SUNRISE SHARES HOLDINGS LTD.
(Incorporated in the Republic of Singapore)
(Company Registration Number: 198201457Z)

COMPLETION OF INDEPENDENT REVIEW

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*Capitalised terms used herein, unless otherwise defined, shall have the definitions ascribed to them in the Company's announcement dated 1 October 2022 and 14 November 2022 (the "**Announcements**").*

1. INTRODUCTION

The board of directors (the "**Board**" or "**Directors**") of Sunrise Shares Holdings Ltd. (the "**Company**", and together with its subsidiaries, collectively the "**Group**") refers to the Announcements and wishes to update that the independent reviewer, Virtus Assure Pte Ltd ("**Virtus Assure**" or the "**Independent Reviewer**") has completed its independent review ("**Review**") and has provided its findings and recommendations in its report dated 26 November 2022 (the "**Independent Review Report**"). A copy of the Executive Summary of the Independent Review Report is attached to this announcement ("**Appendix A**").

2. FINDINGS AND RECOMMENDATIONS

Summary of the findings and recommendations of the Independent Review Report is as follows:-

(a) The Independent Reviewer did not find any interested persons, based on the Interested Persons List, having direct or indirect interests of 30% or more in any of the counterparties for the 5 transactions or contracts highlighted by the then External Auditor which formed the bases for the Disclaimer of Opinion for the financial year ended 31 December 2021 being:-

(i) Consultancy management services by Sunrise Industrial (Singapore) Pte. Ltd. ("**SIPL**") to New Zealand Nan Fang Investment Limited ("**NZ Nan Fang**") from 28 October 2021 to 30 June 2022 (date of termination of the consultancy agreement);

(ii) Sales brokerage commission from Zhejiang Anji Tonglin Real Estate Development Limited ("**Zhejiang Anji**") to Shenzhen Kimshek Consultancy Management Limited ("**SKCML**"), a subsidiary of the Company, from 17 August 2020 to 2 February 2021;

(iii) Property consultancy and management fee from Hainan Sun City Shares Limited ("**Hainan Sun City**") to SKCML through a property consultancy and management fee agreement from 28 May 2020 to 31 December 2021;

(iv) A two-month loan from SKCML to Shenzhen Xudao Real Estate Development Limited ("**Shenzhen Xudao**") which took effect from 27 December 2021; and

(v) Loan from Sunrise Shares to Nan Fang (Singapore) Investment Fund Management Pte Ltd ("**Nan Fang Singapore**") which took effect from 8 December 2021 to 14 January 2022.

(collectively, the "**Contracts**")

Should any interested persons have direct or indirect interests of 30% or more in any of the counterparties for the said 5 Contracts, this would result in the counterparties being defined as associates and thereby the Contracts as interested person transactions ("**IPT**"s). Based on their findings, the Independent Reviewer is of the opinion that there is no evidence to deem the Contracts as an IPT.

(b) Similarly, as the Independent Reviewer did not find any key management personnel or a Group Subsidiary to be a Shareholders/Directors in any of the counterparties for the 5 Contracts, the Independent Reviewer is of the opinion that there is no evidence to deem the Contracts as a related party transaction ("**RPT**").

(c) For the payment by New Zealand Luck Star Investment Limited ("**NZ Luck Star**") on behalf of NZ Nan Fang to SIPL, a subsidiary of the Group, for one of the Contracts, the Independent Reviewer noted that the controlling shareholder of the Group is also the controlling shareholder of NZ Luck Star. The Independent Reviewer is of the opinion that the said Contract is not an IPT since NZ Luck Star is not a contracting party. However, the Independent Reviewer noted that the acceptance by the Group of payment by a third party (NZ Luck Star) on behalf of its customer (NZ Nan Fang) is not a good corporate and financial practice. The Group should review its financial policy and practice to address this matter. The Group has since agreed to implement the recommended measures prohibiting third party payment receipts.

(d) Arising from their review of the Contracts, the IPT Policy document, the Interested Persons List and other relevant documents provided by the Group, the Independent Reviewer is recommending to Management to strengthen the internal controls over the Group's IPT processes through (i) maintaining and updating official entities at risk ("**EARs**") and IP Lists; (ii) documenting the basis for comparison of terms in the IPT with comparative benchmarks; (iii) considering review and approval procedures for IPTs of varying amounts, (iv) communicating IPT Policy document to all subsidiaries or EARs and to ensure that their management teams and finance staff are familiar with the intent and application of the IPT procedures and internal controls; and (v) requiring internal auditors to consider incorporating a half-yearly or yearly review of any IPTs in the annual internal audit plan. The Group has since agreed to implement the recommended measures for IPTs.

3. NEXT COURSE OF ACTIONS

Having reviewed the Independent Review Report carefully, the Board concurred with the Independent Reviewer in relation to the findings and agreed to *inter-alia* implement the measures recommended by the Independent Reviewer on prohibiting third party payment receipts and strengthening the internal controls over the Group's IPT processes. The Board will be engaging the Company's internal auditors to assist the Company on the implementation of such measures as recommended by the Independent Reviewer and to conduct period review to ensure that such measures have indeed been implemented.

The Company will, through the Sponsor, consult the SGX-ST on the findings, in particular pertaining to the property consultancy and management fee agreement with Hainan Sun City.

The Company will make further announcement(s) as may be necessary and appropriate to update shareholders on these matters

Shareholders and potential investors of the Company are advised to read this announcement and any further announcement made by the Company carefully. Shareholders and potential investors of the Company are advised to refrain from taking any action with respect to their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. Shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Wong Siu Fai
Executive Director and Chairman
27 November 2022

*This announcement has been reviewed by the Company's Sponsor, Asian Corporate Advisors Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

The contact person for the Sponsor is Ms. Foo Quee Yin, at 160 Robinson Road, #21-05 SBF Center, Singapore 068914, Telephone number: 6221 0271

APPENDIX A – EXECUTIVE SUMMARY OF THE INDEPENDENT REVIEW REPORT

EXECUTIVE SUMMARY

1. On 1 October 2022, Sunrise Shares Holdings Ltd (the "Company" or "Sunrise Shares" and together with its subsidiaries to be known as the "Group") appointed Virtus Assure Pte. Ltd. ("Virtus Assure") as its independent reviewer (the "Independent Reviewer") to perform review of the Contracts (the "Review") highlighted by the Company's External Auditors, Messrs Baker Tilly TFW LLP ("Baker Tilly"), which formed the bases for the disclaimer of opinion (the "Disclaimer of Opinion") in the independent auditor's report dated 20 May 2022.

2. The scope of the Review is to determine whether the Contracts as set out in the Disclaimer of Opinion are interested persons transactions ("IPTs") as defined under Chapter 9 of the SGX Catalist Rules and related party transactions ("RPTs") as defined under the Singapore Financial Reporting Standards ("SFRS"). The Review shall also cover whether there are adequate internal controls over IPTs/RPTs by the Group's subsidiaries with a view to providing recommendations (if any) to improve on internal controls for, inter alia, identification, review, approval, recording and reporting of IPTs/RPTs; receipt of payment via intermediaries; and board escalation, reporting, approval and timely disclosure to shareholders.

3. Our review procedures included seeking Management's assistance for relevant information on the Contracts, the Group's subsidiaries (to be known as "Subsidiaries" or "EARs" ("entities-at-risk")) and interested persons, and conducting searches on the counterparties (each counterparty to be known as the "Counterparty" and all counterparties to be known collectively as the "Counterparties"). Thereafter, we had cross-checked the Group's Interested Persons listing ("IP List") against the Counterparties Shareholders to determine whether the Contract is an IPT and cross-checked the Key Management Personnel listing ("KMP List") and Group's Subsidiaries against the Counterparties Shareholders/Directors to determine whether the Contract is a RPT.

4. In our review, we did not find any interested persons, based on the IP List, having direct or indirect interests of 30% or more in any of the Counterparties. Should any interested persons have direct or indirect interests of 30% or more in any of the Counterparties, this would result in the Counterparties being defined as associates and thereby the Contracts as IPTs. Based on our findings, we are of the opinion that there is no evidence to deem the Contracts as an IPT.

5. Similarly, as we did not find any key management personnel or a Group Subsidiary to be a Shareholders/Directors in any of the Counterparties, we are of the opinion that there is no evidence to deem the Contracts as a RPT.

6. For the payment by New Zealand Luck Star Investment Limited ("NZ Luck Star") on behalf of New Zealand Nan Fang Investment Limited ("NZ Nan Fang") to Sunrise Industrial (Singapore) Pte. Ltd. ("Sunrise Industrial' or "SIPL"), a subsidiary of the Group, for one of the Contracts, we noted that the controlling shareholder of the

Group is also the controlling shareholder of NZ Luck Star. We are of the opinion that the Contract is not an IPT since NZ Luck Star is not a contracting party. However, we note that the acceptance by the Group of payment by a third party (NZ Luck Star) on behalf of its customer (NZ Nan Fang) is not a good corporate and financial practice. The Group should review its financial policy and practice to address this matter. The Group has since agreed to implement the recommended measures prohibiting third party payment receipts.

7. Arising from our review of the Contracts, the IPT Policy document, the IP List and other relevant documents provided by the Group, we are recommending to Management to strengthen the internal controls over the Group's IPT processes through (i) maintaining and updating official EARs and IP Lists; (ii) documenting the basis for comparison of terms in the IPT with comparative benchmarks; (iii) considering review and approval procedures for IPTs of varying amounts, (iv) communicating IPT Policy document to all Subsidiaries or EARs and to ensure that their management teams and finance staff are familiar with the intent and application of the IPT procedures and internal controls; and (v) requiring internal auditors to consider incorporating a half-yearly or yearly review of any IPTs in the annual internal audit plan. The Group has since agreed to implement the recommended measures for IPTs.

8. As we are of the opinion that there is no evidence to deem the Contracts as IPT, the need to disclose the Contracts at its entry by the Group were not required pursuant to Rule 905 of the SGX Catalist Rules.