SUNRISE SHARES HOLDINGS LTD.
(Company Registration No. 198201457Z)
(Incorporated in Singapore)

RESPONSE TO SGX QUERIES

The board of directors (the "**Board**" or the "**Directors**") of Sunrise Shares Holdings Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the queries from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 16 December 2024 in relation to the Company's announcements on Appointment of Chief Executive Officer" ("**Appointment of CEO Announcement**") and "Appointment of Executive Director" ("**Appointment of ED Announcement**") as announced on 15 December 2024 (collectively, the "**Announcements**").

Unless otherwise defined, capitalised terms and references used herein shall bear the same meanings ascribed to them in the Announcements.

1. We note from the Appointment of CEO Announcement that Mr Huang Jyun-Ruei's father is the founder of Yisheng Group, which is principally engaged in, *inter alia*, property management consulting, asset management and investment. Mr Huang currently holds executive positions in Yisheng Enterprise Consulting Management (Shanghai) Co., Ltd, and Yisheng International Asset Management Co., Ltd, which are affiliated to Yisheng Group (the "**Yisheng Entities**").

Please confirm whether Mr Huang will still hold executive positions in the Yisheng Entities after his appointment as CEO of the Company. If yes, please provide the Nominating Committee and Sponsor's respective assessments, with justifications, on Mr Huang's ability to devote sufficient time and attention to effectively fulfil his responsibilities as the CEO of the Company, in view of his concurrent executive positions in the Yisheng Entities.

Company's response for question 1

Yes, Mr Huang will retain his executive positions in the Yisheng Entities notwithstanding his appointment as the CEO of the Company. For the avoidance of doubt, Mr Huang had represented that the Yisheng Entities have their own dedicated management and operational teams to oversee its day-to-day operations. While Mr Huang holds executive positions in these entities, he is not involved in their day-to-day operations and accordingly, his roles in these entities do not require a substantial time commitment from him.

Accordingly, Mr Huang would be able to devote sufficient time and commitment to managing the overall business activities of the Group, including but not limited to, corporate and business development, strategic partnerships and collaboration, and investors relation function.

The Nominating Committee, having considered Mr. Huang's representation above, is of the view that Mr Huang is able to devote sufficient time and attention to effectively fulfil his duties and responsibilities as the CEO of the Company.

Sponsor's assessment

In assessing Mr Huang's ability to devote sufficient time and attention to effectively fulfil his responsibilities as the CEO of the Company, the Sponsor had conducted an interview with Mr Huang to understand, *inter alia*, Mr. Huang's proposed role in the Company and his roles in the Yisheng Entities. The Sponsor had also obtained a letter of confirmation from Mr Huang confirming that notwithstanding he holds the executive positions in Yisheng Entities, each of these entities has its own independent management and operational teams to carry out its day-to-day operations and do not require a substantial time commitment from Mr Huang. Accordingly, Mr Huang has confirmed that he would be able to devote sufficient time and commitment to the Group's business activities.

Having considered the NC's assessment and the Sponsor's due diligence that was performed on Mr Huang, and based on the representations and letter of confirmation Mr Huang has provided, nothing has come to the attention of the Sponsor that would indicate that Mr Huang is not able to devote sufficient time and attention to fulfil his responsibilities effectively as the CEO of the Company.

2. It is also stated in the Appointment of CEO Announcement that notwithstanding that the Yisheng Entities are also engaged in property management, the perceived potential conflicts of interest is limited as the Group and the Yisheng Entities are focused on different geographical locations as well as engaging in different client base profile.

(i) Please elaborate on the differences between the Group and the Yisheng Entities' geographical locations and client base.

Company's response for question 2(i)

Following the termination / expiration of the two (2) property consultancy service agreements entered into by the subsidiaries of the Group in Shenzhen, China during May and July 2024 respectively, the Group has ceased to generate any revenue from China. Accordingly, pursuant to the completion of the acquisition of Falcon Pace Sdn Bhd ("**Falcon Pace**") in May 2024, the Group is currently focused on the hospitality business in Malaysia. Please refer to the announcement dated 21 November 2023, and the circular dated 21 March 2024 for further information on Falcon Pace.

The Yisheng Entities are primarily engaged in property management and consultancy services for high-rise serviced residences as well as commercial buildings. Their projects are located at Taiwan, Hong Kong, Macau and major cities in China, such as Beijing, Shanghai, Zhengzhou and Guizhou, where the Group has no business presence.

As such, in view of the foregoing, the Board is of the view that the perceived conflicts of interest is limited as the Group and the Yisheng Entities are focused on different geographical locations and client bases.

(ii) Please disclose the safeguards in place to address the potential conflicts of interest.

Company's response for question 2(ii)

Mr Huang has represented that he would disclose all perceived and actual conflicts of interest (if any) to the Board and recuse himself from any discussion and voting decisions involving the potential conflicts of interest.

3. As set out in the Appointment of CEO Announcement, Mr Huang's responsibility as CEO is to manage the overall business activities of the Group, including but not limited to, corporate and business development, strategic partnerships and collaboration and investors relation function. We also note from the Appointment of ED Announcement that Nicholas Eng, who has been appointed as Executive Director, will also be responsible for corporate and business development, strategic partnerships and collaboration and investors relation function.

(i) Please clarify the reasons and the need for both Mr Huang and Mr Eng's similar responsibilities in the Group.

Company's response for question 3(i)

As explained in the Company's response for question 2(i) above, the Group currently only has one operating business unit, namely Falcon Pace, which is operating a 4-star hotel known as The Pines Melaka in Malaysia. To further enhance shareholders' value, the Group is actively seeking for new business opportunities to generate diversified revenue streams, as well as sourcing for fundings to support the potential new business opportunities and to strengthen the financial position of the Group which will be carried out by Mr Huang and Mr Eng.

Leveraging on their diverse network and expertise across various jurisdictions, Mr Huang will focus on the Taiwan and China markets, while Mr Eng will focus on the Singapore market as well as sourcing for other business opportunities within these regions. For the avoidance of doubt, Mr Huang will concurrently oversee the operations of the Group as the CEO, and there is currently no intention of the Group to expand the existing property management business activities in Taiwan and China.

Accordingly, while there are similarities in responsibilities between Mr Huang and Mr Eng, both Mr Huang and Mr Eng are overseeing such responsibilities within the aforementioned jurisdictions.

(ii) Please clarify the role and responsibilities of the other Executive Director of the Company, Mr Anthony Ang Meng Huat.

Response for 3(ii)

Mr Anthony Ang serves as the Group's local representative in Singapore. With his vast experience in managing private equity and asset management funds, as well as serving on the boards of several SGX-ST listed entities, Mr Anthony Ang has contributed his valuable insight on the Company's potential new business venture, and plays a key role in enhancing the Group's corporate governance practices. In addition, Mr Anthony Ang is actively involved in the Group's business development, assisting the Group in identifying and exploring new business opportunities.

BY ORDER OF THE BOARD

Datuk Tan Eng Eng
Executive Director and Chief Executive Officer, Malaysia Operations
18 December 2024

This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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.

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