	21,000	20,750
Assessed EBITDA multiple (control)	6.8x	7.6x	7.2x
Enterprise Value (control)	139,400	159,600	149,400

Source: RSM analysis

Net (debt) / cash

We have calculated the net debt position of SDI to be \$12.3m as at 31 December 2025, as set out in Section 3.

Treatment of surplus assets

As at the Valuation Date, SDI hold two commercial properties comprising the current head office, manufacturing facility and warehouse facility at Bayswater the Montrose property acquired at a cost of \$17.8m in August 2022 for development purposes. SDI is developing a new head office, manufacturing facility and warehouse at the Montrose site and relocate during FY28. We understand that the Company incurred approximately \$3.0m to upgrade the warehouse and currently occupies the warehouse and the remainder of the Montrose property is not currently used for the operations of the business. Accordingly, we have included a surplus asset of \$16.2m comprising:

- the purchase price of the property; plus
- development expenditure to date, comprising the warehouse upgrade and other development costs; less
- an estimate of the lease liability that would be recognised by SDI as at the Valuation Date if a similar warehouse facility was leased from a third-party; less
- an estimate of the fit-out costs that would be incurred to bring a leased warehouse facility up to the standard required for SDI use.

Share capital

As at the date of the Report, there were 118,865,530 SDI ordinary shares on issue.

Assessed value of an SDI Share prior to the Scheme under CFME

Our assessed Fair Value of an SDI Share prior to the Scheme under the CFME methodology is in the range of \$1.21 to \$1.38, with a preferred value of \$1.29, on a controlling interest basis, as set out in the table below.

Table 20 Valuation summary – capitalisation of future maintainable earnings

\$'000	Low	High	Preferred
Future maintainable earnings - EBITDA	20,500	21,000	20,750
Assessed EBITDA multiple (control)	6.8x	7.6x	7.2x
Enterprise Value (control)	139,400	159,600	149,400
Less: Net debt	(12,298)	(12,298)	(12,298)
Add: Surplus assets	16,200	16,200	16,200
Equity Value (control)	143,302	163,502	153,302
No. of ordinary shares (#'000)	118,866	118,866	118,866
Equity Value per ordinary share (control) (\$)	1.21	1.38	1.29

Source: RSM analysis

6.2 Quoted price of listed securities methodology

In order to provide a comparison and cross check to our valuation of an SDI Share derived using the CFME methodology, we have considered the recent quoted market price for SDI Shares on the ASX prior to the announcement of the Scheme as a secondary valuation methodology.

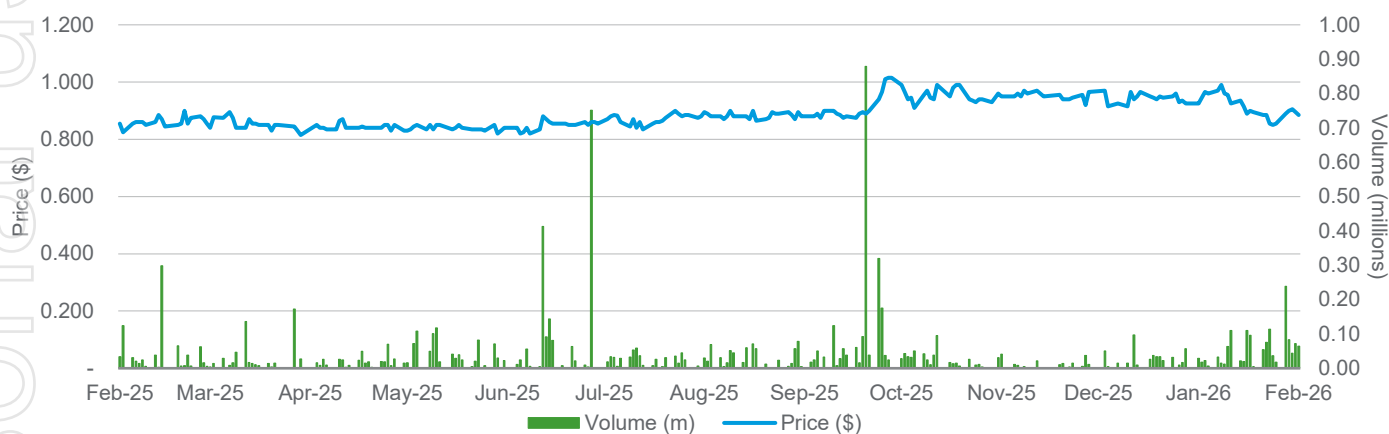
RG 111.69 indicates that for the quoted market share price methodology to represent a reliable indicator of Fair Value, there needs to be an active and liquid market for the securities.

The following characteristics may be considered to be representative of a liquid and active market:

- regular trading in the company's securities;
- approximately 1% of a company's securities traded on a weekly basis;
- the bid/ask spread of a company's shares must not be so great that a single majority trade can significantly affect the market capitalisation of the company; and
- there are no significant but unexplained movements in share price.

The Scheme was announced on 27 February 2026 after the close of trade. The following chart sets out daily closing share prices and volumes in SDI Shares traded in the year prior to the announcement of the Scheme.

Figure 7 SDI's share price and volumes traded prior to the announcement of the Scheme



Source: Capital IQ and RSM analysis

During the year to 27 February 2026, the SDI Share price has been relatively stable, ranging from a low of \$0.82 on 24 April 2025, and a high of \$1.015 on 24 October 2025.

To provide further analysis of the quoted market prices for SDI's Shares, we have considered the VWAP over a number of trading day periods ending 27 February 2026. An analysis of the volume in trading in SDI's Shares for the 5, 10, 30, 60, 90, 120 and 180 day trading periods is set out in the table below:

Table 21 VWAP of SDI Shares

Calendar days	Share price Low \$	Share price High \$	No. of days traded	Volume traded	Value traded \$	VWAP \$	Percentage of issued capital %
Calendar days pre 27 February 2026							
5 days	0.885	0.905	5	501,860	448,180	0.893	0.42%
10 days	0.850	0.905	10	729,860	644,776	0.883	0.61%
30 days	0.850	0.990	29	1,364,290	1,238,626	0.908	1.15%
60 days	0.850	0.990	51	1,751,170	1,604,383	0.916	1.47%
90 days	0.850	1.015	78	2,411,900	2,240,448	0.929	2.03%
120 days	0.850	1.015	108	4,704,240	4,307,662	0.916	3.96%
180 days	0.820	1.015	167	7,487,410	6,713,928	0.897	6.30%

Source: Capital IQ and RSM analysis

We note the following:

- the SDI Share price has ranged from a low of \$0.850 to a high of \$1.015, with a VWAP of \$0.929 in the 90-trading day period before the announcement of the Scheme;
- during the 180 days leading up to 27 February 2026, 6.30% of the issued capital of SDI was traded, and in the 60 days leading up to 27 February 2026, 1.47% of the issued outstanding share capital of SDI was traded;
- the bid/ask spread is often used to measure efficiency. For the 180-day period, the closing bid/ask spread of SDI averaged 2.49% of the midpoint price. On the basis that, over a comparable period, all stocks trading on the ASX had an effective average bid-ask spread of 0.17%⁶, we consider the bid/ask spread of SDI to be comparatively wide;
- notwithstanding the level of liquidity, SDI complies with full disclosure regime required by the ASX. As a result, the market is fully informed about the performance of SDI; and
- in the absence of other share offers, the trading share price represents the value in which minority Shareholders could realise if they wanted to exit their investment.

Our assessment of the value of an SDI Share based on the quoted market price pre-announcement of the Scheme, and therefore on the basis of a minority interest, is between \$0.89 and \$0.93, having specific regard to the 5 to 90 day VWAP prior to the announcement of the Scheme.

Control premium

The quoted market price of listed securities methodology applied represents the value of a portfolio interest (non-controlling shareholding). Accordingly, we adjusted SDI's non-controlling value per the QMP method with a control premium ranging between 30% and 35% at the equity level as discussed in Section 5 to determine a controlling interest value per share.

The table below sets out our assessment of the value of an SDI Share on a controlling interest basis, utilising the quoted price of listed securities methodology to be in the range of \$1.16 to \$1.26 with a preferred value of \$1.21.

Table 22 Valuation of an SDI Share using Quoted Market Prices

Assessed value of a SDI share - QMP	Low	High	Preferred
Quoted market price (non-controlling basis)	0.89	0.93	0.91
Control premium	30.00%	35.00%	32.50%
Assessed value per share (controlling basis)	1.16	1.26	1.21

Source: RSM Calculations

Source: RSM analysis

6.3 Valuation summary of an SDI Share

A summary of our assessed values of an SDI Share on a controlling interest basis prior to the Scheme, derived under the two valuation methodologies, is set out in the table below.

Table 23 SDI Valuation Summary

Valuation summary	Low	High	Preferred
CFME - primary method	1.21	1.38	1.29
Quoted price of listed securities - secondary method	1.16	1.26	1.21

Source: RSM Calculations

We have determined the Fair Value of an SDI Share on a controlling interest basis to be in the range of \$1.21 to \$1.38, derived using the CFME methodology, which we have applied as our primary methodology. The recent quoted market prices of an SDI Share provide a cross check to our primary methodology. On the basis that the QMP valuation range overlaps with the valuation range of the primary valuation methodology and consider the valuation ranged derived under the QMP methodology to be supportive of the value derived under the primary methodology.

Therefore, in our opinion, we consider the Fair Value of an SDI Share to be between \$1.21 to \$1.38, with a preferred value of \$1.29 on a controlling interest basis.

⁶ Equity market data for the quarter ended 31 December 2025 - ASIC

7. Is the Scheme Fair to SDI Shareholders?

RG 111 defines a takeover offer as being fair if the value of the consideration offered under the takeover offer is equal to or greater than the value of the securities being the subject of the offer.

In assessing whether we consider the Scheme to be fair to Shareholders, we have valued a Share in SDI on a controlling basis prior to the implementation of the Scheme and compared it to the value of the Scheme Consideration to determine if a Shareholder would be better or worse off should the Scheme be approved.

Our assessed values are summarised in the table below.

Table 24 Assessed Fair Value of an SDI Share prior to the Scheme compared to the Scheme Consideration

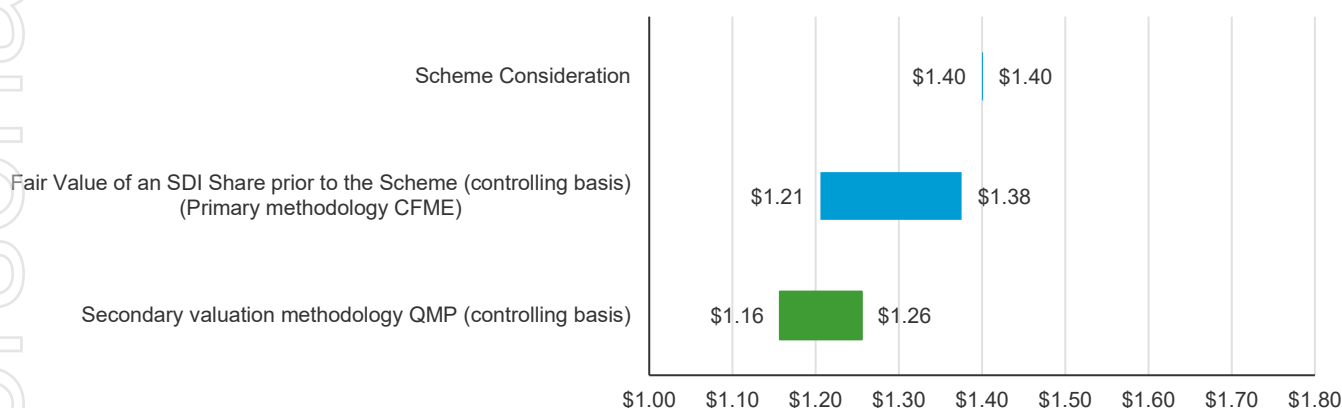
	Low	High	Preferred
Fair Value of an SDI Share prior to the Scheme (controlling basis) (Primary methodology CFME)	1.21	1.38	1.29
Secondary valuation methodology QMP (controlling basis)	1.16	1.26	1.21
Scheme Consideration	1.40	1.40	1.40

Source: RSM Calculations

Source: RSM analysis

The above comparison is presented graphically below.

Figure 8 Assessed Fair Value of an SDI Share prior to the Scheme on a controlling basis compared to the Scheme Consideration



Source: RSM analysis

As the value of the Scheme Consideration payable per SDI Share of \$1.40 exceeds the assessed Fair Value range of an SDI Share (as assessed under the primary valuation methodology), in our opinion the Scheme is **Fair** to the Shareholders of SDI.

8. Is the Scheme Reasonable to SDI Shareholders?

RG111 establishes that an offer is reasonable if it is fair. If an offer is not fair it may still be reasonable after considering the specific circumstances applicable to the offer. In our assessment of the reasonableness of the Scheme, we have given consideration to:

- the future prospects of SDI if the Scheme does not proceed; and
- other commercial advantages and disadvantages to SDI Shareholders as a consequence of the Scheme proceeding.

8.1 Future prospects of SDI if the Scheme does not proceed

In the event the Scheme is not approved, InnoXvest will not provide the Scheme Consideration, and SDI will continue to operate as an ASX listed company. SDI Shareholders will retain their SDI Shares and will continue to have the benefits of their current SDI investment. Shareholders will continue to be exposed to the risks of holding their SDI Shares, as detailed in section 7 of the Scheme Booklet.

We note that, as of 8 April 2026, the closing share price of SDI was \$1.25, representing a significant increase from the closing price on the day prior to the announcement of the Scheme of \$ 0.885 and the historical 10-day, 60-day and 90-day VWAP of SDI's Shares in the period prior to announcement of the Scheme of \$0.883, \$0.916 and \$0.929, respectively. Therefore, should the Scheme not be approved by SDI Shareholders, we consider it likely that, in the absence of an alternative proposal, SDI's share price would decrease in the short to medium term.

If the Scheme does not proceed, a reimbursement fee of \$1.66m may become payable by SDI to Beijing Guoci. Failure by SDI Shareholders to approve the Scheme will not trigger an obligation to pay the reimbursement fee.

The Directors expect transaction costs of approximately \$1.425m to be payable by SDI. If the Scheme is not implemented, SDI Shareholders will not receive any value for the costs incurred.

8.2 Advantages and disadvantages

SDI's directors have unanimously recommended that Shareholders vote in favour of the Scheme in the absence of a superior proposal, subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Shareholders.

The key advantages and disadvantages of the Scheme are outlined below.

Advantages

The key advantages of the Scheme are:

Table 25 Advantages of the Scheme

Advantage	Details
The Scheme is fair	The Scheme Consideration is equal to the high end of our assessed Fair Value range of an SDI Share on a control basis.
Premium to recent share price	The Scheme Consideration represents a significant premium relative to the SDI Share price and historical VWAP ranges of SDI Shares prior to the announcement of the SID. The Scheme Consideration represents a 58% premium to the closing SDI Share Price on 27 February 2026, immediately prior to the announcement of the Scheme and a 56% premium to the 30 day VWAP of SDI Shares up to and including 27 February 2026.
The Share price may fall if the Scheme is unsuccessful	Immediately prior to the Offer being announced, SDI Shares were trading at \$0.885. Over the 30 days immediately prior to the Offer being announced, SDI Shares traded at a VWAP of \$0.908. As at 8 April 2026, the closing price of SDI Shares was \$1.25, representing a 41.2% premium to the pre Offer closing price and a 37.7% premium to the pre Offer 30 day VWAP. If the Scheme does not proceed and no alternative proposals are received, the Share price may fall towards the previously traded levels over the short to medium term.
Realisation of value in the form of cash	The Scheme provides Shareholders with the opportunity to realise the fair value of their SDI Shares in the form of cash, which provides certainty of realisable value. If the Scheme proceeds, Shareholders will no longer be exposed to the downside risk of an investment in SDI. We further note that there would be no brokerage costs in realising the Scheme Consideration.

Source: RSM Analysis

Disadvantages

The key disadvantages of the Scheme are:

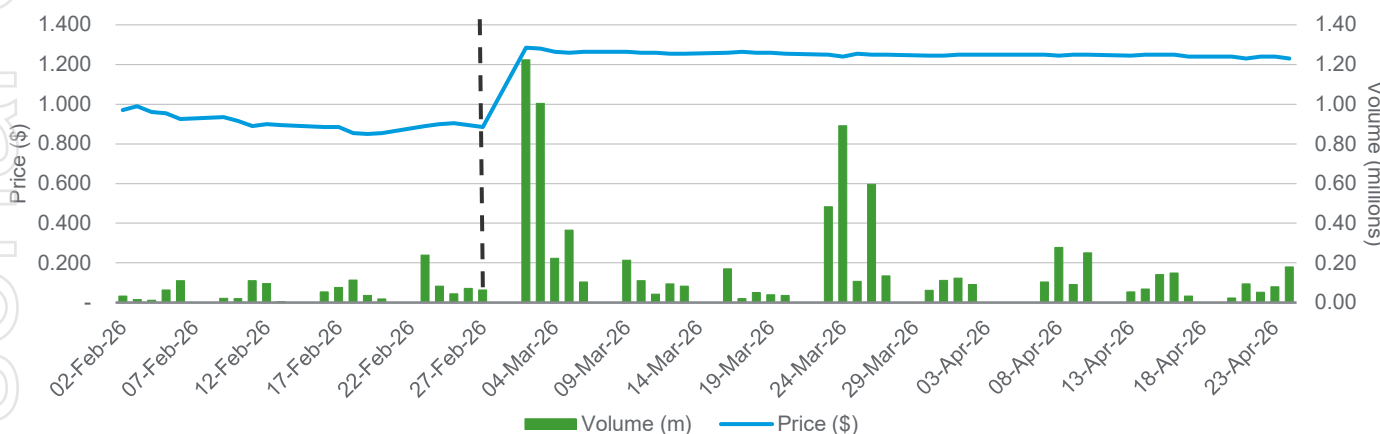
Table 26 Disadvantages of the Scheme

Disadvantage	Details
Participation in future growth	If the Scheme is implemented Shareholders will not participate in any future value created by SDI over and above that reflected in the Scheme Consideration.
Potential tax considerations	Approval of the Scheme and the disposal of SDI Shares will trigger a capital gains tax event that may result in a tax liability for Shareholders. The tax implications will vary between Shareholders depending on their personal circumstances and, therefore, individual taxation advice should be obtained.
Change in investment profile	Approval of the Scheme may result in disadvantages to those who wish to maintain their current investment profile. SDI Shareholders who wish to maintain their investment profile may find it difficult to identify an investment with a similar profile to that of SDI and may incur transaction costs in undertaking a new investment.

Source: RSM Analysis

8.3 Trading in SDI Shares following the announcement of the Scheme

Figure 9 SDI share price pre- and post-announcement



Source: S&P Capital IQ and RSM analysis

The Share price closed at \$0.885 on the day of the announcement of the Scheme and in the period since has traded in the range of \$0.850 to \$1.285.

The table below sets out the VWAP of SDI for the period ending 25 calendar days after the announcement of the Scheme.

Table 27 . VWAP of SDI shares post the announcement of the Scheme

	Share price	Share price	No. of days traded	Volume traded	Value traded	VWAP	Percentage of issued capital
	Low	High					
	\$	\$			\$	\$	%
Calendar days post 27 February 2026							
5 days	1.260	1.285	5	2,919,170	3,730,472	1.2779	2.46%
10 days	1.255	1.285	10	3,462,970	4,415,845	1.2752	2.91%
20 days	1.240	1.285	20	5,991,920	7,571,752	1.2637	5.04%
30 days	1.240	1.285	28	7,105,460	8,961,411	1.2612	5.98%
40 days	1.230	1.285	38	7,979,760	10,046,677	1.2590	6.71%

Source: Capital IQ and RSM analysis

The VWAP of SDI's shares for the 40-day period after the announcement was \$1.259 which is 38.7% higher than the 30-day VWAP of \$0.908 prior to the announcement of the Scheme.

Based on the above, we consider that the market has reacted favourably to the announcement of the Scheme, indicating market expectations that the Scheme will be successfully implemented, or an alternative superior proposal will emerge.

8.4 Liquidity

Historically, the liquidity of SDI's shares has been relatively low, with 1.47% of issued capital traded in the 60-days pre-announcement. The Scheme provides Shareholders with an ability to convert their investment in SDI to cash.

8.5 Alternative proposals and likelihood of an alternative takeover Scheme

The directors of SDI have advised us that no credible alternative offers exceeding the current Offer had been received prior to the announcement of the Scheme on 27 February 2026 and no further alternative offers have emerged since the announcement of the Scheme. As set out in the Scheme Booklet, SDI and its advisors engaged with several interested parties prior to the receipt of a proposal from Beijing Guoci and the SDI board determined that no alternative offered a better outcome for SDI Shareholders.

The alternative to the Scheme is for Shareholders to vote against the Scheme in the hope that they can realise greater value from their investment in SDI either through maintaining SDI as a standalone business or through the emergence of a superior proposal to the Scheme. Whilst there is currently no evidence of an alternative offer, it is possible that an alternative offer may emerge prior to the Scheme Meeting. However, since the announcement of the Scheme, we understand that no superior offers have been put forward as at the date of this Report. Conclusion on Reasonableness

In the absence of any other relevant information and/or a superior proposal, RSM considers the Scheme to be **reasonable** to Shareholders and as such, that the Scheme is **in the best interests of Shareholders**.

An individual Shareholder's opinion in relation to the Scheme may be influenced by their individual circumstances. If in doubt, Shareholders should consult an independent advisor.

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Appendices

A. Declarations and Disclaimers

Declarations and Disclosures

RSM Corporate Australia Pty Ltd holds Australian Financial Services Licence 255847 issued by ASIC pursuant to which they are licensed to prepare reports for the purpose of advising clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate reconstructions or share issues.

Qualifications

Our report has been prepared in accordance with professional standard APES 225 “Valuation Services” issued by the Accounting Professional & Ethical Standards Board.

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia Pty Ltd (RSM), a large national firm of chartered accountants and business advisors.

Andrew Clifford and Albert Meintjes are directors of RSM Corporate Australia Pty Ltd. Both Andrew Clifford and Albert Meintjes are Chartered Accountants with extensive experience in the field of corporate valuations and the provision of independent expert’s reports for transactions involving publicly listed and unlisted companies in Australia.

Reliance on this Report

This report has been prepared solely for the purpose of assisting Shareholders of SDI in considering the Scheme. We do not assume any responsibility or liability to any party as a result of reliance on the Report for any other purpose.

Reliance on Information

The statements and opinions contained in the Report are given in good faith. In the preparation of this report, we have relied upon information provided by the directors and management of SDI, and we have no reason to believe that this information was inaccurate, misleading or incomplete. RSM Corporate Australia Pty Ltd does not imply, nor should it be construed that it has carried out any form of audit or verification on the information and records supplied to us.

The opinion of RSM Corporate Australia Pty Ltd is based on economic, market and other conditions prevailing at the date of the Report. Such conditions can change significantly over relatively short periods of time.

In addition, we have considered publicly available information which we believe to be reliable. We have not, however, sought to independently verify any of the publicly available information which we have utilised for the purposes of the Report.

We assume no responsibility or liability for any loss suffered by any party as a result of our reliance on information supplied to us.

Disclosure of Interest

At the date of the Report, none of RSM Corporate Australia Pty Ltd, RSM, Andrew Clifford, Albert Meintjes, nor any other member, director, partner or employee of RSM Corporate Australia Pty Ltd and RSM has any interest in the outcome of the Scheme, except that RSM Corporate Australia Pty Ltd are expected to receive a fee of \$62,500 (excluding goods and services tax (“GST”) based on time occupied at normal professional rates for the preparation of the Report. The fees are payable regardless of whether SDI receives Shareholder approval for the Scheme.

Consents

RSM Corporate Australia Pty Ltd consents to the inclusion of the Report in the form and context in which it is included with the Scheme Booklet to be issued to Shareholders. Other than the Report, neither of RSM Corporate Australia Pty Ltd or RSM Australia Pty Ltd has been involved in the preparation of the Scheme Booklet. Accordingly, we take no responsibility for the content of the Scheme Booklet.

B. Sources of Information

In preparing the Report, we have relied upon the following principal sources of information:

- Scheme Booklet;
- SDI's audited financial statements for the 3 years ended 30 June 2025 (as published on ASX);
- SDI's reviewed financial statements for the half year ended 31 December 2025 (as published on ASX);
- SDI share register;
- ASX announcements of SDI;
- S&P Capital IQ database;
- Connect4 database;
- IBISWorld;
- Information provided to us throughout correspondence with the Directors and Management of SDI; and
- The SDI website.

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C. Glossary of Terms and Abbreviations

Term or Abbreviation	Definition
\$ or AUD	Australian dollar
Act of Corporations Act	Corporations Act 2001 (Cth)
AFCA	Australian Financial Complaints Authority
AFSL	Australian Financial Services Licence
APES	Accounting Professional & Ethical Standards
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
ASX Listing Rules	The listing rules of the Australian Stock Exchange amended from time to time
ATO	The Australian Taxation Office
Beijing Guoci	Beijing Guoci Kebo Technology Co., Ltd
Bidder	Beijing Guoci
Bidder Sub	InnoXvest
bn	Billion
CAGR	Compound annual growth rate
CFME	Capitalisation of future maintainable earnings
CGT	Capital gains tax
Company	SDI Limited
Controlling Interest Basis	As assessment of the Fair Value of an equity interest, which assumes the holder or holders have control of the entity in which the equity is held.
DCF	Discounted Cash Flow
Directors	Directors of SDI
DLOC	Discount for lack of control
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
Effective Date	The date at which the Scheme becomes effective
Enterprise Value or EV	The market value of a business on a cash free and debt free basis
Equity Value	The owner's interest in a company after the addition of all non-operating or surplus assets and the deduction of all non-operating or excess liabilities from the Enterprise Value.
FATA	Foreign Acquisitions and Takeovers Act 1975 (Cth)
FDA	U.S. Food and Drug Administration
FIRB	Foreign Investment Review Board
FME	Future Maintainable Earnings
Forward-looking information	Prospective financial information (including forecasts and projections) or any other statements or assumptions about future matters.
FSG	Financial Services Guide
FTE	Full time equivalent

Term or Abbreviation	Definition
FX	Foreign Exchange
FY[XX]	Financial year ended 30 June 20[XX]
GST	Goods and services tax
Historical Period, the	The three and a half financial years ended 31 December 2025
IER	This Independent Expert's Report prepared by RSM Corporate Australia Pty Ltd
IFRS	International Financial Reporting Standards
Implementation Date	the implementation date of the Scheme
InnoXvest	InnoXvest Dental Pty Ltd
k	Thousands
LTM	Last twelve months
m	Millions
Management, or Mgmt.	The management of SDI
Market Value or Fair Value	The amount at which an asset could be exchanged between a knowledgeable and willing but not anxious seller and a knowledgeable and willing but not anxious buyer, both acting at arm's length.
MID	Minimally invasive dentistry
Minority or Non-Controlling Interest	A non-controlling ownership interest, generally less than 50.0% of a company's voting shares
NPAT	Net profit after tax
Offer or Scheme Offer	The offer by way of scheme of arrangement by Beijing Guoci to acquire SDI for \$1.40 per share outstanding in cash
PCP	Prior corresponding period
QMP	Quoted market price of listed securities
RBA	Reserve Bank of Australia
Reimbursement Fee	A reimbursement fee of \$1,664,000 (excluding GST) is payable by SDI to Beijing Guoci if the Scheme does not proceed in certain circumstances as specified in the SID.
Report or IER	This Independent Expert's Report prepared by RSM Corporate Australia Pty Ltd
RG 111	ASIC Regulatory Guide 111 Content of expert reports
RG 112	ASIC Regulatory Guide 112 Independence of experts
RSM Control Premium Study	RSM study on 605 takeovers and schemes of arrangement involving companies listed on ASX over the 15.5 years ended 31 December 2020
RSM, we, us or our	RSM Corporate Australia Pty Ltd
S&P Capital IQ or Capital IQ	An entity of Standard and Poor's which is a third-party provider of company and other financial information
Scheme	The scheme of arrangement under Part 5.1 of the Corporations Act 2001 (Cth) pursuant to which Beijing Guoci proposes to acquire 100% of SDI
Scheme Booklet	Booklet prepared for the Scheme to which this Report is attached
Scheme Consideration	The cash amount payable of \$1.40 per SDI Share to eligible SDI Shareholders under the Scheme
Scheme Meeting	The court-convened meeting of SDI Shareholders to consider and vote on the Scheme.
SDF	Silver Diamine Fluoride

Term or Abbreviation	Definition
SDI	SDI Limited
SDI Share or Share	Ordinary fully paid share in the issued capital of SDI
Second Court Date	the first day on which the application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme is heard or, if the application is adjourned for any reason, means the date on which the adjourned or appeal application is heard.
Shareholders	SDI Shareholders
SID	Scheme Implementation Deed between SDI and Beijing Guoci (and related parties) setting out the agreed terms for implementing the Scheme.
Sinocera	Shandong Sinocera Functional Material Co. Ltd
Treasurer	Treasurer of the Commonwealth of Australia
VWAP	Volume weighted average share price

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D. Industry Overview

Medical and Surgical Manufacturing

SDI operates in the medical and manufacturing industry in Australia. The following information has been extracted from IBISWorld industry report C2412 Medical & Surgical Equipment Manufacturing in Australia. IBISWorld states that firms engaged in the industry primarily manufacture medical, surgical, and dental equipment. Product inputs are sourced from upstream manufactures, with end products sold downstream wholesalers or directly to hospitals and medical practices.

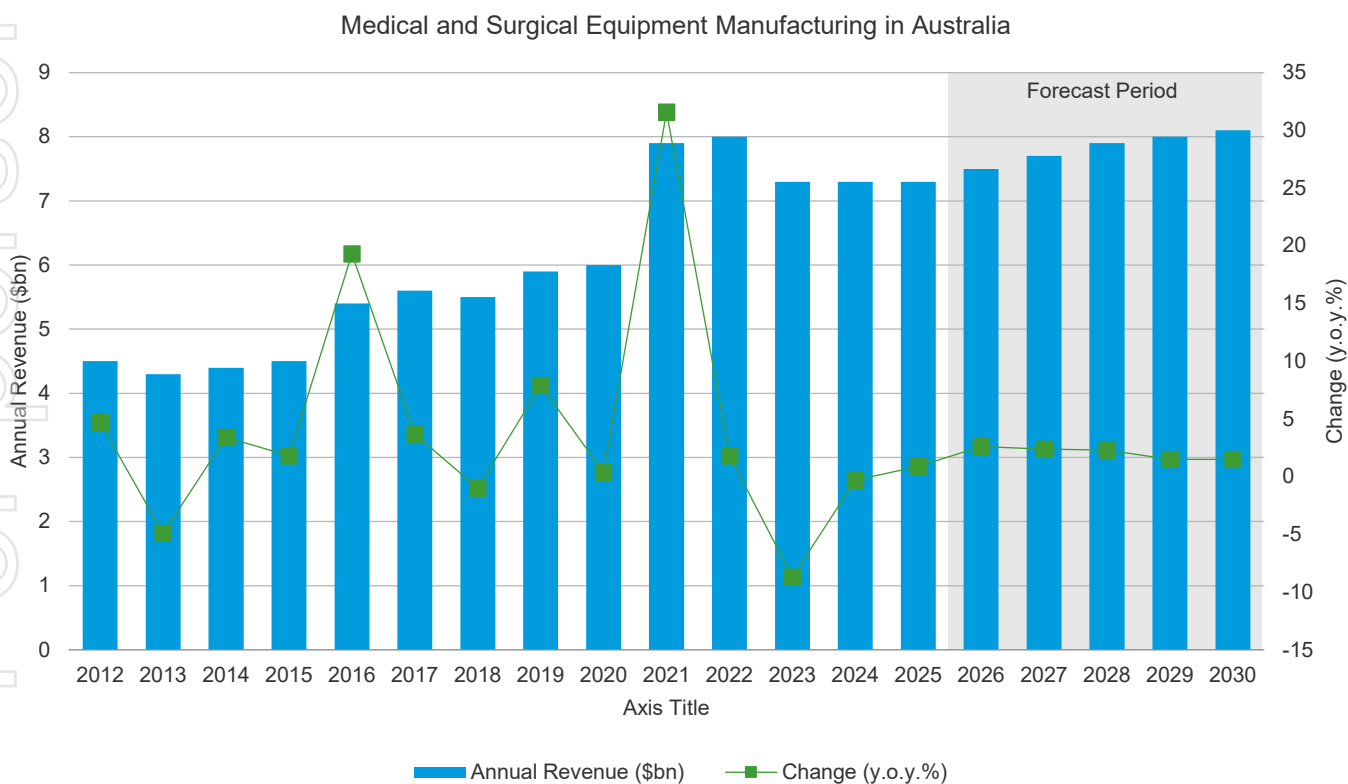
Overview

The medical and surgical equipment manufacturing industry in Australia is booming as Australia's population ages and its healthcare sector expands, boosting domestic demand for medical and surgical equipment. Following the Covid-19 pandemic in 2020-21, sales surged 31.6% due to the increased demand in medical and surgical equipment such as ventilators, infusion systems and renal care products used in intensive care units to treat the virus across private and public hospitals. Although demand for these goods was stronger, elective surgery restrictions placed downward pressure on sales like dental equipment and hearing aids. Overall, industry revenue grew at an anticipated 4.2% over the five years to 2024-25 to a total of \$7.3 billion.

Higher demand for medical and surgical equipment in Australia can also be attributed to high-tech medical equipment. Technological advances and ongoing investment in research and development have allowed manufacturers to offer the latest medical and surgical equipment to downstream markets, keeping them at the forefront of innovation and fuelling industry sales. Through 2024-25, industry profitability has performed well. Despite starting from a low base, strong public health spending has supported manufactures to sustain their margins.

Demand for medical and surgical equipment is set to be driven by Australia's ageing population and strong investment in health care. Continued investment in R&D by manufacturers will drive innovation and grow new revenue streams. Advancements in specialised products among local manufacturers are set to drive demand from export markets. The Australian Government's Medical Science Co-Investment Plan will spur on medical science manufacturing and advance robotics and smart devices to drive an upswing in medical device manufacturing.

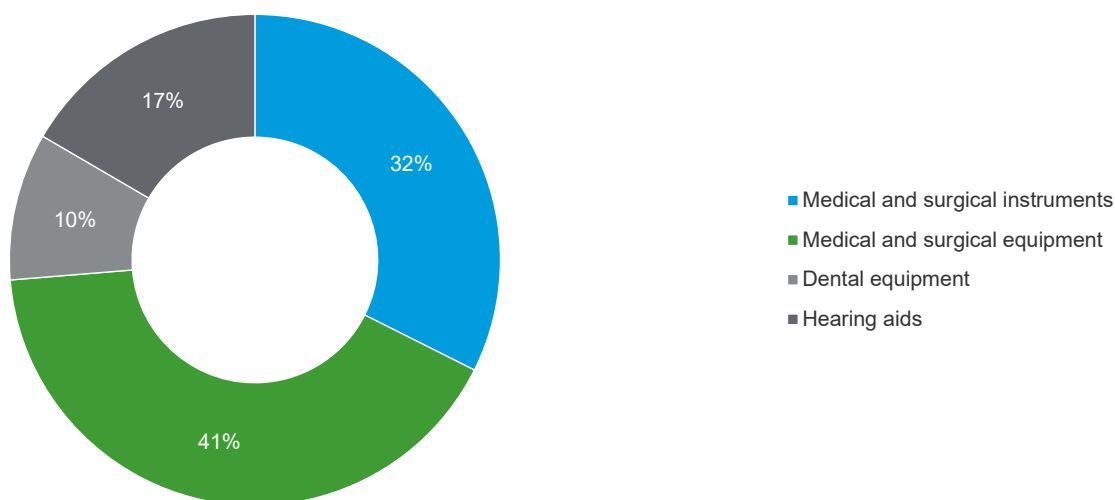
Figure 1 Historical and forecasted industry revenue



Source: IBIS Report C2412 Medical & Surgical Equipment Manufacturing in Australia

Figure 2 Product Segmentation

Medical & Surgical Equipment Manufacturing in Australia



Source: IBIS Report C2412 Medical & Surgical Equipment Manufacturing in Australia

Industry competition

Competition in the industry is moderate and steady. The industry's key source of competition is imports from medical and surgical equipment manufacturers. However, given the high specialisation of medical and surgical equipment, external competition is limited as overseas imports are subject to stringent regulations.

Key external drivers

The key external drivers influencing industry demand are:

- **Trade-weighted index:** The trade-weighted index measures the value of the Australian dollar compared with the currencies of Australia's major trading partners. As the Australian dollar depreciates, imported goods become more expensive in the domestic market and exported products become more affordable overseas. A strong Australian dollar makes locally manufactured products less price-competitive in export markets.
- **Demand from public general hospitals:** Public general hospitals provide medical, surgical and diagnostic services and continuous inpatient nursing care. These hospitals use various products and are a key market for medical and surgical equipment manufacturers. Growing demand for public general hospital services fuels medical and surgical equipment demand. Growth in demand from public general hospitals represents a potential opportunity for the industry.
- **Demand from private general hospitals:** Private general hospitals are a smaller market for medical and surgical equipment manufacturers than public hospitals. Yet, they still represent an important market for manufacturers. Private general hospitals are less restricted by public funding and typically continue to purchase medical and surgical equipment in times of lower demand from public hospitals.
- **Public health expenditure:** Public health expenditure represents the sum of direct and tax expenditures on health by federal, state and territory governments. Trends in government funding and subsidies for healthcare services influence demand for medical and surgical equipment. Cuts to funding levels means hospitals and other healthcare facilities have less to spend on medical and surgical equipment. Declines in public health expenditure pose a potential threat to the industry.
- **Population aged 50 and older:** Australia's ageing population means that the pool of consumers aged 50 and over who may require medical treatment is growing. As the population ages, they place greater demand on services provided by hospitals and medical facilities in the community. A surge in demand for hospital services fuels medical and surgical equipment demand.

Barriers to entry

The industry is characterised by relatively high but steady barriers to entry. New entrants may encounter the following challenges.

- **Legal:** the Australian Register of Therapeutic Goods must list all medical devices imported, supplied or exported from Australia. Medical devices on the list must fulfil the essential principles checklist and manufacturers must apply conformity assessment procedures. Manufacturers are also required to apply for an Australian Business Number (ABN) and register a business name.
- **Start-up costs:** Start-up costs for medical and surgical equipment manufacturers vary depending on the type of product being produced and the scale of the operation. Expenses related to facility, machinery, raw materials, legal, finance, insurance, marketing, registration and utilities are incurred during the start-up process.
- **Differentiation:** Medical and surgical equipment manufacturers produce highly specialised products. Innovative patient-centric designs, unique features, strong clinical evidence and dependable customer service allow manufacturers to differentiate their products from competitors. Continued R&D investment also enables manufacturers to apply technological advances to better target their approach to specific medical specialities.
- **Capital expenses:** A competitive nature and high degree of specialisation mean manufacturers need ongoing investment in R&D. While producing medical and surgical equipment requires highly skilled and qualified staff, expenditure on purchasing, upgrading and maintaining equipment used in the production of medical and surgical products outweighs ongoing labour costs for manufacturers.

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E. Comparable Companies

Table 28 SDI comparable companies' business description

Company	Description
Ansell Limited	<p>Ansell Limited designs, sources, develops, manufactures, distributes, and sells hand and body protection solutions in the Asia Pacific, Europe, the Middle East, Africa, Latin America, the Caribbean, and North America. It operates through two segments: Healthcare and Industrial. The Healthcare segment manufactures and markets solutions, including surgical gloves, single-use and examination gloves, and clean and sterile gloves and garments, as well as consumables for hospitals, surgical centers, dental surgeries, veterinary clinics, first responders, manufacturers, auto repair shops, chemical plants, laboratories, and life sciences and pharmaceutical companies. The Industrial segment manufactures and markets hand and chemical protective clothing solutions for various industrial applications, including automotive, chemical, metal fabrication, machinery and equipment, food, construction, mining, oil and gas, utilities, logistics, and first responders. It sells provides its products under ActivArmr, AlphaTec, BioClean, EDGE, ENCORE, GAMMEX, HyFlex, Kimtech, KleenGuard, MICROFLEX, MICRO-TOUCH, RINGERS, SANDEL, TouchNTuff, and VIKING brands. The company was formerly known as Pacific Dunlop Limited and changed its name to Ansell Limited in 2002. Ansell Limited was founded in 1893 and is based in Richmond, Australia.</p>
EBOS Group Limited	<p>EBOS Group Limited engages in the marketing, wholesale, and distribution of healthcare, medical, pharmaceutical, and animal care products in Australia, Southeast Asia, and New Zealand. It operates through Healthcare and Animal Care segments. The company provides healthcare logistics; medication management solutions; pharmacy management software; loyalty, generics, compliance, business intelligence, and store software services; and health communications, programs, and consultancy services. It also offers community based health care services and programs; vitamins, minerals and supplements, herbal and fruit teas, and natural toothpastes, as well as functional foods, including molasses and manuka honey; Pharmacy Choice, a five step integrated retail program for independent pharmacies; and healthSAVE, a community pharmacy banner that helps members drive their retail businesses. Further, it offers healthcare distribution, warehousing, clinical trial management, and product registration services; clinical trial logistics; aesthetic healthcare devices, medical-grade cosmeceuticals, and injectables; and surgical devices and medical consumables. Additionally, the company provides pet nutrition, treats, clean-up, and grooming products and accessories; and wholesales veterinary products. The company was formerly known as Early Bros Dental & Surgical Supplies Ltd. and changed its name to EBOS Group Limited in 1986. EBOS Group Limited was incorporated in 1922 and is headquartered in Docklands, Australia.</p>
Solventum Corporation	<p>Solventum Corporation, a healthcare company, develops, manufactures, and commercializes a portfolio of solutions to address critical customer and patient needs in the United States and internationally. It operates through three segments: Medsurg, Dental Solutions, and Health Information Systems. The Medsurg segment offers solutions, such as negative pressure wound therapy, advanced wound dressings, advanced skin care, synthetic tissue matrices, I.V. site management, sterilization assurance, temperature management, surgical supplies, medical tapes and wraps, stethoscopes, medical electrodes, and medical technologies for original equipment manufacturers. The Dental Solutions segment provides dental and orthodontic products, including brackets, aligners, restorative cements, and bonding agents to span the life of the tooth, and products for preventative dental care, direct and indirect restoration, and orthodontic needs. The Health Information Systems segment offers healthcare systems with software solutions comprising computer-assisted physician documentation, direct-to-bill and coding automation, classification methodologies, speech recognition, and data visualization platforms. The company sells its products and services through direct-to-consumer, distribution, key account management, inside sales, and e-commerce. Solventum Corporation was incorporated in 2023 and is headquartered in Eagan, Minnesota.</p>
medmix AG	<p>medmix AG designs, produces, and sells high-precision devices and services in Switzerland and internationally. It operates through the Healthcare, and Consumer and Industrial segments. The company offers dispensers, cartridges, mixers, tips, syringes, pen, and auto injectors for delivery of dental materials; delivery devices and mixing for bone repair and tissue treatment, which are used for prosthetics, restoratives, anesthetics, and aesthetics; the pen and auto injectors, which are used in fertility and growth hormone treatments, treatment of diabetes, osteoporosis, and other diseases; and the delivery and mixing devices, which are used by tissue banks and medical device OEMs. It also produces and markets dispensers, cartridges, and mixers for two-component adhesives and sealants for use in construction, transportation, electronics, infrastructure, and general industrial sectors; and micro-brushes and applicators for eyes, eyelashes, lips, and facial make-up. The company offers its products under the Mixpac, Transcodent, Qiaoyi, Cox, MK, Medmix, Haselmeier, and Geka brands. medmix AG was founded in 1922 and is based in Baar, Switzerland.</p>

AdaptHealth Corp. AdaptHealth Corp., together with its subsidiaries, distributes home medical equipment (HME), medical supplies, and home and related services in the United States. It operates through Sleep Health, Respiratory Health, Diabetes Health, and Wellness at Home segments. The company offers sleep therapy equipment, supplies, and related services, such as continuous positive airway pressure and BiLevel services to individuals suffering from obstructive sleep apnea; oxygen and home mechanical ventilation equipment and supplies and related chronic therapy services; and medical devices, including continuous glucose monitors and insulin pumps for the treatment of diabetes; HME to patients discharged from acute care and other facilities; and other HME devices and supplies. It also provides PAP machines, wheelchairs, hospital beds, oxygen concentrators, ventilators, insulin pumps, diabetes management and wound care supplies, orthopaedic bracing, breast pumps and supplies, walkers, commodes, enteral supplies, and incontinence supplies. The company services beneficiaries of Medicare, Medicaid, and commercial insurance payors. AdaptHealth Corp. was founded in 2012 and is headquartered in Conshohocken, Pennsylvania.

InfuSystem Holdings, Inc. InfuSystem Holdings, Inc., through its subsidiaries, provides infusion pumps and related products and services in the United States and Canada. It operates through two segments: Patient Services and Device Solutions. The company supplies electronic ambulatory infusion pumps and associated disposable supply kits to oncology, infusion, and hospital outpatient chemotherapy clinics for the treatment of various cancers, including colorectal cancer, pain management, and other disease states. It also sells and rents new and pre-owned pole-mounted and ambulatory infusion pumps, and other durable medical equipment; sells treatment-related consumables; and provides biomedical recertification, maintenance, and repair services for oncology practices, as well as other healthcare site settings comprising hospitals, home care and home infusion providers, skilled nursing and acute care facilities, pain centers, and others. In addition, the company offers local and field-based customer support, as well as operates pump service and repair centers. The company was incorporated in 2005 and is headquartered in Rochester Hills, Michigan.

DENTSPLY SIRONA Inc. DENTSPLY SIRONA Inc. develops, manufactures, and markets dental equipment supported by cloud-enabled solutions, dental products, and healthcare consumable products in urology and enterology worldwide. It operates through four segments: Connected Technology Solutions, Essential Dental Solutions, Orthodontic and Implant Solutions, and Wellspect Healthcare. The Connected Technology Solutions segment offers imaging equipment, motorized dental handpieces, treatment centers, and other instruments; and intraoral scanners, 3-D printers, and mills, as well as CEREC, a full-chairside economical restoration of esthetic ceramic dentistry offering. The Essential Dental Solutions segment provides motorized endodontic handpieces, files, sealers, irrigation needles, and other tools for root canal procedures; restorative products; curing light and dental diagnostic systems; ultrasonic scalers and polishers; and dental anesthetics, prophylaxis paste, dental sealants, and impression materials. The Orthodontic and Implant Solutions segment offers SureSmile, a clear aligner solution that includes whitening kits and retainers; VPro, a high frequency vibration technology device; SureSmile Simulator; DS Core platform, which creates 3D visualization of patient outcomes; dental implant products; digital dentures; crown and bridge porcelain products; bone regenerative and restorative solutions; treatment planning software; educational programs; custom abutments; tapered immediate load screws; regenerative bone growth factor; artificial teeth; and precious metal dental alloys. The Wellspect Healthcare segment offers medical devices, including catheters for urinary retention and advanced irrigation systems to help people suffering from chronic or severe constipation. The company was formerly known as DENTSPLY International Inc. and changed its name to DENTSPLY SIRONA Inc. in February 2016. DENTSPLY SIRONA Inc. was founded in 1877 and is headquartered in Charlotte, North Carolina.

Envista Holdings Corporation Envista Holdings Corporation, together with its subsidiaries, develops, manufactures, markets, and sells dental products in the United States, China, and internationally. The company operates in two segments, Specialty Products & Technologies, and Equipment & Consumables. The Specialty Products & Technologies segment offers dental implant systems, guided surgery systems, biomaterials, and prefabricated and custom-built prosthetics to oral surgeons, prosthodontists and periodontists, and general dentist; and brackets and wires, tubes and bands, archwires, clear aligners, digital orthodontic treatments, retainers, and other orthodontic laboratory products, as well as provides DTX Studio Clinic, a software package offered with its imaging products. This segment offers its products under the Nobel Biocare, Alpha-Bio Tec, Implant Direct, Nobel Procera, Ormco, Spark, Orasoptic, Damon, Insignia, AOA brands. The Equipment & Consumables segment provides dental equipment and supplies, including digital imaging systems, software, and other visualization/magnification systems; endodontic systems and related products; restorative materials, rotary burs, impression materials, bonding agents, and cements; and infection prevention products. This segment offers its products under the Dexis, DTX Studio, Kerr, Metrex, Total Care, Pentron, Optibond, Harmonize, Sonicfill, Sybron Endo, and CaviWipes to dental offices, clinics, and hospitals. Envista Holdings Corporation was incorporated in 2018 and is headquartered in Brea, California.

Shofu Inc. Shofu Inc. manufactures and sells dental materials and equipment worldwide. Its products include abrasives, bioactive composites, dental cements, and preventive and orthodontic materials; dental ceramics, indirect composites, artificial teeth, CAD/CAM materials used for crown bridge, dentures, and implant restorations. The company offers nail care products and equipment. The company was formerly known as Shofu Dental Mfg. Co., Ltd. and changed its name to Shofu Inc. in 1983. Shofu Inc. was incorporated in 1922 and is based in Kyoto, Japan.

COLTENE Holding AG

COLTENE Holding AG develops, manufactures, and sells disposables, tools, and equipment for dentists and dental laboratories in Europe, the Middle East, Africa, North America, Latin America, and Asia/Oceania. The company offers restoration products, including conventional composites, bulk-fill composites, CAD/CAM solutions, core build-ups, bondings, etching gels, temporary materials, luting, curing lights, characterizations, and parapulpal pins; and endodontics products, such as cold sprays, hand files, shaping and retreatment files, endo motors, rinsing and disinfection system, drying, temporary fillings, sealers, guttapercha points, and posts and drills. It also provides prosthetics comprising bite registration, retractions, A-silicones, C-silicones, and accessories; and treatment auxiliaries consist of dental rolls and dispensers, cotton pellets and dispensers, aspirator tips, dental dams, dental dam clamps and accessories, dental scalers, electrosurgery, and occlusion verification products. In addition, the company offers infection control products, which include ultrasonic cleaning solutions, patient bibs, instrument reprocessing, and surface disinfectants; rotary instruments that comprise diamond and carbide burs, polishers, kits, and accessories; and laboratory products, including gingiva masks, lab putty products, model making products, waxes, occlusion control products, and accessories. Further, it provides adhesives, root canal instruments, irrigation solutions, and materials for root canal obturation and sealing; impression materials, wound care and cotton wool products, suction cannulas, rotary instruments, and rubber dams for isolating the treatment area; and thermal disinfectors, washers, cleaning and disinfecting wipes, and autoclaves. The company was formerly known as Medisize Holding AG and changed its name to COLTENE Holding AG in April 2008. COLTENE Holding AG was incorporated in 2005 and is headquartered in Altstätten, Switzerland.

BenQ Medical Technology Corporation

BenQ Medical Technology Corporation engages in the manufacture, installation, maintenance, and repair of medical device and various medical equipment in Taiwan, Mainland China, India, and internationally. It operates through R&D and Manufacturing, and Medical Services segments. The company offers wholesale and retail sales of medical device, medical equipment, pharmaceutical, health food, and the leasing business of medical equipment and management consulting services; and operating tables, surgical lights, ultrasound systems, operating room imaging and information systems, ultrasonic diagnostic equipment, and medical screens. It also offers agent products, such as surgical gloves and pressure pads; sterile water for respiratory care, artificial nose, filters, respiratory trainers, oxygen masks, intravenous safety indwelling needles, prefilled catheters, dialyzers, dialysis circuits, plasma therapy filters, blood bags, endoscopy equipment and consumables; and homemade products, IV infusion sets, infusion extension tubes, infusion connectors, waste fluid collection bags, chest drainage bottles, flushing sets, disposable cerebrospinal fluid pressure gauges, laryngeal masks, urine bags, flat and three-dimensional surgical medical masks. In addition, the company offers BenQ AB DentCare, including artificial implants, dental consumables, dental equipment, digital dental integration services; and BenQ Healthcare, hearing aids, middle ear analyzers, masks, health products, and pharmacy channels. The company was formerly known as Trident Medical Corp. and changed its name to BenQ Medical Technology Corporation in June 2011. BenQ Medical Technology Corporation was incorporated in 1989 and is headquartered in Taipei, Taiwan.

Nakanishi Inc.

Nakanishi Inc. engages in the manufacture and sale of dental, surgical, and general industrial products in Japan and internationally. The company offers dental equipment and chairs; air turbines; contra-angles; therapeutic motors; home visit medical equipment; oral hygiene products; endotherapy; oral surgery; maintenance and autoclave products; and technical products. It also provides general industrial cutting and grinding equipment. Nakanishi Inc. was founded in 1930 and is headquartered in Kanuma, Japan.

Henry Schein, Inc.

Henry Schein, Inc. provides health care products and services to office-based dental and medical practitioners worldwide. It operates through Global Distribution and Value-Added Services; Global Specialty Products; and Global Technology segments. The Global Distribution and Value-Added Services segment distributes infection-control products, handpieces, preventatives, impression materials, composites, anesthetics, teeth, gypsum, acrylics, articulators, abrasives, PPE products, branded and generic pharmaceuticals, vaccines, surgical products, diagnostic tests, dental chairs, delivery units and lights, digital dental laboratories, X-ray supplies and equipment, and high-tech and digital restoration equipment, as well as provides equipment repair services, financial services on a non-recourse basis, continuing education services for practitioners, consulting, and other services. It also markets and sells a portfolio of consumable merchandise under its own corporate brand. The Global Specialty Products segment engage in manufacturing, marketing, and sales of dental implant and biomaterial products; and endodontic, orthodontic and orthopedic products, and other health care-related products and services. The Global Technology segment is involved in the development and distribution of practice management software, e-services, and other products which are distributed to health care providers. The company serves dental practices, laboratories, physician practices, and ambulatory surgery centers, as well as government, institutional health care clinics, home health providers, and other alternate care clinics. Henry Schein, Inc. was founded in 1932 and is headquartered in Melville, New York.

Source: S&P Capital IQ

F. Comparable Transactions

Table 29 SDI Target company business description

Target company	Business description
Paragon Care Limited	<p>As of June 3, 2024, Paragon Care Limited was acquired by CH2 Holdings Pty Limited, in a reverse merger transaction. Paragon Care Limited supplies durable medical equipment, medical devices, and consumable medical products to health, aged care, and veterinary markets in Australia, New Zealand, and Asia. It operates through four segments: Diagnostic and Scientific, Devices, Capital and Consumables, and Service and Technology. The company offers clinical solutions for anaesthetists, intensivists, cardiac, vascular, and pain management; designs, manufactures, and distributes reagent red blood cells, monoclonal blood grouping reagents, and ancillary products for immunohaematology laboratories; and eye care products, such as ophthalmology and optometry, neonatal vision screening, and procedural kits. It also provides neonatal and paediatric assessment and treatment, including newborn hearing and vision screening, jaundice management, targeted temperature management, cerebral function monitoring, and seizure detection, as well as pain management and enteral feeding solutions; surgical products for hip and knee arthroplasty, infection prevention, pain management, biologics, and the operating room; and equipment repair and maintenance services. In addition, the company offers sterilisable transducers for neurology, hepatobiliary, renal, colorectal, vascular, laparoscopic, and robotic procedures; ultrasound systems, shockwave therapy, lasers, and accessories for infection control; and veterinary products, including point-of-care diagnostics, therapeutic lasers, oncology delivery products, centrifuges, autoclaves, IV lines and fluid therapy products, wearable CRI systems, and IT Solutions. Further, it provides digital theatre integration, telephony, nurse call, access control, CCTV, cordless, and Wi-Fi systems; and anaesthesia masks, circuits, filters, bladder scanners, and defibrillators. The company was formerly known as Citrofresh International Limited and changed its name to Paragon Care Limited in June 2008. The company was incorporated in 1994 and is based in Mt Waverley, Australia.</p>
Quantum Health Group Limited	<p>Quantum Health Group Limited distributes medical imaging and patient treatment equipment and services in Australia, Thailand, Korea, the Philippines. It operates through two segments, Medical and Environmental Services. The company distributes medical products in the field of radiology, oncology, aesthetics, and environmental health. It also manufactures energy saving heat pump technology used for heating and cooling systems. The company was formerly known as Quantum Energy Limited. Quantum Health Group Limited was founded in 1975 and is based in Rosebery, Australia. Quantum Health Group Limited was formerly a subsidiary of Crisp Holdings Pty. Ltd. As of February 16, 2022, Quantum Health Group Limited operates as a subsidiary of Paragon Care Limited.</p>
Agiliti, Inc.	<p>Agiliti, Inc., together with its subsidiaries, provides healthcare technology management and service solutions to the healthcare industry in the United States. The company offers onsite managed services that are comprehensive programs for the management, reprocessing, and logistics of medical equipment at individual facilities and integrated delivery networks to monitor and adjust equipment quantities and availability to address fluctuations in patient census and acuity. It also provides clinical engineering services comprising maintenance, repair, and remediation solutions for various types of medical equipment, including general biomedical equipment, diagnostic imaging equipment, and surgical equipment through supplemental and outsourced offerings. In addition, the company offers equipment solutions, which primarily provide supplemental, peak need, and per-case rental of general biomedical, specialty, and surgical equipment to acute care hospitals and alternate site providers, including premier healthcare institutions and integrated delivery networks. It serves acute care hospitals, health systems and integrated delivery networks and alternate site providers. The company was formerly known as Federal Street Acquisition Corp. and changed its name to Agiliti, Inc. in January 2019. Agiliti, Inc. was founded in 1939 and is headquartered in Eden Prairie, Minnesota. Agiliti, Inc. operates as a subsidiary of THL Agiliti LLC.</p>
Elos Medtech AB (publ)	<p>Elos Medtech AB (publ) engages in the development and contract manufacturing of medical devices and components for dental, orthopedics, diagnostics, and hearing and other medical device markets. It offers implants, screws, plates, orthopedic and dental instruments, drills, pins and wires, dental prosthetics, disposable plastic products, HPLC fittings, and other medical plastic parts. The company also provides design and development, regulatory, prototyping, testing, OEM, process validation, and supply and inventory management, as well as design for manufacturing and engineering services. It has operations in Sweden, Denmark, China, and the United States. The company was formerly known as Elos AB (publ) and changed its name to Elos Medtech AB (publ) in April 2015. Elos Medtech AB (publ) was incorporated in 1923 and is headquartered in Gothenburg, Sweden.</p>

Patterson Companies, Inc.

Patterson Companies, Inc. engages in the distribution of dental and animal health products. The company operates through three segments: Dental, Animal Health, and Corporate. The Dental segment offers consumable products, including infection control, restorative materials, and instruments; basic and advanced technology and dental equipment; and practice optimization solutions, such as practice management software, e-commerce, revenue cycle management, and patient engagement solutions, as well as clinical and patient education systems. This segment also provides a range of related services comprising software and design, maintenance and repair, and equipment financing services. The Animal Health segment distributes biologicals, pharmaceuticals, vaccines, parasiticides, diagnostics, prescription and non-prescription diets, nutritional's, consumable supplies, and equipment, as well as value-added services. This segment also provides private label portfolio of products to veterinarians, producers, and retailers under the Aspen, First Companion, and Patterson Veterinary brands. The Corporate segment offers customer financing services; and sells other miscellaneous products. It serves dentists, laboratories, institutions, other healthcare professionals, veterinarians, other animal health professionals, production animal operators, and animal health product retailers. Patterson Companies, Inc. was formerly known as Patterson Dental Company and changed its name to Patterson Companies, Inc. in June 2004. Patterson Companies, Inc. was founded in 1877 and is based in Saint Paul, Minnesota with additional locations in Loveland, Colorado; Edmonton, Alberta; Stoke-on-Trent, United Kingdom.

Osstem Implant Co., Ltd.

Osstem Implant Co., Ltd. manufactures and supplies dental implants worldwide. It provides dental implant systems, dental equipment and supplies, and integrated solutions and cephalometric analysis software products for dental clinics, as well as dental training services. The company was founded in 1997 and is headquartered in Seoul, South Korea.

Source: S&P Capital IQ

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Annexure 2 Scheme Implementation Deed

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HERBERT SMITH
FREEHILLS
KRAMER

Deed

Project Victoria

Scheme Implementation Deed

SDI Limited

Beijing Guoci Kebo Technology Co., Ltd

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Indicative Timetable

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Deed poll

Attachment 4
Conditions Precedent certificate

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Scheme Implementation Deed

Date ► 27 February 2026

Between the parties

Target	SDI Limited ACN 008 075 581 of 3-15 Brunsdon Street, Bayswater, VIC 3153 (Target)
--------	---

Bidder	Beijing Guoci Kebo Technology Co., Ltd Room 218-2, No. 9 Jingtong Street, Taihu Town, Tongzhou District, Beijing, China (Bidder)
--------	---

Recitals	<ol style="list-style-type: none">1 The parties have agreed that Bidder or Bidder Sub will acquire all of the ordinary shares in Target by means of a scheme of arrangement under Part 5.1 of the Corporations Act between Target and the Scheme Shareholders.2 The parties have agreed to implement the scheme of arrangement on the terms and conditions of this deed.
----------	---

This deed witnesses as follows:



1 Definitions and interpretation

1.1 Definitions

The meanings of the terms used in this deed are set out in Schedule 1.

1.2 Interpretation

Schedule 1 contains interpretation rules for this deed.

1.3 Deed components

This deed includes any schedule.

2 Agreement to proceed with the Transaction

- (a) Target agrees to propose the Scheme on and subject to the terms and conditions of this deed.
- (b) Bidder agrees to assist Target to propose the Scheme, on and subject to the terms and conditions of this deed.
- (c) Target and Bidder agree to implement the Scheme on and subject to the terms and conditions of this deed.
- (d) No later than two weeks prior to the First Court Date, Bidder may nominate any Subsidiary of Bidder (**Bidder Sub**) to acquire the Scheme Shares and provide payments under this deed and the Scheme by providing a written notice which sets out the details of Bidder Sub to Target. If Bidder decides to nominate Bidder Sub to acquire Scheme Shares and make payments:
 - (1) references in this document to Bidder acquiring the Scheme Shares under the Scheme are to be read as references to the Bidder Sub doing so;
 - (2) the parties must procure that the Scheme Shares transferred under the Scheme are transferred to Bidder Sub rather than Bidder;
 - (3) references in this document to Bidder providing payments (including without limitation paying the Scheme Consideration under clause 4.3 and paying any fees or other amounts payable under clauses 14, 15 and 17.16) are to be read as references to Bidder Sub doing so;
 - (4) the nomination will not relieve Bidder of its obligations under this document, including the obligation to provide (or procure the provision of) the Scheme Consideration in accordance with the terms of the Scheme provided that Bidder will not be in breach of this document for failing to perform an obligation on Bidder if that obligation is fully discharged by Bidder Sub.



3 Conditions Precedent and pre-implementation steps

3.1 Conditions Precedent

Subject to this clause 3, the Scheme will not become Effective, and the respective obligations of the parties in relation to the implementation of the Scheme are not binding, until each of the following Conditions Precedent is satisfied or waived to the extent and in the manner set out in this clause 3.

(a) **Regulatory Approvals:** before 5.00pm on the Business Day before the Second Court Date:

(1) **FIRB:** one of the following has occurred:

- (A) Bidder has received written notice under the *Foreign Acquisitions and Takeovers Act 1975* (Cth) (**FATA**), by or on behalf of the Treasurer of the Commonwealth of Australia (**Treasurer**), advising that the Commonwealth Government has no objections to the Transaction either unconditionally or on terms that are acceptable to Bidder acting reasonably and in good faith (subject to clause 3.2(d)), and the written notice has not been withdrawn, suspended or revoked;
- (B) the Treasurer becomes precluded by the passage of time from making an order or decision under Part 3 of the FATA in relation to the Transaction and the Transaction is not prohibited by section 82 of the FATA; or
- (C) where an interim order is made under section 68 of the FATA in respect of the Transaction, the subsequent period for making a final order or decision under Part 3 of the FATA elapses without the Treasurer making such a final order or decision,

(2) **PRC Approvals:** all of the following have occurred:

- (A) NDRC having approved or accepted (either unconditionally or subject to conditions acceptable to the Bidder acting reasonably and in good faith (subject to clause 3.2(d))) the filing made by the Bidder or its Associate for the Transaction and the Bidder's participation in the development of the Scheme contemplated under this deed;
- (B) MOFCOM having approved or accepted (either unconditionally or subject to conditions acceptable to the Bidder acting reasonably and in good faith (subject to clause 3.2(d))) the filing made by the Bidder or its Associate for the Transaction and the Bidder's participation in the development of the Scheme contemplated under this deed; and
- (C) SAFE having accepted the registration of the Bidder (or its Associate) in relation to the remittance of funds or the provision of security in either case in relation to the Transaction and the Bidder's participation in the development of the Scheme contemplated under this deed; and



- (3) **ASIC and ASX:** ASIC and ASX issue or provide all relief, waivers, confirmations, exemptions, consents or approvals, and do all other acts, necessary, or which Target and Bidder agree are desirable, to implement the Scheme and such relief, waivers, confirmations, exemptions, consents, approvals or other acts (as the case may be) remain in full force and effect in all respects and have not been withdrawn, revoked, suspended, restricted or amended (or become subject to any notice, intimation or indication of intention to do any such thing) before 8.00am on the Second Court Date.
- (b) **Shareholder approval:** Target Shareholders approve the Scheme at the Scheme Meeting by the requisite majorities under subparagraph 411(4)(a)(ii) of the Corporations Act.
- (c) **Independent Expert:** the Independent Expert issues an Independent Expert's Report which concludes that the Scheme is in the best interest of Target Shareholders before the time when the Scheme Booklet is registered by ASIC and the Independent Expert does not withdraw, qualify or change that conclusion at any time before 8:00am on the Second Court Date.
- (d) **Court approval:** the Court approves the Scheme in accordance with paragraph 411(4)(b) of the Corporations Act.
- (e) **Restraints:** as at 8.00am on the Second Court Date, there is not in effect any temporary, preliminary or final order, injunction, decision or decree issued by any court of competent jurisdiction or other Government Agency, or other material legal restraint or prohibition, that would prevent, make illegal or prohibit implementation of the Scheme between (and including) the date of this deed and 8.00am on the Second Court Date.
- (f) **No Target Prescribed Occurrence:** no Target Prescribed Occurrence occurs between (and including) the date of this deed and 8.00am on the Second Court Date.
- (g) **No Target Regulated Event:** no Target Regulated Event occurs between (and including) the date of this deed and 8.00am on the Second Court Date.
- (h) **No Target Material Adverse Change:** no Target Material Adverse Change occurs or otherwise becomes known to Bidder, between (and including) the date of this deed and 8.00am on the Second Court Date.
- (i) **Target HSBC Financing:** before 5.00pm on the Business Day before the Second Court Date, the Target having received and provided to the Bidder:
- (1) an executed consent from HSBC Bank Australia Limited to any change of control of the Target in connection with the Scheme, in accordance with the terms of the Target HSBC Financing (and such consent is either unconditional or subject only to conditions which Target is able to satisfy); and
 - (2) an executed waiver from HSBC Bank Australia Limited confirming that the Target's entry into this deed or the Scheme or any action or steps taken in relation to entry into this deed or the Scheme do not breach of the Target's undertaking that there is no change in its ownership or control.
- (j) **Project Montrose Financing:** before 5.00pm on the Business Day before the Second Court Date, the Target has:
- (1) obtained all necessary financing required for its intended capital expenditures in respect of Project Montrose; and



- (2) to the extent Target intends to release any of its mortgages in respect of the properties at 2-9, 11 and 13 Brunsdon Street, Bayswater VIC 3153 in connection with obtaining financing for Project Montrose, obtained written confirmation from the relevant financiers of these mortgages that no prepayment, early termination, wind up or break costs are payable by Target as a result of release of these mortgages.

3.2 Satisfaction of Conditions Precedent

- (a) Target must, to the extent it is within its power to do so, use all reasonable endeavours to procure that each of the Conditions Precedent in clauses 3.1(a)(3), 3.1(b), 3.1(c), 3.1(d), 3.1(f), 3.1(g), 3.1(h), 3.1(i) and 3.1(j) are satisfied as soon as practicable after the date of this deed and continues to be satisfied at all times until the last time that the relevant clause provides that it is to be satisfied.
- (b) Bidder must, to the extent it is within its power to do so, use all reasonable endeavours to procure that the Conditions Precedent in clause 3.1(a) (other than clause 3.1(a)(3)) are satisfied as soon as practicable after the date of this deed and continue to be satisfied at all times until the last time that the relevant clause provides that it is to be satisfied.
- (c) Each of Target and Bidder must, to the extent it is within its respective power to do so, use all reasonable endeavours to procure that:
- (1) the Condition Precedent in clause 3.1(e) is satisfied as soon as practicable after the date of this deed and continues to be satisfied at all times until the last time that the relevant clause provides that it is to be satisfied; and
 - (2) there is no occurrence within its control or the control of any of its Subsidiaries that would prevent any of the Conditions Precedent being or remaining satisfied.
- (d) Without limiting this clause 3.2 and except to the extent prohibited by a Government Agency:
- (1) the Bidder must promptly apply for all relevant Regulatory Approvals (as applicable) other than the Regulatory Approvals referred to in clause 3.1(a)(3), and the Target must promptly apply for all relevant Regulatory Approvals in clause 3.1(a)(3), and each applying party must provide to the other party a copy of all those applications (except in relation to the PRC Approvals);
 - (2) each party must take all steps it is responsible for as part of the Regulatory Approval process, including responding to requests for information from the relevant Government Agencies at the earliest practicable time;
 - (3) each party must provide the other party with all material information reasonably requested in connection with the applications for, or progress of, the Regulatory Approvals;
 - (4) to the extent permitted by the Government Agencies, consult with the other party in advance in relation to the progress of obtaining the Regulatory Approvals and must:



- (A) provide the other party a reasonable opportunity to comment on the notification or application before submission of each document (except in relation to the PRC Approvals); and
- (B) consider in good faith any comments and proposed amendments provided by the other party (except in relation to the PRC Approvals); and
- (5) provide the other party with all assistance and information that it reasonably requests in connection with an application for a Regulatory Approval to be lodged by that other party,
- provided that:
- (6) the party applying for a Regulatory Approval may withhold or redact information or documents from the other party if and to the extent that they are either confidential to a third party or privileged or commercially sensitive and confidential to the applicant;
- (7) neither party is required to disclose materially commercially sensitive information to the other party; and
- (8) the party applying for a Regulatory Approval is not prevented from taking any step (including communicating with a Government Agency) in respect of a Regulatory Approval if the other party has not promptly responded under clause 3.2(d)(4).
- (e) The parties acknowledge that the tax conditions in the same form as set out in Part D ('Examples of tax conditions') in Guidance Note 12 issued by FIRB (Version 5 (27 May 2025)) are, if imposed by FIRB, deemed to be conditions in respect of the no objections notifications contemplated by the Condition Precedent in clause 3.1(a)(1) that are acceptable to Bidder.

3.3 Waiver of Conditions Precedent

- (a) The Conditions Precedent in clauses 3.1(a)(1), 3.1(b) and 3.1(d) cannot be waived.
- (b) The Conditions Precedent in clauses 3.1(f), 3.1(g), 3.1(h) and 3.1(j) are for the sole benefit of Bidder and may only be waived by Bidder (in its absolute discretion) in writing.
- (c) The Condition Precedent in clause 3.1(c) is for the sole benefit of Target and may only be waived by Target (in its absolute discretion) in writing.
- (d) The Conditions Precedent in clauses 3.1(a)(2), 3.1(a)(3), 3.1(e) and 3.1(i) are for the benefit of both parties and may only be waived by written agreement between Bidder and Target (in each case in their respective absolute discretion).
- (e) A party entitled to waive a Condition Precedent (either individually or with the other party) may do so in its absolute discretion.
- (f) If a party waives the breach or non-satisfaction of any of the Conditions Precedent in clause 3.1, that waiver does not prevent that party from suing the other party for any breach of this deed that resulted in the breach or non-satisfaction of the relevant Condition Precedent.
- (g) Waiver of a breach or non-satisfaction in respect of one Condition Precedent does not constitute:



- (1) a waiver of breach or non-satisfaction of any other Condition Precedent resulting from the same event; or
- (2) a waiver of breach or non-satisfaction of that Condition Precedent resulting from any other event.

3.4 Termination on failure of Condition Precedent

- (a) If there is an act, a failure to act, an event or an occurrence that would, does, or will prevent any of the Conditions Precedent being satisfied (including, for the avoidance of doubt, if Target Shareholders do not agree to the Scheme at the Scheme Meeting by the requisite majorities), or if any of the Conditions Precedent will not otherwise be satisfied, by the earlier of:

- (1) the time and date specified in this deed for the satisfaction of that Condition Precedent; and
- (2) the End Date,

or such Condition Precedent is otherwise not satisfied by the earlier of that specified time and date or the End Date (as applicable) or it becomes more likely than not that the Scheme will not become Effective on or before the End Date, then either party may give the other party written notice (**Consultation Notice**) within 5 Business Days after a relevant notice being given under clause 3.5(b) and the parties then must consult in good faith to:

- (3) consider and, if agreed, determine, whether the Transaction may proceed by way of alternative means or methods;
- (4) consider changing and, if agreed, change, the date of the application made to the Court for an order under paragraph 411(4)(b) of the Corporations Act approving the Scheme or adjourning that application (as applicable) to another date agreed to in writing by Bidder and Target (being a date no later than 5 Business Days before the End Date); or
- (5) consider extending and, if agreed, extend, the time and date specified in this deed for the satisfaction of that Condition Precedent or End Date (as applicable),

respectively.

- (b) Subject to clauses 3.4(c), 3.4(d) and 3.4(e), if the parties are unable to reach agreement under clause 3.4(a) within 5 Business Days after the date on which the Consultation Notice is given, then, unless:
- (1) the relevant Condition Precedent has been waived in accordance with clause 3.3; or
 - (2) the party, or in the case of clause 3.3(d), each party, entitled to waive the relevant Condition Precedent in accordance with clause 3.3 confirms in writing to the other party that it will not rely on the event or occurrence that would or does prevent the relevant Condition Precedent from being satisfied, or would mean the relevant Condition Precedent would or will not otherwise be satisfied,

either party may terminate this deed without any liability to the other party because of that termination. For the avoidance of doubt, nothing in this clause 3.4(b) affects the obligation of Target to pay the Reimbursement Fee, if it is required to do so under clause 11.



- (c) A party may not terminate this deed pursuant to clause 3.4(b) if:
- (1) the relevant occurrence or event, the failure of the Condition Precedent to be satisfied, or the failure of the Scheme to become Effective, arises out of a breach of clauses 3.2 or 3.5 by that party, although in such circumstances the other party may still terminate this deed; or
 - (2) the relevant Condition Precedent is stated in clause 3.3 to be for the sole benefit of the other party.
- (d) If the Condition Precedent in clause 3.1(b) (*Shareholder approval*) is not satisfied only because of a failure to obtain the majority required by sub-subparagraph 411(4)(a)(ii)(A) of the Corporations Act, then either party may by written notice to the other within 3 Business Days after the date of the conclusion of the Scheme Meeting require the approval of the Court to be sought, pursuant to the Court's discretion in that sub-subparagraph, provided the party has, in good faith formed the view that the prospect of the Court exercising its discretion in that way is reasonable. If approval is given, the Condition Precedent in clause 3.1(b) (*Shareholder approval*) is deemed to be satisfied for all purposes.
- (e) If the Court refuses to make an order approving the Scheme which satisfies the Condition Precedent in clause 3.1(d), at Bidder's request Target must appeal the Court's decision to the fullest extent possible (except to the extent that the parties agree otherwise, or an independent Senior Counsel indicates that, in their view, an appeal would have negligible prospects of success before the End Date). Target may bring an appeal even if not requested by Bidder.

3.5 Certain notices relating to Conditions Precedent

If a party becomes aware of:

- (a) the satisfaction of a Condition Precedent or of any material progress towards such satisfaction; or
- (b) the happening of an event or occurrence that would, does, will, or would reasonably be likely to:
 - (1) prevent a Condition Precedent being satisfied; or
 - (2) mean that any Condition Precedent will not otherwise be satisfied, before the time and date specified for its satisfaction (or being satisfied by the End Date, if no such time and date is specified) or such Condition Precedent is not otherwise satisfied by that time and date (including, for the avoidance of doubt, if Target Shareholders do not agree to the Scheme at the Scheme Meeting by the requisite majorities),

it must advise the other by notice in writing, as soon as possible (and in any event within 2 Business Days).

3.6 Further notice in certain circumstances

Target and Bidder (as the case may be) must promptly advise each other, in writing (providing reasonable detail), of any fact, matter, change, event or circumstance causing, or which, so far as can reasonably be foreseen, would cause:

- (a) a representation or warranty provided in this deed by the relevant party to be false in any material respect;



- (b) a breach or non-satisfaction of any of the Conditions Precedent; or
- (c) a material breach of this deed by the relevant party.

4 Transaction steps

4.1 Scheme

Target must propose the Scheme to Target Shareholders on and subject to the terms and conditions of this deed and the Scheme.

4.2 No amendment to the Scheme without consent

Target must not consent to any modification of, or amendment to, or the making or imposition by the Court of any condition in respect of, the Scheme without the prior written consent of Bidder acting reasonably.

4.3 Scheme Consideration

- (a) The parties acknowledge that each Scheme Shareholder will be entitled to receive the Scheme Consideration in respect of each Scheme Share held by that Scheme Shareholder in accordance with the terms and conditions of this deed and the Scheme.
- (b) Bidder undertakes and warrants to Target (in its own right and separately as trustee on behalf of the Scheme Shareholders) that, in consideration of the transfer to Bidder of each Target Share held by a Scheme Shareholder under the terms of the Scheme, on the Implementation Date Bidder will:
 - (1) accept that transfer; and
 - (2) provide to each Scheme Shareholder the Scheme Consideration for each Scheme Share in accordance with the terms and conditions of this deed and the Scheme.
- (c) The Scheme Consideration to be provided to each Scheme Shareholder will be reduced by the aggregate cash amount per Target Share of the Permitted Dividend, except that the Scheme Consideration will not be reduced by the value attributed to any franking credits attached to any such dividend.
- (d) Where the calculation of the Scheme Consideration to be provided to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a cent, the fractional entitlement will be rounded down to the nearest whole cent.

4.4 Provision of Target Share information

- (a) In order to facilitate the provision of the Scheme Consideration, Target must provide, or procure the provision of, to Bidder a complete copy of the Target Share Register as at the Scheme Record Date (which must be provided in such form as Bidder reasonably requires and must include the name, Registered Address and registered holding of each Scheme Shareholder as at the Scheme Record Date), within one Business Day after the Scheme Record Date.



- (b) The details and information to be provided under clause 4.4(a) must be provided in such form as Bidder, its nominee or the Bidder Registry may reasonably require.

4.5 Target equity incentives

Target must procure that no performance rights, options, warrants or any other securities or rights to receive shares, other than Target Shares, are in existence on the Scheme Record Date, except to the extent otherwise agreed between the parties.

4.6 Permitted Dividend

- (a) Subject to Target complying with the requirements of section 254T of the Corporations Act, the Target's constitution and applicable law, Target may declare and pay at any time prior to the Implementation Date, a cash dividend of up to \$0.015 per Target Share to Target Shareholders (**Permitted Dividend**), provided that:

- (1) the Permitted Dividend may only be franked to the extent the Target's 'franking account' (as defined in section 205-10 of the Tax Act) is in 'surplus' (as defined in section 205-40(1) of the Tax Act) as at the date the Permitted Dividend is announced or declared, and provided:
 - (A) Target will supply to Bidder details (satisfactory to Bidder acting reasonably), including its current franking account, of the basis on which the Permitted Dividend is to be franked prior to announcing or declaring the Permitted Dividend; and
 - (B) the Permitted Dividend will not cause Target to incur any franking deficit tax or the franking account to be in 'deficit' (as defined in section 205-40(2) of the Tax Act) on the Implementation Date;
- (2) the Permitted Dividend must not be in breach of the 'Benchmark Rule' in section 203-25 of the Tax Act or the 'Benchmark Rule' defined in that section does not apply in respect of the Permitted Dividend under section 203-20 of the Tax Act;
- (3) the share capital account of Target must not be debited or tainted;
- (4) the record date for the Permitted Dividend must be at least 2 days before the Scheme Record Date; and
- (5) the payment date for the Permitted Dividend will be determined by Target (in its absolute discretion) but must be at least 1 day before the Implementation Date.

- (b) Target undertakes that no amount of the Permitted Dividend shall be directly or indirectly funded before implementation of the Scheme from the issue of 'equity interests' (as defined in section 995-1 of the Tax Act) by any Target Group Member, where such equity interests are issued before the Implementation Date.

For the avoidance of doubt, the Scheme Consideration will be reduced by the cash amount of the Permitted Dividend, except that the Scheme Consideration will not be reduced by the value attributed to any franking credits attached to the Permitted Dividend.



5 Implementation

5.1 Timetable

- (a) Subject to clause 5.1(b), the parties must each use all reasonable endeavours to:
- (1) comply with their respective obligations under this clause 5; and
 - (2) take all necessary steps and exercise all rights necessary to implement the Transaction,
- substantially in accordance with the Timetable.
- (b) Failure by a party to meet any timeframe or deadline set out in the Timetable will not constitute a breach of clause 5.1(a) to the extent that such failure is due to circumstances and matters outside the party's control or due to Target taking or omitting to take any action in response to a Competing Proposal as permitted or contemplated by this deed.
- (c) Each party must keep the other informed about their progress against the Timetable and notify each other if it believes that any of the dates in the Timetable are not achievable.
- (d) To the extent that any of the dates or timeframes set out in the Timetable become not achievable due to matters outside of a party's control, the parties will consult in good faith to agree to any necessary extension to ensure such matters are completed within the shortest possible timeframe.

5.2 Target's obligations

Target must take all necessary steps within its control to implement the Scheme as soon as is reasonably practicable and, without limiting the foregoing, (i) use all reasonable endeavours to ensure that each step in the Timetable is met by the relevant date set out beside that step (and must consult with Bidder on a regular basis about its progress in that regard), (ii) do any acts it is authorised and able to do on behalf of Target Shareholders in accordance with the Scheme, and (iii) do each of the following:

- (a) **preparation of Scheme Booklet:** as soon as practicable after the date of this deed, prepare and despatch the Scheme Booklet in accordance with all applicable laws (including the Corporations Act and the Corporations Regulations), RG 60, applicable Takeovers Panel guidance notes and the Listing Rules;
- (b) **directors' recommendation:** include in the Scheme Booklet and all public announcements by Target in relation to the Scheme a statement by the Target Board:
- (1) unanimously recommending that Target Shareholders vote in favour of the Scheme in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Target Shareholders; and
 - (2) that each Target Board Member will (subject to the same qualifications as set out in clause 5.2(b)(1)) vote, or procure the voting of, their Director Target Shares at the time of the Scheme Meeting in favour of the Scheme at the Scheme Meeting;
- (c) **paragraph 411(17)(b) statement:** apply to ASIC for the production of:



- (1) an indication of intent letter stating that it does not intend to appear before the Court on the First Court Date; and
- (2) a statement under paragraph 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme;
- (d) **Court direction:** apply to the Court for orders pursuant to subsection 411(1) of the Corporations Act directing Target to convene the Scheme Meeting and, without limiting clause 5.2(g), lodge all relevant documents with the Court and take all other reasonable steps necessary to ensure that such application is heard by the Court at the First Court Hearing;
- (e) **Scheme Meeting:** convene and hold the Scheme Meeting to seek Target Shareholders' agreement to the Scheme in accordance with the orders made by the Court pursuant to subsection 411(1) of the Corporations Act and must not adjourn or postpone the Scheme Meeting or request the Court to adjourn or postpone the Scheme Meeting in either case without obtaining the prior written approval (which approval must not be unreasonably withheld) of the Bidder, except where there is a Competing Proposal or where the Independent Expert provides a report to Target (including either the Independent Expert's Report or any update of, or revision, amendment or supplement to, that report) that concludes that the Scheme is not in the best interests of Target Shareholders;
- (f) **Target options:** procure that no performance rights, options, warrants or any other securities or rights to receive shares, other than Target Shares, are in existence on the Scheme Record Date in accordance with clause 4.5;
- (g) **Court documents:** prepare and consult with Bidder in relation to the content of the documents required for the purpose of each of the Court hearings held for the purpose of subsection 411(1) and paragraph 411(4)(b) of the Corporations Act in relation to the Scheme (including originating process, affidavits, submissions and draft minutes of Court orders) and:
- (1) provide drafts of those documents to Bidder in a timely manner;
- (2) provide Bidder with a reasonable opportunity to review and comment on those documents before they are lodged or filed with the Court; and
- (3) consider in good faith, for the purpose of amending drafts of those documents, comments from Bidder and its Related Persons on those documents;
- (h) **Court approval:** if the Scheme is approved by Target Shareholders under subparagraph 411(4)(a)(ii) of the Corporations Act and it can reasonably be expected that all of the Conditions Precedent (other than the Condition Precedent in clause 3.1(d)) will be satisfied or waived in accordance with this deed before 8.00am on the Second Court Date, apply to the Court for orders approving the Scheme as agreed to by the Target Shareholders at the Scheme Meeting and, without limiting clause 5.2(g), lodge all relevant documents with the Court and take all other reasonable steps necessary to ensure that such application is heard by the Court at the Second Court Hearing (and, if it becomes apparent that a Condition Precedent (other than the Condition Precedent in clause 3.1(d)) will not be satisfied or waived in accordance with this deed before 8.00am on that proposed Second Court Date, apply for an adjournment of that proposed Second Court Date to a date agreed in writing between the parties);
- (i) **certificate:** at the hearing on the Second Court Date provide to the Court:



- (1) a certificate (signed for and on behalf of Target) in the form of a deed (substantially in the form set out in Attachment 4) confirming whether or not the Conditions Precedent (other than the Condition Precedent in clause 3.1(d)) have been satisfied or waived in accordance with this deed, a draft of which certificate must be provided by Target to Bidder by 4.00pm on the date that is two Business Days prior to the Second Court Date; and
- (2) any certificate provided to it by Bidder pursuant to clause 5.3(j);
- (j) **lodge copy of Court order:** lodge with ASIC an office copy of the Court order in accordance with subsection 411(10) of the Corporations Act approving the Scheme by no later than the Business Day after the date on which the Court order was made (or such later date as agreed in writing by Bidder);
- (k) **Scheme Consideration:** if the Scheme becomes Effective, finalise and close the Target Share Register as at the Scheme Record Date, and determine entitlements to the Scheme Consideration, in accordance with the Scheme and the Deed Poll;
- (l) **transfer and registration:** if the Scheme becomes Effective and subject to Bidder or Bidder Sub (if applicable) having paid the Scheme Consideration in accordance with the Scheme and Deed Poll:
- (1) execute, on behalf of Scheme Shareholders, instruments of transfer of the Scheme Shares to Bidder or Bidder Sub (if applicable); and
- (2) register all transfers of the Scheme Shares to Bidder or Bidder Sub (if applicable) on the Implementation Date;
- (m) **consultation with Bidder in relation to Scheme Booklet:** consult with Bidder as to the content and presentation of the Scheme Booklet including:
- (1) providing to Bidder drafts of the Scheme Booklet and the Independent Expert's Report for the purpose of enabling Bidder within a reasonable time to review and comment on those draft documents. In relation to the Independent Expert's Report, Bidder's review is to be limited to a factual accuracy review and Target makes no representation as to the extent to which the Independent Expert will receive or consider those comments;
- (2) taking all comments made by Bidder into account in good faith when producing a revised draft of the Scheme Booklet;
- (3) providing to Bidder a revised draft of the Scheme Booklet within a reasonable time before the Regulator's Draft is finalised and to enable Bidder to review the Regulator's Draft before the date of its submission to ASIC for approval pursuant to section 411(2) of the Corporations Act;
- (4) obtaining written consent from Bidder for the form and content in which the Bidder Information appears in the Scheme Booklet (which consent must not be unreasonably withheld or delayed); and
- (5) confirming in writing to Bidder that the Target Information in the Scheme Booklet does not contain any material statement that is false or misleading in a material respect including because of any material omission from that statement;
- (n) **due diligence and verification:** undertake due diligence that is customary for a transaction of this nature and appropriate verification processes in relation to



- the Target Information and, after those processes have been completed, provide on or before the First Court Date an affidavit to the Court confirming the due diligence and verification processes undertaken and their completion;
- (o) **information:** provide all necessary information, and procure that the Target Registry provides all necessary information, in each case in a form reasonably requested by Bidder, about the Scheme, the Scheme Shareholders and Target Shareholders to Bidder and its Related Persons, which Bidder reasonably requires in order to:
- (1) understand the legal and beneficial ownership of Target Shares, and canvass agreement to the Scheme by Target Shareholders (including the results of directions by Target to Target's Shareholders under Part 6C.2 of the Corporations Act);
 - (2) facilitate the provision by, or on behalf of, Bidder of the Scheme Consideration and to otherwise enable Bidder or Bidder Sub (if applicable) to comply with the terms of this deed, the Scheme and the Deed Poll;
 - (3) review the running tally of proxy appointments and directions received by Target before the Scheme Meeting; or
 - (4) be informed of any discussions Target has with significant Target Shareholders, including, for the avoidance of doubt, Currango Pastoral Company Pty Ltd, regarding their voting intentions;
- (p) **lodgement of Regulator's Draft:** as soon as practicable, but by no later than 14 days before the First Court Date, provide the Regulator's Draft to ASIC for its review for the purposes of subsection 411(2) of the Corporations Act, and provide a copy of the Regulator's Draft to Bidder as soon as practicable thereafter;
- (q) **ASIC review of Scheme Booklet:** keep Bidder informed of any matters raised by ASIC in relation to the Scheme Booklet or the Transaction, and use reasonable endeavours to take into consideration any comments made by Bidder in relation to any such matters raised by ASIC (provided Target may not resolve such matters without the prior written consent of Bidder to the extent that such matters relate to the Bidder Information);
- (r) **registration of Scheme Booklet:** if the Court directs Target to convene the Scheme Meeting, as soon as possible after such orders are made, take all reasonable measures within its control to cause ASIC to register the Scheme Booklet under subsection 412(6) of the Corporations Act;
- (s) **representation:** procure that it is represented by counsel at the Court hearings convened for the purposes of subsection 411(1) and paragraph 411(4)(b) of the Corporations Act;
- (t) **Independent Expert:**
- (1) promptly appoint the Independent Expert and provide all assistance and information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report for inclusion in the Scheme Booklet (including any updates to such report) and any other materials to be prepared by the Independent Expert for inclusion in the Scheme Booklet (including any updates thereto);
 - (2) subject to the Independent Expert's consent (which Target will use its best endeavours to obtain), provide a near final report from the



Independent Expert to Bidder at least 5 Business Days prior to the provision of the Independent Expert's Report to ASIC (or such shorter period consented to by Bidder in writing, acting reasonably) for factual accuracy review only;

- (u) **assistance:** up to the Implementation Date and subject to obligations of confidentiality owed to third parties and undertakings to Government Agencies, provide Bidder and its Related Persons with reasonable access during normal business hours to information and personnel of the Target Group that Bidder reasonably requests for the purpose of collation and provision of the Bidder Information and implementation of the Transaction;
- (v) **compliance with laws:** do everything reasonably within its power to ensure that the Transaction is effected in accordance with and to the extent required by this deed and all applicable laws and regulations;
- (w) **listing:** subject to clause 5.2(y), not do anything to cause Target Shares to cease being quoted on ASX or to become permanently suspended from quotation prior to implementation of the Transaction unless Bidder has agreed in writing;
- (x) **update Scheme Booklet:** until the date of the Scheme Meeting, promptly update or supplement the Scheme Booklet with, or where appropriate otherwise inform the market by way of announcement of, any information that arises after the Scheme Booklet has been despatched that is necessary to ensure that:
- (1) the Scheme Booklet does not contain any material statement that is false or misleading in a material respect including because of any material omission from that statement; and
 - (2) complies with all applicable laws (including the Corporations Act and the Corporations Regulations), RG 60, applicable Takeovers Panel guidance notes and the Listing Rules,
- and seek the Court's approval for the despatch of any updated or supplementary Scheme Booklet. Target must consult with Bidder as to the content and presentation of the updated or supplementary Scheme Booklet, or the market announcement, in the manner contemplated by clause 5.2(m);
- (y) **suspension of trading:**
- (1) apply to ASX to suspend trading in Target Shares with effect from the close of trading on the Effective Date; and
 - (2) apply to ASX for Target to be removed from the official list of ASX on the trading day immediately following the Implementation Date (unless otherwise directed by the Bidder in writing);
- (z) **Bidder Information:** without the prior written consent of Bidder, not use the Bidder Information for any purposes other than those expressly contemplated by this deed or the Scheme;
- (aa) **promote merits of Transaction:** participate in efforts reasonably requested by Bidder to promote the merits of the Transaction and the Scheme Consideration, including meeting with key Target Shareholders at the reasonable request of Bidder with such information and assistance that Bidder reasonably requests to enable it to promote the merits of the Transaction;
- (bb) **proxy solicitation:** in consultation with Bidder, undertake reasonable shareholder engagement and proxy solicitation actions so as to promote the merits of the Transaction and encourage Target Shareholders to vote on the



- Scheme in accordance with the recommendation of the Target Board, subject to applicable law and ASIC policy;
- (cc) **proxy information:** upon request by Bidder made prior to commencement of the Scheme Meeting, inform Bidder of the total number of proxy votes received by Target:
- (1) to vote in favour of the Scheme;
 - (2) to vote against the Scheme;
 - (3) to abstain from voting on the Scheme; and
 - (4) where the proxy may vote at the proxy's discretion; and
- (dd) **Implementation of Scheme:** if the Scheme becomes Effective, do all things required of it under the Scheme and all other things (if any) necessary for Target to do to lawfully give effect to the Scheme including all things reasonably required to give effect to the Scheme and the orders of the Court approving the Scheme under section 411(4)(b) of the Corporations Act.

5.3 Bidder's obligations

Bidder must take all necessary steps within its control to implement the Scheme as soon as is reasonably practicable and, without limiting the foregoing, must (i) use all reasonable endeavours to ensure that each step in the Timetable is met by the date set out beside that step (and must consult with Target on a regular basis about its progress in that regard), and (ii) do each of the following:

- (a) **Bidder Information:** as soon as practicable after the date of this deed, prepare and provide to Target the Bidder Information for inclusion in the Scheme Booklet, including all information regarding the Bidder Group and the Scheme Consideration required by all applicable laws (including the Corporations Act and the Corporations Regulations), RG 60, applicable Takeovers Panel guidance notes and the Listing Rules, and consent to the inclusion of that information in the Scheme Booklet in the form and context in which the Bidder Information appears;
- (b) **Scheme Booklet and Court documents:** provide any assistance or information reasonably requested by Target in connection with preparation of the Scheme Booklet (including any updated or supplementary Scheme Booklet) and any documents required to be filed with the Court in respect of the Scheme, review the drafts of the Scheme Booklet (including any updated or supplementary Scheme Booklet) prepared by Target and provide comments on those drafts in good faith;
- (c) **Independent Expert's Report:** provide any assistance or information reasonably requested by Target or by the Independent Expert in connection with the preparation of the Independent Expert's Report to be sent together with the Scheme Booklet, provided the Independent Expert maintains appropriate confidentiality in relation to any confidential information provided by Bidder to the Independent Expert;
- (d) **representation:** procure that it is represented by counsel at the Court hearings convened for the purposes of subsection 411(1) and paragraph 411(4)(b) of the Corporations Act;
- (e) **Deed Poll:** by no later than the Business Day prior to the First Court Date, execute and deliver to Target the Deed Poll;



- (f) **verification:** undertake appropriate verification processes in relation to the Bidder Information;
- (g) **Approval of Bidder Information:** before the Scheme Booklet is despatched to Target Shareholders, confirm in writing to Target:
- (1) Bidder's consent to the inclusion of the Bidder Information in the Scheme Booklet in the form and context in which it appears in the Scheme Booklet; and
 - (2) that the Bidder Information in the Scheme Booklet does not contain any material statement that is false or misleading in a material respect including because of any material omission from that statement;
- (h) **share transfer:** if the Scheme becomes Effective, Bidder must (or, to the extent applicable, procure that Bidder Sub):
- (1) accept a transfer of the Scheme Shares as contemplated by clause 4.3(b)(1); and
 - (2) execute instruments of transfer in respect of the Scheme Shares;
- (i) **Scheme Consideration:** if the Scheme becomes Effective, provide or procure the provision of the Scheme Consideration in the manner and amount contemplated by clause 4 and the terms of the Scheme and the Deed Poll;
- (j) **certificate:** before the commencement of the hearing on the Second Court Date provide to Target for provision to the Court at that hearing a certificate (signed for and on behalf of Bidder and, to the extent applicable, Bidder Sub) in the form of a deed (substantially in the form set out in Attachment 4) confirming whether or not the Conditions Precedent (other than the Condition Precedent in clause 3.1(d)) have been satisfied or waived in accordance with this deed, a draft of which certificate must be provided by Bidder to Target by 4.00 pm on the date that is two Business Days prior to the Second Court Date;
- (k) **update Bidder Information:** until the date of the Scheme Meeting, promptly provide to Target any information that arises after the Scheme Booklet has been despatched that is necessary to ensure that the Bidder Information contained in the Scheme Booklet does not contain any material statement that is false or misleading in a material respect including because of any material omission from that statement;
- (l) **promote merits of the Scheme:** participate in efforts reasonably requested by Target to promote the merits of the Transaction and the Scheme Consideration, including meeting with key Target Shareholders at the reasonable request of Target;
- (m) **financing:** use all reasonable endeavours to ensure that all finance agreements and arrangements (if any) to which any Bidder Group Member is party relating to the availability of funds for the purposes of paying the Scheme Consideration remain on foot and that all conditions precedent to draw down of funds have been satisfied or waived under those agreements or arrangements;
- (n) **compliance with laws:** do everything reasonably within its power to ensure that the Transaction is effected in accordance with and to the extent required by this deed and in accordance with all applicable laws and regulations; and
- (o) **other things:** if the Scheme becomes Effective, promptly do all other things contemplated by or necessary to give effect to the Scheme and the orders of the Court approving the Scheme in accordance with all applicable laws and regulations.



5.4 Conduct of business

- (a) Subject to clause 5.4(b), from the date of this deed up to and including the Implementation Date, and without limiting any other obligations of Target under this deed, Target must and must procure that each Target Group member does:
- (1) conduct the business and operations of the Target Group in the ordinary and usual course generally consistent with the manner in which each such business and operations have been conducted in the 12 month period prior to the date of this deed;
 - (2) conduct its business and operations in accordance with, and complies in all material respects with, all applicable laws and regulations and formal directions, recommendations or requests provided to the Target Group by any Government Agency;
 - (3) use reasonable endeavours to maintain and preserve the value of its business (including goodwill) and assets consistent with past practices and maintain at least its current level of insurance;
 - (4) keep Bidder informed of material developments concerning the conduct of its business, including:
 - (D) any material changes to customer contracts to which a Target Group Member is a party;
 - (E) any material health, safety or environmental event that impacts the conduct of the Target Group's business or gives rise to actual or contingent liabilities for the Target Group's business; and
 - (F) such other interim updates as reasonably requested by Bidder from time to time, on reasonable notice;
 - (5) comply, and must procure that each Target Group Member complies, in all material respects, with all Material Contracts to which it is party and does not waive any material rights under any such Material Contract or terminate or amend in any material respect any such Material Contract (or agree to do any of the foregoing);
 - (6) not commence, enter into or acquire any line of business in which the Target Group is not engaged as at the date of this deed, or cease or dispose of any line of business in which the Target Group is engaged as at the date of this deed;
 - (7) provide regular reports on the financial affairs of the Target Group, including the provision of Target Group's monthly management accounts and all board papers (which includes committee papers) and minutes of the board (or any subcommittee of the board) of the Target Group (provided Target may redact from those board papers and minutes information which relates to the Transaction or cannot be disclosed without waiving legal professional privilege or breaching any applicable law or obligation of confidentiality to a third party), in a timely manner to Bidder;
 - (8) take all steps within its power to ensure that no Target Prescribed Occurrence and no Target Regulated Event occurs;
 - (9) take all steps reasonably within its power to ensure that no Target Material Adverse Change occurs;



- For personal use only
- (10) make all reasonable efforts, and procure that each other Target Group Member makes all reasonable efforts, consistent with the ordinary and usual course of the Target Group's business, to:
 - (A) preserve and maintain the value the businesses and assets of the Target Group;
 - (B) keep available the services of the directors, officers and employees of each member of the Target Group;
 - (C) maintain and preserve their relationships with Government Agencies, customers, suppliers, distributors and others having business dealings with any Target Group Member (including, using all reasonable endeavours to obtain consents from third parties to any change of control provisions which Bidder reasonably requests in contracts or arrangements to which a member of the Target Group is a party);
 - (11) maintain (and where necessary, use reasonable efforts to renew) each of its authorisations, accreditations, registrations, approvals, licences and permits of the Target Group that are material to the operations of the Target Group, promptly notify Bidder if any such renewal is refused by a relevant Government Agency or if a member of the Target Group receives any notice of termination, revocation or material adverse variation of any such material authorisations, accreditations, registrations, approvals, licences and permits.
- (b) Nothing in clause 5.4(a) restricts the ability of Target or any Target Group Member to take any action:
- (1) which is required or expressly permitted by this deed or the Scheme;
 - (2) which has been agreed to in writing by Bidder (which agreement must not be unreasonably withheld or delayed);
 - (3) which is required by any applicable law (except where that requirement arises as a result of an action by a Target Group Member) or by an order of a Court or Government Agency;
 - (4) which is Fairly Disclosed in:
 - (A) the Disclosure Materials;
 - (B) an announcement made by Target to ASX in the 2 year period prior to the date of this deed; or
 - (C) a publicly available document lodged by the Target with ASIC, in the 2 year period prior to the date of this deed;
 - (5) required to be done to reasonably and prudently respond to an emergency or disaster (including a situation giving rise to a risk of personal injury or material damage to property), provided that Target consults with Bidder to the extent reasonably practicable; or
 - (6) which is undertaken as permitted by clause 10.
- (c) From the date of this deed up to and including the Second Court Date, Target will promptly notify Bidder in writing of anything of which it becomes aware that:
- (1) makes any material information publicly filed by Target (either on its own account or in respect of any other Target Group Member) to be,



- or reasonably likely to be, incomplete, incorrect, untrue or misleading in any material respect;
- (2) makes any information provided in the Disclosure Materials incomplete, incorrect, untrue or misleading in any material respect; or
 - (3) would constitute or be likely to constitute a Target Prescribed Occurrence, a Target Regulated Event or a Target Material Adverse Change.

5.5 Implementation Committee

- (a) Each party will, as soon as practicable after the date of this deed, notify the other party of its appointees to the Implementation Committee and ensure their respective Implementation Committee members are aware of and understand the provisions of the Confidentiality Deed.
- (b) Without limiting clause 5.11, between (and including) the date of this deed and the Implementation Date, the Implementation Committee will:
 - (1) oversee implementation of the Scheme and act as a forum for discussion, planning and sharing of information (subject to competition laws) with respect to matters relating to implementation of the Scheme and business planning going forward;
 - (2) discuss any issues that may affect implementation of the Scheme and disclose any material updates in respect of the Target's business and the Scheme; and
 - (3) any other purpose agreed between the parties,

but, for the avoidance of doubt, the Implementation Committee is a consultative body only that will make recommendations to the parties and the discussions and disclosures contemplated above are intended to involve a reasonable interchange to provide a constructive basis for business planning going forward.

- (c) The members of the Implementation Committee may by unanimous agreement invite other persons (including Target senior executives) to attend meetings of the Implementation Committee from time to time.
- (d) The parties must use all reasonable endeavours to procure that the Implementation Committee meets (by way of technology) no less than once a month, commencing on the one-month anniversary of the date of this deed.
- (e) The parties acknowledge and agree that:
 - (1) the Implementation Committee is a discussion and planning forum only, and the members of the Implementation Committee do not have power to bind the other party or to give any consent, approval or waiver on behalf of such other party; and
 - (2) nothing in this clause 5.5:
 - (A) gives Bidder any rights as to the decision making of any member of the Target Group or the business or operations of the Target Group;
 - (B) requires a party to act at the direction of the other party or is intended to create a relationship of partnership, joint venture or similar between the parties;



- (C) requires a party to take any action that would reasonably be expected to conflict with or violate the entity's constituent documents or any law;
- (D) requires a party, to provide information to the other party, if in its reasonable opinion, the provision of the information would breach applicable law or is commercially sensitive and reasonably likely to cause prejudice to the commercial or legal interests of the applicable party taken as a whole; or
- (E) requires Target to provide information in relation to detailed operational matters on immaterial aspects of the business operated by the Target Group.

5.6 Change of control provisions

As soon as practicable after the date of this deed, Target and Bidder must seek to identify any change of control or similar provisions in any Material Contract, any insurance policy and any continuing financing arrangements to which a Target Group Member is party which may be triggered by the implementation of the Transaction (**Change of Control Requirements**). In respect of those Material Contracts, insurance policies or continuing financing arrangements which the Bidder determines are necessary or desirable for the continued operation of the Business after the Implementation Date, the parties agree as follows:

- (a) Target and Bidder will, each acting reasonably, agree a proposed course of action to obtain any consents or waivers required in accordance with the terms of any identified Change of Control Requirements and then jointly initiate contact with the relevant counterparties and request that they provide, and use all reasonable endeavours to obtain, any consents or waivers required.
- (b) Target must cooperate with, and provide reasonable assistance to, Bidder to obtain such consents or waivers as expeditiously as possible, including by promptly providing any information reasonably required by counterparties (but nothing in this clause requires Target to incur material external expense).
- (c) Bidder must take all action reasonably necessary to comply with any requirements of the counterparties that are reasonably necessary to obtain the relevant consent or waiver, including:
 - (1) providing any information required; and
 - (2) making officers and employees available where necessary to meet with counterparties to deal with any issues arising in relation to the relevant consent or waiver,provided that nothing in this clause requires Bidder or a Bidder Group Member to (or consent to):
 - (3) agree to any amendments to the relevant Material Contract or continuing financing arrangement; or
 - (4) pay any security or monies to the counterparty.

5.7 Appointment of directors

- (a) Target must, as soon as practicable on the Implementation Date, after the Scheme Consideration has been despatched to Scheme Shareholders in accordance with the terms of the Scheme, take all actions necessary to:



- (1) cause the appointment of the nominees of Bidder to the Target Board;
- (2) ensure that all directors on the Target Board, other than the directors nominated by Bidder in writing to Target:
 - (A) resign; and
 - (B) unconditionally and irrevocably release Target from any claims they may have against Target; and
- (3) ensure that all directors on the boards of Target's Subsidiaries, other than the directors nominated by Bidder in writing to Target:
 - (A) resign; and
 - (B) unconditionally and irrevocably release Target and its relevant Subsidiary from any claims they may have against either of them,

and to cause the appointment of nominees of Bidder to those boards.

- (b) Target represents and warrants that each Target Board Member has confirmed that, as at the date of this deed, that director is not aware of any claim he or she has for loss of office, remuneration or otherwise against any Target Group Members (provided that nothing in this clause 5.7 requires any such director to forego, or will be taken to waive or prejudice, any rights he or she may have under any constituent document, deed of access, indemnity and insurance or policy of directors' and officers' insurance).

5.8 Target Board recommendation

- (a) Target represents and warrants to Bidder that, as at the date of this deed, each Target Board Member has provided confirmation to Target that:
 - (1) he or she will act in a manner which allows Target to comply with its obligations under this clause 5.8;
 - (2) he or she will recommend that Target Shareholders vote in favour of the Scheme at the Scheme Meeting; and
 - (3) he or she intends to vote, or cause to be voted, all Target Shares that they hold or control in favour of the Scheme,in each case subject to:
 - (4) no Superior Proposal emerging; and
 - (5) the Independent Expert concluding (and continuing to conclude) in the Independent Expert's Report that the Scheme is in the best interests of Target Shareholders.
- (b) Target must use its best endeavours to procure that, subject to clause 5.8(c), the Target Board Members:
 - (1) unanimously recommend that Target Shareholders vote in favour of the Scheme at the Scheme Meeting in the absence of a Superior Proposal and subject to the Independent Expert concluding (and continuing to conclude) in the Independent Expert's Report that the Scheme is in the best interest of Target Shareholders; and
 - (2) intend to vote, or cause to be voted, all Target Shares they hold or control in favour of the Scheme at the Scheme Meeting subject to the same qualifications in clause 5.8(b)(1),



and that the Scheme Booklet and any public statement relating to the Transaction includes statements by the Target Board and the Target Board Members (as applicable) to that effect.

- (c) Target must procure that the Target Board collectively, and the Target Board Members individually, do not adversely change, withdraw, adversely modify or adversely qualify (including by making any public statement supporting, endorsing or recommending a Competing Proposal or to the effect that a Target Board Member no longer supports the Scheme) its or their recommendation to vote in favour of the Scheme unless either:
- (1) the Independent Expert provides a report to Target that concludes that the Scheme is not in the best interest of Target Shareholders; or
 - (2) a Superior Proposal has been received by Target, and, in each case:
 - (A) Target has complied with its obligations under clause 10; and
 - (B) the Target Board has determined, after receiving written legal advice from its external legal advisers, that a failure to change, withdraw or modify its recommendation in the particular circumstances would constitute, or would be reasonably likely to constitute, a breach of any of the fiduciary or statutory duties of the directors of Target; or
 - (3) the adverse change, withdrawal, adverse modification or adverse qualification in respect of a Target Board Member occurs because of a requirement by a court of competent jurisdiction or ASIC or the Takeovers Panel that the relevant Target Board Member abstains from making a recommendation that Target Shareholders vote in favour of the Scheme after the date of this deed, but only in relation to the specified Target Board Member and only to the extent required to comply with the relevant requirement.
- (d) For the purposes of clause 5.8(c), customary qualifications and explanations contained in the Scheme Booklet and any public announcements by Target in relation to a recommendation to vote in favour of the Scheme to the effect that the recommendation is made:
- (1) in the absence of a Superior Proposal; and
 - (2) in respect of any public announcement issued before the issue of the Scheme Booklet, 'subject to the Independent Expert concluding (and continuing to conclude) in the Independent Expert's Report that the Scheme is in the best interest of Target Shareholders',
- will not be regarded as a failure to make, or a change, withdrawal, modification or qualification of, a recommendation in favour of the Scheme.
- (e) Without limiting the operation of clause 10 or the preceding provisions of this clause 5, and subject to the Listing Rules and all applicable laws and regulations, if circumstances arise, including the receipt or expected receipt of an unfavourable report from the Independent Expert, which may lead to any one or more Target Board Members adversely changing, withdrawing, adversely modifying or adversely changing their recommendation to vote in favour of the Scheme, Target must
- (1) promptly notify Bidder of this fact; and



- (2) consult with Bidder in good faith for three Business Days after the date on which the notice under clause 5.8(e)(1) is given to consider and determine whether there are any steps that can be taken to avoid such a change, withdrawal or variation (as applicable).
- (f) Despite anything to the contrary in this clause 5.8, a statement made by Target or the Target Board to the effect only that no action should be taken by Target Shareholders pending the assessment of a Competing Proposal by the Target Board or the completion of the matching right process set out in clause 10.7 shall not contravene this clause 5.8.
- (g) For the avoidance of doubt, Target will not be liable to Bidder under this deed (other than in accordance with its terms, including, without limitation, in respect of the Reimbursement Fee contemplated in clause 11), solely as a result of a Target Director publicly (or otherwise) changing, withdrawing, adversely modifying or adversely qualifying his or her Recommendation as permitted by clause 5.8(c).

5.9 Conduct of Court proceedings

- (a) Target and Bidder are entitled to separate representation at all Court proceedings affecting the Transaction.
- (b) This deed does not give Target or Bidder any right or power to give undertakings to the Court for or on behalf of the other party without that party's written consent.
- (c) Target and Bidder must give all undertakings to the Court in all Court proceedings which are reasonably required to obtain Court approval and confirmation of the Transaction as contemplated by this deed.
- (d) If the Court refuses to make any orders directing Target to convene the Scheme Meeting or approving the Scheme, Target and Bidder must:
- (1) consult with each other in good faith as to whether to appeal the Court's decision; and
- (2) appeal the Court decision unless Target and Bidder agree otherwise or an independent senior counsel opines that, in his or her view, an appeal would have no reasonable prospect of success.

5.10 Scheme Booklet content and responsibility statements

- (a) The Scheme Booklet will contain a responsibility statement to the effect that:
- (1) Bidder has prepared and is responsible for the Bidder Information contained in the Scheme Booklet and, to the maximum extent possible at law, Target is not responsible for any Bidder Information or the Independent Expert's Report and will disclaim any liability for any Bidder Information or the Independent Expert's Report appearing in the Scheme Booklet;
- (2) Target has prepared and is responsible for the Target Information contained in the Scheme Booklet and, to the maximum extent possible at law, Bidder is not responsible for the Target Information or the Independent Expert's Report appearing in the Scheme Booklet and will disclaim any liability for any Target Information or the Independent Expert's Report appearing in the Scheme Booklet; and



- (3) The Independent Expert is responsible for the Independent Expert's Report, and none of Bidder, Target or their respective directors or officers assumes any responsibility for the accuracy or completeness of the Independent Expert's Report.
- (b) If the parties disagree on the form or content of the Scheme Booklet, the parties must consult in good faith to try to settle on an agreed form of the Scheme Booklet.
- (c) If after 5 Business Days of consultation under clause 5.10(b), Target and Bidder are unable to agree on the form or content of the Scheme Booklet:
- (1) where the determination relates to Bidder Information, Bidder acting reasonably and in good faith will make the final determination as to the form and content of the Bidder Information; and
 - (2) in any other case, Target will make the final determination as to the form and content of the Scheme Booklet, acting reasonably and in good faith.

5.11 Access to information and management

Between (and including) the date of this deed and the Implementation Date, Target must, and must cause each other Target Group Member to, afford to Bidder and its Related Persons reasonable access to information (subject to any existing confidentiality obligations owed to third parties, appropriate consents in relation to which Target must use all reasonable endeavours to obtain), premises and such senior executives of any member of the Target Group as reasonably requested by Bidder, and reasonably cooperate with Bidder, for the purpose of:

- (a) the implementation of the Scheme;
- (b) Bidder developing and implementing plans for the carrying on of the businesses of the Target Group following implementation of the Scheme which, for the avoidance of doubt, does not include ongoing due diligence on the Target Group;
- (c) Bidder obtaining an understanding of the operations of the Target Group's business, financial position, prospects and affairs;
- (d) keeping Bidder informed of material developments relating to the Target Group;
- (e) Bidder meeting its obligations under this deed and understanding the status of the Target Representations and Warranties; and
- (f) any other purpose agreed in writing between the parties,

provided that:

- (g) nothing in this clause 5.11 will require Target to provide, or procure the provision of, information concerning:
 - (1) Target's directors and management's consideration of the Scheme; or
 - (2) any actual, proposed or potential Competing Proposal (including directors' and management's consideration of any actual, proposed or potential Competing Proposal);
 - (3) Target Group's business that is commercially sensitive, including any specific pricing and margin information or customer details, where the provision of such information is reasonably likely to cause prejudice to the commercial or legal interests of Target Group taken as a whole,



- but this proviso does not limit Target's obligations under clause 10;
- (h) providing or procuring the provision of information or access to Bidder or its Related Persons pursuant to this clause 5.11 must not result in unreasonable disruptions to, or interference with, the Target Group's business;
- (i) Bidder must:
- (1) keep all information obtained by it as a result of this clause 5.11 confidential in accordance with the terms of the Confidentiality Deed, other than in relation to enforcing its rights under, and in connection with this deed;
 - (2) provide Target with reasonable notice of any request for information or access; and
 - (3) comply with the reasonable requirements of Target in relation to any access granted.
- (j) nothing in this clause 5.11 will require Target to provide, or procure the provision of, information if to do so would or would be reasonably likely to:
- (1) breach any confidentiality obligations owed to a third party, any applicable law, authorisation or court order;
 - (2) result in waiver or loss of legal professional privilege,
- but must notify Bidder immediately of that fact and take all necessary steps to provide any access, information, assistance or facilities in a manner which, to the extent reasonably practicable, will not result in a breach of confidentiality obligations owed to a third party, any applicable law, authorisation or court order or loss of any legal professional privilege.

6 Representations and warranties

6.1 Bidder's representations and warranties

Bidder represents and warrants to Target (in its own right and separately as trustee or nominee for each of the other Target Indemnified Parties) each of the Bidder Representations and Warranties.

6.2 Bidder's indemnity

Bidder agrees with Target (in its own right and separately as trustee or nominee for each of the other Target Indemnified Parties) to indemnify Target and each of the Target Indemnified Parties against any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising that Target or any of the other Target Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the Bidder Representations and Warranties.

6.3 Target's representations and warranties

Target represents and warrants to Bidder (in its own right and separately as trustee or nominee for each of the other Bidder Indemnified Parties) each of the Target Representations and Warranties.



6.4 Target's indemnity

Subject to clause 6.5, Target agrees with Bidder (in its own right and separately as trustee or nominee for each Bidder Indemnified Party) to indemnify Bidder and each of the Bidder Indemnified Parties from any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising that Bidder or any of the other Bidder Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the Target Representations and Warranties.

6.5 Qualifications on Target's representations, warranties and indemnities

- (a) The Target Representations and Warranties made or given in clause 6.3 and the indemnity in clause 6.4, are each subject to matters that:
- (1) have been Fairly Disclosed in the Disclosure Materials;
 - (2) have been Fairly Disclosed in an announcement by Target to ASX, or a publicly available document lodged by it with ASIC, in the 2-year period prior to the date of this deed;
 - (3) are expressly required or expressly permitted to be done by this deed or the Scheme or the transactions contemplated by either;
 - (4) required by law or by an order of a court or Government Agency;
 - (5) were actually known to Bidder prior to the date of this deed which for these purposes will be taken to be limited to the actual knowledge of Huang Wei, Hu Jun and Yuan Bo;
 - (6) that would have been Fairly Disclosed to Bidder, or which ought to have been expected to arise from anything which would have been Fairly Disclosed to Bidder, had Bidder conducted searches of public records maintained by:
 - (A) ASIC on 29 September 2025;
 - (B) the PPSR on 1 October 2025; and
 - (C) the registries of the High Court of Australia, the Federal Court of Australia and the Supreme Court in every State and Territory in Australia on 1 October 2025.
- (b) Where a Target Representation and Warranty is given 'so far as Target is aware' or with a similar qualification as to Target's awareness or knowledge, Target's awareness or knowledge is limited to and deemed only to include those facts, matters or circumstances of which a Specified Individual is actually aware, or would have been aware had that person made reasonable enquiries of their direct reports who might reasonably be expected to have knowledge or awareness of the relevant matters, as at the date of this deed.

6.6 Survival of representations and warranties

Each representation and warranty in clauses 6.1 and 6.3:

- (a) is severable;
- (b) survives the termination of this deed; and



- (c) is given with the intention that liability under it is not confined to breaches that are discovered before the date of termination of this deed.

6.7 Survival of indemnities

Each indemnity in this deed (including those in clauses 6.2 and 6.4):

- (a) is severable;
- (b) is a continuing obligation;
- (c) constitutes a separate and independent obligation of the party giving the indemnity from any other obligations of that party under this deed; and
- (d) survives the termination of this deed.

6.8 Timing of representations and warranties

Each representation and warranty made or given under clauses 6.1 or 6.3 is given at the date of this deed and repeated continuously thereafter until 8.00am on the Second Court Date unless that representation or warranty is expressed to be given at a particular time, in which case it is given at that time.

6.9 No representation or reliance

- (a) Each party acknowledges that no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this deed, except for representations or inducements expressly set out in this deed and (to the maximum extent permitted by law) all other representations, warranties and conditions implied by statute or otherwise in relation to any matter relating to this deed, the circumstances surrounding the parties' entry into it and the transactions contemplated by it are expressly excluded.
- (b) Each party acknowledges and confirms that it does not enter into this deed in reliance on any representation or other inducement by or on behalf of any other party, except for any representation or inducement expressly set out in this deed.

7 Releases

7.1 Target and Target directors and officers

- (a) Bidder:
- (1) releases its rights; and
- (2) agrees with Target that it will not make, and that after the Implementation Date it will procure that each Target Group Member does not make, any claim,

against any Target Indemnified Party (other than Target and its Related Bodies Corporate) as at the date of this deed and from time to time in connection with:



- (3) any breach of any representations and warranties of Target or any other member of the Target Group in this deed or any breach of any covenant given by Target in this deed;
- (4) any disclosures containing any statement which is false or misleading whether in content or by omission; or
- (5) any failure to provide information,

whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise, except where the Target Indemnified Party has not acted in good faith or has engaged in wilful misconduct, wilful concealment or fraud. For the avoidance of doubt, nothing in this clause 7.1(a) limits Bidder's rights to terminate this deed under clause 13.

- (b) Clause 7.1(a) is subject to any Corporations Act restriction and will be read down accordingly.
- (c) Target receives and holds the benefit of this clause 7.1 to the extent it relates to each Target Indemnified Party as trustee for each of them.

7.2 Bidder and Bidder directors and officers

- (a) Target, releases its rights, and agrees with Bidder that it will not make a claim, against any Bidder Indemnified Party (other than Bidder and its Related Bodies Corporate) as at the date of this deed and from time to time in connection with:

- (1) any breach of any representations and warranties of Bidder or any other member of the Bidder Group in this deed or any breach of any covenant given by Bidder in this deed;
- (2) any disclosure containing any statement which is false or misleading whether in content or by omission; or
- (3) any failure to provide information,

whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise, except where the Bidder Indemnified Party has not acted in good faith or has engaged in wilful misconduct, wilful concealment or fraud. For the avoidance of doubt, nothing in this clause 7.2(a) limits Target's rights to terminate this deed under clause 13.

- (b) Clause 7.2(a) is subject to any Corporations Act restriction and will be read down accordingly.
- (c) Bidder receives and holds the benefit of this clause 7.2 to the extent it relates to each Bidder Indemnified Party as trustee for each of them.

7.3 Deeds of indemnity and insurance

- (a) Subject to the Scheme becoming Effective and the Transaction completing, Bidder undertakes in favour of Target and each other Target Indemnified Party that it will:
 - (1) subject to clause 7.3(e), for a period of seven years from the Implementation Date, ensure that the constitutions of Target and each other Target Group Member continues to contain such rules as are contained in those constitutions at the date of this deed that provide for each company to indemnify each of its directors and officers



- against any liability incurred by that person in their capacity as a director or officer of the company to any person other than a Target Group Member; and
- (2) procure that Target and each other Target Group Member complies with any deeds of indemnity, access and insurance made by them in favour of their respective directors and officers from time to time and, without limiting the foregoing, ensure that directors' and officers' run-off insurance cover for such directors and officers is maintained, subject to clause 7.3(e), for a period of seven years from the retirement date of each director and officer so long as it is available on commercially reasonable terms.
- (b) Bidder acknowledges that notwithstanding any other provision of this deed, Target will, prior to the Implementation Date, enter into arrangement to secure directors and officers run-off insurance for up to such seven year period (**D&O Run-off Policy**), and that any actions to facilitate that insurance or in connection with such insurance will not be a Target Material Adverse Change, a Target Prescribed Occurrence or a Target Regulated Event or a breach of any provision of this deed or give rise to any right to terminate this deed, and will be disregarded when assessing the operation of any other part of this deed, provided that:
- (1) Target uses reasonable endeavours to obtain attractive commercial terms for the D&O Run-off Policy from a reputable insurer, including by obtaining at least two quotes from reputable insurers, and will not incur costs exceeding \$500,000 in total;
- (2) the D&O Run-off Policy is on terms that are not more favourable than, the existing insurance policies in place for the directors and officers of Target as at the date of this deed; and
- (3) Target consults with Bidder and keeps Bidder reasonably informed of progress in relation to the D&O Runoff Policy and provides Bidder with all information reasonably requested by Bidder in connection with the placing, or progress, of the D&O Policy.
- (c) The undertakings contained in clause 7.3(a) are subject to any Corporations Act restriction or any restriction in the law of a jurisdiction in which an entity is incorporated and will be read down accordingly.
- (d) Target receives and holds the benefit of clause 7.3(a), to the extent it relates to the other Target Indemnified Parties, as trustee for each of them.
- (e) In respect of each Target Group Member, the undertakings in clause 7.3(a) are given until the earlier of:
- (1) the end of the relevant period specified in clause 7.3(a); and
- (2) the relevant Target Group Member ceasing to be part of the Bidder Group.



8 Public announcement

8.1 Announcement of the Transaction

Immediately after the execution of this deed, Target must issue a public announcement in a form previously agreed to in writing between Target and Bidder.

8.2 Public announcements

- (a) Subject to clause 8.3, no public announcement or public disclosure of the Transaction or any other transaction the subject of this deed or the Scheme may be made other than in a form approved by each party in writing (acting reasonably), but each party must use all reasonable endeavours to provide such approval as soon as practicable.
- (b) For the avoidance of doubt, clause 8.2(a) does not apply to any announcement or disclosure in connection with the termination of this deed (including the termination of this deed or to any announcement relating to an actual, proposed or potential Competing Proposal).

8.3 Required disclosure

Where a party is required by applicable law or the Listing Rules to make any announcement or to make any disclosure in connection with the Transaction or any other transaction the subject of this deed or the Scheme, it may do so despite clause 8.2 but must use all reasonable endeavours, to the extent practicable and lawful, to consult with the other party prior to making the relevant disclosure including by giving each other party a reasonable opportunity to review the draft and taking account of any reasonable comments received from the other party on the draft.

9 Confidentiality

- (a) Target and Bidder acknowledge and agree that they continue to be bound by the Confidentiality Deed after the date of this deed. The rights and obligations of the parties under the Confidentiality Deed survive termination of this deed.
- (b) Nothing in this deed derogates from the rights and obligations of a party under the Confidentiality Deed, provided that this deed prevails to the extent of any inconsistency between this deed and the Confidentiality Deed.

10 Exclusivity

10.1 No existing discussions

Target represents and warrants that, as at the time of execution of this deed, it and its Related Persons are not in any negotiations or discussions, and have ceased any existing negotiations or discussions, in respect of any Competing Proposal or which could reasonably be expected to encourage or lead to any actual, proposed or potential Competing Proposal with any person, and (if applicable) have required the return or

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destruction of any confidential information relating to the Target Group which may have been supplied to any Third Party in connection with any of the foregoing.

10.2 No shop

During the Exclusivity Period, Target must not, and must ensure that each of its Related Persons do not, except with the prior written consent of Bidder, directly or indirectly solicit, invite, encourage, initiate or facilitate any Competing Proposal or any approaches, proposals, enquiries, offers, negotiations or discussions with any Third Party in relation to, or that may reasonably be expected to encourage or lead to, any actual, proposed or potential Competing Proposal, or communicate any intention to do any of those things.

10.3 No talk

Subject to clause 10.5, during the Exclusivity Period, Target must not, and must ensure that each of its Related Persons do not, except with the prior written consent of Bidder, enter into, continue or participate in negotiations or discussions with, or enter into any agreement, arrangement or understanding with, any Third Party in relation to, or that may reasonably be expected to encourage or lead to, any actual, proposed or potential Competing Proposal, even if:

- (a) the Competing Proposal was not directly or indirectly solicited, invited, encouraged or initiated by Target or any of its Related Persons; or
- (b) the Competing Proposal has been publicly announced.

10.4 No due diligence

Subject to clause 10.5, during the Exclusivity Period, Target must not, and must ensure that each of its Related Persons do not, except with the prior written consent of Bidder, directly or indirectly:

- (a) solicit, invite, encourage, initiate, facilitate or permit any Third Party to undertake due diligence investigations on Target, any member of the Target Group, any of the operations or assets of the Target Group or its businesses or any part thereof;
- (b) make available to any Third Party, or permit any Third Party to receive, any Non-Public Information (other than in response to a requirement by a Government Agency that has the right to obtain that information and has sought it); or
- (c) make available to any Third Party, or permit any Third Party to have access to, any officers or employees of, or premises used, leased, licenced or owned by, any member of the Target Group,

with a view to, or in circumstances that might lead to, such Third Party formulating, developing or finalising, or being assisted in the formulation, development or finalisation of, a Competing Proposal.

10.5 Limitation to no talk and no due diligence

Clause 10.3 and clause 10.4 shall not apply to the extent that the relevant clause restricts Target or its Related Persons from taking or refusing to take any action with respect to a Competing Proposal (which was not solicited, encouraged, initiated or invited by Target or its Related Persons in breach of clause 10.2), provided that the Target Board has determined, acting in good faith:



- (a) after consulting with its advisers, that the Competing Proposal is, or could reasonably be considered likely to become, a Superior Proposal; and
- (b) after receiving written legal advice from its external legal advisers, that compliance with clauses 10.3 and/or 10.4 (as applicable) in the particular circumstances would constitute, or would be reasonably likely to constitute, a breach of the Target Board's member's fiduciary or statutory duties or obligations,

and for the avoidance of doubt, the evaluation of a Competing Proposal for the purposes of this clause 10.5 is not a breach of this clause 10.

10.6 Notification of approaches

- (a) During the Exclusivity Period, Target must as soon as possible (and in any event within 24 hours) notify Bidder in writing if it, any of its Related Bodies Corporate or any of their respective Related Persons, becomes aware of any
 - (1) approach, proposal, enquiry or offer made to Target, any of its Related Bodies Corporate or any of their respective Related Persons in connection with, or in respect of any exploration or completion of, an actual, proposed or potential Competing Proposal,
 - (2) request made to Target or any of its Related Persons for the provision of Non-Public Information in respect of any exploration or completion of, an actual, proposed or potential Competing Proposal; or
 - (3) provision by Target, any of its Related Bodies Corporate or any of their respective Related Persons of any Non-Public Information to any to a Third Party in connection with an actual, proposed or potential Competing Proposal,

whether direct or indirect, solicited or unsolicited, and in writing or otherwise.

- (b) A notification given under clause 10.6(a) must include the identity of the relevant person making or proposing the relevant actual, proposed or potential Competing Proposal, together with all material terms and conditions of the actual, proposed or potential Competing Proposal (including price and form of consideration, conditions precedent, proposed deal protection arrangements and timetable), in each case to the extent known by Target or any of its Related Persons.
- (c) Bidder agrees that:
 - (1) any information received in a notice given to it under clause 10.6(b) shall be confidential information and subject to the Confidentiality Agreement; and
 - (2) it shall not, directly or indirectly, contact the third party that made the approach, proposal or request for any purpose relating to the Transaction, the Competing Proposal or any similar transaction, without the prior written consent of Target.
- (d) During the Exclusivity Period, Target must also notify Bidder in writing as soon as possible after it, any of its Related Bodies Corporate or any of their respective Related Persons, becomes aware of any material developments in relation to the actual, proposed or potential Competing Proposal, including in respect of any of the information previously provided to Bidder pursuant to this clause 10.6.



10.7 Matching right

(a) If Target is permitted by virtue of clause 10.5 to engage in any activity that would otherwise be a breach of any of clauses 10.3 or 10.4, Target must enter into a confidentiality deed with the person who has made the applicable Competing Proposal that contains standstill obligations that are on terms no less onerous taken as a whole than the standstill obligations of Bidder under the Confidentiality Deed.

(b) During the Exclusivity Period, Target:

(1) must not, and must procure that each of its Related Bodies Corporate do not, enter into any legally binding agreement, arrangement or understanding (whether or not in writing) pursuant to which a one or more of a Third Party, Target or any Related Body Corporate of Target proposes or propose to undertake or give effect to an actual, proposed or potential Competing Proposal, other than the confidentiality deed pursuant to clause 10.7(a); and

(2) must use best endeavours to procure that none of its directors change their recommendation in favour of the Scheme in response to a Competing Proposal, publicly recommend an actual, proposed or potential Competing Proposal (or recommend against the Transaction) or make any public statement to the effect that they may do so at a future point (provided that a statement that no action should be taken by Target Shareholders pending the assessment of a Competing Proposal by the Target Board or the completion of the matching right process set out in this clause 10.7 shall not contravene this clause 10.7 and also subject to any change of recommendation by the Target Board that is permitted by clause 5.8(c)),

unless:

(3) the Target Board has made the determination contemplated by clause 10.5 that the Competing Proposal would be or would reasonably likely to be a Superior Proposal;

(4) the actual, proposed or potential Competing Proposal has not arisen as a result of Target's breach of clause 10.2, clause 10.3 or clause 10.4;

(5) Target has provided Bidder with a notice:

(A) stating that it is given for the purposes of this clause 10.7;

(B) setting out the information required by clause 10.6(b); and

(C) providing the reasons why the Target Board considered the Competing Proposal is, or could reasonably be considered likely to become, a Superior Proposal;

(6) Target has given Bidder at least five Business Days after the date of the provision of the information referred to in clause 10.7(b)(4) to provide a matching or superior proposal to the terms of the actual, proposed or potential Competing Proposal; and

(7) by the expiry of the five Business Day period in clause 10.7(b)(6), Bidder has not announced or otherwise formally proposed to Target a counterproposal that the Target Board determines, acting in good faith and after consultation with its external legal and financial advisers,



would produce a matching or superior outcome for Target Shareholders as compared to the outcome that would be produced by the Competing Proposal, taking into account all of the terms and conditions of the counterproposal.

- (c) If by the expiry of the five Business Day period in clause 10.7(b)(6), Bidder proposes to Target, or announces amendments to the Scheme or a new proposal (**Bidder Counterproposal**), Target must procure that the Target Board considers the Bidder Counterproposal to determine, acting in good faith and after consultation with its external legal and financial advisers, whether the Bidder Counterproposal would produce a matching or superior outcome for Target Shareholders as compared to the outcome that would be produced by the Competing Proposal, taking into account all of the terms and conditions of the counterproposal.
- (d) If the Target Board, acting reasonably and in good faith, determines that a Bidder Counterproposal provided pursuant to clause 10.7(c) would provide an equivalent or superior outcome for Target Shareholders as a whole compared with the Competing Proposal, taking into account all of the terms and conditions of the Bidder Counterproposal, then:
- (1) Target must notify Bidder of that determination in writing; and
 - (2) Target and Bidder must use their best endeavours to agree the amendments to this deed, the Scheme and the Deed Poll (as applicable) that are reasonably necessary to reflect the Bidder Counterproposal and to implement the Bidder Counterproposal, in each case as soon as reasonably practicable, and Target must procure that each of the directors of Target continues to recommend the Transaction (as modified by the Bidder Counterproposal) to Target Shareholders.
- (e) If the Target Board, acting reasonably and in good faith, determines that a Bidder Counterproposal provided pursuant to clause 10.7(c) would not provide an equivalent or superior outcome for Target Shareholders as a whole compared with the Competing Proposal, taking into account all of the terms and conditions of the Bidder Counterproposal, then Target must notify Bidder of that determination in writing, stating reasons for that determination.
- (f) For the purposes of this clause 10.7, each successive material modification of any Competing Proposal or potential Competing Proposal will constitute a new Competing Proposal or potential Competing Proposal, and the procedures set out in this clause 10.7 must again be followed prior to any member of the Target Group entering into any agreement, arrangement, understanding or commitment in respect of such Competing Proposal or potential Competing Proposal.
- (g) Despite any other provision in this deed, a statement by Target or the Target Board to the effect that:
- (1) the Target Board has determined that a Competing Proposal is a Superior Proposal and has commenced the matching right process set out in this clause 10.7; or
 - (2) Target Shareholders should take no action pending the completion of the matching right process set out in this clause 10.7,

does not of itself:



- (3) constitute an adverse change, withdrawal, adverse modification or adverse qualification of the recommendation by a Target Board Member or an endorsement of a Competing Proposal;
- (4) contravene this deed;
- (5) give rise to an obligation to pay the Reimbursement Fee under clause 11.2; or
- (6) give rise to a termination right under clause 13.1.

10.8 Normal provision of information

- (a) Nothing in this clause 10 prevents Target or its Related Persons from:
 - (1) responding to a Third Party in respect of an enquiry, expression of interest, offer or proposal by that Third Party to make, or which may reasonably be expected to encourage or lead to the making of a Competing Proposal to merely:
 - (A) acknowledge receipt;
 - (B) advise that Third Party that Target is bound by the provisions in this clause 10 and is only able to engage in negotiations, discussions or other communications if the fiduciary out in clause 10.5 applies;
 - (2) providing information required to be provided by any law, any court of competent jurisdiction, any Government Agency or the Listing Rules, including in order to comply with continuous disclosure obligations; or
 - (3) making presentations to, and responding to enquiries from, Target Shareholders, brokers, portfolio investors and equity market analysts in relation to the Transaction or the business of the Target Group, in the ordinary course.

10.9 Compliance with law

- (a) If it is finally determined by a Court, or the Takeovers Panel, that the agreement by the parties under this clause 10 or any part of it:
 - (1) constituted, or constitutes, or would constitute, a breach of the fiduciary or statutory duties of the Target Board or of the Bidder Board;
 - (2) constituted, or constitutes, or would constitute, 'unacceptable circumstances' within the meaning of the Corporations Act; or
 - (3) was, or is, or would be, unlawful for any other reason,then, to that extent (and only to that extent) the parties will not be obliged to comply with that provision of clause 10.
- (b) The parties must not make or cause or permit to be made, any application to a Court or the Takeovers Panel for or in relation to a determination referred to in this clause 10.9.



11 Reimbursement Fee

11.1 Background to Reimbursement Fee

- (a) Bidder and Target acknowledge that, if they enter into this deed and the Scheme is subsequently not implemented, Bidder will incur significant costs, including those set out in clause 11.4.
- (b) In these circumstances, Bidder has requested that provision be made for the payments outlined in clause 11.2, without which Bidder would not have entered into this deed or otherwise agreed to implement the Scheme.
- (c) The Target Board believes, having taken advice from its external legal advisers and Financial Adviser, that the implementation of the Scheme will provide benefits to Target and that it is appropriate for Target to agree to the payments referred to in clause 11.2 in order to secure Bidder's participation in the Transaction.

11.2 Reimbursement Fee triggers

Subject to this clause 11, Target must pay the Reimbursement Fee to Bidder if:

- (a) during the Exclusivity Period, one or more Target Board Members:
 - (1) withdraws, adversely changes, adversely modifies or adversely qualifies their support of the Scheme or their recommendation that Target Shareholders vote in favour of the Scheme or fails to recommend that Target Shareholders vote in favour of the Scheme in the manner described in clause 5.8(a); or
 - (2) recommends, supports or endorses a Competing Proposal, including by making a public statement,unless:
 - (1) the Independent Expert concludes in the Independent Expert's Report that the Scheme is not in the best interest of Target Shareholders (except where that conclusion is due wholly or partly to the existence, announcement or publication of a Competing Proposal);
 - (2) the failure to recommend, or the change to or withdrawal of a recommendation to vote in favour of the Scheme occurs because of a requirement or request by the Court or a Government Agency that one or more Target Board Members abstain or withdraw from making a recommendation that Target Shareholders vote in favour of the Scheme after the date of this deed; or
 - (3) Target is entitled to terminate this deed pursuant to clause 13.1(a)(1), and has given the appropriate termination notice to Bidder;
- (b) a Competing Proposal of any kind is announced during the Exclusivity Period (whether or not such proposal is stated to be subject to any pre-conditions) and, within 12 months of the date of such announcement, the Third Party or any Associate of that Third Party:
 - (1) completes a Competing Proposal of a kind referred to in any of paragraphs 2, 3 or 4 of the definition of Competing Proposal; or



- (2) other acquires (either alone or in aggregate) a Relevant Interest in more than 50% of the Target Shares or otherwise acquires (either alone or in aggregate) Control of Target;
- (c) Bidder has validly terminated this deed pursuant to clause 13.1(a)(1) or 13.2(a); or
- (d) Bidder has terminated this deed under clause 3.4 due to a failure of the Condition Precedent in any of clauses 3.1(f) or 3.1(g).

11.3 Payment of Reimbursement Fee

- (a) A demand by Bidder for payment of the Reimbursement Fee under clause 11.2 must:
 - (1) be in writing;
 - (2) be made after the occurrence of the event in that clause giving rise to the right to payment;
 - (3) state the circumstances which give rise to the demand; and
 - (4) nominate an account in the name of Bidder into which Target is to pay the Reimbursement Fee.
- (b) Target must pay the Reimbursement Fee into the account nominated by Bidder, without set-off or withholding (unless required by law), within 15 Business Days after receiving a demand for payment where Bidder is entitled under clause 11.2 to the Reimbursement Fee.

11.4 Basis of Reimbursement Fee

The Reimbursement Fee has been calculated to reimburse Bidder for costs including the following:

- (a) fees for legal, financial and other professional advice in planning and implementing the Transaction (excluding success fees);
- (b) reasonable opportunity costs incurred in engaging in the Transaction or in not engaging in other alternative acquisitions or strategic initiatives;
- (c) costs of management and directors' time in planning and implementing the Transaction; and
- (d) out of pocket expenses incurred by Bidder and Bidder's employees, advisers and agents in planning and implementing the Transaction,

and the parties agree that:

- (e) the costs actually incurred by Bidder will be of such a nature that they cannot all be accurately ascertained; and
- (f) the Reimbursement Fee is a genuine and reasonable pre-estimate of those costs,

and Target represents and warrants that it has received written legal advice from its legal advisers in relation to the operation of this clause 11.



11.5 Compliance with law

- (a) This clause 11 does not impose an obligation on Target to pay the Reimbursement Fee to the extent (and only to the extent) that the obligation to pay the Reimbursement Fee:
- (1) is declared by the Takeovers Panel to constitute 'unacceptable circumstances'; or
 - (2) is determined to be unenforceable or unlawful (including by virtue of it being a breach of the fiduciary or statutory duties of the Target Board Members) by a court.

For the avoidance of doubt, any part of the Reimbursement Fee that would not constitute unacceptable circumstances or that is not unenforceable or unlawful (as applicable) must be paid by Target.

- (b) If any part of the Reimbursement Fee has been determined pursuant to this clause 11.5 to constitute unacceptable circumstances or to be unenforceable or unlawful (as applicable), and Bidder has received the Reimbursement Fee (or part thereof), it must refund the relevant part of the Reimbursement Fee to Target within five Business Days of the final determination being made.
- (c) The parties must not make or cause or permit to be made, any application to the Takeovers Panel or a court for or in relation to a declaration or determination referred to in clause 11.5(a).

11.6 Reimbursement Fee payable only once

Where the Reimbursement Fee becomes payable to Bidder under clause 11.2 and is actually paid to Bidder, Bidder cannot make any claim against Target for payment of any subsequent Reimbursement Fee.

11.7 Other Claims and exclusive remedy

- (a) Despite anything to the contrary in this deed but subject to clause 11.7(d), the maximum aggregate monetary liability of the Target to the Bidder for all Claims under this deed is the Reimbursement Fee and in no event will the aggregate monetary liability of Target for Claims under this deed and in connection with the Transaction or the Scheme exceed the Reimbursement Fee.
- (b) Where an amount becomes payable to Bidder under clause 11.2 and is actually paid to Bidder, Bidder cannot make any Claim (other than a Claim under this clause 11) against Target which relates solely to the event that gave rise to the right to make a demand under clause 11.3, except in relation to:
- (1) conduct designed or intended to frustrate the Transaction by or on behalf of Target; or
 - (2) fraud, wilful misconduct, wilful breach or wilful concealment by or on behalf of Target.
- (c) For the avoidance of doubt, the amount of any loss or damage caused in relation to a breach of clause 10 shall be reduced by the amount paid to Bidder under clause 5.8 or clause 11.2.
- (d) Each party acknowledges and agrees that damages may not be sufficient remedy for breach of this deed and that the limitation in this clause 11.7(d) does not prevent either party from seeking orders from a court of competent

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jurisdiction for injunctive relief or specific performance by the other party of any obligations under this document.

11.8 No Reimbursement Fee if Scheme Effective

Despite anything to the contrary in this deed, the Reimbursement Fee will not be payable to Bidder if the Scheme becomes Effective, notwithstanding the occurrence of any event in clause 11.2 and, if the Reimbursement Fee has already been paid it must be refunded by Bidder.

12 Reverse Reimbursement Fee

12.1 Background to Reverse Reimbursement Fee

- (a) Bidder and Target acknowledge that, if they enter into this deed and the Scheme is subsequently not implemented, Target will incur significant costs, including those set out in clause 12.4.
- (b) In these circumstances, Target has requested that provision be made for the payments outlined in clause 12.2, without which Target would not have entered into this deed or otherwise agreed to implement the Scheme.

12.2 Reverse Reimbursement Fee triggers

Subject to this clause 12, Bidder must pay the Reverse Reimbursement Fee to Target if:

- (a) Target has terminated this deed pursuant to:
 - (1) clause 13.1(a)(1); or
 - (2) clause 13.2(b); or
- (b) Target Shareholders have approved the Scheme but Bidder defaults in its obligation to provide the Scheme Consideration to Scheme Shareholders.

12.3 Payment of Reverse Reimbursement Fee

- (a) A demand by Target for payment of the Reverse Reimbursement Fee under clause 12.2 must:
 - (1) be in writing;
 - (2) be made after the occurrence of the event in that clause giving rise to the right to payment;
 - (3) state the circumstances which give rise to the demand; and
 - (4) nominate an account in the name of Target into which Bidder is to pay the Reverse Reimbursement Fee.
- (b) Bidder must pay the Reverse Reimbursement Fee into the account nominated by Target, without set-off or withholding (unless required by law), within 15 Business Days after receiving a demand for payment where Target is entitled under clause 12.2 to the Reverse Reimbursement Fee.

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12.4 Basis of Reverse Reimbursement Fee

The Reverse Reimbursement Fee has been calculated to reimburse Target for costs including the following:

- (a) fees for legal, financial and other professional advice in planning and implementing the Transaction (excluding success fees);
- (b) reasonable opportunity or deferral costs incurred in engaging in the Transaction in priority to other strategic alternatives;
- (c) costs of management and directors' time in planning and implementing the Transaction; and
- (d) out of pocket expenses incurred by Target and Target's employees, advisers and agents in planning and implementing the Transaction,

and the parties agree that:

- (e) the costs actually incurred by Target will be of such a nature that they cannot all be accurately ascertained; and
- (f) the Reverse Reimbursement Fee is a genuine and reasonable pre-estimate of those costs,

and Bidder represents and warrants that it has received written legal advice from its legal advisers in relation to the operation of this clause 12.

12.5 Compliance with law

- (a) This clause 12 does not impose an obligation on Bidder to pay the Reverse Reimbursement Fee to the extent (and only to the extent) that the obligation to pay the Reverse Reimbursement Fee:
 - (1) is declared by the Takeovers Panel to constitute 'unacceptable circumstances'; or
 - (2) is determined to be unenforceable or unlawful (including by virtue of it being a breach of the fiduciary or statutory duties of the Bidder directors) by a court.
- (b) For the avoidance of doubt, any part of the Reverse Reimbursement Fee that would not constitute unacceptable circumstances or that is not unenforceable or unlawful (as applicable) must be paid by Bidder.
- (c) If any part of the Reverse Reimbursement Fee has been determined pursuant to this clause 12.5 to constitute unacceptable circumstances or to be unenforceable or unlawful (as applicable), and Target has received the Reverse Reimbursement Fee, it must refund the relevant part of the Reverse Reimbursement Fee to Bidder within five Business Days of the final determination being made.
- (d) The parties must not make or cause or permit to be made, any application to the Takeovers Panel or a court for or in relation to a declaration or determination referred to in clause 12.5(a).



12.6 Reverse Reimbursement Fee payable only once

Where the Reverse Reimbursement Fee becomes payable to Target under clause 12.2 and is actually paid to Target, Target cannot make any claim against Bidder for payment of any subsequent Reverse Reimbursement Fee.

12.7 Other Claims

- (a) Despite anything to the contrary in this deed but subject to clause 12.7(d), the maximum aggregate monetary liability of the Bidder to Target for all Claims under this deed is the Reverse Reimbursement Fee and in no event will the aggregate monetary liability of Bidder for Claims under this deed and in connection with the Transaction or the Scheme exceed the Reverse Reimbursement Fee.
- (b) Where an amount becomes payable to Target under clause 12.2 and is actually paid to Target, Target cannot make any Claim (other than a Claim under this clause 12) against Bidder which relates solely to the event that gave rise to the right to make a demand under clause 11.3, except in relation to:
 - (1) conduct designed or intended to frustrate the Transaction by or on behalf of Bidder; or
 - (2) fraud, wilful misconduct, wilful breach or wilful concealment by or on behalf of Bidder.
- (c) For the avoidance of doubt, the amount of any loss or damage caused in relation to a breach of clause 12 shall be reduced by the amount paid to Target under clause 12.2.
- (d) Each party acknowledges and agrees that damages may not be sufficient remedy for breach of this deed and that the limitation in this clause 12.7(d) does not prevent either party from seeking orders from a court of competent jurisdiction for injunctive relief or specific performance by the other party of any obligations under this document.

12.8 No Reverse Reimbursement Fee if Scheme Effective

Despite anything to the contrary in this deed, the Reverse Reimbursement Fee will not be payable to Target if the Scheme becomes Effective, notwithstanding the occurrence of any event in clause 12.2 and, if the Reverse Reimbursement Fee has already been paid it must be refunded by Target.

13 Termination

13.1 Termination

- (a) Either party may terminate this deed by written notice to the other party:
 - (1) other than in respect of a breach of either a Bidder Representation and Warranty or a Target Representation and Warranty (which are dealt with in clause 13.2(a)), at any time before 8.00am on the Second Court Date, if the other party has materially breached this deed, the party entitled to terminate has given written notice to the party in

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- breach of this deed setting out the relevant circumstances and stating an intention to terminate this deed, and the other party has failed to remedy the breach within five Business Days (or any shorter period ending at 5.00pm on the Business Day before the Second Court Date) after the date on which the notice is given;
- (2) in the circumstances set out in, and in accordance with, clause 3.4; or
 - (3) if the Effective Date for the Scheme has not occurred, or will not occur, on or before the End Date.
- (b) Bidder may terminate this deed by written notice to Target at any time before 8.00am on the Second Court Date if any Target Board Member:
- (1) fails to recommend the Scheme;
 - (2) withdraws, adversely changes, adversely modifies or adversely qualifies their support of the Scheme or their recommendation that Target Shareholders vote in favour of the Scheme (other than as permitted by clause 5.8(c)); or
 - (3) makes a public statement indicating that he or she no longer recommends the Transaction or recommends, supports or endorses another transaction (including any Competing Proposal but excluding a statement that no action should be taken by Target Shareholders pending assessment of a Competing Proposal by the Target Board or the completion of the matching right process set out in clause 10.7),
- other than where any Target Board Member is required or requested by a court or Government Agency to abstain or withdraw from making a recommendation that Target Shareholders vote in favour of the Scheme after the date of this deed.
- (c) Target may terminate this deed by written notice to Bidder at any time before 8.00am on the Second Court Date if the Target Board or a majority of the Target Board has changed, withdrawn, modified or qualified its recommendation as permitted under clause 5.8 and, if applicable, Target has paid the Reimbursement Fee to Bidder.
- (d) Bidder may terminate this deed by written notice to Target at any time before 8.00am on the Second Court Date if, in any circumstances (including, for the avoidance of doubt, where permitted by clause 10.7), Target enters into any legally binding agreement, arrangement or understanding in relation to the undertaking or giving effect to any actual, proposed or potential Competing Proposal.

13.2 Termination for breach of representations and warranties

- (a) Bidder may, at any time prior to 8.00am on the Second Court Date, terminate this deed for a breach of a Target Representation and Warranty only if:
- (1) Bidder has given written notice to Target setting out the relevant circumstances and stating an intention to terminate or to allow the Scheme to lapse;
 - (2) the relevant breach continues to exist ten Business Days (or any shorter period ending at 5.00pm on the Business Day before the Second Court Date) after the date on which the notice is given under clause 13.2(a)(1); and

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- (3) the relevant breach is material in the context of the Scheme taken as a whole.
- (b) Target may, at any time prior to 8.00am on the Second Court Date, terminate this deed for a breach of a Bidder Representation and Warranty only if:
- (1) Target has given written notice to Bidder setting out the relevant circumstances and stating an intention to terminate or to allow the Scheme to lapse;
- (2) the relevant breach continues to exist ten Business Days (or any shorter period ending at 5.00pm on the Business Day before the Second Court Date) after the date on which the notice is given under clause 13.2(b)(1); and
- (3) the relevant breach is material in the context of the Scheme taken as a whole.

13.3 Effect of termination

If this deed is terminated by either party under clauses 3.4, 13.1 or 13.2:

- (a) each party will be released from its obligations under this deed, except that this clause 13.3, and clauses 1, 6.5 to 6.9, 7.1, 7.2, 9, 11, 14, 15, 16 and 17 (except clause 17.10), will survive termination and remain in force;
- (b) each party will retain the rights it has or may have against the other party in respect of any past breach of this deed; and
- (c) in all other respects, all future obligations of the parties under this deed will immediately terminate and be of no further force and effect including any further obligations in respect of the Scheme.

13.4 Termination

Where a party has a right to terminate this deed, that right for all purposes will be validly exercised if the party delivers a notice in writing to the other party stating that it terminates this deed and the provision under which it is terminating this deed.

13.5 No other termination

Neither party may terminate or rescind this deed except as permitted under clauses 3.4, 13.1 or 13.2 or if the parties agree in writing to terminate this deed.

14 Duty, costs and expenses

14.1 Duty

Bidder:

- (a) must pay all Duty in respect of this deed or the Scheme or the steps to be taken under this deed or the Scheme; and
- (b) indemnifies Target against any liability arising from its failure to comply with clause 14.1(a).



To avoid doubt, Bidder and Bidder Sub shall not be liable for any Taxes or Duty applicable to any Scheme Shareholder or Target in respect of the transactions contemplated in this deed.

14.2 Costs and expenses

Except as otherwise provided in this deed, each party must pay its own costs and expenses in connection with the negotiation, preparation, execution, delivery and performance of this deed and the proposed, attempted or actual implementation of this deed and the Transaction.

15 GST

- (a) Any consideration or amount payable under this deed, including any non-monetary consideration (as reduced in accordance with clause 15(e) if required) (**Consideration**) is exclusive of GST.
- (b) If GST is or becomes payable on a Supply made under or in connection with this deed, an additional amount (**Additional Amount**) is payable by the party providing consideration for the Supply (**Recipient**) equal to the amount of GST payable on that Supply as calculated by the party making the Supply (**Supplier**) in accordance with the GST Law.
- (c) The Additional Amount payable under clause 15(b) is payable at the same time and in the same manner as the Consideration for the Supply, and the Supplier must provide the Recipient with a Tax Invoice. However, the Additional Amount is only payable on receipt of a valid Tax Invoice.
- (d) If for any reason (including the occurrence of an Adjustment Event) the amount of GST payable on a Supply (taking into account any Decreasing or Increasing Adjustments in relation to the Supply) varies from the Additional Amount payable by the Recipient under clause 15(b):
- (1) the Supplier must provide a refund or credit to the Recipient, or the Recipient must pay a further amount to the Supplier, as applicable;
 - (2) the refund, credit or further amount (as the case may be) will be calculated by the Supplier in accordance with the GST Law; and
 - (3) the Supplier must notify the Recipient of the refund, credit or further amount within 14 days after becoming aware of the variation to the amount of GST payable. Any refund or credit must accompany such notification or the Recipient must pay any further amount within seven days after receiving such notification, as applicable. If there is an Adjustment Event in relation to the Supply, the requirement for the Supplier to notify the Recipient will be satisfied by the Supplier issuing to the Recipient an Adjustment Note within 14 days after becoming aware of the occurrence of the Adjustment Event.
- (e) Despite any other provision in this deed if an amount payable under or in connection with this deed (whether by way of reimbursement, indemnity or otherwise) is calculated by reference to an amount incurred by a party, whether by way of cost, expense, outlay, disbursement or otherwise (**Amount Incurred**), the amount payable must be reduced by the amount of any Input Tax Credit to which that party is entitled in respect of that Amount Incurred.



- (f) Any reference in this clause to an Input Tax Credit to which a party is entitled includes an Input Tax Credit arising from a Creditable Acquisition by that party but to which the Representative Member of a GST Group of which the party is a member is entitled.
- (g) Any term starting with a capital letter in this clause 15 that is not defined in this clause 15 has the same meaning as the term has in the *A New Tax System (Goods & Services Tax) Act 1999* (Cth).

16 Notices

16.1 Form of Notice

A notice or other communication to a party under this deed (**Notice**) must be:

- (a) in writing and in English; and
- (b) addressed to that party in accordance with the details nominated below (or any alternative details nominated to the sending party by Notice):

(1) to Target:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(2) to Bidder:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

16.2 How Notice must be given and when Notice is received

- (a) A Notice must be given by one of the methods set out in the table below.
- (b) A Notice is regarded as given and received at the time set out in the table below.

However, if this means the Notice would be regarded as given and received outside the period between 9.00am and 5.00pm (addressee's time) on a day that is not a Saturday, Sunday or a public holiday or bank holiday in the place of receipt (**business hours period**), then, other than in respect of any Notice given on, and prior to 8.00am on, the Second Court Date, the Notice will instead be regarded as given and received at the start of the following business hours period.

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Method of giving Notice	When Notice is regarded as given and received
By hand to the nominated address	When delivered to the nominated address
By pre-paid post to the nominated address	At 9.00am (addressee's time) on the second day that is not a Saturday, Sunday or a public holiday or bank holiday in the place of receipt after the date of posting
By email to the nominated email address	The first to occur of: <ol style="list-style-type: none"> 1 the sender receiving an automated message confirming delivery; or 2 two hours after the time that the email was sent (as recorded on the device from which the email was sent) provided that the sender does not, within the period, receive an automated message that the email has not been delivered.

16.3 Notice must not be given by electronic communication

A Notice must not be given by electronic means of communication (other than email as permitted in clause 16.2).

17 General

17.1 Governing law and jurisdiction

- (a) This deed is governed by the law in force in New South Wales.
- (b) Each party irrevocably submits to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales and courts of appeal from them in respect of any proceedings arising out of or in connection with this deed. Each party irrevocably waives any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

17.2 Service of process

Without preventing any other mode of service, any document in an action (including any writ of summons or other originating process or any third or other party notice) may be served on any party by being delivered to or left for that party at its address for service of Notices under clause 16.

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17.3 No merger

The rights and obligations of the parties do not merge on completion of the Transaction. They survive the execution and delivery of any assignment or other document entered into for the purpose of implementing the Transaction.

17.4 Invalidity and enforceability

- (a) If any provision of this deed is invalid under the law of any jurisdiction the provision is enforceable in that jurisdiction to the extent that it is not invalid, whether it is in severable terms or not.
- (b) Clause 17.4(a) does not apply where enforcement of the provision of this deed in accordance with clause 17.4(a) would materially affect the nature or effect of the parties' obligations under this deed.

17.5 Waiver

No party to this deed may rely on the words or conduct of any other party as a waiver of any right unless the waiver is in writing and signed by the party granting the waiver.

The meanings of the terms used in this clause 17.5 are set out below.

Term	Meaning
conduct	includes delay in the exercise of a right.
right	any right arising under or in connection with this deed and includes the right to rely on this clause.
waiver	includes an election between rights and remedies, and conduct which might otherwise give rise to an estoppel.

17.6 Variation

A variation of any term of this deed must be in writing and signed by the parties.

17.7 Assignment of rights

- (a) A party may not assign, novate, declare a trust over or otherwise transfer or deal with any of its rights or obligations under this deed without the prior written consent of the other party or as expressly provided in this deed.
- (b) A breach of clause 17.7(a) by a party shall be deemed to be a material breach for the purposes of clause 13.1(a)(1).
- (c) Clause 17.7(b) does not affect the construction of any other part of this deed.

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17.8 Acknowledgement

Each party acknowledges that the remedy of damages may be inadequate to protect the interests of the parties for a breach of clause 10 and that Bidder is entitled to seek and obtain, without limitation, injunctive relief if Target breaches, or threatens to breach, clause 10.

17.9 No third party beneficiary

This deed shall be binding on and inure solely to the benefit of each party to it and each of their respective permitted successors and assigns, and nothing in this deed is intended to or shall confer on any other person, other than the Bidder Indemnified Parties and the Target Indemnified Parties, in each case to the extent set forth in clause 6 and clause 7, any third party beneficiary rights.

17.10 Further action to be taken at each party's own expense

Each party must, at its own expense, do all things and execute all documents necessary to give full effect to this deed and the transactions contemplated by it.

17.11 Entire agreement

This deed (including the documents in the Attachments to it), the Confidentiality Deed and any other document specified in writing between the parties for the purpose of this clause 17.11 state all the express terms agreed by the parties in respect of their subject matter. They supersede all prior discussions, negotiations, understandings and agreements in respect of their subject matter.

17.12 Counterparts

- (a) This deed may be executed in any number of counterparts. All counterparts, taken together, constitute one instrument.
- (b) Subject to applicable law, a counterpart may be signed electronically and may be in hard copy or electronic form.

17.13 Relationship of the parties

- (a) Nothing in this deed gives a party authority to bind any other party in any way.
- (b) Nothing in this deed imposes any fiduciary duties on a party in relation to any other party.

17.14 Remedies cumulative

Except as provided in this deed and permitted by law, the rights, powers and remedies provided in this deed are cumulative with, and not exclusive of, the rights, powers and remedies provided by law independently of this deed.

17.15 Exercise of rights

- (a) Unless expressly required by the terms of this deed, a party is not required to act reasonably in giving or withholding any consent or approval or exercising

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any other right, power, authority, discretion or remedy, under or in connection with this deed.

- (b) A party may (without any requirement to act reasonably) impose conditions on the grant by it of any consent or approval, or any waiver of any right, power, authority, discretion or remedy, under or in connection with this deed. Any conditions must be complied with by the party relying on the consent, approval or waiver.

17.16 Withholding

- (a) If Bidder or Bidder Sub is required by law to make any withholding, deduction or payment for or on account of Tax (including under Subdivision 14-D of Schedule 1 of the TAA) or by any Government Agency in respect of the acquisition of Scheme Shares from a Scheme Shareholder (any such withholding, deduction or payment being a **Withholding Amount**), Bidder or Bidder Sub (as applicable):
 - (1) is permitted to deduct or withhold the amount of such deduction, withholding or payment (as applicable) from the Scheme Consideration required to be provided to the Scheme Shareholder (and, to avoid doubt, from the amount it must pay under clause 5.1(a) of the Scheme to fund payment of the Scheme Consideration); and
 - (2) must remit or procure the remission of the full amount of the withholding or deduction, or make or procure the making of the payment, to the appropriate Government Agency under applicable law.
- (b) The aggregate sum payable to the Scheme Shareholder shall not be increased to reflect the Withholding Amounts and the net aggregate sum payable to the Scheme Shareholder shall be taken to be in full and final satisfaction of the amounts owing to the Scheme Shareholders.
- (c) Target agrees that Bidder or Bidder Sub may approach the Australian Taxation Office to obtain clarification as to the application of Subdivision 14-D of Schedule 1 to the TAA to the Scheme and will provide all information and assistance that Bidder or Bidder Sub (as applicable) reasonably requires for the purposes of making any such approach.

17.17 Target Withholding

Target must withhold any amounts required by law to be withheld from the Permitted Dividend (and any other dividend declared or determined by the Target Board).

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Schedules

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Schedule 1

Definitions and interpretation

1.2 Definitions

Term	Meaning
ACCC	the Australian Competition and Consumer Commission.
ASIC	the Australian Securities and Investments Commission.
Associate	has the meaning set out in section 12 of the Corporations Act, as if subsection 12(1) of the Corporations Act included a reference to this deed and Target was the designated body.
ASX	ASX Limited ABN 98 008 624 691 and, where the context requires, the financial market that it operates.
Bayswater Property	means the property at 2-9 Brunsdon Street, Bayswater, Victoria.
Bidder Group	Bidder and each of its Subsidiaries, and a reference to a Bidder Group Member or a member of the Bidder Group is to Bidder or any of its Subsidiaries.
Bidder Indemnified Parties	Bidder, its Subsidiaries (including, for the avoidance of doubt, Bidder Sub (if applicable)) and their respective directors, officers and employees.
Bidder Information	information regarding the Bidder Group, provided by Bidder to Target in writing for inclusion in the Scheme Booklet For the avoidance of doubt, the Bidder Information excludes the Target Information, the Independent Expert's Report and any description of the taxation effect of the Transaction on Scheme Shareholders prepared by an external adviser to Target.
Bidder Representations and Warranties	the representations and warranties of Bidder set out in Schedule 2.
Bidder Sub	has the meaning given in clause 2(d).
Business Day	a day which is not a Saturday, Sunday or a public holiday in Sydney, Australia and Beijing, China.
Business Plan	means the business plan of the Target Group comprising the underlying assumptions and forecasts set out in the Project Smile Financial Forecast Model in the data room.



Term	Meaning
Cap Ex Budget	means the document identified as VDR file 2.3.4.1 'Project Smile Capex Summary' in the data room made available by Target to Bidder and as updated by information in the data room disclosed in Q&A VDR folder 2.1.1.1.1.15' for minor updates.
Claim	<p>any claim, demand, legal proceedings or cause of action (including any claim, demand, legal proceedings or cause of action:</p> <ol style="list-style-type: none">1 based in contract, including breach of warranty;2 based in tort, including misrepresentation or negligence;3 under common law or equity; or4 under statute, including the Australian Consumer Law (being Schedule 2 of the <i>Competition and Consumer Act 2010</i> (Cth) (CCA)) or Part VI of the CCA, or like provision in any state or territory legislation), <p>in any way relating to this deed or the Transaction, and includes a claim, demand, legal proceedings or cause of action arising under an indemnity in this deed.</p>
Competing Proposal	<p>any proposal, offer, transaction or arrangement (other than the Transaction) by or with any person pursuant to which, if the proposal, offer, transaction or arrangement is entered into or completed substantially in accordance with its terms, any of the following would occur:</p> <ol style="list-style-type: none">1 a Third Party acquiring a Relevant Interest in 10% or more of the shares in, or Voting Power of 10% or more in, Target;2 a Third Party directly or indirectly acquiring, obtaining a right to acquire, or otherwise obtaining an economic interest in, all or a substantial part of the assets or business of Target or the Target Group;3 a Third Party otherwise acquiring control (within the meaning of section 50AA of the Corporations Act) of Target;4 a Third Party otherwise directly or indirectly acquiring, merging or amalgamating with, or acquiring a controlling shareholding or economic interest in, Target or any of its Related Bodies Corporate or in all or substantially all of their respective assets or business; or5 the Target is required to abandon, or otherwise not proceed with the Transaction, <p>whether by way of takeover offer, scheme of arrangement, shareholder approved acquisition, capital reduction, share buyback or repurchase, sale or purchase of assets, joint venture, reverse takeover, dual-listed company structure, recapitalisation, establishment of a new holding company for Target or other synthetic merger or any other transaction or arrangement.</p>
Condition Precedent	each of the conditions set out in clause 3.1.
Confidentiality Deed	the mutual confidentiality deed between Bidder and Target dated 12 February 2025.
Consultation Notice	has the meaning given in clause 3.4(a).



Term	Meaning
Control	has the meaning given in section 50AA of the Corporations Act.
Corporations Act	the <i>Corporations Act 2001</i> (Cth), as modified or varied by ASIC.
Corporations Regulations	the <i>Corporations Regulations 2001</i> (Cth).
Court	the Supreme Court of New South Wales or such other court of competent jurisdiction under the Corporations Act agreed to in writing by Bidder and Target.
Deed Poll	a deed poll substantially in the form of Attachment 3 under which Bidder covenants in favour of the Scheme Shareholders to perform the obligations attributed to Bidder under the Scheme (with such changes as the parties, acting reasonably and in good faith, agree are reasonably necessary to reflect any nomination of a Bidder Sub under clause 2(d)).
Director Target Share	any Target Share: <ol style="list-style-type: none">1 held by or on behalf of a Target Board Member; or2 listed as an indirect interest in the latest Appendix 3X or Appendix 3Y lodged by Target with ASX in respect of each Target Board Member.
Disclosure Materials	<ol style="list-style-type: none">1 the documents and information contained in the data room made available by Target to Bidder and its Related Persons, the index of which has been initialled by, or on behalf of, the parties for identification; and2 written responses from Target and its Related Persons to requests for further information made by Bidder and its Related Persons.
Duty	any stamp, transaction or registration duty or similar charge imposed by any Government Agency and includes, but is not limited to, any interest, fine, penalty, charge or other amount imposed in respect of any of them.
EBITDA	earnings before interest, tax, depreciation and amortisation, determined and calculated on the same basis as for "EBITDA" in the 2025 annual financial statements of the Target, subject to further adjustments and exclusions for the following: <ol style="list-style-type: none">1. costs associated with the Transaction as disclosed in the Disclosure Materials; and2. bad debts written off in relation to Expert Dental Industry (#AU90820) - Distributor 76; and3. any other abnormal or one-off non-cash items (whether positive or negative), as agreed in good faith between the parties (acting reasonably).
Effective	when used in relation to the Scheme, the coming into effect, under subsection 411(10) of the Corporations Act, of the order of the Court

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Term	Meaning
	made under paragraph 411(4)(b) of the Corporations Act in relation to the Scheme.
Effective Date	the date on which the Scheme becomes Effective.
End Date	30 September 2026, or such other date as agreed in writing by the parties.
Exclusivity Period	the period from and including the date of this deed to the earlier of: <ol style="list-style-type: none">1 the date of termination of this deed in accordance with its terms;2 the End Date; and3 the Effective Date.
Fairly Disclosed	disclosed to a sufficient extent, and in sufficient detail, so as to enable a reasonable bidder (or one of its Related Persons) experienced in transactions similar to the Transaction, to identify the nature and scope of the relevant matter, event or circumstance (including, in each case, the potential financial effect of the relevant matter, event or circumstance).
Financial Adviser	any financial adviser retained by a party in relation to the Transaction or a Competing Proposal from time to time.
Financial Indebtedness	any debt or other monetary liability (whether actual or contingent) in respect of monies borrowed or raised or any financial accommodation including under or in respect of any: <ol style="list-style-type: none">1 bill, bond, debenture, note or similar instrument;2 acceptance, endorsement or discounting arrangement;3 guarantee;4 finance or capital lease;5 agreement for the deferral of a purchase price or other payment in relation to the acquisition of any asset or service; or6 obligation to deliver goods or provide services paid for in advance by any financier.
First Court Date	the first day on which an application made to the Court for an order under subsection 411(1) of the Corporations Act convening the Scheme Meeting is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.

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Term	Meaning
Government Agency	any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity (including any stock or other securities exchange), or any minister of the Crown in right of the Commonwealth of Australia or any State, and any other federal, state, provincial, or local government, whether foreign or Australian.
Implementation Committee	a committee comprised of two senior Target executives and two senior Bidder executives, and other persons as agreed by the parties.
Implementation Date	the fifth Business Day after the Scheme Record Date, or such other date after the Scheme Record Date as the parties agree in writing.
Independent Expert	the independent expert in respect of the Scheme appointed by Target to prepare the Independent Expert's Report.
Independent Expert's Report	means the report to be issued by the Independent Expert in connection with the Scheme, setting out the Independent Expert's opinion whether or not the Transaction is in the best interest of Target Shareholders and the reasons for holding that opinion.
Insolvency Event	means, in relation to an entity: <ol style="list-style-type: none">1 the entity resolving that it be wound up or a court making an order for the winding up or dissolution of the entity;2 a liquidator, provisional liquidator, administrator, receiver, receiver and manager or other insolvency official being appointed to the entity or in relation to the whole, or a substantial part, of its assets;3 the entity executing a deed of company arrangement;4 the entity ceases, or threatens to cease to, carry on substantially all the business conducted by it as at the date of this deed;5 the entity is or becomes unable to pay its debts when they fall due within the meaning of the Corporations Act (or, if appropriate, legislation of its place of incorporation) or is otherwise presumed to be insolvent under the Corporations Act unless the entity has, or has access to, committed financial support from its parent entity such that it is able to pay its debts; or6 the entity being deregistered as a company or otherwise dissolved.
Listing Rules	the official listing rules of ASX.
Material Contract	any agreement, contract, deed or other arrangement, constitution, by-laws, articles of association (or similar), right or instrument (each of the foregoing things or matters being a Right) which: <ol style="list-style-type: none">1 involves, or would reasonably be likely to involve, the provision of financial accommodation to any member of the Target Group;2 imposes, or would reasonably be likely to impose, obligations or liabilities on any party of at least \$1,000,000 over the life of the Right;

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Term	Meaning
	3 contributes, or would reasonably be likely to contribute \$1,000,000 of the Target Group revenue; or 4 is otherwise material to Target in the context of the businesses of the Target Group taken as a whole.
MOFCOM	the Ministry of Commerce, People's Republic of China or its local branch.
Non-Public Information	non-public information relating to any member of the Target Group, any of the operations or assets of the Target Group's business or any part thereof.
NDRC	the National Development and Reform Commission of the People's Republic of China or its local branch.
Operating Rules	the official operating rules of ASX.
Permitted Dividend	has the meaning given in clause 4.6.
PRC Approvals	the approvals granted or the acceptances of the filings made by the Bidder or its Associate for the Transaction as set out in clause 3.1(a)(2).
Process Deed	the process deed entered into between Bidder and Target on 22 January 2026.
Project Montrose	the development of the new 24,000 sqm production facility in Montrose, Victoria under which construction is expected to commence in June 2026 and complete in July 2027.
RG 60	Regulatory Guide 60 issued by ASIC in September 2020.
Registered Address	in relation to a Target Shareholder, the address shown in the Target Share Register as at the Scheme Record Date.
Regulator's Draft	the draft of the Scheme Booklet in a form which is agreed to between the parties and that is provided to ASIC for approval pursuant to subsection 411(2) of the Corporations Act.
Regulatory Approval	a clearance, waiver, ruling, approval, relief, confirmation, exemption, consent or declaration set out in clause 3.1(a).
Reimbursement Fee	\$1,664,000.
Related Bodies Corporate	in respect of Bidder means Beijing Guoci Kebo Technology Co., Ltd and its Subsidiaries and each of their respective Subsidiaries and otherwise has the meaning set out in section 50 of the Corporations Act.



Term	Meaning
Related Person	<ol style="list-style-type: none">1 in respect of a party or its Related Bodies Corporate, each director, officer, employee, adviser, agent or representative of that party or Related Body Corporate; and2 in respect of a Financial Adviser, each director, officer, employee or contractor of that Financial Adviser.
Relevant Interest	has the meaning given in sections 608 and 609 of the Corporations Act.
Reverse Reimbursement Fee	\$1,664,000.
SAFE	the State Administration of Foreign Exchange of the People's Republic of China or its local branch.
Scheme	the proposed scheme of arrangement under Part 5.1 of the Corporations Act between Target and the Scheme Shareholders, substantially in the form of which is attached as Attachment 2, subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by Bidder and Target (with such changes as the parties, acting reasonably and in good faith, agree are reasonably necessary to reflect any nomination of a Bidder Sub under clause 2(d)).
Scheme Booklet	<p>the scheme booklet to be prepared by Target in respect of the Transaction in accordance with the terms of this deed (including clause 5.2(a)) in a form agreed between the parties (acting reasonably) to be despatched to the Target Shareholders and which must include or be accompanied by:</p> <ul style="list-style-type: none">• a copy of the Scheme;• an explanatory statement complying with the requirements of the Corporations Act, the Corporations Regulations and RG 60;• the Independent Expert's Report;• a copy or summary of this deed;• a copy of the executed Deed Poll;• a notice of meeting;• a proxy form.
Scheme Consideration	the consideration to be provided by Bidder to each Scheme Shareholder for the transfer to Bidder or Bidder Sub (if applicable) of each Scheme Share, being for each Target Share held by a Scheme Shareholder as at the Scheme Record Date, being an amount of \$1.40 per Target Share.
Scheme Meeting	the meeting of Target Shareholders ordered by the Court to be convened under subsection 411(1) of the Corporations Act to consider and vote on the Scheme and includes any meeting convened following any adjournment or postponement of that meeting.

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Term	Meaning
Scheme Record Date	7.00pm on the second Business Day after the Effective Date or such other time and date as the parties agree in writing.
Scheme Shares	all Target Shares held by the Scheme Shareholders as at the Scheme Record Date.
Scheme Shareholder	a holder of Target Shares recorded in the Target Share Register as at the Scheme Record Date.
Second Court Date	the first day on which an application made to the Court for an order under paragraph 411(4)(b) of the Corporations Act approving the Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application or appeal is heard.
Security Interest	has the meaning given in section 51A of the Corporations Act.
Specified Individual	in relation to Target means the Chief Executive Officer, the Chief Financial Officer, the Chief R&D Officer, the Chief Information Officer, the Group Financial Controller, the Global HR Manager, Operations Manager and Compliance Advisor.
Subsidiary	<p>has the meaning given in Division 6 of Part 1.2 of the Corporations Act, provided that an entity will also be taken to be a Subsidiary of another entity if it is controlled by that entity (as 'control' is defined in section 50AA of the Corporations Act) and, without limitation:</p> <ol style="list-style-type: none">1 a trust may be a Subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share; and2 an entity may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a corporation.
Superior Proposal	<p>a bona fide Competing Proposal that:</p> <ol style="list-style-type: none">1 is received by Target in writing on an unsolicited basis; and which2 the Target Board, acting reasonably and in good faith and in order to satisfy what the Target Board considers to be its fiduciary or statutory duties after having taken advice from Target's external legal adviser and if determined appropriate by the Target Board, financial advisers determines:<ul style="list-style-type: none">– is reasonably capable of being valued and implemented in accordance with its terms taking into account all aspects of the Competing Proposal, including any timing considerations, its conditions, the identity, reputation and financial condition of the person making such proposal, the nature of any consideration offered and all other relevant legal, regulatory and financial matters, in each case, to the extent known by the Target Board; and– would be reasonably likely, if completed substantially in accordance with its terms, be more favourable overall to Target Shareholders than the latest proposal provided by Bidder or any of its Related Persons, taking into account all aspects of the Competing Proposal and the latest proposal provided by Bidder or any of its Related Bodies Corporate



Term	Meaning
	that the Target Board considers to be relevant, including the identity, reputation and financial condition of the person making such proposal, legal, regulatory and financial matters, conditionality, certainty and any other matters affecting the probability of the relevant proposal being completed in accordance with its terms.
TAA	the Taxation Administration Act 1953 (Cth).
Takeovers Panel	the Australian Takeovers Panel.
Target Board	the board of directors of Target and a Target Board Member means any director of Target comprising part of the Target Board.
Target Consolidated Tax Group	the consolidated group of which Target is the head company (where 'consolidated group' and 'head company' have the same meaning as in the Tax Act).
Target HSBC Financing	the facilities provided under the Facility Letter dated 19 February 2025 from HSBC Bank Australia Limited to the Target.
Target Group	Target and each of its Subsidiaries, and a reference to a Target Group Member or a member of the Target Group is to Target or any of its Subsidiaries.
Target Indemnified Parties	Target, its Subsidiaries and their respective directors, officers and employees.
Target Information	information regarding the Target Group prepared by Target for inclusion in the Scheme Booklet that explains the effect of the Scheme and sets out the information prescribed by the Corporations Act and the Corporations Regulations, and any other information that is material to the making of a decision by Target Shareholders whether or not to vote in favour of the Scheme, being information that is within the knowledge of each of the Target Board Members, which for the avoidance of doubt comprises the entirety of the Scheme Booklet other than the Bidder Information and the Independent Expert's Report.
Target Material Adverse Change	<p>an event, change, condition, matter, circumstance or thing occurring before, on or after the date of this deed which, whether individually or when aggregated with all events, changes, conditions, matters, circumstances or things that have occurred or are reasonably likely to occur (Specified Event), has caused or would be considered reasonably likely to cause the consolidated annual EBITDA of the Target Group for FY2026 to be reduced by \$3,000,000 or more as compared to the budgeted EBITDA for FY2026 set out in the data room document numbered 2.3.2.4, excel tab 'FDD', row 20, other than those events, changes, conditions, matters, circumstances or things:</p> <ol style="list-style-type: none">1 required or permitted by this deed, the Scheme or the transactions contemplated by either;2 agreed to in writing by Bidder;

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Term	Meaning
	<ol style="list-style-type: none">3 arising from changes in economic or business conditions that impact on Target and its competitors in a similar manner (including interest rates, general economic, political or business conditions, including material adverse changes or major disruptions to, or fluctuations in, domestic or international financial markets);4 that Target Fairly Disclosed in the Disclosure Materials or in an announcement made by Target to ASX, or a publicly available document lodged by it with ASIC, in the 2 year period prior to the date of this deed or which would be disclosed in a search of ASIC records, the PPSR or ASX announcements in relation to Target or a Subsidiary of Target (as relevant), in the 2 year period prior to the date of this deed; or5 that is within the knowledge of a Bidder Group Member immediately prior to the date of this deed, which for these purposes will be taken to be limited to the actual knowledge of Huang Wei, Hu Jun and Yuan Bo.
Target Prescribed Occurrence	<p>other than as:</p> <ol style="list-style-type: none">1 required or permitted by this deed, the Scheme or the transactions contemplated by either;2 agreed to in writing by Bidder;3 Fairly Disclosed by Target in the Disclosure Materials or in an announcement made by Target to ASX, or a publicly available document lodged by it with ASIC, in the 2 year period prior to the date of this deed or which would be disclosed in a search of ASIC records, the PPSR or ASX announcements in relation to Target, in the 2 year period prior to the date of this deed;4 required by law or by an order of a court or Government Agency; or <p>that is within the knowledge of a Bidder Group Member immediately prior to the date of this deed, which for these purposes will be taken to be limited to the actual knowledge of Huang Wei, Hu Jun and Yuan Bo,</p> <p>the occurrence of any of the following:</p> <ol style="list-style-type: none">1 a Target Group Member reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares;2 Target converting all or any of its shares into a larger or smaller number of shares;3 a member of the Target Group resolving to reduce its share capital in any way;4 a member of the Target Group:5 entering into a buy-back agreement; or6 resolving to approve the terms of a buy-back agreement under the Corporations Act;7 a member of the Target Group issuing shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option, other than to a directly or indirectly wholly owned Subsidiary of Target;8 a member of the Target Group issuing or agreeing to issue securities convertible into shares;

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Term	Meaning
	<p>9 a member of the Target Group disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property other than in relation to the Bayswater Property;</p> <p>10 a member of the Target Group granting a Security Interest, or agreeing to grant a Security Interest, in the whole, or a substantial part, of its business or property, other than in relation to its registered mortgages in respect of the sale of the Bayswater Property;</p> <p>11 an Insolvency Event occurs in relation to a member of the Target Group; or</p> <p>12 any member of the Target Group authorising, agreeing, committing or resolving to do any of the matters set out above.</p>
Target Regulated Event	<p>other than as:</p> <p>1 required or permitted by this deed, the Scheme or the transactions contemplated by either;</p> <p>2 agreed to in writing by Bidder; or</p> <p>3 Fairly Disclosed by Target in the Disclosure Materials (including, for the avoidance of doubt, in the Cap Ex Budget) or an announcement made by Target to ASX, or a publicly available document lodged by it with ASIC, in the 2 year period prior to the date of this deed or which would be disclosed in a search of ASIC records, the PPSR or ASX announcements in relation to Target (as relevant), in the 2 year period prior to the date of this deed;</p> <p>4 required by law or by an order of a court or Government Agency; or</p> <p>5 which is undertaken in response to a Competing Proposal to the extent such action or inaction is expressly permitted by clause 10,</p> <p>the occurrence of any of the following:</p> <p>1 a Target Group Member acquiring or disposing of, or entering into or announcing any agreement for the acquisition or disposal of, any asset or business, or entering into any corporate transaction, which would or would reasonably be likely to involve a material change in:</p> <ul style="list-style-type: none">• the manner in which the Target Group conducts its business;• the nature (including balance sheet classification), extent or value of the assets of the Target Group; or• the nature (including balance sheet classification), extent or value of the liabilities of the Target Group, <p>provided that the value of such asset(s), business(es) or corporate transaction(s) is no greater, individually or in aggregate, than \$1,000,000;</p> <p>2 Target announcing, making, declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to its members (whether in cash or in specie), other than a Permitted Dividend announced, made, declared, paid or distributed in accordance with clause 4.6;</p> <p>3 a member of the Target Group making any change to its constitution;</p>

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Term	Meaning
	<p>4 a member of the Target Group commencing business activities not already carried out as at the date of this deed, whether by way of acquisition or otherwise, or ceasing business activities carried out at the date of this deed, whether by way of disposal or otherwise (which, in either case, would reasonably be expected to result in a substantive change to the nature, scope or scale of the Target Group's business);</p>
	<p>5 a member of the Target Group:</p> <ul style="list-style-type: none">• acquiring, leasing or disposing of;• agreeing, offering or proposing to acquire, lease or dispose of; or• announcing or proposing a bid, or tendering, for, <p>any business, assets, entity or undertaking, the value of which exceeds \$1,000,000 (individually or in aggregate) other than in relation to the Bayswater Property;</p>
	<p>6 a member of the Target Group:</p> <ul style="list-style-type: none">• other than as provided for in the Target's Business Plan, entering into any contract or commitment (including in respect of Financial Indebtedness) requiring payments by the Target Group in excess of \$1,000,000 (individually or in aggregate) other than any payment required by law;• other than as provided for in the Target's Business Plan, without limiting the foregoing, (i) agreeing to incur or incurring capital expenditure of more than \$1,000,000 (individually or in aggregate) or (ii) incurring any Financial Indebtedness of an amount in excess of \$1,000,000 (individually or in aggregate);• waiving any material third party default where the financial impact on the Target Group will be in excess of \$1,000,000 (individually or in aggregate); or• accepting as a compromise of a matter less than the full compensation due to a member of the Target Group where the financial impact of the compromise on the Target Group is more than \$1,000,000 (individually or in aggregate);
	<p>7 a member of the Target Group providing financial accommodation other than to members of the Target Group (irrespective of what form of Financial Indebtedness that accommodation takes) in excess of \$1,000,000 (individually or in aggregate);</p>
	<p>8 a member of the Target Group entering into, or resolving to enter into, a transaction with any related party of Target (other than a related party which is a member of the Target Group), as defined in section 228 of the Corporations Act, other than payment of director fees in the ordinary course of business consistent with the conduct of the business in the 24 months prior to the date of this deed;</p>
	<p>9 a member of the Target Group entering into or materially altering, varying or amending any employment, consulting, severance or similar agreement or arrangement with one or more of its officers, directors, other executives or employees, or accelerating or otherwise materially increasing compensation or benefits for any of the above, in each case other than pursuant to:</p>

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Term	Meaning
	<ul style="list-style-type: none">contractual arrangements in effect on the date of this deed and which are contained in the Disclosure Materials;Target's policies and guidelines in effect on the date of this deed and which are contained in the Disclosure Materials; orannual performance or salary reviews;in the ordinary course of business consistent with the conduct of the business in the 24 months prior to the date of this deed, <p>provided that the aggregate of all increases in compensation or benefits is no greater than \$200,000;</p>
10	a member of the Target Group paying any of its officers, directors, other executives or employees a termination or retention payment, other than in accordance with contractual arrangements in effect on the date of this deed and which are contained in the Disclosure Materials;
11	a member of the Target Group entering into any enterprise bargaining agreement other than in the ordinary course of business or pursuant to contractual arrangements in effect on the date of this deed and which are contained in the Disclosure Materials;
12	a member of the Target Group: <ul style="list-style-type: none">amending in any material respect any agreement or arrangement with a Financial Adviser or other professional adviser for the provision of services in respect of the Transaction, or entering into an agreement or arrangement with a new Financial Adviser or other professional adviser for the provision of services in respect of the Transaction or entering into a new agreement or arrangement with an existing Financial Adviser or other professional adviser for the provision of services in respect of the Transaction or a Competing Proposal; orpaying or agreeing to pay any discretionary incentive fee to any Financial Adviser or other professional adviser for the provision of services in respect of the Transaction or a Competing Proposal under any new or existing agreement or arrangement;
13	a member of the Target Group doing anything that would result in a change in the Target Consolidated Tax Group;
14	any event or circumstance where a product manufactured, distributed, sold, supplied or otherwise dealt with by the Target Group is the subject of a recall (whether initiated voluntarily by the Target Group or required by any Government Agency or other third party), where the direct costs of such recall exceed \$500,000;
15	a member of the Target Group (i) making, changing or rescinding any material Tax or Duty election, information schedule, return or designation, (ii) filing any materially amended Tax return, (iii) entering into any material agreement with a Government Agency with respect to Taxes or Duties, (iv) entering into or changing any material Tax sharing, Tax advance pricing agreement, Tax allocation or Tax indemnification agreement that is binding on a member of the Target Group, (v) surrendering any right to claim a

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Term	Meaning
	<p>material Tax or Duty abatement, reduction, deduction, exemption, credit or refund, (vi) consenting to the extension or waiver of the limitation period applicable to any material Tax or Duty matter, or (vii) making a request for a material Tax or Duty ruling, or (viii) materially amending or changing any of its methods for reporting income, deductions or accounting for Tax purposes, or (ix) initiating a voluntary disclosure or similar proceeding relating to material Tax or Duty matters, other than where the relevant tax outcome is no worse for the Target Group than what is set out in the Business Plan (and in each case, where the financial impact on the Target Group is reasonably likely to be in excess of \$500,000);</p> <p>16 the Target Group incurring transaction-related expenses (which includes advisory fees (excluding GST), incentive payments and transaction bonuses and Court filing costs, and excludes payroll taxes, superannuation benefits and any severance payments) in excess of \$10,200,000 and other agreed expenses;</p> <p>17 notice of any material investigation, prosecution, arbitration, litigation or dispute threatened against a member of the Target Group which could reasonably be expected to give rise to a liability for the Target Group in excess of \$300,000 (Material Proceedings) and for the avoidance of doubt which is not frivolous or vexatious, or circumstances arising which could reasonably be expected to give rise to any Material Proceedings. For the avoidance of doubt, Material Proceedings do not include any liability relating to an investigation, prosecution, arbitration, litigation or dispute to the extent that an insurer has agreed to cover the liability under an insurance policy maintained by a member of the Target Group; or</p> <p>18 any member of the Target Group authorising, agreeing, committing or resolving to do any of the matters set out above.</p>
Target Registry	Computershare Investor Services Pty Ltd
Target Representations and Warranties	the representations and warranties of Target set out in Schedule 3, as each is qualified by clause 6.5.
Target Share	a fully paid ordinary share in the capital of Target.
Target Shareholder	each person who is registered as the holder of a Target Share in the Target Share Register.
Target Share Register	the register of members of Target maintained in accordance with the Corporations Act.
Tax	any tax, levy, charge, impost, fee, deduction, goods and services tax, compulsory loan or withholding, that is assessed, levied, imposed or collected by any Government Agency and includes any interest, fine, penalty, charge, fee or any other amount imposed on, or in respect of any of the above.
Tax Act	the <i>Income Tax Assessment Act 1997</i> (Cth).

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Term	Meaning
Third Party	a person other than Bidder, its Related Bodies Corporate and its other Associates.
Timetable	the indicative timetable for the implementation of the Transaction set out in Attachment 1.
Transaction	the acquisition of the Scheme Shares by Bidder Sub through implementation of the Scheme in accordance with the terms of this deed.

2 Interpretation

2.1 Interpretation

In this deed:

- (a) headings and bold type are for convenience only and do not affect the interpretation of this deed;
- (b) the singular includes the plural and the plural includes the singular;
- (c) words of any gender include all genders;
- (d) other parts of speech and grammatical forms of a word or phrase defined in this deed have a corresponding meaning;
- (e) a reference to a person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency, as well as an individual;
- (f) a reference to a clause, party, schedule, attachment or exhibit is a reference to a clause of, and a party, schedule, attachment or exhibit to this deed;
- (g) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them (whether passed by the same or another Government Agency with legal power to do so);
- (h) a reference to a document (including this deed) includes all amendments or supplements to, or replacements or novations of, that document;
- (i) a reference to '\$', 'A\$' or 'dollar' is to the lawful currency of Australia;
- (j) a reference to any time is, unless otherwise indicated, a reference to that time in Sydney time;
- (k) a term defined in or for the purposes of the Corporations Act, and which is not defined in clause 1.1 of this Schedule 1, has the same meaning when used in this deed;
- (l) a reference to a party to a document includes that party's successors and permitted assignees;
- (m) no provision of this deed will be construed adversely to a party because that party was responsible for the preparation of this deed or that provision;

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- (n) any agreement, representation, warranty or indemnity in favour of two or more parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly and severally;
- (o) a reference to a body (including an institute, association or authority), other than a party to this deed, whether statutory or not:
- (1) which ceases to exist; or
 - (2) whose powers or functions are transferred to another body,
- is a reference to the body which replaces it or which substantially succeeds to its powers or functions;
- (p) a reference to an agreement other than this deed includes a deed and any legally enforceable undertaking, agreement, arrangement or understanding, whether or not in writing;
- (q) a reference to liquidation or insolvency includes appointment of an administrator, a reconstruction, winding up, dissolution, deregistration, assignment for the benefit of creditors, bankruptcy, or a scheme, compromise or arrangement with creditors (other than solely with holders of securities or derivatives), or any similar procedure or, where applicable, changes in the constitution of any partnership or Third Party, or death;
- (r) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- (s) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (t) if an act prescribed under this deed to be done by a party on or by a given day is done after 5.00pm on that day, it is taken to be done on the next day;
- (u) a reference to the Listing Rules and the Operating Rules includes any variation, consolidation or replacement of these rules and is to be taken to be subject to any waiver or exemption granted to the compliance of those rules by a party; and
- (v) a reference to something being “reasonably likely” (or to a similar expression) is a reference to that thing being more likely than not to occur when assessed objectively.

2.2 Interpretation of inclusive expressions

Specifying anything in this deed after the words ‘include’ or ‘for example’ or similar expressions does not limit what else is included.

2.3 Business Day

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.

2.4 Listing requirements included as law

A listing rule or business rule of a securities exchange will be regarded as a law, and a reference to such a rule is to be taken to be subject to any waiver or exemption granted to a party.



2.5 **Obligation to use best or reasonable endeavours**

A reference to a party using or obligation on a party to use its best endeavours or reasonable endeavours or all reasonable endeavours does not oblige that party to:

- (a) pay money:
 - (1) in the form of an inducement or consideration to a third party to procure something (other than the payment of immaterial expenses or costs, including costs of advisers, to procure the relevant thing); or
 - (2) in circumstances that are commercially onerous or unreasonable in the context of this deed;
- (b) provide other valuable consideration to or for the benefit of any person; or
- (c) agree to commercially onerous or unreasonable conditions.

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Schedule 2

Bidder Representations and Warranties

Bidder represents and warrants to Target (in its own right and separately as trustee or nominee for each of the other Target Indemnified Parties) that:

- (a) **Bidder Information:** the Bidder Information provided for inclusion in the Scheme Booklet (as updated by the Bidder in any supplementary disclosure to Target Shareholders), as at the First Court Date, the date the Scheme Booklet is despatched to Target Shareholders and the date of the Scheme Meeting, will be accurate in all material respects and will not contain any statement which is materially misleading or deceptive (with any statement of belief or opinion being honestly held and formed on a reasonable basis), including by way of omission from that statement;
- (b) **basis of Bidder Information:** the Bidder Information:
- (1) will be provided to Target in good faith and on the understanding that Target and each other Target Indemnified Party will rely on that information for the purposes of preparing the Scheme Booklet and determining to proceed with the Transaction; and
 - (2) will comply in all material respects with the requirements of the Corporations Act, the Corporations Regulations, RG 60, applicable Takeovers Panel guidance notes and the Listing Rules,
- and all information provided by or on behalf of Bidder to the Independent Expert will be prepared and provided in good faith and on the understanding that the Independent Expert will rely on that information for the purpose of preparing the Independent Expert's Report;
- (c) **new information:** it will, as a continuing obligation, provide to Target all further or new information which arises after the Scheme Booklet has been despatched to Target Shareholders until the date of the Scheme Meeting which is necessary to ensure that the Bidder Information is not misleading or deceptive (including by way of omission);
- (d) **validly existing:** it is a validly existing corporation registered under the laws of its place of incorporation;
- (e) **authority:** the execution and delivery of this deed by Bidder has been properly authorised by all necessary corporate action of Bidder, and Bidder has taken or will take all necessary corporate action to authorise the performance of this deed and the transactions contemplated by this deed;
- (f) **power:** it has full capacity, corporate power and lawful authority to execute, deliver and perform this deed and to carry out the transactions contemplated by this deed;
- (g) **no default:** neither this deed nor the carrying out by Bidder of the transactions contemplated by this deed does or will conflict with or result in the breach of or a default under:
- (1) any provision of Bidder's constitution; or



- (2) any writ, order or injunction, judgment, law, rule or regulation to which it is party or subject or by which it or any other Bidder Group Member is bound,

and it is not otherwise bound by any agreement that would prevent or restrict it from entering into or performing this deed;

- (h) **deed binding:** this deed is a valid and binding obligation of Bidder, enforceable in accordance with its terms;
- (i) **no approvals:** other than as expressly contemplated by clause 3, no shareholder approval is required to be obtained by Bidder in order for it to execute and perform its obligations under this deed or the Deed Poll;
- (j) **Insolvency Event or regulatory action:** no Insolvency Event has occurred in relation to it or another Bidder Group Member, nor has any regulatory action of any nature of which it is aware been taken that would reasonably be likely to prevent or restrict its ability to fulfil its obligations under this deed, under the Deed Poll or under the Scheme;
- (k) **Dealings with officers and employees:** neither Bidder nor any of its Associates has any agreement, arrangement or understanding with any director, officer or employee of any Target Group Member relating in any way to the Transaction;
- (l) **Dealings in Target securities:** as at the date of this deed:
- (1) no Bidder Group Member (or any of their respective Associates) has a relevant interest in any Target Shares, and no Bidder Group Member (or any of their respective Associates) has a relevant interest in, or a right to acquire, any other Target Shares (whether issued or not or held by Bidder or not); and
- (2) no Bidder Group Member (or any of their respective Associates) has entered into any agreement or arrangement that confers rights the economic effect of which is equivalent or substantially equivalent to holding, acquiring or disposing of securities in any Target Group Member or of any assets of any Target Group Member (including cash-settled derivative contracts, contracts for difference or other derivative contracts);
- (m) **Other dealings:** other than as contemplated by this deed or the Scheme, no Bidder Group Member (or any of their respective Associates) has any agreement, arrangement or understanding with:
- (1) any person in relation to the securities, business, operations or assets of a Target Group Member or the performance or conduct of the business of a Target Group Member (in whole or in part); and
- (2) any Scheme Shareholder under which that Scheme Shareholder (or an Associate of that Scheme Shareholder) would be entitled to receive consideration for their Scheme Shares different from the Scheme Consideration or under which the Scheme Shareholder agrees to vote in favour of the Scheme or against any Competing Proposal;
- (n) **Reasonable basis:** as at the date of this deed, Bidder has a reasonable basis to expect that it will have sufficient financing to satisfy its obligations to provide the Scheme Consideration in accordance with the terms of this deed, the Scheme and the Deed Poll; and



- (o) **Financing:** at 8.00am on the Second Court Date and on the Implementation Date, Bidder will have sufficient financing available to it on an unconditional basis (other than, in respect of the Second Court Date only, any conditions relating to the approval of the Scheme by the Court, or procedural or documentary matters which can only be satisfied or performed after the Second Court Date) to enable Bidder to satisfy its obligations to provide the Scheme Consideration in accordance with the terms of this deed, the Scheme and the Deed Poll.

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Schedule 3

Target Representations and Warranties

Target represents and warrants to Bidder (in its own right and separately as trustee or nominee for each of the other Bidder Indemnified Parties) that:

- (a) **Target Information:** the Target Information contained in the Scheme Booklet, as at the date the Scheme Booklet is despatched to Target Shareholders, will be accurate in all material respects and will not contain any statement which is materially misleading or deceptive (with any statement of belief or opinion being honestly held and formed on a reasonable basis), including by way of omission from that statement;
- (b) **basis of Target Information:** the Target Information:
- (1) will be prepared and included in the Scheme Booklet in good faith and on the understanding that Bidder and each other Bidder Indemnified Party will rely on that information for the purposes of determining to proceed with the Transaction and considering and approving the Bidder Information; and
 - (2) will comply in all material respects with the requirements of the Corporations Act, the Corporations Regulations, RG 60, applicable Takeovers Panel guidance notes and the Listing Rules,
- and all information provided by or on behalf of Target to the Independent Expert will be prepared and provided in good faith and on the understanding that the Independent Expert will rely on that information for the purpose of preparing the Independent Expert's Report;
- (c) **new information:** it will, as a continuing obligation (but in respect of the Bidder Information, only to the extent that Bidder provides Target with updates to the Bidder Information), ensure that the Scheme Booklet is updated or supplemented to include all further or new information which arises after the Scheme Booklet has been despatched to Target Shareholders until the date of the Scheme Meeting which is necessary to ensure that the Scheme Booklet is not misleading or deceptive (including by way of omission);
- (d) **validly existing:** each member of the Target Group is a validly existing corporation registered under the laws of its place of incorporation;
- (e) **authority:** the execution and delivery of this deed by Target has been properly authorised by all necessary corporate action of Target, and Target has taken or will take all necessary corporate action to authorise the performance of this deed and the transactions contemplated by this deed;
- (f) **power:** it has full capacity, corporate power and lawful authority to execute, deliver and perform this deed and to carry out the transactions contemplated by this deed;
- (g) **no default:** neither this deed nor the carrying out by Target of the transactions contemplated by this deed does or will conflict with or result in the breach of or a default under:
- (1) any provision of Target's constitution; or



- (2) any material term or provision of any Material Contract (including any financing arrangements) or any writ, order or injunction, judgment, law, rule or regulation to which it is party or subject or by which it or any other Target Group Member is bound,
- and it is not otherwise bound by any agreement that would prevent or restrict it from entering into or performing this deed;
- (h) **deed binding:** this deed is a valid and binding obligation of Target, enforceable in accordance with its terms;
- (i) **continuous disclosure:** as at the date of this deed, Target is in compliance with its continuous disclosure obligations under Listing Rule 3.1 and, other than for this Transaction or as Fairly Disclosed in the Disclosure Materials, it is not relying on the carve-out in Listing Rule 3.1A to withhold any material information from public disclosure;
- (j) **capital structure:** its capital structure, including all issued securities as at the date of this deed, is as set out in Schedule 4 and it has not issued or granted (or agreed to issue or grant) any securities, options, warrants, performance rights or other instruments which are still outstanding and may convert into Target Shares other than as set out in Schedule 4 and no Target Group Member is under any obligation to issue or grant, and no person has any right to call for the issue or grant of, any shares, options, warrants, performance rights or other securities or instruments in such Target Group Member;
- (k) **interest:** the Disclosure Materials set out full details of any company, partnership, trust, joint venture (whether incorporated or unincorporated) or other enterprise in which Target or another Target Group Member owns or otherwise holds any interest;
- (l) **Insolvency Event or regulatory action:** no Insolvency Event has occurred in relation to it or another Target Group Member, nor has any regulatory action of any nature been taken that would reasonably be likely to prevent or restrict its ability to fulfil its obligations under this deed or under the Scheme;
- (m) **compliance:** each member of the Target Group has complied in all material respects with all Australian and foreign laws and regulations (including Tax laws and regulations) applicable to them and orders of Australian and foreign Government Agencies having jurisdiction over them and there is no judgment, injunction, order or decree binding on any member of the Target Group that constitutes or would be likely to constitute a Target Material Adverse Change;
- (n) **material licences:** the Target Group has all material licences, authorisations and permits necessary for it to conduct the business of the Target Group as it is being conducted as at the date of this deed, and no member of the Target Group:
- (1) is in material breach of, or default under, any such licence, authorisation or permit; or
- (2) has received any notice in respect of the termination, revocation, variation or non-renewal of any such licence, authorisation or permit;
- (o) **Disclosure Materials:**
- (1) it has collated and prepared all of the Disclosure Materials in good faith for the purposes of a due diligence process;
- (2) the Disclosure Materials have been collated with all reasonable care and skill;



- (3) so far as the Target is aware, the information contained in the Disclosure Materials is accurate in all material respects;
- (4) the Disclosure Materials do not include information that is misleading in any material respect; and
- (5) no information has been omitted from the Disclosure Materials that, in Target's reasonable opinion, would render the Disclosure Materials misleading in any material respect, or be material to a reasonable buyer's evaluation of the Target Group or decision whether to proceed with the Transaction;
- (6) any forecast, prediction, projection, budget, business plan or other forward looking statement included in the Disclosure Materials has a reasonable basis (however, Target does not make any representation or warranty as to the accuracy of any such forecast, prediction, projection, budget, business plan or other forward looking statement);
- (p) **all information:** it is not aware of any information relating to the Target Group or its respective businesses or operations (having made reasonable enquiries) as at the date of this deed that has or could reasonably be expected to give rise to a Target Material Adverse Change that has not been disclosed in an announcement by Target to ASX or in the Disclosure Materials;
- (q) **not misleading:** so far as the Target is aware, all information it has provided or will provide to the Independent Expert, as contemplated by clause 5.2(t) or otherwise, or to Bidder, is accurate and not misleading, and it has not omitted any information required to make the information provided to the Independent Expert or Bidder not misleading;
- (r) **no contravention of Corporations Act or Listing Rules:** neither ASIC nor ASX has made a determination against any member of the Target Group for any contravention of the requirements of the Corporations Act or the Listing Rules or any rules, regulations or regulatory guides under the Corporations Act or the Listing Rules and, as far as Target is aware, no event has occurred which reasonably could or would reasonably be likely to result in such a determination being made;
- (s) **litigation:** as far as Target is aware, as at the date of this deed:
- (1) there are no (i) current material actions, suits, arbitrations or legal or administrative proceedings, (ii) current, pending or threatened material claims, disputes or demands, or (ii) pending or threatened material actions, suits, arbitrations or legal or administrative proceedings, in each case against any member of the Target Group; and
- (2) no member of the Target Group is the specific focus of any material formal investigation by a Government Agency (not being an industry-wide investigation),
- and Target has no reason to expect the foregoing to change after the date of this deed;
- (t) **encumbrances:** other than any security interest disclosed in the Disclosure Materials, there is no security interest over all or any of the Target Group's present or future assets or revenues;
- (u) **Material Contracts:** as far as Target is aware, no member of the Target Group is in material default under a Material Contract to which it is a party, and nothing has occurred which is (or would be following the giving of notice or the lapse of



- time) an event of default or would give another party a termination right or right to accelerate any material right or obligation under any Material Contract;
- (v) **financial statements:** Target's financial statements as disclosed to ASX have been prepared in accordance with the accounting standards on a basis consistent with past practice financial statements (other than as noted in those financial statements) and, as far as Target is aware, there has not been any event, change, effect or development that would require Target to restate its financial statements as disclosed to ASX;
- (w) **Advisors:** it has provided an estimate of the total fees incurred or to be incurred (in aggregate) under all retainers and mandates with financial advisors and other advisors in relation to the Transaction;
- (x) **change of control:** other than as Fairly Disclosed in the Disclosure Materials, there are no Material Contracts or material leases to which a member of the Target Group is a party which contain any change of control provisions that will be triggered by implementation of the Transaction; and
- (y) **Tax:** each member of the Target Group has paid all Taxes for which it is liable, and claimed all Tax offsets and deductions, in accordance with Tax laws and has created and maintained adequate and correct records to support all returns lodged or filed relating to Tax, and will not and has not settled or compromised or made any concessions in relation to any material Tax claims, liabilities or disputes or made any election in relation to Tax, or otherwise engaged in any transaction, act or event which gives rise to any Tax liability which is outside the ordinary course of business as it was conducted prior to the date of this document.



Schedule 4

Target details

SDI Limited

Security	Total number on issue
Target Shares (SDI)	118,865,530

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Signing page

Executed as a deed

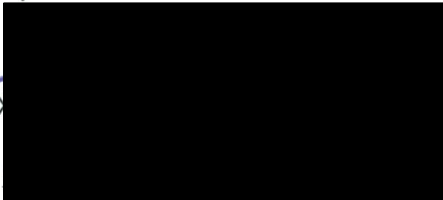
Target

Signed sealed and delivered by
SDI Limited

By

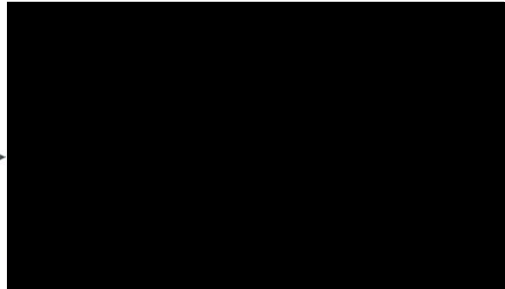
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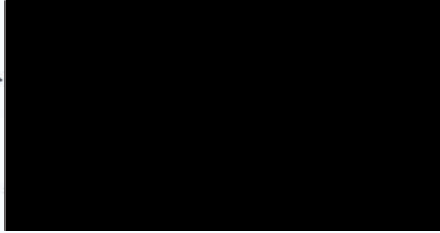
For personal use only

Bidder

Signed sealed and delivered by
**Beijing Guoci Kebo Technology
Co., Ltd** in the presence of

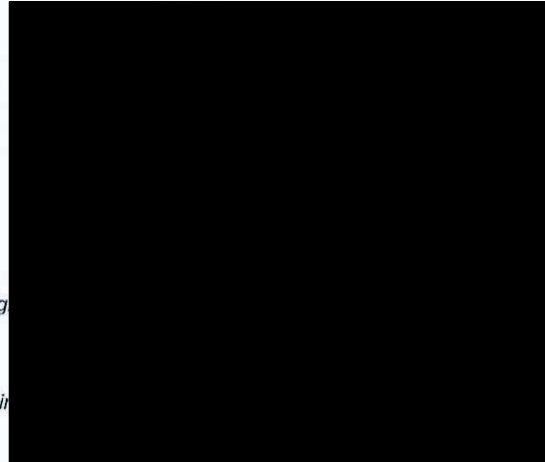
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Attachment 1

Indicative Timetable

Event	Date
Announcement and signing of scheme implementation deed	27 February 2026
Scheme Booklet provided to ASIC in draft	Early / Mid April
First Court hearing	Late April
Scheme Meeting	Late May
Second Court hearing	Early June
Effective Date	Early June
Scheme Record Date	Early June
Implementation Date	Mid June

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Attachment 2

Scheme of arrangement

[Attached]

For personal use only



HERBERT SMITH
FREEHILLS
KRAMER

Scheme of Arrangement

SDI Limited

Scheme Shareholders

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Scheme of arrangement

This scheme of arrangement is made under section 411 of the *Corporations Act 2001* (Cth)

Between the parties

SDI Limited (**Target**) ACN 008 075 581 of 3-15 Brunsdon Street,
Bayswater, VIC 3153

The Scheme Shareholders

1 Definitions, interpretation and scheme components

1.1 Definitions

Schedule 1 contains definitions used in this Scheme.

1.2 Interpretation

Schedule 1 contains interpretation rules for this Scheme.

1.3 Scheme components

This Scheme includes any schedule to it.

2 Preliminary matters

- (a) Target is a public company limited by shares, registered in South Australia and has been admitted to the official list of the ASX. Target Shares are quoted for trading on the ASX.
- (b) As at the date of the Implementation Deed, 118,865,530 Target Shares were on issue.
- (c) Bidder is an unlisted private limited company registered in Beijing, China.
- (d) Bidder Sub is a Subsidiary of Bidder.
- (e) If this Scheme becomes Effective:
 - (1) Bidder Sub must provide the Scheme Consideration to the Scheme Shareholders in accordance with the terms of this Scheme and the Deed Poll and Bidder must procure that Bidder Sub does this; and



- (2) all the Scheme Shares, and all the rights and entitlements attaching to them as at the Implementation Date, must be transferred to Bidder Sub and Target will enter the name of Bidder Sub in the Share Register in respect of the Scheme Shares.
- (f) Target and Bidder have agreed, by executing the Implementation Deed, to implement this Scheme.
- (g) This Scheme attributes actions to Bidder and Bidder Sub but does not itself impose an obligation on them to perform those actions. Bidder and Bidder Sub have agreed, by executing the Deed Poll, to perform the actions attributed to them under this Scheme, including the provision or procuring the provision of the Scheme Consideration to the Scheme Shareholders.

3 Conditions

3.1 Conditions precedent

This Scheme is conditional on and will have no force or effect until, the satisfaction of each of the following conditions precedent:

- (a) all the conditions in clause 3.1 of the Implementation Deed (other than the condition in the Implementation Deed relating to Court approval of this Scheme pursuant to clause [3.1(d)] of the Implementation Deed) having been satisfied or waived in accordance with the terms of the Implementation Deed;
- (b) neither the Implementation Deed nor the Deed Poll having been terminated in accordance with their terms;
- (c) approval of this Scheme by the Court under paragraph 411(4)(b) of the Corporations Act, including with any alterations made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by Bidder and Target;
- (d) such other conditions made or required by the Court under subsection 411(6) of the Corporations Act in relation to this Scheme and agreed to in writing by Bidder and Target having been satisfied or waived; and
- (e) the orders of the Court made under paragraph 411(4)(b) (and, if applicable, subsection 411(6)) of the Corporations Act approving this Scheme coming into effect, pursuant to subsection 411(10) of the Corporations Act on or before the End Date.

3.2 Certificate

- (a) Each of the Target and Bidder will provide to the Court on the Second Court Date a certificate, or such other evidence as the Court requests, confirming (in respect of matters within their knowledge) whether or not all of the conditions precedent in clauses 3.1(a) and 3.1(b) have been satisfied or waived.
- (b) Each certificate referred to in clause 3.2(a) constitutes conclusive evidence that such conditions precedent were satisfied, waived.



3.3 End Date

Without limiting any rights under the Implementation Deed, this Scheme will lapse and be of no further force or effect if:

- (a) the Effective Date does not occur on or before the End Date; or
- (b) the Implementation Deed or the Deed Poll is terminated in accordance with its terms before the Scheme becomes Effective,

unless Target and Bidder otherwise agree in writing.

4 Implementation of this Scheme

4.1 Lodgement of Court orders with ASIC

Target must lodge with ASIC, in accordance with subsection 411(10) of the Corporations Act, an office copy of the Court order approving this Scheme as soon as possible after the Court approves this Scheme and in any event by 5.00pm on the first Business Day after the day on which the Court approves this Scheme.

4.2 Transfer of Scheme Shares

On the Implementation Date:

- (a) subject to the provision of the Scheme Consideration in the manner contemplated by clause 5.1 and the Deed Poll the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, must be transferred to Bidder Sub, without the need for any further act by any Scheme Shareholder (other than acts performed by Target (or any of its directors) as attorney and agent for Scheme Shareholders under clause 8.5), by:
 - (1) Target delivering to Bidder Sub a duly completed Scheme Transfer, executed on behalf of the Scheme Shareholders by Target, for registration; and
 - (2) Bidder Sub duly executing the Scheme Transfer, attending to the stamping of the Scheme Transfer (if required) and delivering it to Target for registration; and
- (b) immediately following receipt of the Scheme Transfer in accordance with clause 4.2(a)(2), but subject to the stamping of the Scheme Transfer (if required), Target must enter, or procure the entry of, the name of Bidder Sub in the Share Register in respect of all the Scheme Shares transferred to Bidder Sub in accordance with this Scheme.

5 Scheme Consideration



5.1 Provision of Scheme Consideration

- (a) Subject to clauses 5.5 and 5.6, Bidder must, by no later than the Business Day before the Implementation Date, deposit, or procure the deposit, in cleared funds an amount equal to the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders, into an Australian dollar denominated trust account with an ADI operated by Target as trustee for the Scheme Shareholders (provided that any interest on the amounts deposited (less bank fees and other charges) will be credited to Bidder's account).
- (b) Subject to clause 5.1(d), on the Implementation Date, subject to funds having been deposited in accordance with clause 5.1(a), Target must pay or procure the payment of the Scheme Consideration to each Scheme Shareholder from the trust account referred to in clause 5.1(a).
- (c) The obligations of Target under clause 5.1(b) will be satisfied by Target (in its absolute discretion, and despite any election referred to in clause 5.1(c)(1) or authority referred to in clause 5.1(c)(2) made or given by the Scheme Shareholder):
- (1) if a Scheme Shareholder has, before the Scheme Record Date, made a valid election in accordance with the requirements of the Target Registry to receive dividend payments from Target by electronic funds transfer to a bank account nominated by the Scheme Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election;
 - (2) paying, or procuring the payment of, the relevant amount in Australian currency by electronic means to a bank account nominated by the Scheme Shareholder by an appropriate authority from the Scheme Shareholder to Target; or
 - (3) dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Scheme Shareholder by prepaid post to their Registered Address, such cheque being drawn in the name of the Scheme Shareholder (or in the case of joint holders, in accordance with the procedures set out in clause 5.2).
- (d) The Scheme Consideration payable to each Scheme Shareholder with a Registered Address in New Zealand will be paid to a bank account nominated by that Scheme Shareholder in the manner contemplated by clause 5.1(c)(1) or clause 5.1(c)(2) or other appropriate authority provided by the relevant Scheme Shareholder to Target. If a Scheme Shareholder with a Registered Address in New Zealand has not nominated a bank account for receipt of payments, Target may hold payment of the Scheme Consideration owed to that Scheme Shareholder until a valid bank account has been nominated by an appropriate authority from the Scheme Shareholder to Target.
- (e) To the extent that, following satisfaction of Target's obligations under clauses 5.1(b) and 5.1(d), there is a surplus in the amount held by Target as trustee for the Scheme Shareholders in the trust account referred to in that clause, that surplus must be paid by Target to Bidder.

5.2 Joint holders

In the case of Scheme Shares held in joint names:



- (a) subject to clause 5.1(c), the Scheme Consideration is payable to the joint holders and any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to either, at the sole discretion of Target, the holder whose name appears first in the Share Register as at the Scheme Record Date or to the joint holders; and
- (b) any other document required to be sent under this Scheme, will be forwarded to either, at the sole discretion of Target, the holder whose name appears first in the Share Register as at the Scheme Record Date or to the joint holders.

5.3 Fractional entitlements and splitting

Where the calculation of the Scheme Consideration to be issued to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a cent, the fractional entitlement will be rounded down to the nearest whole cent.

5.4 Unclaimed monies

- (a) Target may cancel a cheque issued under this clause 5 if the cheque:
 - (1) is returned to Target; or
 - (2) has not been presented for payment within six months after the date on which the cheque was sent.
- (b) During the period of 12 months commencing on the Implementation Date, on request in writing from a Scheme Shareholder to Target (or the Target Registry) (which request may not be made until the date which is 20 Business Days after the Implementation Date), Target must reissue a cheque that was previously cancelled under this clause 5.4.
- (c) The *Unclaimed Money Act 1995* (NSW) will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in section 7, 8 and 10 of the *Unclaimed Money Act 1995* (NSW)), but any interest or other benefit from unclaimed Scheme Consideration will be to the benefit of Bidder.

5.5 Permitted Dividend

If a Permitted Dividend has been paid in accordance with clause [4.6] of the Implementation Deed, the Scheme Consideration to be provided to each Scheme Shareholder will be reduced by the aggregate cash amount per Target Share of the Permitted Dividend, except that the Scheme Consideration will not be reduced by the value attributed to any franking credits attached to any such dividend.

5.6 Withholding

- (a) If Bidder or Bidder Sub is required by law to make any withholding, deduction or payment for or on account of Tax (including under Subdivision 14-D of Schedule 1 to the TAA) or by any Government Agency in respect of the acquisition of Scheme Shares from a Scheme Shareholder (any such withholding, deduction or payment being a **Withholding Amount**), Bidder or Bidder Sub:
 - (1) is permitted to deduct or withhold the amount of such deduction, withholding or payment (as applicable) from the Scheme Consideration required to be provided to the Scheme Shareholder



(and, to avoid doubt, from the amount it must pay under clause 5.1(a) to fund payment of the Scheme Consideration); and

- (2) must remit or procure the remission of the full amount of the withholding or deduction, or make or procure the making of the payment, to the appropriate Government Agency under applicable law.
- (b) The aggregate sum payable to the Scheme Shareholder shall not be increased to reflect the Withholding Amounts and the net aggregate sum payable to the Scheme Shareholder shall be taken to be in full and final satisfaction of the amounts owing to the Scheme Shareholders.
- (c) To avoid doubt, neither Bidder nor Bidder Sub shall not be liable for any Tax or Duty of a Scheme Shareholder.

5.7 Orders of a court or Government Agency

If written notice is given to Target (or the Target Registry) or Bidder of an order or direction made by a court of competent jurisdiction or by another Government Agency that:

- (a) Requires payment to be provided to a third party in respect of Scheme Shares held by a particular Scheme Shareholder, which would otherwise be payable to that Scheme Shareholder by Target in accordance with this clause 5, then Target or Bidder shall be entitled to procure that provision of that payment is made in accordance with that order or direction; or
- (b) prevents Target or Bidder from paying Scheme Consideration to any particular Scheme Shareholder in accordance with this clause 5, or the payment is otherwise prohibited by applicable law, Target or Bidder shall be entitled to retain an amount, in Australian dollars, equal to the number of Scheme Shares held by that Scheme Shareholder multiplied by the Scheme Consideration until such time as provision of the Scheme Consideration in accordance with this clause 5 is permitted by that (or another) order or direction or otherwise by law.

To the extent that amounts are deducted or withheld under or in accordance with this clause 5.7, such deducted or withheld amounts will be treated for all purposes under this Scheme as having been paid to the person in respect of whom such deduction or withholding was made.

6 Dealings in Target Shares

6.1 Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in Target Shares or other alterations to the Share Register will only be recognised if:

- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Share Register as the holder of the relevant Target Shares before the Scheme Record Date; and
- (b) in all other cases, registrable transfer or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received before the Scheme Record Date at the place where the Share Register is kept,



and Target must not accept for registration, nor recognise for any purpose (except a transfer to Bidder Sub pursuant to this Scheme and any subsequent transfer by Bidder Sub or its successors in title), any transfer or transmission application or other request received after the Scheme Record Date, or received prior to the Scheme Record Date but not in registrable or actionable form, as appropriate.

6.2 Register

- (a) Target must register registrable transmission applications or transfers of the Scheme Shares that are received in accordance with clause 6.1(b) before the Scheme Record Date provided that, for the avoidance of doubt, nothing in this clause 6.2(a) requires Target to register a transfer that would result in a Target Shareholder holding a parcel of Target Shares that is less than a 'marketable parcel' (for the purposes of this clause 6.2(a) 'marketable parcel' has the meaning given in the Operating Rules).
- (b) If this Scheme becomes Effective, a holder of Scheme Shares (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them on or after the Scheme Record Date otherwise than pursuant to this Scheme, and any attempt to do so will have no effect and Target shall be entitled to disregard any such disposal.
- (c) For the purpose of determining entitlements to the Scheme Consideration, Target must maintain the Share Register in accordance with the provisions of this clause 6.2 until the Scheme Consideration has been paid to the Scheme Shareholders. The Share Register in this form will solely determine entitlements to the Scheme Consideration.
- (d) All statements of holding for Target Shares (other than statements of holding in favour of Bidder Sub or any Excluded Shareholders) will cease to have effect after the Scheme Record Date as documents of title in respect of those shares and, as from that date, each entry current at that date on the Share Register (other than entries on the Share Register in respect of Bidder Sub or any Excluded Shareholder) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Target Shares relating to that entry.
- (e) As soon as possible on or after the Scheme Record Date, and in any event by 5.00pm on the first Business Day after the Scheme Record Date, Target will ensure that details of the names, Registered Addresses and holdings of Target Shares for each Scheme Shareholder as shown in the Share Register are available to Bidder in the form Bidder reasonably requires.

7 Quotation of Target Shares

- (a) Target must apply to ASX to suspend trading on the ASX in Target Shares with effect from the close of trading on the Effective Date.
- (b) On a date after the Implementation Date to be determined by Bidder, Target must apply:
 - (1) for termination of the official quotation of Target Shares on the ASX; and
 - (2) to have itself removed from the official list of the ASX.



8 General Scheme provisions

8.1 Consent to amendments to this Scheme

If the Court proposes to approve this Scheme subject to any alterations or conditions:

- (a) Target may by its counsel consent on behalf of all persons concerned to those alterations or conditions to which Bidder has consented; and
- (b) each Scheme Shareholder agrees to any such alterations or conditions which Target has consented to in accordance with clause 8.1(a).

8.2 Scheme Shareholders' agreements and warranties

- (a) Each Scheme Shareholder, without the need for any further act:
 - (1) irrevocably agrees to the transfer of their Target Shares together with all rights and entitlements attaching to those Target Shares in accordance with this Scheme;
 - (2) irrevocably agrees to the variation, cancellation or modification of the rights attached to their Target Shares constituted by or resulting from this Scheme;
 - (3) irrevocably agrees to, on the direction of Bidder, destroy any holding statements or share certificates relating to their Target Shares;
 - (4) who holds their Target Shares in a CHES Holding agrees to the conversion of those Target Shares to an Issuer Sponsored Holding and irrevocably authorises Target to do anything necessary or expedient (whether required by the Settlement Rules or otherwise) to effect or facilitate such conversion; and
 - (5) acknowledges and agrees that this Scheme binds Target and all Scheme Shareholders (including those who do not attend the Scheme Meeting and those who do not vote, or vote against this Scheme, at the Scheme Meeting).
- (b) Each Scheme Shareholder is taken to have warranted to Target, Bidder and Bidder Sub on the Implementation Date, and appointed and authorised Target as its attorney and agent to warrant to Bidder and Bidder Sub on the Implementation Date, that:
 - (1) all their Target Shares (including any rights and entitlements attaching to those shares) which are transferred under this Scheme will, at the date of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind, and that they have full power and capacity to transfer their Target Shares to Bidder Sub together with any rights and entitlements attaching to those shares; and
 - (2) they have no existing right to be issued any Target Shares or other Target securities.
- (c) Target undertakes that it will provide such warranty in clause 8.2(b) to Bidder and Bidder Sub as agent and attorney of each Scheme Shareholder.



8.3 Title to and rights in Scheme Shares

- (a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme to Bidder Sub will, at the time of transfer of them to Bidder Sub vest in Bidder Sub free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise and free from any restrictions on transfer of any kind.
- (b) Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clause 5.1, Bidder Sub will be beneficially entitled to the Scheme Shares to be transferred to it under this Scheme pending registration by Target of Bidder Sub in the Share Register as the holder of the Scheme Shares.

8.4 Appointment of sole proxy

Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clause 5.1, and until Target registers Bidder Sub as the holder of all Scheme Shares in the Share Register, each Scheme Shareholder:

- (a) is deemed to have irrevocably appointed Bidder Sub as attorney and agent (and directed Bidder Sub in each such capacity) to appoint any director, officer, secretary or agent nominated by Bidder Sub as its sole proxy and, where applicable or appropriate, corporate representative to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution or document;
- (b) must not attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to clause 8.4(a));
- (c) must take all other actions in the capacity of a registered holder of Scheme Shares as Bidder Sub reasonably directs; and
- (d) acknowledges and agrees that in exercising the powers referred to in clause 8.4(a), Bidder Sub and any director, officer, secretary or agent nominated by Bidder Sub under clause 8.4(a) may act in the best interests of Bidder Sub as the intended registered holder of the Scheme Shares.

8.5 Authority given to Target

Each Scheme Shareholder, without the need for any further act:

- (a) on the Effective Date, irrevocably appoints Target and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of enforcing the Deed Poll against Bidder and Bidder Sub, and Target undertakes in favour of each Scheme Shareholder that it will enforce the Deed Poll against Bidder and Bidder Sub on behalf of and as agent and attorney for each Scheme Shareholder; and
- (b) on the Implementation Date, irrevocably appoints Target and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of executing any document or doing or



taking any other act necessary, desirable or expedient to give effect to this Scheme and the transactions contemplated by it, including (without limitation) executing the Scheme Transfer,

and Target accepts each such appointment. Target as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 8.5 to all or any of its directors, officers, secretaries or employees (jointly, severally or jointly and severally).

8.6 Binding effect of Scheme

This Scheme binds Target and all of the Scheme Shareholders (including those who did not attend the Scheme Meeting to vote on this Scheme, did not vote at the Scheme Meeting, or voted against this Scheme at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of Target.

9 General

9.1 Stamp duty

- (a) Bidder:
- (1) must pay all Duty in respect of the Deed Poll or the Scheme or the steps to be taken under the Deed Poll or the Scheme; and
 - (2) indemnifies each Scheme Shareholder against any liability arising from failure to comply with clause 9.1(a)(1).

9.2 Consent

Each of the Scheme Shareholders consents to Target doing all things necessary or incidental to, or to give effect to, the implementation of this Scheme, whether on behalf of the Scheme Shareholders, Target or otherwise.

9.3 Notices

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Target, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at Target's registered office or at the office of the Target Registry.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by a Target Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

9.4 Governing law

- (a) This Scheme is governed by the laws in force in New South Wales.
- (b) The parties irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales and courts of appeal from them in



respect of any proceedings arising out of or in connection with this Scheme. The parties irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

9.5 Further action

Target must do all things and execute all documents necessary to give full effect to this Scheme and the transactions contemplated by it.

9.6 No liability when acting in good faith

Each Scheme Shareholder agrees that neither Target nor Bidder nor any director, officer, secretary or employee of any of those companies shall be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

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Schedule 1

Definitions and interpretation

1 Definitions

The meanings of the terms used in this Scheme are set out below.

Term	Meaning
ADI	authorised deposit-taking institution (as defined in the <i>Banking Act 1959</i> (Cth)).
ASIC	the Australian Securities and Investments Commission.
ASX	ASX Limited ABN 98 008 624 691 and, where the context requires, the financial market that it operates.
Bidder	Beijing Guoci Kebo Technology Co., Ltd of Room 218-2, No. 9 Jingtong Street, Taihu Town, Tongzhou District, Beijing, China.
Bidder Group	Bidder and each of its Subsidiaries and a reference to a Bidder Group Member or a member of the Bidder Group is to Bidder or any of its Subsidiaries.
Bidder Register	the register of shareholders maintained by Bidder or its agent.
Bidder Sub	a subsidiary of Bidder as designated by Bidder.
Business Day	a day that is not a Saturday, Sunday or public holiday or bank holiday in Sydney, Australia and Beijing, China.
CHESS	the Clearing House Electronic Subregister System operated by ASX Settlement Pty Ltd and ASX Clear Pty Limited.
CHESS Holding	has the meaning given in the Settlement Rules.



Term	Meaning
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Court	the Supreme Court of New South Wales or such other court of competent jurisdiction under the Corporations Act agreed to in writing by Bidder and Target.
Deed Poll	the deed poll substantially in the form of Attachment 1 under which Bidder covenants in favour of the Scheme Shareholders to perform the obligations attributed to Bidder under this Scheme.
Duty	any stamp, transaction or registration duty or similar charge imposed by any Government Agency and includes, but is not limited to, any interest, fine, penalty, charge or other amount imposed in respect of any of them.
Effective	when used in relation to this Scheme, the coming into effect, under subsection 411(10) of the Corporations Act, of the Court order made under paragraph 411(4)(b) of the Corporations Act in relation to this Scheme.
Effective Date	the date on which this Scheme becomes Effective.
End Date	30 September 2026, or such other date as agreed in writing by Bidder and Target.
Excluded Shareholder	any Target Shareholder who is a member of the Bidder Group or any Target Shareholder who holds any Target Shares on behalf of, or for the benefit of, any member of the Bidder Group and does not hold Target Shares on behalf of, or for the benefit of, any other person.
Government Agency	any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity (including any stock or other securities exchange), or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian.
Implementation Date	the fifth Business Day after the Scheme Record Date, or such other date after the Scheme Record Date as agreed in writing by Target and Bidder.

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Term	Meaning
Implementation Deed	the scheme implementation deed dated on or about 27 February 2026 between Target and Bidder relating to the implementation of this Scheme.
Issuer Sponsored Holding	has the meaning given in the Settlement Rules.
Operating Rules	the official operating rules of ASX.
Permitted Dividend	has the meaning given to that term in the Implementation Deed.
Registered Address	in relation to a Target Shareholder, the address shown in the Share Register as at the Scheme Record Date.
Scheme	this scheme of arrangement under Part 5.1 of the Corporations Act between Target and the Scheme Shareholders subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by Target and Bidder.
Scheme Consideration	for each Target Share held by a Scheme Shareholder as at the Scheme Record Date, an amount of \$1.40, subject to the terms of this Scheme including without limitation clause 5.5 hereof.
Scheme Meeting	the meeting of the Target Shareholders (other than Excluded Shareholders) ordered by the Court to be convened under subsection 411(1) of the Corporations Act to consider and vote on this Scheme and includes any meeting convened following any adjournment or postponement of that meeting.
Scheme Record Date	7.00pm on the second Business Day after the Effective Date or such other date as agreed in writing by Target and Bidder.
Scheme Shares	all Target Shares held by the Scheme Shareholders as at the Scheme Record Date.
Scheme Shareholder	a holder of Target Shares recorded in the Share Register as at the Scheme Record Date (other than an Excluded Shareholder).

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Term	Meaning
Scheme Transfer	a duly completed and executed proper instrument of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, in favour of Bidder as transferee, which may be a master transfer of all or part of the Scheme Shares.
Second Court Date	the first day on which an application made to the Court for an order under paragraph 411(4)(b) of the Corporations Act approving this Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application or appeal is heard.
Settlement Rules	the ASX Settlement Operating Rules, being the official operating rules of the settlement facility provided by ASX Settlement Pty Ltd.
Share Register	the register of members of Target maintained by Target or the Target Registry in accordance with the Corporations Act.
Subsidiary	has the meaning given in Division 6 of Part 1.2 of the Corporations Act.
TAA	the <i>Taxation Administration Act 1953</i> (Cth).
Tax	any tax, levy, charge, impost, fee, deduction, goods and services tax, compulsory loan or withholding, that is assessed, levied, imposed or collected by any Government Agency and includes any interest, fine, penalty, charge, fee or any other amount imposed on, or in respect of any of the above.
Target	SDI Limited ACN 008 075 581.
Target Registry	MUFG Corporate Markets (AU) Limited ACN 083 214 537.
Target Share	a fully paid ordinary share in the capital of Target.
Target Shareholder	each person who is registered as the holder of a Target Share in the Share Register.
Withholding Amount	has the meaning given in clause 5.6.



2 Interpretation

In this Scheme:

- (a) headings and bold type are for convenience only and do not affect the interpretation of this Scheme;
- (b) the singular includes the plural and the plural includes the singular;
- (c) words of any gender include all genders;
- (d) other parts of speech and grammatical forms of a word or phrase defined in this Scheme have a corresponding meaning;
- (e) a reference to a person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency as well as an individual;
- (f) a reference to a clause, party, schedule, attachment or exhibit is a reference to a clause of, and a party, schedule, attachment or exhibit to, this Scheme;
- (g) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or reenactments of any of them (whether passed by the same or another Government Agency with legal power to do so);
- (h) a reference to a document (including this Scheme) includes all amendments or supplements to, or replacements or novations of, that document;
- (i) a reference to '\$', 'A\$' or 'dollar' is to Australian currency;
- (j) a reference to any time is, unless otherwise indicated, a reference to that time in Sydney, Australia;
- (k) a term defined in or for the purposes of the Corporations Act, and which is not defined in clause 1 of this Schedule 1, has the same meaning when used in this Scheme;
- (l) a reference to a party to a document includes that party's successors and permitted assignees;
- (m) no provision of this Scheme will be construed adversely to a party because that party was responsible for the preparation of this Scheme or that provision;
- (n) any agreement, representation, warranty or indemnity in favour of two or more parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly and severally;
- (o) a reference to a body, other than a party to this Scheme (including an institute, association or authority), whether statutory or not:
 - (1) which ceases to exist; or
 - (2) whose powers or functions are transferred to another body,is a reference to the body which replaces it or which substantially succeeds to its powers or functions;
- (p) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- (q) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;



- (r) if an act prescribed under this Scheme to be done by a party on or by a given day is done after 5.00pm on that day, it is taken to be done on the next day; and
- (s) a reference to the Operating Rules or the Settlement Rules includes any variation, consolidation or replacement of these rules and is to be taken to be subject to any waiver or exemption granted to the compliance of those rules by a party.

3 Interpretation of inclusive expressions

Specifying anything in this Scheme after the words 'include' or 'for example' or similar expressions does not limit what else is included.

4 Business Day

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.



Attachment 1

Deed Poll

[Attached]

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Attachment 3

Deed poll

[Attached]

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HERBERT SMITH
FREEHILLS
KRAMER

Deed

Scheme Deed Poll

Beijing Guoci Kebo Technology Co., Ltd

Bidder Sub

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Scheme Deed Poll

Date ►

This deed poll is made

By **Beijing Guoci Kebo Technology Co., Ltd**
Room 218-2, No. 9 Jingtong Street, Taihu Town, Tongzhou District,
Beijing, China (**Bidder**)
and
[insert] (**Bidder Sub**)

in favour of each person registered as a holder of fully paid ordinary shares in
SDI Limited (008 075 581) (**Target**) in the Share Register as at the
Scheme Record Date (other than the Excluded Shareholders).

Recitals

- 1 Target and Bidder entered into the Implementation Deed.
- 2 In the Implementation Deed, Bidder agreed to make this deed poll
and to procure that Bidder Sub makes this deed poll.
- 3 Bidder and Bidder Sub are making this deed poll for the purpose
of covenanting in favour of the Scheme Shareholders to perform
their obligations under the Implementation Deed and the Scheme.

This deed poll provides as follows:

1 Definitions and interpretation

1.1 Definitions

(a) The meanings of the terms used in this deed poll are set out below.

Term	Meaning
Duty	any stamp, transaction or registration duty or similar charge imposed by any Government Agency and includes, but is not limited to, any interest, fine, penalty, charge or other amount imposed in respect of any of them.

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Term	Meaning
First Court Date	the first day on which an application made to the Court for an order under subsection 411(1) of the Corporations Act convening the Scheme Meeting is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.
Implementation Deed	the scheme implementation deed entered into between Target and Bidder dated on or about 27 February 2026.
Scheme	the scheme of arrangement under Part 5.1 of the Corporations Act between Target and the Scheme Shareholders, substantially in the form set out in Attachment 1, subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by Bidder and Target.
Target	SDI Limited ACN 008 075 581.

(b) Unless the context otherwise requires, terms defined in the Scheme have the same meaning when used in this deed poll.

1.2 Interpretation

Sections 2, 3 and 4 of Schedule 1 of the Scheme apply to the interpretation of this deed poll, except that references to 'this Scheme' are to be read as references to 'this deed poll'.

1.3 Nature of deed poll

Bidder and Bidder Sub acknowledge that this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not party to it.

2 Conditions to obligations

2.1 Conditions

This deed poll and the obligations of Bidder and Bidder Sub under this deed poll are subject to the Scheme becoming Effective.

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2.2 Termination

The obligations of Bidder and Bidder Sub under this deed poll to the Scheme Shareholders will automatically terminate and the terms of this deed poll will be of no force or effect if:

- (a) the Implementation Deed is terminated in accordance with its terms; or
- (b) the Scheme is not Effective on or before the End Date or such later date as the Court, with consent of the Bidder and Target, may order,

unless Bidder and Target otherwise agree in writing.

2.3 Consequences of termination

If this deed poll terminates under clause 2.2, in addition and without prejudice to any other rights, powers or remedies available to it:

- (a) each of Bidder and Bidder Sub is released from their obligations to further perform this deed poll; and
- (b) each Scheme Shareholder retains the rights they have against Bidder and Bidder Sub in respect of any breach of this deed poll which occurred before it was terminated.

3 Scheme obligations

3.1 Undertaking to pay Scheme Consideration

- (a) Subject to clause 2, each of Bidder and Bidder Sub undertakes in favour of each Scheme Shareholder to:
 - (1) subject to clause 3.1(b), deposit, or procure the deposit of, in cleared funds, by no later than the Business Day before the Implementation Date, an amount equal to the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders under the Scheme into an Australian dollar denominated trust account operated by Target as trustee for the Scheme Shareholders, except that any interest on the amounts deposited (less bank fees and other charges) will be credited to Bidder's account; and
 - (2) undertake all other actions, and give each acknowledgement, representation and warranty (if any), attributed to it under the Scheme, subject to and in accordance with the terms of the Scheme.
- (b) If a Permitted Dividend has been paid in accordance with clause 4.6 of the Implementation Deed, the Scheme Consideration to be provided to each Scheme Shareholder will be reduced by the aggregate cash amount per Target Share of the Permitted Dividend, except that the Scheme Consideration will not be reduced by the value attributed to any franking credits attached to any such dividend.



4 Warranties

Each of Bidder and Bidder Sub represents and warrants in favour of each Scheme Shareholder, in respect of itself, that:

- (a) it is a corporation validly existing under the laws of its place of registration;
- (b) it has the corporate power to enter into and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;
- (c) it has taken all necessary corporate action to authorise its entry into this deed poll and has taken or will take all necessary corporate action to authorise the performance of this deed poll and to carry out the transactions contemplated by this deed poll;
- (d) this deed poll is valid and binding on it and enforceable against it in accordance with its terms; and
- (e) this deed poll does not conflict with, or result in the breach of or default under, any provision of its constitution, or any writ, order or injunction, judgment, law, rule or regulation to which it is a party or subject or by which it is bound.

5 Continuing obligations

This deed poll is irrevocable and, subject to clause 2, remains in full force and effect until:

- (a) Bidder and Bidder Sub have fully performed their obligations under this deed poll; or
- (b) the earlier termination of this deed poll under clause 2.

6 Notices

6.1 Form of Notice

A notice or other communication in respect of this deed poll (**Notice**) must be:

- (a) in writing and in English and signed by or on behalf of the sending party; and
- (b) addressed to Bidder and Bidder Sub in accordance with the details set out below (or any alternative details nominated by Bidder or Bidder Sub by Notice).

Attention

[REDACTED]

Address

[REDACTED]

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Email address

[REDACTED]
[REDACTED]
[REDACTED]

6.2 How Notice must be given and when Notice is received

- (a) A Notice must be given by one of the methods set out in the table below.
- (b) A Notice is regarded as given and received at the time set out in the table below.

However, if this means the Notice would be regarded as given and received outside the period between 9.00am and 5.00pm (addressee's time) on a Business Day (**business hours period**), then the Notice will instead be regarded as given and received at the start of the following business hours period.

Method of giving Notice	When Notice is regarded as given and received
By hand to the nominated address	When delivered to the nominated address
By pre-paid post to the nominated address	At 9.00am (addressee's time) on the second day that is not a Saturday, Sunday or a public holiday or bank holiday in the place of receipt after the date of posting
By email to the nominated email address	The first to occur of: <ol style="list-style-type: none"> 1 the sender receiving an automated message confirming delivery; or 2 two hours after the time that the email was sent (as recorded on the device from which the email was sent) provided that the sender does not, within the period, receive an automated message that the email has not been delivered.

6.3 Notice must not be given by electronic communication

A Notice must not be given by electronic means of communication (other than email as permitted in clause 6.2).

7 General

7.1 Stamp duty

Bidder:

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- (a) must pay all Duty in respect of this deed or the Scheme or the steps to be taken under this deed or the Scheme; and
- (b) indemnifies each Scheme Shareholder against any liability arising from failure to comply with clause 7.1(a).

7.2 Governing law and jurisdiction

- (a) This deed poll is governed by the law in force in New South Wales.
- (b) Bidder and Bidder Sub irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales and courts of appeal from them in respect of any proceedings arising out of or in connection with this deed poll. Bidder and Bidder Sub irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

7.3 Waiver

- (a) Bidder and Bidder Sub may not rely on the words or conduct of any Scheme Shareholder as a waiver of any right unless the waiver is in writing and signed by the Scheme Shareholder granting the waiver.
- (b) No Scheme Shareholder may rely on words or conduct of Bidder or Bidder Sub as a waiver of any right unless the waiver is in writing and signed by Bidder or Bidder Sub, as appropriate.
- (c) The meanings of the terms used in this clause 7.3 are set out below.

Term	Meaning
conduct	includes delay in the exercise of a right.
right	any right arising under or in connection with this deed poll and includes the right to rely on this clause.
waiver	includes an election between rights and remedies, and conduct which might otherwise give rise to an estoppel.

7.4 Variation

A provision of this deed poll may not be varied unless:

- (a) if before the First Court Date, the variation is agreed to by Target; or
- (b) if on or after the First Court Date, the variation is agreed to by Target and the Court indicates that the variation would not of itself preclude approval of the Scheme,

in which event Bidder and Bidder Sub will enter into a further deed poll in favour of the Scheme Shareholders giving effect to the variation.

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7.5 Cumulative rights

The rights, powers and remedies of Bidder, Bidder Sub and the Scheme Shareholders under this deed poll are cumulative and do not exclude any other rights, powers or remedies provided by law independently of this deed poll.

7.6 Assignment

- (a) The rights created by this deed poll are personal to Bidder, Bidder Sub and each Scheme Shareholder and must not be dealt with at law or in equity without the prior written consent of Bidder.
- (b) Any purported dealing in contravention of clause 7.6(a) is invalid.

7.7 Further action

Bidder and Bidder Sub must, at their own expense, do all things and execute all documents necessary to give full effect to this deed poll and the transactions contemplated by it.

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Attachment 1

Scheme

[Attached]

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Signing page

Executed as a deed poll

Bidder

Signed sealed and delivered by
**Beijing Guoci Kebo Technology
Co., Ltd** in the presence of



sign here ► _____
Authorised signatory

sign here ► _____
Witness

print name _____

print name _____

[Signing block to be confirmed]

Bidder Sub

Signed sealed and delivered by
[insert] in the presence of



sign here ► _____
Authorised signatory

sign here ► _____
Witness

print name _____

print name _____

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Attachment 4

Conditions Precedent certificate

[Attached]

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Conditions Precedent Certificate

SDI Limited ACN 008 075 581 (**Target**) and Beijing Guoci Kebo Technology Co., Ltd (**Bidder**) certify, confirm and agree that each of the conditions precedent:

- 1 in clause 3.1 (other than the condition in clause 3.1(d) relating to Court approval) of the scheme implementation deed dated 27 February 2026 between Target and Bidder (**SID**) have been satisfied or are hereby waived by the relevant party (or parties) to the SID in accordance with the terms of the SID; and
- 2 in clause 3.1(a) and clause 3.1(b) of the scheme of arrangement between Target and the relevant Target shareholders which appears in Annexure **[insert]** of Target's scheme booklet dated **[insert date]** have been satisfied.

This deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

Dated:

Execute as a deed

Signed sealed and delivered by
SDI Limited
by

sign here ► _____
Company Secretary/Director

sign here ► _____
Director

print name _____

print name _____

Signed sealed and delivered by
Beijing Guoci Kebo Technology Co., Ltd in the presence of



sign here ► _____
Authorised signatory

sign here ► _____
Witness

print name _____

print name _____

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Annexure 3 Scheme

For personal use only



HERBERT SMITH
FREEHILLS
KRAMER

Scheme of Arrangement

SDI Limited

Scheme Shareholders

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Scheme of arrangement

This scheme of arrangement is made under section 411 of the *Corporations Act 2001* (Cth)

Between the parties

SDI Limited (**Target**) ACN 008 075 581 of 3-15 Brunsdon Street,
Bayswater, VIC 3153

The Scheme Shareholders

1 Definitions, interpretation and scheme components

1.1 Definitions

Schedule 1 contains definitions used in this Scheme.

1.2 Interpretation

Schedule 1 contains interpretation rules for this Scheme.

1.3 Scheme components

This Scheme includes any schedule to it.

2 Preliminary matters

- (a) Target is a public company limited by shares, registered in South Australia and has been admitted to the official list of the ASX. Target Shares are quoted for trading on the ASX.
- (b) As at the date of the Implementation Deed, 118,865,530 Target Shares were on issue.
- (c) Bidder is an unlisted private limited company registered in Beijing, China.
- (d) Bidder Sub is a Subsidiary of Bidder.
- (e) If this Scheme becomes Effective:
 - (1) Bidder Sub must provide the Scheme Consideration to the Scheme Shareholders in accordance with the terms of this Scheme and the Deed Poll and Bidder must procure that Bidder Sub does this; and



- (2) all the Scheme Shares, and all the rights and entitlements attaching to them as at the Implementation Date, must be transferred to Bidder Sub and Target will enter the name of Bidder Sub in the Share Register in respect of the Scheme Shares.
- (f) Target and Bidder have agreed, by executing the Implementation Deed, to implement this Scheme.
- (g) This Scheme attributes actions to Bidder and Bidder Sub but does not itself impose an obligation on them to perform those actions. Bidder and Bidder Sub have agreed, by executing the Deed Poll, to perform the actions attributed to them under this Scheme, including the provision or procuring the provision of the Scheme Consideration to the Scheme Shareholders.

3 Conditions

3.1 Conditions precedent

This Scheme is conditional on and will have no force or effect until, the satisfaction of each of the following conditions precedent:

- (a) all the conditions in clause 3.1 of the Implementation Deed (other than the condition in the Implementation Deed relating to Court approval of this Scheme pursuant to clause [3.1(d)] of the Implementation Deed) having been satisfied or waived in accordance with the terms of the Implementation Deed;
- (b) neither the Implementation Deed nor the Deed Poll having been terminated in accordance with their terms;
- (c) approval of this Scheme by the Court under paragraph 411(4)(b) of the Corporations Act, including with any alterations made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by Bidder and Target;
- (d) such other conditions made or required by the Court under subsection 411(6) of the Corporations Act in relation to this Scheme and agreed to in writing by Bidder and Target having been satisfied or waived; and
- (e) the orders of the Court made under paragraph 411(4)(b) (and, if applicable, subsection 411(6)) of the Corporations Act approving this Scheme coming into effect, pursuant to subsection 411(10) of the Corporations Act on or before the End Date.

3.2 Certificate

- (a) Each of the Target and Bidder will provide to the Court on the Second Court Date a certificate, or such other evidence as the Court requests, confirming (in respect of matters within their knowledge) whether or not all of the conditions precedent in clauses 3.1(a) and 3.1(b) have been satisfied or waived.
- (b) Each certificate referred to in clause 3.2(a) constitutes conclusive evidence that such conditions precedent were satisfied, waived.



3.3 End Date

Without limiting any rights under the Implementation Deed, this Scheme will lapse and be of no further force or effect if:

- (a) the Effective Date does not occur on or before the End Date; or
- (b) the Implementation Deed or the Deed Poll is terminated in accordance with its terms before the Scheme becomes Effective,

unless Target and Bidder otherwise agree in writing.

4 Implementation of this Scheme

4.1 Lodgement of Court orders with ASIC

Target must lodge with ASIC, in accordance with subsection 411(10) of the Corporations Act, an office copy of the Court order approving this Scheme as soon as possible after the Court approves this Scheme and in any event by 5.00pm on the first Business Day after the day on which the Court approves this Scheme.

4.2 Transfer of Scheme Shares

On the Implementation Date:

- (a) subject to the provision of the Scheme Consideration in the manner contemplated by clause 5.1 and the Deed Poll the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, must be transferred to Bidder Sub, without the need for any further act by any Scheme Shareholder (other than acts performed by Target (or any of its directors) as attorney and agent for Scheme Shareholders under clause 8.5), by:
 - (1) Target delivering to Bidder Sub a duly completed Scheme Transfer, executed on behalf of the Scheme Shareholders by Target, for registration; and
 - (2) Bidder Sub duly executing the Scheme Transfer, attending to the stamping of the Scheme Transfer (if required) and delivering it to Target for registration; and
- (b) immediately following receipt of the Scheme Transfer in accordance with clause 4.2(a)(2), but subject to the stamping of the Scheme Transfer (if required), Target must enter, or procure the entry of, the name of Bidder Sub in the Share Register in respect of all the Scheme Shares transferred to Bidder Sub in accordance with this Scheme.

5 Scheme Consideration



5.1 Provision of Scheme Consideration

- (a) Subject to clauses 5.5 and 5.6, Bidder must, by no later than the Business Day before the Implementation Date, deposit, or procure the deposit, in cleared funds an amount equal to the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders, into an Australian dollar denominated trust account with an ADI operated by Target as trustee for the Scheme Shareholders (provided that any interest on the amounts deposited (less bank fees and other charges) will be credited to Bidder's account).
- (b) Subject to clause 5.1(d), on the Implementation Date, subject to funds having been deposited in accordance with clause 5.1(a), Target must pay or procure the payment of the Scheme Consideration to each Scheme Shareholder from the trust account referred to in clause 5.1(a).
- (c) The obligations of Target under clause 5.1(b) will be satisfied by Target (in its absolute discretion, and despite any election referred to in clause 5.1(c)(1) or authority referred to in clause 5.1(c)(2) made or given by the Scheme Shareholder):
- (1) if a Scheme Shareholder has, before the Scheme Record Date, made a valid election in accordance with the requirements of the Target Registry to receive dividend payments from Target by electronic funds transfer to a bank account nominated by the Scheme Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election;
 - (2) paying, or procuring the payment of, the relevant amount in Australian currency by electronic means to a bank account nominated by the Scheme Shareholder by an appropriate authority from the Scheme Shareholder to Target; or
 - (3) dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Scheme Shareholder by prepaid post to their Registered Address, such cheque being drawn in the name of the Scheme Shareholder (or in the case of joint holders, in accordance with the procedures set out in clause 5.2).
- (d) The Scheme Consideration payable to each Scheme Shareholder with a Registered Address in New Zealand will be paid to a bank account nominated by that Scheme Shareholder in the manner contemplated by clause 5.1(c)(1) or clause 5.1(c)(2) or other appropriate authority provided by the relevant Scheme Shareholder to Target. If a Scheme Shareholder with a Registered Address in New Zealand has not nominated a bank account for receipt of payments, Target may hold payment of the Scheme Consideration owed to that Scheme Shareholder until a valid bank account has been nominated by an appropriate authority from the Scheme Shareholder to Target.
- (e) To the extent that, following satisfaction of Target's obligations under clauses 5.1(b) and 5.1(d), there is a surplus in the amount held by Target as trustee for the Scheme Shareholders in the trust account referred to in that clause, that surplus must be paid by Target to Bidder.

5.2 Joint holders

In the case of Scheme Shares held in joint names:



- (a) subject to clause 5.1(c), the Scheme Consideration is payable to the joint holders and any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to either, at the sole discretion of Target, the holder whose name appears first in the Share Register as at the Scheme Record Date or to the joint holders; and
- (b) any other document required to be sent under this Scheme, will be forwarded to either, at the sole discretion of Target, the holder whose name appears first in the Share Register as at the Scheme Record Date or to the joint holders.

5.3 Fractional entitlements and splitting

Where the calculation of the Scheme Consideration to be issued to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a cent, the fractional entitlement will be rounded down to the nearest whole cent.

5.4 Unclaimed monies

- (a) Target may cancel a cheque issued under this clause 5 if the cheque:
 - (1) is returned to Target; or
 - (2) has not been presented for payment within six months after the date on which the cheque was sent.
- (b) During the period of 12 months commencing on the Implementation Date, on request in writing from a Scheme Shareholder to Target (or the Target Registry) (which request may not be made until the date which is 20 Business Days after the Implementation Date), Target must reissue a cheque that was previously cancelled under this clause 5.4.
- (c) The *Unclaimed Money Act 1995* (NSW) will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in section 7, 8 and 10 of the *Unclaimed Money Act 1995* (NSW)), but any interest or other benefit from unclaimed Scheme Consideration will be to the benefit of Bidder.

5.5 Permitted Dividend

If a Permitted Dividend has been paid in accordance with clause [4.6] of the Implementation Deed, the Scheme Consideration to be provided to each Scheme Shareholder will be reduced by the aggregate cash amount per Target Share of the Permitted Dividend, except that the Scheme Consideration will not be reduced by the value attributed to any franking credits attached to any such dividend.

5.6 Withholding

- (a) If Bidder or Bidder Sub is required by law to make any withholding, deduction or payment for or on account of Tax (including under Subdivision 14-D of Schedule 1 to the TAA) or by any Government Agency in respect of the acquisition of Scheme Shares from a Scheme Shareholder (any such withholding, deduction or payment being a **Withholding Amount**), Bidder or Bidder Sub:
 - (1) is permitted to deduct or withhold the amount of such deduction, withholding or payment (as applicable) from the Scheme Consideration required to be provided to the Scheme Shareholder



(and, to avoid doubt, from the amount it must pay under clause 5.1(a) to fund payment of the Scheme Consideration); and

- (2) must remit or procure the remission of the full amount of the withholding or deduction, or make or procure the making of the payment, to the appropriate Government Agency under applicable law.
- (b) The aggregate sum payable to the Scheme Shareholder shall not be increased to reflect the Withholding Amounts and the net aggregate sum payable to the Scheme Shareholder shall be taken to be in full and final satisfaction of the amounts owing to the Scheme Shareholders.
- (c) To avoid doubt, neither Bidder nor Bidder Sub shall not be liable for any Tax or Duty of a Scheme Shareholder.

5.7 Orders of a court or Government Agency

If written notice is given to Target (or the Target Registry) or Bidder of an order or direction made by a court of competent jurisdiction or by another Government Agency that:

- (a) Requires payment to be provided to a third party in respect of Scheme Shares held by a particular Scheme Shareholder, which would otherwise be payable to that Scheme Shareholder by Target in accordance with this clause 5, then Target or Bidder shall be entitled to procure that provision of that payment is made in accordance with that order or direction; or
- (b) prevents Target or Bidder from paying Scheme Consideration to any particular Scheme Shareholder in accordance with this clause 5, or the payment is otherwise prohibited by applicable law, Target or Bidder shall be entitled to retain an amount, in Australian dollars, equal to the number of Scheme Shares held by that Scheme Shareholder multiplied by the Scheme Consideration until such time as provision of the Scheme Consideration in accordance with this clause 5 is permitted by that (or another) order or direction or otherwise by law.

To the extent that amounts are deducted or withheld under or in accordance with this clause 5.7, such deducted or withheld amounts will be treated for all purposes under this Scheme as having been paid to the person in respect of whom such deduction or withholding was made.

6 Dealings in Target Shares

6.1 Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in Target Shares or other alterations to the Share Register will only be recognised if:

- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Share Register as the holder of the relevant Target Shares before the Scheme Record Date; and
- (b) in all other cases, registrable transfer or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received before the Scheme Record Date at the place where the Share Register is kept,



and Target must not accept for registration, nor recognise for any purpose (except a transfer to Bidder Sub pursuant to this Scheme and any subsequent transfer by Bidder Sub or its successors in title), any transfer or transmission application or other request received after the Scheme Record Date, or received prior to the Scheme Record Date but not in registrable or actionable form, as appropriate.

6.2 Register

- (a) Target must register registrable transmission applications or transfers of the Scheme Shares that are received in accordance with clause 6.1(b) before the Scheme Record Date provided that, for the avoidance of doubt, nothing in this clause 6.2(a) requires Target to register a transfer that would result in a Target Shareholder holding a parcel of Target Shares that is less than a 'marketable parcel' (for the purposes of this clause 6.2(a) 'marketable parcel' has the meaning given in the Operating Rules).
- (b) If this Scheme becomes Effective, a holder of Scheme Shares (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them on or after the Scheme Record Date otherwise than pursuant to this Scheme, and any attempt to do so will have no effect and Target shall be entitled to disregard any such disposal.
- (c) For the purpose of determining entitlements to the Scheme Consideration, Target must maintain the Share Register in accordance with the provisions of this clause 6.2 until the Scheme Consideration has been paid to the Scheme Shareholders. The Share Register in this form will solely determine entitlements to the Scheme Consideration.
- (d) All statements of holding for Target Shares (other than statements of holding in favour of Bidder Sub or any Excluded Shareholders) will cease to have effect after the Scheme Record Date as documents of title in respect of those shares and, as from that date, each entry current at that date on the Share Register (other than entries on the Share Register in respect of Bidder Sub or any Excluded Shareholder) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Target Shares relating to that entry.
- (e) As soon as possible on or after the Scheme Record Date, and in any event by 5.00pm on the first Business Day after the Scheme Record Date, Target will ensure that details of the names, Registered Addresses and holdings of Target Shares for each Scheme Shareholder as shown in the Share Register are available to Bidder in the form Bidder reasonably requires.

7 Quotation of Target Shares

- (a) Target must apply to ASX to suspend trading on the ASX in Target Shares with effect from the close of trading on the Effective Date.
- (b) On a date after the Implementation Date to be determined by Bidder, Target must apply:
 - (1) for termination of the official quotation of Target Shares on the ASX; and
 - (2) to have itself removed from the official list of the ASX.



8 General Scheme provisions

8.1 Consent to amendments to this Scheme

If the Court proposes to approve this Scheme subject to any alterations or conditions:

- (a) Target may by its counsel consent on behalf of all persons concerned to those alterations or conditions to which Bidder has consented; and
- (b) each Scheme Shareholder agrees to any such alterations or conditions which Target has consented to in accordance with clause 8.1(a).

8.2 Scheme Shareholders' agreements and warranties

- (a) Each Scheme Shareholder, without the need for any further act:
 - (1) irrevocably agrees to the transfer of their Target Shares together with all rights and entitlements attaching to those Target Shares in accordance with this Scheme;
 - (2) irrevocably agrees to the variation, cancellation or modification of the rights attached to their Target Shares constituted by or resulting from this Scheme;
 - (3) irrevocably agrees to, on the direction of Bidder, destroy any holding statements or share certificates relating to their Target Shares;
 - (4) who holds their Target Shares in a CHES Holding agrees to the conversion of those Target Shares to an Issuer Sponsored Holding and irrevocably authorises Target to do anything necessary or expedient (whether required by the Settlement Rules or otherwise) to effect or facilitate such conversion; and
 - (5) acknowledges and agrees that this Scheme binds Target and all Scheme Shareholders (including those who do not attend the Scheme Meeting and those who do not vote, or vote against this Scheme, at the Scheme Meeting).
- (b) Each Scheme Shareholder is taken to have warranted to Target, Bidder and Bidder Sub on the Implementation Date, and appointed and authorised Target as its attorney and agent to warrant to Bidder and Bidder Sub on the Implementation Date, that:
 - (1) all their Target Shares (including any rights and entitlements attaching to those shares) which are transferred under this Scheme will, at the date of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind, and that they have full power and capacity to transfer their Target Shares to Bidder Sub together with any rights and entitlements attaching to those shares; and
 - (2) they have no existing right to be issued any Target Shares or other Target securities.
- (c) Target undertakes that it will provide such warranty in clause 8.2(b) to Bidder and Bidder Sub as agent and attorney of each Scheme Shareholder.



8.3 Title to and rights in Scheme Shares

- (a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme to Bidder Sub will, at the time of transfer of them to Bidder Sub vest in Bidder Sub free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise and free from any restrictions on transfer of any kind.
- (b) Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clause 5.1, Bidder Sub will be beneficially entitled to the Scheme Shares to be transferred to it under this Scheme pending registration by Target of Bidder Sub in the Share Register as the holder of the Scheme Shares.

8.4 Appointment of sole proxy

Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clause 5.1, and until Target registers Bidder Sub as the holder of all Scheme Shares in the Share Register, each Scheme Shareholder:

- (a) is deemed to have irrevocably appointed Bidder Sub as attorney and agent (and directed Bidder Sub in each such capacity) to appoint any director, officer, secretary or agent nominated by Bidder Sub as its sole proxy and, where applicable or appropriate, corporate representative to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution or document;
- (b) must not attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to clause 8.4(a));
- (c) must take all other actions in the capacity of a registered holder of Scheme Shares as Bidder Sub reasonably directs; and
- (d) acknowledges and agrees that in exercising the powers referred to in clause 8.4(a), Bidder Sub and any director, officer, secretary or agent nominated by Bidder Sub under clause 8.4(a) may act in the best interests of Bidder Sub as the intended registered holder of the Scheme Shares.

8.5 Authority given to Target

Each Scheme Shareholder, without the need for any further act:

- (a) on the Effective Date, irrevocably appoints Target and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of enforcing the Deed Poll against Bidder and Bidder Sub, and Target undertakes in favour of each Scheme Shareholder that it will enforce the Deed Poll against Bidder and Bidder Sub on behalf of and as agent and attorney for each Scheme Shareholder; and
- (b) on the Implementation Date, irrevocably appoints Target and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of executing any document or doing or



taking any other act necessary, desirable or expedient to give effect to this Scheme and the transactions contemplated by it, including (without limitation) executing the Scheme Transfer,

and Target accepts each such appointment. Target as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 8.5 to all or any of its directors, officers, secretaries or employees (jointly, severally or jointly and severally).

8.6 Binding effect of Scheme

This Scheme binds Target and all of the Scheme Shareholders (including those who did not attend the Scheme Meeting to vote on this Scheme, did not vote at the Scheme Meeting, or voted against this Scheme at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of Target.

9 General

9.1 Stamp duty

- (a) Bidder:
- (1) must pay all Duty in respect of the Deed Poll or the Scheme or the steps to be taken under the Deed Poll or the Scheme; and
 - (2) indemnifies each Scheme Shareholder against any liability arising from failure to comply with clause 9.1(a)(1).

9.2 Consent

Each of the Scheme Shareholders consents to Target doing all things necessary or incidental to, or to give effect to, the implementation of this Scheme, whether on behalf of the Scheme Shareholders, Target or otherwise.

9.3 Notices

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Target, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at Target's registered office or at the office of the Target Registry.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by a Target Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

9.4 Governing law

- (a) This Scheme is governed by the laws in force in New South Wales.
- (b) The parties irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales and courts of appeal from them in



respect of any proceedings arising out of or in connection with this Scheme. The parties irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

9.5 Further action

Target must do all things and execute all documents necessary to give full effect to this Scheme and the transactions contemplated by it.

9.6 No liability when acting in good faith

Each Scheme Shareholder agrees that neither Target nor Bidder nor any director, officer, secretary or employee of any of those companies shall be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.



Schedule 1

Definitions and interpretation

1 Definitions

The meanings of the terms used in this Scheme are set out below.

Term	Meaning
ADI	authorised deposit-taking institution (as defined in the <i>Banking Act 1959</i> (Cth)).
ASIC	the Australian Securities and Investments Commission.
ASX	ASX Limited ABN 98 008 624 691 and, where the context requires, the financial market that it operates.
Bidder	Beijing Guoci Kebo Technology Co., Ltd of Room 218-2, No. 9 Jingtong Street, Taihu Town, Tongzhou District, Beijing, China.
Bidder Group	Bidder and each of its Subsidiaries and a reference to a Bidder Group Member or a member of the Bidder Group is to Bidder or any of its Subsidiaries.
Bidder Register	the register of shareholders maintained by Bidder or its agent.
Bidder Sub	a subsidiary of Bidder as designated by Bidder.
Business Day	a day that is not a Saturday, Sunday or public holiday or bank holiday in Sydney, Australia and Beijing, China.
CHESS	the Clearing House Electronic Subregister System operated by ASX Settlement Pty Ltd and ASX Clear Pty Limited.
CHESS Holding	has the meaning given in the Settlement Rules.



Term	Meaning
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Court	the Supreme Court of New South Wales or such other court of competent jurisdiction under the Corporations Act agreed to in writing by Bidder and Target.
Deed Poll	the deed poll substantially in the form of Attachment 1 under which Bidder covenants in favour of the Scheme Shareholders to perform the obligations attributed to Bidder under this Scheme.
Duty	any stamp, transaction or registration duty or similar charge imposed by any Government Agency and includes, but is not limited to, any interest, fine, penalty, charge or other amount imposed in respect of any of them.
Effective	when used in relation to this Scheme, the coming into effect, under subsection 411(10) of the Corporations Act, of the Court order made under paragraph 411(4)(b) of the Corporations Act in relation to this Scheme.
Effective Date	the date on which this Scheme becomes Effective.
End Date	30 September 2026, or such other date as agreed in writing by Bidder and Target.
Excluded Shareholder	any Target Shareholder who is a member of the Bidder Group or any Target Shareholder who holds any Target Shares on behalf of, or for the benefit of, any member of the Bidder Group and does not hold Target Shares on behalf of, or for the benefit of, any other person.
Government Agency	any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity (including any stock or other securities exchange), or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian.
Implementation Date	the fifth Business Day after the Scheme Record Date, or such other date after the Scheme Record Date as agreed in writing by Target and Bidder.



Term	Meaning
Implementation Deed	the scheme implementation deed dated on or about 27 February 2026 between Target and Bidder relating to the implementation of this Scheme.
Issuer Sponsored Holding	has the meaning given in the Settlement Rules.
Operating Rules	the official operating rules of ASX.
Permitted Dividend	has the meaning given to that term in the Implementation Deed.
Registered Address	in relation to a Target Shareholder, the address shown in the Share Register as at the Scheme Record Date.
Scheme	this scheme of arrangement under Part 5.1 of the Corporations Act between Target and the Scheme Shareholders subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by Target and Bidder.
Scheme Consideration	for each Target Share held by a Scheme Shareholder as at the Scheme Record Date, an amount of \$1.40, subject to the terms of this Scheme including without limitation clause 5.5 hereof.
Scheme Meeting	the meeting of the Target Shareholders (other than Excluded Shareholders) ordered by the Court to be convened under subsection 411(1) of the Corporations Act to consider and vote on this Scheme and includes any meeting convened following any adjournment or postponement of that meeting.
Scheme Record Date	7.00pm on the second Business Day after the Effective Date or such other date as agreed in writing by Target and Bidder.
Scheme Shares	all Target Shares held by the Scheme Shareholders as at the Scheme Record Date.
Scheme Shareholder	a holder of Target Shares recorded in the Share Register as at the Scheme Record Date (other than an Excluded Shareholder).

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Term	Meaning
Scheme Transfer	a duly completed and executed proper instrument of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, in favour of Bidder as transferee, which may be a master transfer of all or part of the Scheme Shares.
Second Court Date	the first day on which an application made to the Court for an order under paragraph 411(4)(b) of the Corporations Act approving this Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application or appeal is heard.
Settlement Rules	the ASX Settlement Operating Rules, being the official operating rules of the settlement facility provided by ASX Settlement Pty Ltd.
Share Register	the register of members of Target maintained by Target or the Target Registry in accordance with the Corporations Act.
Subsidiary	has the meaning given in Division 6 of Part 1.2 of the Corporations Act.
TAA	the <i>Taxation Administration Act 1953</i> (Cth).
Tax	any tax, levy, charge, impost, fee, deduction, goods and services tax, compulsory loan or withholding, that is assessed, levied, imposed or collected by any Government Agency and includes any interest, fine, penalty, charge, fee or any other amount imposed on, or in respect of any of the above.
Target	SDI Limited ACN 008 075 581.
Target Registry	MUFG Corporate Markets (AU) Limited ACN 083 214 537.
Target Share	a fully paid ordinary share in the capital of Target.
Target Shareholder	each person who is registered as the holder of a Target Share in the Share Register.
Withholding Amount	has the meaning given in clause 5.6.



2 Interpretation

In this Scheme:

- (a) headings and bold type are for convenience only and do not affect the interpretation of this Scheme;
- (b) the singular includes the plural and the plural includes the singular;
- (c) words of any gender include all genders;
- (d) other parts of speech and grammatical forms of a word or phrase defined in this Scheme have a corresponding meaning;
- (e) a reference to a person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency as well as an individual;
- (f) a reference to a clause, party, schedule, attachment or exhibit is a reference to a clause of, and a party, schedule, attachment or exhibit to, this Scheme;
- (g) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or reenactments of any of them (whether passed by the same or another Government Agency with legal power to do so);
- (h) a reference to a document (including this Scheme) includes all amendments or supplements to, or replacements or novations of, that document;
- (i) a reference to '\$', 'A\$' or 'dollar' is to Australian currency;
- (j) a reference to any time is, unless otherwise indicated, a reference to that time in Sydney, Australia;
- (k) a term defined in or for the purposes of the Corporations Act, and which is not defined in clause 1 of this Schedule 1, has the same meaning when used in this Scheme;
- (l) a reference to a party to a document includes that party's successors and permitted assignees;
- (m) no provision of this Scheme will be construed adversely to a party because that party was responsible for the preparation of this Scheme or that provision;
- (n) any agreement, representation, warranty or indemnity in favour of two or more parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly and severally;
- (o) a reference to a body, other than a party to this Scheme (including an institute, association or authority), whether statutory or not:
 - (1) which ceases to exist; or
 - (2) whose powers or functions are transferred to another body,is a reference to the body which replaces it or which substantially succeeds to its powers or functions;
- (p) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- (q) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;



- (r) if an act prescribed under this Scheme to be done by a party on or by a given day is done after 5.00pm on that day, it is taken to be done on the next day; and
- (s) a reference to the Operating Rules or the Settlement Rules includes any variation, consolidation or replacement of these rules and is to be taken to be subject to any waiver or exemption granted to the compliance of those rules by a party.

3 Interpretation of inclusive expressions

Specifying anything in this Scheme after the words 'include' or 'for example' or similar expressions does not limit what else is included.

4 Business Day

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.



Attachment 1

Deed Poll

[Attached]

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Annexure 4 Deed Poll

For personal use only



HERBERT SMITH
FREEHILLS
KRAMER

Deed

Scheme Deed Poll

Beijing Guoci Kebo Technology Co., Ltd

InnoXvest Dental Pty. Ltd

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Scheme Deed Poll

Date ► 12 May 2026

This deed poll is made

By **Beijing Guoci Kebo Technology Co., Ltd**
Room 218-2, No. 9 Jingtong Street, Taihu Town, Tongzhou District,
Beijing, China
(Bidder)
and
InnoXvest Dental Pty. Ltd
Suite 702, Level 7, 60 Miller Street, North Sydney NSW 2060
(Bidder Sub)

in favour of each person registered as a holder of fully paid ordinary shares in SDI Limited (ACN 008 075 581) (**Target**) in the Share Register as at the Scheme Record Date (other than the Excluded Shareholders).

Recitals

- 1 Target and Bidder entered into the Implementation Deed.
- 2 In the Implementation Deed, Bidder agreed to make this deed poll and to procure that Bidder Sub makes this deed poll.
- 3 Bidder and Bidder Sub are making this deed poll for the purpose of covenanting in favour of the Scheme Shareholders to perform their obligations under the Implementation Deed and the Scheme.

This deed poll provides as follows:



1 Definitions and interpretation

1.1 Definitions

(a) The meanings of the terms used in this deed poll are set out below.

Term	Meaning
Duty	any stamp, transaction or registration duty or similar charge imposed by any Government Agency and includes, but is not limited to, any interest, fine, penalty, charge or other amount imposed in respect of any of them.
First Court Date	the first day on which an application made to the Court for an order under subsection 411(1) of the Corporations Act convening the Scheme Meeting is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.
Implementation Deed	the scheme implementation deed entered into between Target and Bidder dated on or about 27 February 2026.
Scheme	the scheme of arrangement under Part 5.1 of the Corporations Act between Target and the Scheme Shareholders, substantially in the form set out in Attachment 1, subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by Bidder and Target.
Target	SDI Limited ACN 008 075 581.

(b) Unless the context otherwise requires, terms defined in the Scheme have the same meaning when used in this deed poll.

1.2 Interpretation

Sections 2, 3 and 4 of Schedule 1 of the Scheme apply to the interpretation of this deed poll, except that references to 'this Scheme' are to be read as references to 'this deed poll'.

1.3 Nature of deed poll

Bidder and Bidder Sub acknowledge that this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not party to it.



2 Conditions to obligations

2.1 Conditions

This deed poll and the obligations of Bidder and Bidder Sub under this deed poll are subject to the Scheme becoming Effective.

2.2 Termination

The obligations of Bidder and Bidder Sub under this deed poll to the Scheme Shareholders will automatically terminate and the terms of this deed poll will be of no force or effect if:

- (a) the Implementation Deed is terminated in accordance with its terms; or
- (b) the Scheme is not Effective on or before the End Date or such later date as the Court, with consent of the Bidder and Target, may order,

unless Bidder and Target otherwise agree in writing.

2.3 Consequences of termination

If this deed poll terminates under clause 2.2, in addition and without prejudice to any other rights, powers or remedies available to it:

- (a) each of Bidder and Bidder Sub is released from their obligations to further perform this deed poll; and
- (b) each Scheme Shareholder retains the rights they have against Bidder and Bidder Sub in respect of any breach of this deed poll which occurred before it was terminated.

3 Scheme obligations

3.1 Undertaking to pay Scheme Consideration

- (a) Subject to clause 2, each of Bidder and Bidder Sub undertakes in favour of each Scheme Shareholder to:
 - (1) subject to clause 3.1(b), deposit, or procure the deposit of, in cleared funds, by no later than the Business Day before the Implementation Date, an amount equal to the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders under the Scheme into an Australian dollar denominated trust account operated by Target as trustee for the Scheme Shareholders, except that any interest on the amounts deposited (less bank fees and other charges) will be credited to Bidder's account; and
 - (2) undertake all other actions, and give each acknowledgement, representation and warranty (if any), attributed to it under the Scheme, subject to and in accordance with the terms of the Scheme.
- (b) If a Permitted Dividend has been paid in accordance with clause 4.6 of the Implementation Deed, the Scheme Consideration to be provided to each



Scheme Shareholder will be reduced by the aggregate cash amount per Target Share of the Permitted Dividend, except that the Scheme Consideration will not be reduced by the value attributed to any franking credits attached to any such dividend.

4 Warranties

Each of Bidder and Bidder Sub represents and warrants in favour of each Scheme Shareholder, in respect of itself, that:

- (a) it is a corporation validly existing under the laws of its place of registration;
- (b) it has the corporate power to enter into and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;
- (c) it has taken all necessary corporate action to authorise its entry into this deed poll and has taken or will take all necessary corporate action to authorise the performance of this deed poll and to carry out the transactions contemplated by this deed poll;
- (d) this deed poll is valid and binding on it and enforceable against it in accordance with its terms; and
- (e) this deed poll does not conflict with, or result in the breach of or default under, any provision of its constitution, or any writ, order or injunction, judgment, law, rule or regulation to which it is a party or subject or by which it is bound.

5 Continuing obligations

This deed poll is irrevocable and, subject to clause 2, remains in full force and effect until:

- (a) Bidder and Bidder Sub have fully performed their obligations under this deed poll; or
- (b) the earlier termination of this deed poll under clause 2.

6 Notices

6.1 Form of Notice

A notice or other communication in respect of this deed poll (**Notice**) must be:

- (a) in writing and in English and signed by or on behalf of the sending party; and
- (b) addressed to Bidder and Bidder Sub in accordance with the details set out below (or any alternative details nominated by Bidder or Bidder Sub by Notice).

Attention

Mr. Huang Wei



Address



Email address



With a copy to:

philippa.stone@hsf.com; selena.tang@hsf.com

6.2 How Notice must be given and when Notice is received

- (a) A Notice must be given by one of the methods set out in the table below.
- (b) A Notice is regarded as given and received at the time set out in the table below.

However, if this means the Notice would be regarded as given and received outside the period between 9.00am and 5.00pm (addressee's time) on a Business Day (**business hours period**), then the Notice will instead be regarded as given and received at the start of the following business hours period.

Method of giving Notice	When Notice is regarded as given and received
By hand to the nominated address	When delivered to the nominated address
By pre-paid post to the nominated address	At 9.00am (addressee's time) on the second day that is not a Saturday, Sunday or a public holiday or bank holiday in the place of receipt after the date of posting
By email to the nominated email address	The first to occur of: <ol style="list-style-type: none"> 1 the sender receiving an automated message confirming delivery; or 2 two hours after the time that the email was sent (as recorded on the device from which the email was sent) provided that the sender does not, within the period, receive an automated message that the email has not been delivered.

6.3 Notice must not be given by electronic communication

A Notice must not be given by electronic means of communication (other than email as permitted in clause 6.2).

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7 General

7.1 Stamp duty

Bidder:

- (a) must pay all Duty in respect of this deed or the Scheme or the steps to be taken under this deed or the Scheme; and
- (b) indemnifies each Scheme Shareholder against any liability arising from failure to comply with clause 7.1(a).

7.2 Governing law and jurisdiction

- (a) This deed poll is governed by the law in force in New South Wales.
- (b) Bidder and Bidder Sub irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales and courts of appeal from them in respect of any proceedings arising out of or in connection with this deed poll. Bidder and Bidder Sub irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

7.3 Waiver

- (a) Bidder and Bidder Sub may not rely on the words or conduct of any Scheme Shareholder as a waiver of any right unless the waiver is in writing and signed by the Scheme Shareholder granting the waiver.
- (b) No Scheme Shareholder may rely on words or conduct of Bidder or Bidder Sub as a waiver of any right unless the waiver is in writing and signed by Bidder or Bidder Sub, as appropriate.
- (c) The meanings of the terms used in this clause 7.3 are set out below.

Term	Meaning
conduct	includes delay in the exercise of a right.
right	any right arising under or in connection with this deed poll and includes the right to rely on this clause.
waiver	includes an election between rights and remedies, and conduct which might otherwise give rise to an estoppel.

7.4 Variation

A provision of this deed poll may not be varied unless:

- (a) if before the First Court Date, the variation is agreed to by Target; or

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- (b) if on or after the First Court Date, the variation is agreed to by Target and the Court indicates that the variation would not of itself preclude approval of the Scheme,

in which event Bidder and Bidder Sub will enter into a further deed poll in favour of the Scheme Shareholders giving effect to the variation.

7.5 Cumulative rights

The rights, powers and remedies of Bidder, Bidder Sub and the Scheme Shareholders under this deed poll are cumulative and do not exclude any other rights, powers or remedies provided by law independently of this deed poll.

7.6 Assignment

- (a) The rights created by this deed poll are personal to Bidder, Bidder Sub and each Scheme Shareholder and must not be dealt with at law or in equity without the prior written consent of Bidder.
- (b) Any purported dealing in contravention of clause 7.6(a) is invalid.

7.7 Further action

Bidder and Bidder Sub must, at their own expense, do all things and execute all documents necessary to give full effect to this deed poll and the transactions contemplated by it.



Attachment 1

Scheme

[Attached]

For personal use only



HERBERT SMITH
FREEHILLS
KRAMER

Scheme of Arrangement

SDI Limited

Scheme Shareholders

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Scheme of arrangement

This scheme of arrangement is made under section 411 of the *Corporations Act 2001* (Cth)

Between the parties

SDI Limited (**Target**) ACN 008 075 581 of 3-15 Brunsdon Street,
Bayswater, VIC 3153

The Scheme Shareholders

1 Definitions, interpretation and scheme components

1.1 Definitions

Schedule 1 contains definitions used in this Scheme.

1.2 Interpretation

Schedule 1 contains interpretation rules for this Scheme.

1.3 Scheme components

This Scheme includes any schedule to it.

2 Preliminary matters

- (a) Target is a public company limited by shares, registered in South Australia and has been admitted to the official list of the ASX. Target Shares are quoted for trading on the ASX.
- (b) As at the date of the Implementation Deed, 118,865,530 Target Shares were on issue.
- (c) Bidder is an unlisted private limited company registered in Beijing, China.
- (d) Bidder Sub is a Subsidiary of Bidder.
- (e) If this Scheme becomes Effective:
 - (1) Bidder Sub must provide the Scheme Consideration to the Scheme Shareholders in accordance with the terms of this Scheme and the Deed Poll and Bidder must procure that Bidder Sub does this; and



- (2) all the Scheme Shares, and all the rights and entitlements attaching to them as at the Implementation Date, must be transferred to Bidder Sub and Target will enter the name of Bidder Sub in the Share Register in respect of the Scheme Shares.
- (f) Target and Bidder have agreed, by executing the Implementation Deed, to implement this Scheme.
- (g) This Scheme attributes actions to Bidder and Bidder Sub but does not itself impose an obligation on them to perform those actions. Bidder and Bidder Sub have agreed, by executing the Deed Poll, to perform the actions attributed to them under this Scheme, including the provision or procuring the provision of the Scheme Consideration to the Scheme Shareholders.

3 Conditions

3.1 Conditions precedent

This Scheme is conditional on and will have no force or effect until, the satisfaction of each of the following conditions precedent:

- (a) all the conditions in clause 3.1 of the Implementation Deed (other than the condition in the Implementation Deed relating to Court approval of this Scheme pursuant to clause [3.1(d)] of the Implementation Deed) having been satisfied or waived in accordance with the terms of the Implementation Deed;
- (b) neither the Implementation Deed nor the Deed Poll having been terminated in accordance with their terms;
- (c) approval of this Scheme by the Court under paragraph 411(4)(b) of the Corporations Act, including with any alterations made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by Bidder and Target;
- (d) such other conditions made or required by the Court under subsection 411(6) of the Corporations Act in relation to this Scheme and agreed to in writing by Bidder and Target having been satisfied or waived; and
- (e) the orders of the Court made under paragraph 411(4)(b) (and, if applicable, subsection 411(6)) of the Corporations Act approving this Scheme coming into effect, pursuant to subsection 411(10) of the Corporations Act on or before the End Date.

3.2 Certificate

- (a) Each of the Target and Bidder will provide to the Court on the Second Court Date a certificate, or such other evidence as the Court requests, confirming (in respect of matters within their knowledge) whether or not all of the conditions precedent in clauses 3.1(a) and 3.1(b) have been satisfied or waived.
- (b) Each certificate referred to in clause 3.2(a) constitutes conclusive evidence that such conditions precedent were satisfied, waived.



3.3 End Date

Without limiting any rights under the Implementation Deed, this Scheme will lapse and be of no further force or effect if:

- (a) the Effective Date does not occur on or before the End Date; or
- (b) the Implementation Deed or the Deed Poll is terminated in accordance with its terms before the Scheme becomes Effective,

unless Target and Bidder otherwise agree in writing.

4 Implementation of this Scheme

4.1 Lodgement of Court orders with ASIC

Target must lodge with ASIC, in accordance with subsection 411(10) of the Corporations Act, an office copy of the Court order approving this Scheme as soon as possible after the Court approves this Scheme and in any event by 5.00pm on the first Business Day after the day on which the Court approves this Scheme.

4.2 Transfer of Scheme Shares

On the Implementation Date:

- (a) subject to the provision of the Scheme Consideration in the manner contemplated by clause 5.1 and the Deed Poll the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, must be transferred to Bidder Sub, without the need for any further act by any Scheme Shareholder (other than acts performed by Target (or any of its directors) as attorney and agent for Scheme Shareholders under clause 8.5), by:
 - (1) Target delivering to Bidder Sub a duly completed Scheme Transfer, executed on behalf of the Scheme Shareholders by Target, for registration; and
 - (2) Bidder Sub duly executing the Scheme Transfer, attending to the stamping of the Scheme Transfer (if required) and delivering it to Target for registration; and
- (b) immediately following receipt of the Scheme Transfer in accordance with clause 4.2(a)(2), but subject to the stamping of the Scheme Transfer (if required), Target must enter, or procure the entry of, the name of Bidder Sub in the Share Register in respect of all the Scheme Shares transferred to Bidder Sub in accordance with this Scheme.

5 Scheme Consideration



5.1 Provision of Scheme Consideration

- (a) Subject to clauses 5.5 and 5.6, Bidder must, by no later than the Business Day before the Implementation Date, deposit, or procure the deposit, in cleared funds an amount equal to the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders, into an Australian dollar denominated trust account with an ADI operated by Target as trustee for the Scheme Shareholders (provided that any interest on the amounts deposited (less bank fees and other charges) will be credited to Bidder's account).
- (b) Subject to clause 5.1(d), on the Implementation Date, subject to funds having been deposited in accordance with clause 5.1(a), Target must pay or procure the payment of the Scheme Consideration to each Scheme Shareholder from the trust account referred to in clause 5.1(a).
- (c) The obligations of Target under clause 5.1(b) will be satisfied by Target (in its absolute discretion, and despite any election referred to in clause 5.1(c)(1) or authority referred to in clause 5.1(c)(2) made or given by the Scheme Shareholder):
- (1) if a Scheme Shareholder has, before the Scheme Record Date, made a valid election in accordance with the requirements of the Target Registry to receive dividend payments from Target by electronic funds transfer to a bank account nominated by the Scheme Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election;
 - (2) paying, or procuring the payment of, the relevant amount in Australian currency by electronic means to a bank account nominated by the Scheme Shareholder by an appropriate authority from the Scheme Shareholder to Target; or
 - (3) dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Scheme Shareholder by prepaid post to their Registered Address, such cheque being drawn in the name of the Scheme Shareholder (or in the case of joint holders, in accordance with the procedures set out in clause 5.2).
- (d) The Scheme Consideration payable to each Scheme Shareholder with a Registered Address in New Zealand will be paid to a bank account nominated by that Scheme Shareholder in the manner contemplated by clause 5.1(c)(1) or clause 5.1(c)(2) or other appropriate authority provided by the relevant Scheme Shareholder to Target. If a Scheme Shareholder with a Registered Address in New Zealand has not nominated a bank account for receipt of payments, Target may hold payment of the Scheme Consideration owed to that Scheme Shareholder until a valid bank account has been nominated by an appropriate authority from the Scheme Shareholder to Target.
- (e) To the extent that, following satisfaction of Target's obligations under clauses 5.1(b) and 5.1(d), there is a surplus in the amount held by Target as trustee for the Scheme Shareholders in the trust account referred to in that clause, that surplus must be paid by Target to Bidder.

5.2 Joint holders

In the case of Scheme Shares held in joint names:



- (a) subject to clause 5.1(c), the Scheme Consideration is payable to the joint holders and any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to either, at the sole discretion of Target, the holder whose name appears first in the Share Register as at the Scheme Record Date or to the joint holders; and
- (b) any other document required to be sent under this Scheme, will be forwarded to either, at the sole discretion of Target, the holder whose name appears first in the Share Register as at the Scheme Record Date or to the joint holders.

5.3 Fractional entitlements and splitting

Where the calculation of the Scheme Consideration to be issued to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a cent, the fractional entitlement will be rounded down to the nearest whole cent.

5.4 Unclaimed monies

- (a) Target may cancel a cheque issued under this clause 5 if the cheque:
 - (1) is returned to Target; or
 - (2) has not been presented for payment within six months after the date on which the cheque was sent.
- (b) During the period of 12 months commencing on the Implementation Date, on request in writing from a Scheme Shareholder to Target (or the Target Registry) (which request may not be made until the date which is 20 Business Days after the Implementation Date), Target must reissue a cheque that was previously cancelled under this clause 5.4.
- (c) The *Unclaimed Money Act 1995* (NSW) will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in section 7, 8 and 10 of the *Unclaimed Money Act 1995* (NSW)), but any interest or other benefit from unclaimed Scheme Consideration will be to the benefit of Bidder.

5.5 Permitted Dividend

If a Permitted Dividend has been paid in accordance with clause [4.6] of the Implementation Deed, the Scheme Consideration to be provided to each Scheme Shareholder will be reduced by the aggregate cash amount per Target Share of the Permitted Dividend, except that the Scheme Consideration will not be reduced by the value attributed to any franking credits attached to any such dividend.

5.6 Withholding

- (a) If Bidder or Bidder Sub is required by law to make any withholding, deduction or payment for or on account of Tax (including under Subdivision 14-D of Schedule 1 to the TAA) or by any Government Agency in respect of the acquisition of Scheme Shares from a Scheme Shareholder (any such withholding, deduction or payment being a **Withholding Amount**), Bidder or Bidder Sub:
 - (1) is permitted to deduct or withhold the amount of such deduction, withholding or payment (as applicable) from the Scheme Consideration required to be provided to the Scheme Shareholder



(and, to avoid doubt, from the amount it must pay under clause 5.1(a) to fund payment of the Scheme Consideration); and

- (2) must remit or procure the remission of the full amount of the withholding or deduction, or make or procure the making of the payment, to the appropriate Government Agency under applicable law.
- (b) The aggregate sum payable to the Scheme Shareholder shall not be increased to reflect the Withholding Amounts and the net aggregate sum payable to the Scheme Shareholder shall be taken to be in full and final satisfaction of the amounts owing to the Scheme Shareholders.
- (c) To avoid doubt, neither Bidder nor Bidder Sub shall not be liable for any Tax or Duty of a Scheme Shareholder.

5.7 Orders of a court or Government Agency

If written notice is given to Target (or the Target Registry) or Bidder of an order or direction made by a court of competent jurisdiction or by another Government Agency that:

- (a) Requires payment to be provided to a third party in respect of Scheme Shares held by a particular Scheme Shareholder, which would otherwise be payable to that Scheme Shareholder by Target in accordance with this clause 5, then Target or Bidder shall be entitled to procure that provision of that payment is made in accordance with that order or direction; or
- (b) prevents Target or Bidder from paying Scheme Consideration to any particular Scheme Shareholder in accordance with this clause 5, or the payment is otherwise prohibited by applicable law, Target or Bidder shall be entitled to retain an amount, in Australian dollars, equal to the number of Scheme Shares held by that Scheme Shareholder multiplied by the Scheme Consideration until such time as provision of the Scheme Consideration in accordance with this clause 5 is permitted by that (or another) order or direction or otherwise by law.

To the extent that amounts are deducted or withheld under or in accordance with this clause 5.7, such deducted or withheld amounts will be treated for all purposes under this Scheme as having been paid to the person in respect of whom such deduction or withholding was made.

6 Dealings in Target Shares

6.1 Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in Target Shares or other alterations to the Share Register will only be recognised if:

- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Share Register as the holder of the relevant Target Shares before the Scheme Record Date; and
- (b) in all other cases, registrable transfer or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received before the Scheme Record Date at the place where the Share Register is kept,



and Target must not accept for registration, nor recognise for any purpose (except a transfer to Bidder Sub pursuant to this Scheme and any subsequent transfer by Bidder Sub or its successors in title), any transfer or transmission application or other request received after the Scheme Record Date, or received prior to the Scheme Record Date but not in registrable or actionable form, as appropriate.

6.2 Register

- (a) Target must register registrable transmission applications or transfers of the Scheme Shares that are received in accordance with clause 6.1(b) before the Scheme Record Date provided that, for the avoidance of doubt, nothing in this clause 6.2(a) requires Target to register a transfer that would result in a Target Shareholder holding a parcel of Target Shares that is less than a 'marketable parcel' (for the purposes of this clause 6.2(a) 'marketable parcel' has the meaning given in the Operating Rules).
- (b) If this Scheme becomes Effective, a holder of Scheme Shares (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them on or after the Scheme Record Date otherwise than pursuant to this Scheme, and any attempt to do so will have no effect and Target shall be entitled to disregard any such disposal.
- (c) For the purpose of determining entitlements to the Scheme Consideration, Target must maintain the Share Register in accordance with the provisions of this clause 6.2 until the Scheme Consideration has been paid to the Scheme Shareholders. The Share Register in this form will solely determine entitlements to the Scheme Consideration.
- (d) All statements of holding for Target Shares (other than statements of holding in favour of Bidder Sub or any Excluded Shareholders) will cease to have effect after the Scheme Record Date as documents of title in respect of those shares and, as from that date, each entry current at that date on the Share Register (other than entries on the Share Register in respect of Bidder Sub or any Excluded Shareholder) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Target Shares relating to that entry.
- (e) As soon as possible on or after the Scheme Record Date, and in any event by 5.00pm on the first Business Day after the Scheme Record Date, Target will ensure that details of the names, Registered Addresses and holdings of Target Shares for each Scheme Shareholder as shown in the Share Register are available to Bidder in the form Bidder reasonably requires.

7 Quotation of Target Shares

- (a) Target must apply to ASX to suspend trading on the ASX in Target Shares with effect from the close of trading on the Effective Date.
- (b) On a date after the Implementation Date to be determined by Bidder, Target must apply:
 - (1) for termination of the official quotation of Target Shares on the ASX; and
 - (2) to have itself removed from the official list of the ASX.



8 General Scheme provisions

8.1 Consent to amendments to this Scheme

If the Court proposes to approve this Scheme subject to any alterations or conditions:

- (a) Target may by its counsel consent on behalf of all persons concerned to those alterations or conditions to which Bidder has consented; and
- (b) each Scheme Shareholder agrees to any such alterations or conditions which Target has consented to in accordance with clause 8.1(a).

8.2 Scheme Shareholders' agreements and warranties

- (a) Each Scheme Shareholder, without the need for any further act:
 - (1) irrevocably agrees to the transfer of their Target Shares together with all rights and entitlements attaching to those Target Shares in accordance with this Scheme;
 - (2) irrevocably agrees to the variation, cancellation or modification of the rights attached to their Target Shares constituted by or resulting from this Scheme;
 - (3) irrevocably agrees to, on the direction of Bidder, destroy any holding statements or share certificates relating to their Target Shares;
 - (4) who holds their Target Shares in a CHES Holding agrees to the conversion of those Target Shares to an Issuer Sponsored Holding and irrevocably authorises Target to do anything necessary or expedient (whether required by the Settlement Rules or otherwise) to effect or facilitate such conversion; and
 - (5) acknowledges and agrees that this Scheme binds Target and all Scheme Shareholders (including those who do not attend the Scheme Meeting and those who do not vote, or vote against this Scheme, at the Scheme Meeting).
- (b) Each Scheme Shareholder is taken to have warranted to Target, Bidder and Bidder Sub on the Implementation Date, and appointed and authorised Target as its attorney and agent to warrant to Bidder and Bidder Sub on the Implementation Date, that:
 - (1) all their Target Shares (including any rights and entitlements attaching to those shares) which are transferred under this Scheme will, at the date of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind, and that they have full power and capacity to transfer their Target Shares to Bidder Sub together with any rights and entitlements attaching to those shares; and
 - (2) they have no existing right to be issued any Target Shares or other Target securities.
- (c) Target undertakes that it will provide such warranty in clause 8.2(b) to Bidder and Bidder Sub as agent and attorney of each Scheme Shareholder.



8.3 Title to and rights in Scheme Shares

- (a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme to Bidder Sub will, at the time of transfer of them to Bidder Sub vest in Bidder Sub free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise and free from any restrictions on transfer of any kind.
- (b) Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clause 5.1, Bidder Sub will be beneficially entitled to the Scheme Shares to be transferred to it under this Scheme pending registration by Target of Bidder Sub in the Share Register as the holder of the Scheme Shares.

8.4 Appointment of sole proxy

Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clause 5.1, and until Target registers Bidder Sub as the holder of all Scheme Shares in the Share Register, each Scheme Shareholder:

- (a) is deemed to have irrevocably appointed Bidder Sub as attorney and agent (and directed Bidder Sub in each such capacity) to appoint any director, officer, secretary or agent nominated by Bidder Sub as its sole proxy and, where applicable or appropriate, corporate representative to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution or document;
- (b) must not attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to clause 8.4(a));
- (c) must take all other actions in the capacity of a registered holder of Scheme Shares as Bidder Sub reasonably directs; and
- (d) acknowledges and agrees that in exercising the powers referred to in clause 8.4(a), Bidder Sub and any director, officer, secretary or agent nominated by Bidder Sub under clause 8.4(a) may act in the best interests of Bidder Sub as the intended registered holder of the Scheme Shares.

8.5 Authority given to Target

Each Scheme Shareholder, without the need for any further act:

- (a) on the Effective Date, irrevocably appoints Target and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of enforcing the Deed Poll against Bidder and Bidder Sub, and Target undertakes in favour of each Scheme Shareholder that it will enforce the Deed Poll against Bidder and Bidder Sub on behalf of and as agent and attorney for each Scheme Shareholder; and
- (b) on the Implementation Date, irrevocably appoints Target and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of executing any document or doing or



taking any other act necessary, desirable or expedient to give effect to this Scheme and the transactions contemplated by it, including (without limitation) executing the Scheme Transfer,

and Target accepts each such appointment. Target as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 8.5 to all or any of its directors, officers, secretaries or employees (jointly, severally or jointly and severally).

8.6 Binding effect of Scheme

This Scheme binds Target and all of the Scheme Shareholders (including those who did not attend the Scheme Meeting to vote on this Scheme, did not vote at the Scheme Meeting, or voted against this Scheme at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of Target.

9 General

9.1 Stamp duty

- (a) Bidder:
- (1) must pay all Duty in respect of the Deed Poll or the Scheme or the steps to be taken under the Deed Poll or the Scheme; and
 - (2) indemnifies each Scheme Shareholder against any liability arising from failure to comply with clause 9.1(a)(1).

9.2 Consent

Each of the Scheme Shareholders consents to Target doing all things necessary or incidental to, or to give effect to, the implementation of this Scheme, whether on behalf of the Scheme Shareholders, Target or otherwise.

9.3 Notices

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Target, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at Target's registered office or at the office of the Target Registry.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by a Target Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

9.4 Governing law

- (a) This Scheme is governed by the laws in force in New South Wales.
- (b) The parties irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales and courts of appeal from them in



respect of any proceedings arising out of or in connection with this Scheme. The parties irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

9.5 Further action

Target must do all things and execute all documents necessary to give full effect to this Scheme and the transactions contemplated by it.

9.6 No liability when acting in good faith

Each Scheme Shareholder agrees that neither Target nor Bidder nor any director, officer, secretary or employee of any of those companies shall be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

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Schedule 1

Definitions and interpretation

1 Definitions

The meanings of the terms used in this Scheme are set out below.

Term	Meaning
ADI	authorised deposit-taking institution (as defined in the <i>Banking Act 1959</i> (Cth)).
ASIC	the Australian Securities and Investments Commission.
ASX	ASX Limited ABN 98 008 624 691 and, where the context requires, the financial market that it operates.
Bidder	Beijing Guoci Kebo Technology Co., Ltd of Room 218-2, No. 9 Jingtong Street, Taihu Town, Tongzhou District, Beijing, China.
Bidder Group	Bidder and each of its Subsidiaries and a reference to a Bidder Group Member or a member of the Bidder Group is to Bidder or any of its Subsidiaries.
Bidder Register	the register of shareholders maintained by Bidder or its agent.
Bidder Sub	a subsidiary of Bidder as designated by Bidder.
Business Day	a day that is not a Saturday, Sunday or public holiday or bank holiday in Sydney, Australia and Beijing, China.
CHESS	the Clearing House Electronic Subregister System operated by ASX Settlement Pty Ltd and ASX Clear Pty Limited.
CHESS Holding	has the meaning given in the Settlement Rules.

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Term	Meaning
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Court	the Supreme Court of New South Wales or such other court of competent jurisdiction under the Corporations Act agreed to in writing by Bidder and Target.
Deed Poll	the deed poll substantially in the form of Attachment 1 under which Bidder covenants in favour of the Scheme Shareholders to perform the obligations attributed to Bidder under this Scheme.
Duty	any stamp, transaction or registration duty or similar charge imposed by any Government Agency and includes, but is not limited to, any interest, fine, penalty, charge or other amount imposed in respect of any of them.
Effective	when used in relation to this Scheme, the coming into effect, under subsection 411(10) of the Corporations Act, of the Court order made under paragraph 411(4)(b) of the Corporations Act in relation to this Scheme.
Effective Date	the date on which this Scheme becomes Effective.
End Date	30 September 2026, or such other date as agreed in writing by Bidder and Target.
Excluded Shareholder	any Target Shareholder who is a member of the Bidder Group or any Target Shareholder who holds any Target Shares on behalf of, or for the benefit of, any member of the Bidder Group and does not hold Target Shares on behalf of, or for the benefit of, any other person.
Government Agency	any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity (including any stock or other securities exchange), or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian.
Implementation Date	the fifth Business Day after the Scheme Record Date, or such other date after the Scheme Record Date as agreed in writing by Target and Bidder.

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Term	Meaning
Implementation Deed	the scheme implementation deed dated on or about 27 February 2026 between Target and Bidder relating to the implementation of this Scheme.
Issuer Sponsored Holding	has the meaning given in the Settlement Rules.
Operating Rules	the official operating rules of ASX.
Permitted Dividend	has the meaning given to that term in the Implementation Deed.
Registered Address	in relation to a Target Shareholder, the address shown in the Share Register as at the Scheme Record Date.
Scheme	this scheme of arrangement under Part 5.1 of the Corporations Act between Target and the Scheme Shareholders subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by Target and Bidder.
Scheme Consideration	for each Target Share held by a Scheme Shareholder as at the Scheme Record Date, an amount of \$1.40, subject to the terms of this Scheme including without limitation clause 5.5 hereof.
Scheme Meeting	the meeting of the Target Shareholders (other than Excluded Shareholders) ordered by the Court to be convened under subsection 411(1) of the Corporations Act to consider and vote on this Scheme and includes any meeting convened following any adjournment or postponement of that meeting.
Scheme Record Date	7.00pm on the second Business Day after the Effective Date or such other date as agreed in writing by Target and Bidder.
Scheme Shares	all Target Shares held by the Scheme Shareholders as at the Scheme Record Date.
Scheme Shareholder	a holder of Target Shares recorded in the Share Register as at the Scheme Record Date (other than an Excluded Shareholder).

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Term	Meaning
Scheme Transfer	a duly completed and executed proper instrument of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, in favour of Bidder as transferee, which may be a master transfer of all or part of the Scheme Shares.
Second Court Date	the first day on which an application made to the Court for an order under paragraph 411(4)(b) of the Corporations Act approving this Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application or appeal is heard.
Settlement Rules	the ASX Settlement Operating Rules, being the official operating rules of the settlement facility provided by ASX Settlement Pty Ltd.
Share Register	the register of members of Target maintained by Target or the Target Registry in accordance with the Corporations Act.
Subsidiary	has the meaning given in Division 6 of Part 1.2 of the Corporations Act.
TAA	the <i>Taxation Administration Act 1953</i> (Cth).
Tax	any tax, levy, charge, impost, fee, deduction, goods and services tax, compulsory loan or withholding, that is assessed, levied, imposed or collected by any Government Agency and includes any interest, fine, penalty, charge, fee or any other amount imposed on, or in respect of any of the above.
Target	SDI Limited ACN 008 075 581.
Target Registry	MUFG Corporate Markets (AU) Limited ACN 083 214 537.
Target Share	a fully paid ordinary share in the capital of Target.
Target Shareholder	each person who is registered as the holder of a Target Share in the Share Register.
Withholding Amount	has the meaning given in clause 5.6.



2 Interpretation

In this Scheme:

- (a) headings and bold type are for convenience only and do not affect the interpretation of this Scheme;
- (b) the singular includes the plural and the plural includes the singular;
- (c) words of any gender include all genders;
- (d) other parts of speech and grammatical forms of a word or phrase defined in this Scheme have a corresponding meaning;
- (e) a reference to a person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency as well as an individual;
- (f) a reference to a clause, party, schedule, attachment or exhibit is a reference to a clause of, and a party, schedule, attachment or exhibit to, this Scheme;
- (g) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or reenactments of any of them (whether passed by the same or another Government Agency with legal power to do so);
- (h) a reference to a document (including this Scheme) includes all amendments or supplements to, or replacements or novations of, that document;
- (i) a reference to '\$', 'A\$' or 'dollar' is to Australian currency;
- (j) a reference to any time is, unless otherwise indicated, a reference to that time in Sydney, Australia;
- (k) a term defined in or for the purposes of the Corporations Act, and which is not defined in clause 1 of this Schedule 1, has the same meaning when used in this Scheme;
- (l) a reference to a party to a document includes that party's successors and permitted assignees;
- (m) no provision of this Scheme will be construed adversely to a party because that party was responsible for the preparation of this Scheme or that provision;
- (n) any agreement, representation, warranty or indemnity in favour of two or more parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly and severally;
- (o) a reference to a body, other than a party to this Scheme (including an institute, association or authority), whether statutory or not:
 - (1) which ceases to exist; or
 - (2) whose powers or functions are transferred to another body,is a reference to the body which replaces it or which substantially succeeds to its powers or functions;
- (p) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- (q) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;



- (r) if an act prescribed under this Scheme to be done by a party on or by a given day is done after 5.00pm on that day, it is taken to be done on the next day; and
- (s) a reference to the Operating Rules or the Settlement Rules includes any variation, consolidation or replacement of these rules and is to be taken to be subject to any waiver or exemption granted to the compliance of those rules by a party.

3 Interpretation of inclusive expressions

Specifying anything in this Scheme after the words 'include' or 'for example' or similar expressions does not limit what else is included.

4 Business Day

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.



Attachment 1

Deed Poll

[Attached]

For personal use only



Signing page

Executed as a deed poll

Bidder

Signed sealed and delivered by
**Beijing Guoci Kebo Technology
Co., Ltd** in the presence of

sign here ► [Redacted Signature] _____
Authorised signatory

print name [Redacted Name] _____

[Redacted Signature] _____
Witness

print name [Redacted Name] _____

Bidder Sub

Signed sealed and delivered by
InnoXvest Dental Pty. Ltd
by

sign here ► [Redacted Signature] _____
Director

print name [Redacted Name] _____

sign here ► [Redacted Signature] _____
Director

print name [Redacted Name] _____

For personal use only

Annexure 5 Notice of Scheme Meeting

For personal use only



SDI Limited
A.B.N. 27 008 075 581

NOTICE OF SCHEME MEETING

This Notice of Scheme Meeting should be read in its entirety. If you are in any doubt as to how to deal with this document, you should consult your financial, legal, accounting, taxation or other professional adviser immediately.

Should you wish to discuss any matter please do not hesitate to contact the SDI Shareholder Information Line on 1300 761 372 (within Australia) or +61 1300 761 372 (outside Australia), Monday to Friday between 9:00am and 5:00pm (Sydney time) (excluding public holidays).

Notice is hereby given that, by an order of the Court made on 18 May 2026 pursuant to section 411(1) of the Corporations Act, a meeting of the holders of ordinary shares in SDI will be held on 22 June 2026 at 11:00am (Sydney time) as a virtual meeting at <https://meetings.openbriefing.com/SDI26>.

Chair

The Court has directed that Cameron Allen, or failing him, Gerard Kennedy, act as Chair of the Scheme Meeting and has directed the Chair to report the results of the Scheme Meeting to the Court.

Venue

The Scheme Meeting will be held as a virtual meeting only, which can be attended by SDI Shareholders and duly appointed proxies, attorneys and corporate representatives of SDI Shareholders. Details on how to attend virtually are set out in the Explanatory Notes below.

Voting entitlements

The Court has ordered that, for the purposes of the Scheme Meeting, the persons eligible to vote at the Scheme Meeting are those who are registered as SDI Shareholders as at 7:00pm (Sydney time) on 20 June 2026. Accordingly, registrable transmission applications or transfers registered after this time will be disregarded in determining entitlements to vote at the Scheme Meeting.

Purpose of the Scheme Meeting

The purpose of the Scheme Meeting is to consider and, if thought fit, to agree to a scheme of arrangement (with or without modifications, alterations or conditions as required by the Court to which SDI and Bidder agree) proposed to be made between SDI and SDI Shareholders (**Scheme**).

To enable you to make an informed voting decision, important information on the Scheme, a copy of the Scheme and a copy of the explanatory statement required by section 412 of the Corporations Act in relation to the Scheme are contained in the Scheme Booklet (of which this Notice of Scheme Meeting forms part).

Additional information about the Scheme Meeting is set out in the Explanatory Notes that accompany and form part of this Notice of Scheme Meeting. Unless otherwise defined, capitalised terms used in this Notice of Scheme Meeting have the same meaning as set out in the Glossary of the Scheme Booklet.

Agenda

Resolution 1 – Approval of the Scheme

To consider and if, thought fit, to pass, with or without amendment, the following resolution in accordance with section 411(4)(a)(ii) of the Corporations Act:

For personal use only

“That pursuant to and in accordance with section 411 of the Corporations Act:

- (a) the Scheme (the terms of which are contained in and more particularly described in the Scheme Booklet of which this Notice of Scheme Meeting forms part), is approved (with or without alterations or conditions as approved by the Court to which SDI and the Bidder agree); and*
- (b) the directors of SDI are authorised, subject to the terms of the Scheme Implementation Deed, to (i) agree to such modifications, alterations or conditions as are thought fit by the Court; and (ii) subject to approval of the Scheme by the Court, implement the Scheme with any such modifications, alterations or conditions.”*

Dated 18 May 2026

By order of the Court and the SDI Board

Explanatory Notes

Introduction

These Explanatory Notes have been prepared for the information of SDI Shareholders in connection with the business to be conducted at the Scheme Meeting on 22 June 2026 at 11:00am as a virtual meeting at <https://meetings.openbriefing.com/SDI26>.

These Explanatory Notes should be read in conjunction with the Notice of Scheme Meeting and the Scheme Booklet (of which the Notice of Scheme Meeting forms part).

Any changes to the Scheme Meeting will be communicated to SDI Shareholders electronically via SDI's ASX platform. A copy of the Scheme is set out in Annexure 3 of the Scheme Booklet.

Requisite Majority

In order for the Scheme to become Effective, the Scheme Resolution set out in the Notice of Scheme Meeting must be passed at the Scheme Meeting by:

- unless the Court orders otherwise, a majority of the number (i.e. more than 50%) of SDI Shareholders present and voting (whether in person or by proxy, attorney or, in the case of corporate shareholders, a corporate representative) at the Scheme Meeting; and
- at least 75% of the votes cast on the Scheme Resolution (whether in person or by proxy, attorney or, in the case of corporate shareholders, a corporate representative).

The Court has the discretion under section 411(4)(a)(ii)(A) of the Corporations Act to approve the Scheme if it is approved by at least 75% of the votes cast on the resolution but not by a majority in number of SDI Shareholders (other than excluded shareholders) present and voting at the Scheme Meeting.

Voting at the Scheme Meeting will be by poll rather than by a show of hands.

Voting methods

SDI Shareholders may appoint a proxy online at <https://au.investorcentre.mpms.mufg.com> or by submitting a Proxy Form to the Share Registry. Please note that your votes need to be received by no later than 11:00am (Sydney time) on 20 June 2026.

To log in, you will need your holder identifier (SRN or HIN) and postcode.

How to be present virtually and vote at the Scheme Meeting

SDI Shareholders will have the opportunity to be present virtually via a live webcast and will be able to vote electronically via an online platform (including lodging a vote in real time and asking questions online).

You can access the platform at <https://meetings.openbriefing.com/SDI26>.

To log in, you will need your holder identifier (SRN or HIN) and postcode.

Voting will be available once registration opens for the Scheme Meeting (10:30am on 22 June 2026) and voting closes when announced by the Chair during the Scheme Meeting.

Questions

Shareholders will be able to submit written questions to the Company in advance of the Scheme Meeting by submitting their questions online at <https://au.investorcentre.mpms.mufg.com> no later than 11:00am (Sydney time) on 20 June 2026.

The Company will endeavour to address as many of the more frequently raised relevant questions as possible during the course of the Scheme Meeting. However, there may not be sufficient time available during the Scheme Meeting to address all of the questions raised. Please note that individual responses will not be sent to shareholders.

Shareholders and proxyholders will be given an opportunity to ask questions in real-time via the online platform at <https://meetings.openbriefing.com/SDI26>.

More information regarding online participation at the Scheme Meeting including how to vote and ask questions is available in the Virtual Meeting Online Guide. The Guide is available on the Company's website at <https://www.sdi.com.au/au/company/investor-information/> and on the online Scheme Meeting platform at <https://meetings.openbriefing.com/SDI26>.

Voting by proxy

A shareholder entitled to attend and vote at the Scheme Meeting is entitled to appoint no more than two proxies to attend and vote on his/her behalf. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the Scheme Meeting.

A shareholder may specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

A proxy need not be a shareholder of the Company. A Proxy Form is provided with this notice. To be effective, the proxy must be received by the Share Registry by no later than 11:00am (Sydney time) on 20 June 2026 (being 48 hours before the Scheme Meeting). Proxies may be lodged in the following manner:

By Mail: MUFG Corporate Markets (AU) Limited
Parramatta Square, Level 22, Tower 6
10 Darcy Street, Paramatta NSW 2150

By Fax: +61 2 9287 0309

Online: <https://au.investorcentre.mpms.mufg.com>

Mobile: Scan the QR code on your Proxy Form and follow the prompts. You will need your SRN or HIN, the allocated control number and PIN as shown on your Proxy Form.

To be valid, a Proxy Form must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

Voting by attorney

A Proxy Form and the original power of attorney (if any) under which the Proxy Form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 11:00am (Sydney time) on 20 June 2026 (being 48 hours before the Scheme Meeting).

Corporate representatives

A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the Scheme Meeting. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the Scheme Meeting a properly executed letter or other document confirming its authority to act as the company's representative. A "Certificate of Appointment of Corporate Representative" form may be obtained from the Share Registry or online at <https://www.mpms.mufg.com/en/for-individuals/au/shareholders/forms/>.

Joint holders

In the case of SDI Shares held by joint holders, only one of the joint holders is entitled to vote at the Scheme Meeting. If more than one SDI Shareholder votes in respect of jointly held SDI Shares, the vote of the senior who tenders a vote must be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority is determined by the order in which the names stand in the SDI Register.

Technical difficulties at the Scheme Meeting

Technical difficulties may arise during the course of the Scheme Meeting. The Chair has discretion as to whether and how the Scheme Meeting should proceed in the event that a technical difficulty arises. In exercising this discretion, the Chair will have regard to the number of SDI Shareholders (other than excluded shareholders) impacted and the extent to which participation in the business of the meeting is affected. Where the Chair considers it appropriate, the Chair may continue to hold the Scheme Meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions. Accordingly, SDI Shareholders (other than excluded shareholders) are encouraged to lodge a directed proxy in advance of the Scheme Meeting.

Advertisement

Where the Notice of Scheme Meeting is distributed unaccompanied by the Scheme Booklet, a copy of the Scheme Booklet can be obtained by anyone from ASX's website (<https://www.asx.com.au/>) or from SDI's website (<https://www.sdi.com.au/au/company/investor-information/>) or by contacting the Share Registry.

Further information for SDI Shareholders

If you have any questions, please contact the SDI Shareholder Information Line on 1300 761 372 (within Australia) or +61 1300 761 372 (outside Australia), Monday to Friday between 9:00am and 5:00pm (Sydney time) (excluding public holidays).

Online Meeting Guide

For personal use only

Before you begin

Ensure your browser is compatible. Check your current browser by going to the website: **whatismybrowser.com**

Supported browsers are:

- Chrome – Version 44 & 45 and after
- Edge – 92.0 and up

To attend and vote you must have your shareholder number and postcode.

Appointed Proxy: Your proxy number will be provided by MUFG before the meeting.

Please make sure you have this information before proceeding.

Online Meeting Guide

Welcome to the MUFG Corporate Markets A division of MUFG Pension & Market Services

Please register your details to participate

Full Name

Mobile (e.g. 022 123 1234)

Email

I have read and accept the [Terms & Conditions](#)

REGISTER AND WATCH AGM

Help Number: 1800 990 363

Step 1

Open your web browser and go to <https://meetings.openbriefing.com/SDI26>

Step 2

Log in to the portal using your full name, mobile number and email address, and participant type

Please read and accept the terms and conditions before clicking on the **'Register and Watch Meeting'** button.

- On the left – a live webcast of the Meeting starts automatically once the meeting has commenced. If the webcast does not start automatically please press the play button and ensure the audio on your computer or device is turned on.
- On the right – the presentation slides that will be addressed during the Meeting
- At the bottom – buttons for 'Get a Voting Card', 'Ask a Question' and a list of company documents to download

Note: If you close your browser, your session will expire and you will need to re-register. If using the same email address, you can request a link to be emailed to you to log back in.

1. Get a Voting Card

To register to vote – click on the 'Get a Voting Card' button.

This will bring up a box which looks like this.

The screenshot shows a 'Voting Card' registration window. At the top, it says 'Please provide your Shareholder or Proxy details'. Below this are two main sections. The first is 'SHAREHOLDER DETAILS', which contains two input fields: 'Shareholder Number' and 'Post Code'. Below these fields is a red button labeled 'SUBMIT DETAILS AND VOTE'. The second section is 'PROXY DETAILS', which contains one input field: 'Proxy Number'. Below this field is another red button labeled 'SUBMIT DETAILS AND VOTE'. Between the two sections is a circular button with the word 'OR' inside it.

If you are an individual or joint shareholder you will need to register and provide validation by entering your shareholder number and postcode.

If you are an appointed Proxy, please enter the Proxy Number issued by MUFG in the PROXY DETAILS section. Then click the **'SUBMIT DETAILS AND VOTE'** button.

Once you have registered, your voting card will appear with all of the resolutions to be voted on by shareholders at the Meeting (as set out in the Notice of Meeting). You may need to use the scroll bar on the right hand side of the voting card to view all resolutions.

Shareholders and proxies can submit a either Full Vote or Partial Vote.



+
Get a Voting Card

?
Ask a Question

Downloads

- Notice of meeting
- Annual report
- Online Guide

SAMPLE 1*****7133 X

Voting Card

Please complete your vote by selecting the required voting instruction (For, Against or Abstain) for each resolution. If you would like to complete a partial vote, please specify the number of votes for each resolution in the Partial Vote section. Proxy holder votes will only be applied to discretionary (undirected) votes. Directed votes will be applied as per the the shareholder's voting instructions.

Full Vote
Partial Vote

Resolution 1A For Against Abstain

AMENDMENT TO THE CONSTITUTION

SUBMIT VOTE

Full Votes

To submit a full vote on a resolution ensure you are in the **'Full Vote'** tab. Place your vote by clicking on the **'For'**, **'Against'**, or **'Abstain'** voting buttons.

Partial Votes

To submit a partial vote on a resolution ensure you are in the **'Partial Vote'** tab. You can enter the number of votes (for any or all) resolution/s. The total amount of votes that you are entitled to vote for will be listed under each resolution. When you enter the number of votes it will automatically tally how many votes you have left.

Note: If you are submitting a partial vote and do not use all of your entitled votes, the un-voted portion will be submitted as No Instruction and therefore will not be counted.

Once you have finished voting on the resolutions scroll down to the bottom of the box and click on the **'Submit Vote'** or **'Submit Partial Vote'** button.

Note: You can close your voting card without submitting your vote at any time while voting remains open. Any votes you have already made will be saved for the next time you open up the voting card. The voting card will appear on the bottom left corner of the webpage. The message **'Not yet submitted'** will appear at the bottom of the page.

You can edit your voting card at any point while voting is open by clicking on **'Edit Card'**. This will reopen the voting card with any previous votes made.

Online Meeting Guide *continued*

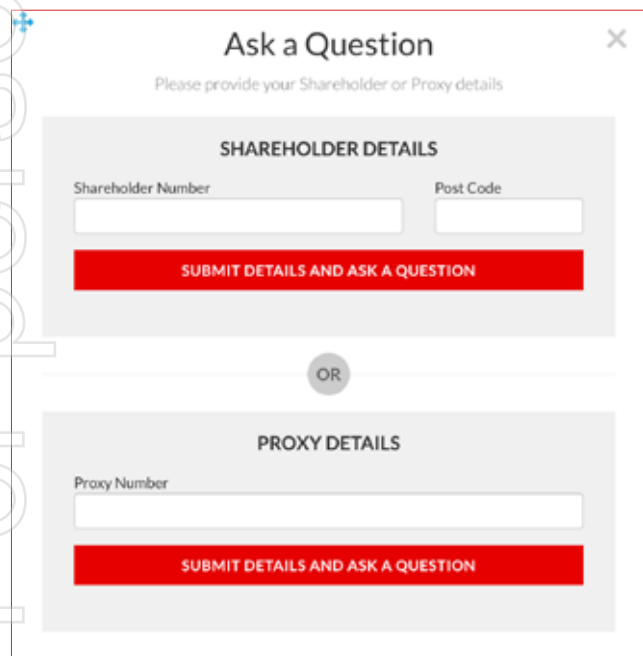
2. How to ask a question

Note: Only verified Shareholders, Proxyholders and Corporate Representatives are eligible to ask questions.

If you have yet to obtain a voting card, you will be prompted to enter your shareholder number and postcode or proxy details before you can ask a question. To ask a question, click on the 'Ask a Question' button either at the top or bottom of the webpage.

2a. How to ask a written question

The 'Ask a Question' box will pop up and you have the option to type in a written question or ask an audio question over the phone line.



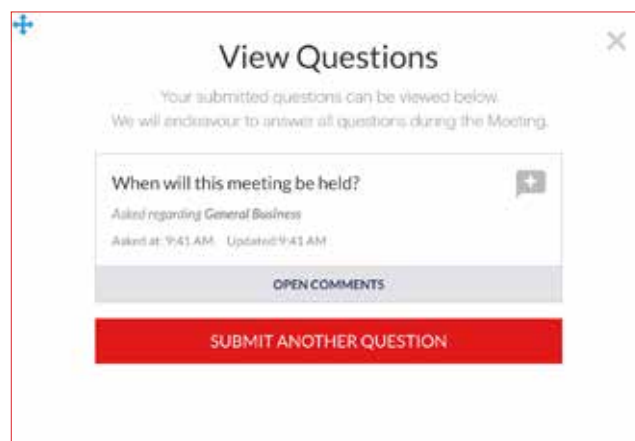
In the 'Regarding' section click on the drop down arrow and select the category/resolution for your question.

Click in the 'Question' section and type your question and click on 'Submit'.

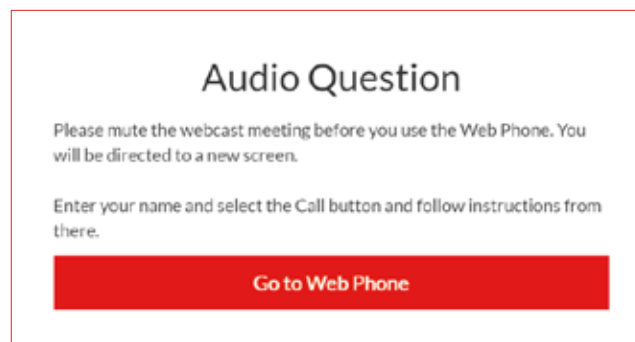
A 'View Questions' box will appear where you can view your questions at any point. Only you can see the questions you have asked.

If your question has been answered and you would like to exercise your right of reply, you can submit another question.

Note, the company will do their best to address all questions.



2b. How to ask an audio question



Step 1

Click on 'Go to Web Phone'



Step 2

Type in your name and hit the green call button. You will then be in the meeting and able to listen to proceedings.

Step 3

A box will pop up with a microphone test. Select **'Start Call'**



Step 4



You are now in the meeting (on mute) and will be able to listen to proceedings.

When the Chair calls for questions or comments on each item of business, press *1 on the keypad on your screen for the item of business that your questions or comments relates to. If at any time you no longer wish to ask a question or make a comment, you can lower your hand by pressing *2 on the keypad.

Step 5

When it is time to ask your question or make your comment, the moderator will introduce you to the meeting. Your line will be unmuted and you will be prompted to speak. If you have also joined the Meeting online, please mute your laptop, desktop, tablet or mobile device before you speak to avoid technical difficulties for you and other shareholders.

Step 6

Your line will be muted once your question or comment has been asked / responded to

Step 7

You can hang up and resume watching the meeting via the online platform. If you would like to ask a question on another item of business, you can repeat the process above.

Please ensure you have muted the webcast audio.

3. Downloads

View relevant documentation in the Downloads section.

4. Voting closing

Voting will end 5 minutes after the close of the Meeting.


At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide screens advising the remaining voting time. If you have not submitted your vote, you should do so now.

Once voting has been closed all submitted voting cards cannot be changed.

Contact us

Australia
T +61 1800 990 363

LODGE YOUR VOTE

 **ONLINE**
<https://au.investorcentre.mpms.mufg.com>

 **BY MAIL**
SDI Limited
C/- MUFG Corporate Markets (AU) Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
MUFG Corporate Markets (AU) Limited
Parramatta Square, Level 22, Tower 6,
10 Darcy Street, Parramatta NSW 2150

 **ALL ENQUIRIES TO**
Telephone: 1300 554 474 Overseas: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of SDI Limited and entitled to participate in and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy. An email will be sent to your appointed proxy with details on how to access the virtual meeting.

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Scheme Meeting of the Company to be held at **11:00am (Sydney time) on Monday, 22 June 2026 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in online at <https://meetings.openbriefing.com/SDI26> (refer to details in the Virtual Meeting Online Guide).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an .

Resolutions

For Against Abstain*

1 "That pursuant to and in accordance with section 411 of the Corporations Act:

(a) the Scheme (the terms of which are contained in and more particularly described in the Scheme Booklet of which this Notice of Scheme Meeting forms part), is approved (with or without alterations or conditions as approved by the Court to which SDI and the Bidder agree); and

(b) the directors of SDI are authorised, subject to the terms of the Scheme Implementation Deed, to (i) agree to such modifications, alterations or conditions as are thought fit by the Court; and (ii) subject to approval of the Scheme by the Court, implement the Scheme with any such modifications, alterations or conditions."

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name and email of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as they choose. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to participate in the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at support@cm.mpms.mufg.com prior to admission in accordance with the Notice of Scheme Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.mpms.mufg.com/en/mufg-corporate-markets.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am (Sydney time) on Saturday, 20 June 2026**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

<https://au.investorcentre.mpms.mufg.com>

Login to the Investor Centre using the holding details as shown on the Voting/Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your vote by scanning the QR code adjacent or enter the voting link

<https://au.investorcentre.mpms.mufg.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.

QR Code



BY MAIL

SDI Limited
C/- MUFG Corporate Markets (AU) Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to MUFG Corporate Markets (AU) Limited*
Parramatta Square
Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150

* During business hours (Monday to Friday, 9:00am–5:00pm)

Corporate Directory

SDI Limited

ACN 008 075 581

5-9 Brunsdon Street

Bayswater VIC 3153

<https://www.sdi.com.au/au/>

Legal adviser to SDI

DLA Piper Australia

Level 22, No.1 Martin Place

Sydney NSW 2000

Financial adviser to SDI

Houlihan Lokey

Level 14, 20 Martin Place

Sydney NSW 2000

Independent Expert

RSM Corporate Australia Pty Ltd

Level 27, 120 Collins Street

Melbourne VIC 3000

Share Registry

MUFG Corporate Markets (AU) Limited

Level 41, 161 Castlereagh Street

Sydney NSW 2000

Stock exchange listing

SDI ordinary shares are quoted on the Australian Securities Exchange (ASX:SDI)