

Sunland Group

ESTABLISHED
1983

2 July 2024

Notice to Sunland Shareholders

Sunland Group Limited enters into bid implementation agreement with Homecorp Property Group Pty Ltd

Sunland Group Limited (ACN 063 429 532) (Sunland or the Target) and **Homecorp Property Group Pty Ltd (ACN 162 293 763) (Homecorp)** have entered into a bid implementation agreement dated 2 July 2024 (**BIA**), under which it is proposed that Homecorp's associate Sun Holdings GC Pty Ltd (ACN 677 077 771) (**Sun Holdings or Bidder**) will make an agreed off-market takeover bid at \$0.05 cash per share (**Offer**)¹ to acquire all of the issued fully paid ordinary shares in Sunland that it does not already own. Subject to applicable laws, Sunland directors intend declaring a dividend of \$0.005 per share to be paid in July 2024. Such dividend will be a '**Permitted Dividend**' under the BIA, and will reduce the amount of cash consideration payable by the Bidder under the Offer. Further information regarding the Permitted Dividend will be included in the Target's Statement and by separate Company announcement.

A copy of the BIA is available to view on Sunland's web site.

Unanimous recommendation of Sunland Board

Having carefully considered the Offer, summarised below, Sunland's directors unanimously support the Offer and **recommend** that Sunland shareholders accept the Offer, in the absence of a superior proposal and subject to the independent expert appointed by Sunland concluding, and continuing to conclude, that the Offer is fair and reasonable to Sunland shareholders.

Each Sunland director intends to accept the Offer in respect of each Sunland share they hold, in the absence of a superior proposal and subject to the independent expert appointed by Sunland concluding, and continuing to conclude, that the Offer is fair and reasonable to Sunland shareholders. The key factors that the Board has considered in reaching this recommendation will be set out in detail in Sunland's Target's statement.

Summary of the Offer

Under the Offer, Sunland shareholders will receive total consideration of \$0.05² for each Sunland share held and accepted into the Offer, subject to the satisfaction or waiver of the conditions of the Offer which include a 90% minimum acceptance condition and other customary conditions. A full list of the bid conditions is set out in Schedule 1 of the BIA. Sunland shareholders do not need to take any action at this time.

Sun Holdings and Sunland intend to lodge a joint Bidder's statement and Target's statement (**Joint Statements**) with ASIC.

¹ The cash consideration payable by the Bidder under the Offer is reduced by the cash amount or value of a Permitted Dividend attaching to Sunland shares before or during the offer period which a shareholder receives or is entitled to receive.

² Comprising cash plus the Permitted Dividend (if any).

The Joint Statements will set out further details about the Offer, will include an independent expert report from Grant Thornton commissioned by Sunland, and will be sent to Sunland shareholders in July 2024, based on current expectations. Sun Holdings' Bidder's statement will detail important information for Sunland shareholders to consider, including how to accept the Offer, the key reasons why Sunland shareholders should consider the Offer, and information about Sun Holdings and Homecorp.

Overview of the BIA

The BIA sets out the manner in which Sunland and Homecorp have agreed to cooperate with each other in relation to the Offer. The BIA provides Homecorp exclusivity until the end of the Offer period (unless the BIA is terminated or Sunland receives a competing proposal that Homecorp does not match or beat) and includes provisions customary for a transaction of this nature including no shop, no talk, notification and matching rights, subject to appropriate exceptions.

Terms and Conditions of the Offer

The Offer is conditional upon a number of matters set out in the BIA, including minimum acceptance of at least 90% of Sunland's shares, no material adverse change, no prescribed occurrences, no regulatory action or material acquisitions, amongst other conditions.

At any time during the Offer period, Sun Holdings may choose to waive any one or all of the conditions of the Offer, declare the Offer unconditional and/or extend the Offer period.

Indicative Timetable*

Event	Timing
Joint Statements	Dispatched in July 2024
Offer opens	25 July 2024
Offer closes (unless extended)	7:00pm (Sydney time) 2 September 2024, unless extended

*Dates are indicative only, and subject to change without notice.

Advisers

Sunland has engaged Ernst & Young as its financial advisor and Holding Redlich as its legal advisor.

Homecorp and Sun Holdings are being advised by Mills Oakley as their legal advisor.

This announcement has been authorised by the Board of Sunland.



Grant Harrison
Company Secretary

Note this notice has not been lodged with the ASIC as Sunland intends disclosing material information on its web site in accordance with the good practice guidance in ASIC Regulatory Guide 198