

CIRCULAR DATED 13 DECEMBER 2022

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser(s) immediately.

Unless otherwise defined, capitalised terms appearing on the cover of this Circular bear the same meanings ascribed to them in the section entitled "Definitions" of this Circular.

If you have sold or transferred all your shares in the capital of Sunrise Shares Holdings Ltd. (the "**Company**") held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular, the notice of Extraordinary General Meeting and the attached proxy form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your ordinary shares in the capital of the Company by physical share certificate(s), you should immediately forward this Circular, the notice of Extraordinary General Meeting and the attached proxy form to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular has been made available on the website of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") at <https://www.sgx.com/securities/company-announcements>. A printed copy of this Circular (including the notice of Extraordinary General Meeting and the proxy form) will NOT be despatched to Shareholders.

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

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.



SUNRISE SHARES HOLDINGS LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No. 198201457Z)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED ADOPTION OF IPT MANDATE

**Independent Financial Adviser to the Non-Interested Directors in respect of
the Proposed Adoption of IPT Mandate**



NOVUS CORPORATE FINANCE PTE. LTD.

(Company Registration Number: 201723484W)

(Incorporated in the Republic of Singapore)

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form : 27 December 2022, 9.30 a.m.

Date and time of Extraordinary General Meeting : 29 December 2022, 9.30 a.m.

Place of Extraordinary General Meeting : The EGM will be convened and held by electronic means

CONTENTS

DEFINITIONS	2
1. INTRODUCTION	6
2. THE PROPOSED ADOPTION OF IPT MANDATE	6
3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS	21
4. OPINION OF THE IFA	22
5. OPINION OF THE AUDIT COMMITTEE	22
6. RECOMMENDATION BY THE NON-INTERESTED DIRECTORS	23
7. ABSTENTION FROM VOTING	23
8. EXTRAORDINARY GENERAL MEETING	23
9. ACTION TO BE TAKEN BY SHAREHOLDERS	24
10. DIRECTORS' RESPONSIBILITY STATEMENT	24
11. CONSENT FROM THE IFA	25
12. DOCUMENTS AVAILABLE FOR INSPECTION	25
APPENDIX A: LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE NON-INTERESTED DIRECTORS IN RELATION TO THE PROPOSED ADOPTION OF IPT MANDATE	A-1
NOTICE OF EXTRAORDINARY GENERAL MEETING	N-1
PROXY FORM	

DEFINITIONS

For the purpose of this Circular, except where the context otherwise requires, the following definitions shall apply throughout:

Companies

- “Company” : Sunrise Shares Holdings Ltd.
- “Group” : The Company and its Subsidiaries

Other Companies, Organisations and Agencies

- “HKSAM” : Hong Kong Sunrise Asset Management
- “IFA” or “Independent Financial Adviser” : Novus Corporate Finance Pte. Ltd., the independent financial adviser to the Non-Interested Directors in respect of the Proposed Adoption of IPT Mandate
- “LCW” : Lion City Worldwide Limited
- “NZSDL” : New Zealand Sunrise Development Limited
- “PLO” : Prosperity Luck Overseas Inc
- “SGX-ST” : Singapore Exchange Securities Trading Limited
- “SY” : Sino Yu Pte. Ltd.
- “Sponsor” : The continuing sponsor of the Company, Asian Corporate Advisors Pte. Ltd.
- “SWMFO” : Sunrise Wealth Management Family Office Pte. Ltd.
- “SWM” : Sunrise Wealth Management Pte. Ltd.

General

- “Associate” : (a) In relation to any director, chief executive officer, substantial shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family (that is, the person’s spouse, child, adopted child, step-child, sibling and parent);
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; or
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30.0% or more; and
- (b) in relation to a Substantial Shareholder or a Controlling

DEFINITIONS

Shareholder (being a company), means any other company which is its subsidiary or holding company or a subsidiary of such holding company or company in which it and/or they, taken together (directly or indirectly) have an interest of 30.0% or more

- “Audit Committee”** : The audit committee of the Company, comprising Mr. Tang An, Mr. Zheng Aimin and Mr. Wang Ziquan as at the Latest Practicable Date
- “Board”** : The board of directors of the Company as at the Latest Practicable Date
- “Catalist”** : The Catalist board of the SGX-ST, being the sponsor-supervised listing platform of the SGX-ST
- “Catalist Rules”** : The Listing Manual of the SGX-ST, Section B: Rules of Catalist, as may be amended, modified or supplemented from time to time
- “Circular”** : This circular to Shareholders dated 13 December 2022
- “Companies Act”** : The Companies Act (Chapter 50) of Singapore as amended, modified or supplemented from time to time
- “Constitution”** : The constitution of the Company, as amended or modified from time to time
- “Controlling Shareholder”** : A person who (a) holds directly or indirectly 15.0% or more of all voting shares in a company (unless otherwise determined by the SGX-ST); or (b) in fact exercises control over a company
- “Director”** : A director of the Company as at the date of this Circular
- “EGM”** : The Extraordinary General Meeting of the Company to be convened and held on 29 December 2022 at 9.30 a.m., notice of which is set out on pages N-1 to N-5 of this Circular
- “FY”** : A financial year ended or ending 31 December, as the case may be
- “Group”** : Company and its subsidiaries collectively
- “IFA Letter”** : The letter dated 13 December 2022 issued by the IFA in relation to the Proposed Adoption of IPT Mandate, as reproduced in Appendix A to this Circular
- “Independent Shareholders”** : The Shareholders who are deemed to be independent for the purposes of voting on the proposed IPT Mandate
- “Interested Person Transactions Mandate” or “IPT Mandate”** : The Shareholders' general mandate pursuant to Chapter 9 of the Catalist Rules permitting the Company, its Subsidiaries and associated companies who are considered to be "entities at risk" under Chapter 9 of the Catalist Rules or any of them, to enter into Mandated Transactions with the Mandated Interested Persons,

DEFINITIONS

	proposed to be obtained at the EGM
“Latest Practicable Date”	: 12 December 2022, being the latest practicable date prior to the printing of this Circular
“Mandated Interested Persons”	: The interested persons to be covered under the proposed IPT Mandate as set out in Section 2.2.3 of this Circular
“Mandated Transactions”	: The categories of interested person transactions which will be covered by the Proposed Adoption of IPT Mandate
“Mr Wong”	: Mr Wong Siu Fai, the Executive Director and Chairman of the Company
“Non-Interested Directors”	: Directors who are deemed non-interested for the purposes of making recommendation on the Proposed Adoption of IPT Mandate, being Mr Tang An, Mr Zheng Aimin and Mr Wang Ziquan
“Notice of EGM”	: The notice of the EGM which is set out on pages N-1 to N-5 of this Circular
“NTA”	: Net tangible assets
“Proposed Adoption of IPT Mandate”	: The proposed Adoption of IPT Mandate
“Proxy Form”	: Has the meaning ascribed thereto in <u>Section 9.1</u> of this Circular
“Register of Members”	: Register of members of the Company
“Resolution”	: The ordinary resolution set out in the Notice of EGM
“Securities Account”	: A securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
“SFA”	: Securities and Futures Act (Chapter 289) of Singapore, as may be amended, modified or supplemented from time to time
“SGXNET”	: The system maintained by the SGX-ST for announcements by listed companies
“Share”	: An ordinary share in the capital of the Company, and “Shares” shall be construed accordingly
“Shareholders”	: Registered holders of Shares, except where the registered holder is CDP, in which case the term “Shareholders” shall in relation to such Shares mean the Depositors whose Securities Accounts maintained with CDP are credited with Shares
“Substantial Shareholder”	: A person (including a corporation) who has an interest in not less than 5.0% of the issued shares of a company

DEFINITIONS

Currencies and Units of Measurements

“%” : Per cent or percentage

“S\$” and “cents” : Singapore dollars and cents, respectively

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the respective meanings ascribed to them in Section 81SF of the SFA.

The terms “**associate**”, “**associated company**”, “**entity at risk**”, “**interested person**”, “**chief executive officer**” and “**approved exchange**” shall have the meanings ascribed to them respectively in the Catalist Rules.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference in this Circular to “**Rule**” or “**Chapter**” is a reference to the relevant rule or chapter in the Catalist Rules.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Code and the Catalist Rules or any modification thereof and used in this Circular shall have the meaning assigned to it under the Companies Act, the SFA, the Code and the Catalist Rules or any statutory modification thereof, as the case may be.

Any reference to any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

Any reference in this Circular to Shares being allotted to a person includes allotment to CDP for the account of that Depositor.

Any reference to a time of day and date in this Circular shall be a reference to Singapore time and date, unless otherwise stated.

Any discrepancies in tables included in this Circular between the listed amounts and the totals are due to rounding; accordingly, the figures shown as totals in certain tables may not be an aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

SUNRISE SHARES HOLDINGS LIMITED

(Incorporated in Singapore)
(Company Registration Number: 198201457Z)

Directors:

Mr Wong Siu Fai (*Executive Director and Chairman*)
Mr Zheng Aimin (*Lead Independent Director*)
Mr Tang An (*Independent Director*)
Mr Wang Ziquan (*Independent Director*)

Registered Office:

30 Cecil Street #19-08
Prudential Tower
Singapore 049712

13 December 2022

To: The Shareholders of Sunrise Shares Holdings Ltd

Dear Sir / Madam,

THE PROPOSED ADOPTION OF IPT MANDATE

1. INTRODUCTION

The Board is proposing to convene an EGM to be held on 29 December 2022 to seek Shareholders approval for the Proposed Adoption of IPT Mandate.

The purpose of this Circular is to provide Shareholders with the relevant information relating to the Proposed Adoption of IPT Mandate and the rationale thereof, and to seek Shareholders' approval at the forthcoming EGM to be held via electronic means for the Ordinary Resolution as set out in the Notice Of EGM on page N-1 to N-5 of this Circular.

The SGX-ST assumes no responsibility for the contents of this Circular, including the accuracy of any of the statements or opinions made or reports contained in this Circular. If any Shareholder is in any doubt as to the action he should take, he should consult his bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

2. THE PROPOSED ADOPTION OF IPT MANDATE

2.1. Requirements of Chapter 9 of the Catalist Rules

2.1.1. Chapter 9 of the Catalist Rules governs transactions in which a listed company or any of its subsidiaries or associated companies (known as an "entity at risk") enters into or proposes to enter into with a party who is an interested person of the listed company. The purpose is to guard against the risk that interested persons could influence the listed company, its subsidiaries or associated companies to enter into transactions with it that may adversely affect the interests of the listed company or its shareholders.

2.1.2. For the purposes of Chapter 9 of the Catalist Rules:

LETTER TO SHAREHOLDERS

- (i) "**approved exchange**" means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Listing Rules.
- (ii) an "**associate**" in relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means his immediate family (i.e. spouse, children, adopted children, step-children, siblings and parents), the trustees of any trusts of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object, and any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more. An "**associate**" in relation to a substantial shareholder or controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more;
- (iii) an "**associated company**" means a company in which at least 20% but not more than 50% of its shares are held by the listed company or group;
- (iv) a "**chief executive officer**" means the most senior executive officer who is responsible under the immediate authority of the board of directors for the conduct of the business of the listed company;
- (v) a "**controlling shareholder**" is a person who holds directly or indirectly 15% or more of the nominal amount of all voting shares in the listed company (unless otherwise excepted by the SGX-ST) or in fact exercises control over a company;
- (vi) "**entity at risk**" means:
 - (i) the listed company;
 - (ii) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or
 - (iii) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company.
- (vii) "**interested person**" means:
 - (i) a director, chief executive officer, or controlling shareholder of the listed company; or
 - (ii) an associate of any such director, chief executive officer, or controlling shareholder.

The SGX-ST may deem any person or entity to be an interested person if the person or entity has entered into, or proposes to enter into: (a) a transaction with an entity at risk; and (b) an agreement or arrangement with an interested person in connection with that transaction.

- (viii) "**interested person transaction**" means a transaction between an entity at risk and an interested person, and a "**transaction**" includes the provision or receipt of financial assistance, the acquisition, disposal or leasing of assets, the provision or receipt of goods or services, the issuance or subscription of securities, the granting of or being granted options, and the establishment of joint ventures or joint investments, whether or not in the ordinary course of business and whether or not entered into directly or indirectly.

LETTER TO SHAREHOLDERS

- 2.1.3. An immediate announcement and/or shareholders' approval would be required in respect of transactions with interested persons if the value of the transaction is equal to or exceeds certain financial thresholds.

In particular, an immediate announcement is required where:

- (a) the value of the proposed transaction is equal to or more than 3% of the latest audited NTA of the listed group; or
- (b) the aggregate value of all transactions (including the subject transaction) entered into with the same interested person during the same financial year is equal to or more than 3% of the latest audited NTA of the listed group.

In addition to an immediate announcement, shareholders' approval is required where:

- (a) the value of the proposed transaction is equal to or more than 5% of the latest audited NTA of the listed group; or
- (b) the aggregate value of all transactions (including the subject transaction) entered into with the same interested person during the same financial year is equal to or more than 5% of the latest audited NTA of the listed group.

In interpreting the term "**same interested person**" for the purpose of aggregation, the following applies:

- (i) transactions between (a) an entity at risk and a primary interested person; and (b) an entity at risk and an associate of that primary interested person, are deemed to be transactions between an entity at risk with the same interested person. Transactions between (X) an entity at risk and a primary interested person; and (Y) an entity at risk and another primary interested person, are deemed to be transactions between an entity at risk with the same interested person if the primary interested person is also an associate of the other primary interested person;
- (ii) transactions between an entity at risk and interested persons who are members of the same group are deemed to be transactions between the entity at risk with the same interested person; and
- (iii) if an interested person (which is a member of a group) is listed, its transactions with the entity at risk need not be aggregated with transactions between the entity at risk and other interested persons of the same group, provided that the listed interested person and other listed interested persons have boards the majority of whose directors are different and are not accustomed to act on the instructions of the other interested persons and their associates and have audit and risk committees whose members are completely different.

The above requirements for immediate announcement and/or for shareholders' approval do not apply to any transaction below S\$100,000 and certain transactions such as those set out in Rules 915 and 916 of the Catalist Rules. However, while such transactions below S\$100,000 are not normally aggregated under Rules 905(3) of the Catalist Rules, the SGX-ST may aggregate any such transactions entered into during the same financial year and treat them as if they were one transaction in accordance with Rule 902 of the Catalist Rules.

- 2.1.4. Based on the latest audited consolidated financial statements of the Company and the Group for FY2021, the latest audited NTA of the Group was approximately S\$5.69 million as at 31 December 2021. Accordingly, in relation to the Group, for the purposes of Chapter 9 of the Catalist Rules, in the current financial year and until such time as the audited consolidated

LETTER TO SHAREHOLDERS

financial statements of the Group for the current financial year are published, Shareholders' approval is required where:

- (a) the transaction is of a value equal to, or more than, approximately S\$0.28 million, being 5% of the Group's latest audited NTA as at 31 December 2021; or
- (b) the transaction, when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to, or more than, S\$0.28 million, being 5% of the Group's latest audited NTA as at 31 December 2021. The aggregation will exclude any transaction that has been approved by Shareholders previously or is the subject of aggregation with another transaction that has been approved by Shareholders.

2.1.5. Rule 920 of the Catalist Rules permits a listed company to seek a general mandate from its shareholders for recurrent transactions of revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials, which may be carried out with interested persons of the listed company. It should be noted that no such mandate can be sought for the purchase or sale of assets, undertakings or businesses. In addition, a general mandate is subject to annual renewal.

2.2. The IPT Mandate

2.2.1. Background and Rationale

On 26 April 2017, the Company obtained the approval of Shareholders at the extraordinary general meeting held on the same date ("**2017 EGM**") for the Group to include the following businesses as its core businesses:-

- (a) property and construction project management activities (the "**Property Business**") including, *inter alia*, providing to property owners and/or tenants services such as regular building maintenance and repairs, facilities management and supervision of the performance of service providers and contractors; investing in, purchase or otherwise acquisition or disposal of, from time to time, any such assets, investments, and shares or interests in any entity that is in the Property Business; provision of pre-planning/pre-development consultancy services such as marketing and pricing strategy and project financial feasibility assessment; provision of design and implementation services such as architectural design, provision of engineering expertise and construction management services; and provision of post-completion professional review and management services such as rectification of defects and conduct post-mortem review of the development projects.
- (b) operation and management of hotels and franchising of hotel brands (the "**Hospitality Business**") including, *inter alia*, operation and management of hotels and service apartments, development of excellent hotel management standards and offer its hotel management services to hotel and service apartment owners, and management of their hotels under brand names that the Group owns or licences from third parties; provision of advise and assistance to such hotel owners for meeting the standards of the applicable brand name and in particular assisting in property design, systems installation, refurbishing, renovating or constructing the hotel properties, recruitment and training of hotel staff, development of systems and procedures for procurement, sales, and marketing.
- (c) fund management (the "**Fund Management Business**") including, *inter alia*, undertaking on behalf of customers (whether on a discretionary authority granted by the customer or

LETTER TO SHAREHOLDERS

otherwise) the management of a portfolio of securities or futures contracts, or foreign exchange trading and leveraged foreign exchange trading for the purpose of managing the customer's fund; managing private equity funds and fund of funds; managing and maintaining the investment portfolio of the Group's clients, conducting investments and executing transactions for the funds managed by the Group, market research and analysis, formulation and implementation of investment strategies and solutions; obtaining the requisite licences or permits, as the case may be, to carry out such activities in the respective countries.

Subsequently on 12 June 2019, the Company obtained the approval of Shareholders at the extraordinary general meeting held on the same date ("**2019 EGM**") to include the investment business as its core businesses. Such investment business include:-

- (a) investing in quoted and/or unquoted securities and various aspects of investment such as providing seed, mezzanine and other forms of capital to listed companies and/or private companies with potential of business growth and trade sales, which may also include undertaking business incubation and angel investments as part of the corporate strategies and business development of the investee companies;
- (b) trading in quoted securities (including equities trading), buying and selling of unquoted securities and/or other marketable securities;
- (c) pre-initial public offer investments, which involve investing in shares of companies which may proceed to be listed on any internationally recognised stock exchange via initial public offerings or reverse takeovers (or similar process);
- (d) trading and/or investing directly or indirectly in futures, commodities, bonds, notes, funds and other securities, derivatives and financial products (whether quoted on any stock exchange or unquoted);
- (e) investing in real estate investment trusts (REITs);
- (f) investing in private equity funds, hedge funds and funds of funds;
- (g) providing financing and loans to corporate entities (where permitted under the relevant laws and regulations in the relevant jurisdictions); and
- (h) any other activity related to or ancillary to the above-mentioned activities.

From time to time, the Company foresees that transactions will arise between the Group and the Mandated Interested Person(s), in the ordinary course of business to leverage on synergies between the businesses of the Group and the Mandated Interested Persons. Such recurrent transactions are likely to occur with some degree of frequency and are part of the day-to-day operations of the Group, and could arise at any time. As at the Latest Practicable Date, Mr Wong is the Executive Director and Chairman, as well as a controlling shareholder of the Company. Accordingly, Mr Wong and/or his Associates will be defined as interested person(s) under Chapter 9 of the Catalist Rules. The details of such Mandated Interested Person(s) are set out in Section 2.2.3 of this Circular.

The Company decided to seek approval from the Independent Shareholders for the Proposed Adoption of IPT Mandate in view of, *inter alia*, the fact that following the termination of property consultancy management agreements with New Zealand Nan Fang Investment Limited and Nan Fang (Singapore) Investment Fund Management Pte. Ltd. with effect of 30 June 2022 (as announced on 3 June 2022), the Company has no outstanding contracts on hand; and the general weak business sentiments in the People's Republic of China ("**PRC**") in particular within the property and real estate sector. As such, with the support from the Mandated Interested Persons, the Company is now also exploring

LETTER TO SHAREHOLDERS

possibility to expand and diversify its revenue stream by including potential revenue from potential business dealings with the Mandated Interested Persons. Lastly, the Proposed Adoption of IPT Mandate is also the Company's attempt to avoid being deemed as a "cash company" pursuant to Rule 1017 of the Catalist Rules.

In view of the time-sensitive nature of commercial transactions, and the need for smooth and efficient conduct of business which is envisaged to include entering into the Mandated Transactions which are recurring in nature or in the ordinary course of business with the Mandated Interested Persons, the Directors are seeking the approval of the Independent Shareholders (which shall exclude Shareholders who are required to abstain from voting pursuant to Rule 920(1)(b)(viii) of the Catalist Rules) for the Proposed Adoption of IPT Mandate in respect of future transactions that the Group may enter into with the Mandated Interested Persons provided the Mandated Transactions are entered into on an arm's length basis and on normal commercial terms and are not prejudicial to the Company and its minority Shareholders.

The proposed IPT Mandate and any subsequent renewal on an annual basis will eliminate the need for the Company to announce and convene separate general meetings on each occasion, where necessary, to seek Shareholders' approval for each separate Mandated Transaction to be entered between the Group and the Mandated Interested Person of a revenue or trading nature or those necessary for its day-to-day operations, thereby substantially reducing the time and expenses associated with the convening of such general meetings (including the engagement of external advisers and preparation of documents) on an ad hoc basis, improving administrative efficacy considerably, allowing manpower resources and time to be channelled towards attaining other corporate objectives.

2.2.2. Categories of Mandated Transactions

The categories of Mandated Transactions which will be covered by the IPT Mandate include:

Asset Management, Investment and Business Management-related transactions

The Group may enter into contracts to provide asset management, investment advisory services, and business management services to the Mandated Interested Persons. Such services will include, *inter alia*:

- (i) the undertaking on behalf of the Mandated Interested Persons (whether on a discretionary authority granted by the Mandated Interested Persons or otherwise) the management of a portfolio of asset or securities or futures contracts, or foreign exchange trading and leveraged foreign exchange trading for the purpose of managing the Mandated Interested Persons' asset and fund;
- (ii) the managing and maintaining the asset and investment portfolio of the Mandated Interested Persons, conducting investments and executing transactions for the asset and funds managed by the Group, market research and analysis, formulation and implementation of investment strategies and solutions; and
- (iii) such other services ancillary as may be required by the Mandated Interested Persons for the business, *inter alia*, the relevant periodic reports for monitoring and administering the investments.

Property and Real Estate Project Management Services

The Group may provide services to the Mandated Interested Persons in relation to property development projects which include:

LETTER TO SHAREHOLDERS

- (i) Pre-planning/pre-development consultancy services such as marketing and pricing strategy and project financial feasibility assessment;
- (ii) Design and implementation services such as architectural design, provision of engineering expertise and construction management services; and
- (iii) Post-completion professional review and management services such as rectification of defects and conduct post-mortem review of the development projects (collectively, **“Property and Real Estate Project Management Services”**).

The nature, project scope, duration and the transaction values of the Property and Real Estate Project Management Services is dependent on, *inter alia*, the size of the land and the projected development value or cost of the land by the owner. Due to the nature of the Property and Real Estate Project Management Services, it is envisaged that the duration of such transaction between the Group and the Mandated Interested Persons will spread over several years and payment from the Mandated Interested Persons to the Group will be based on an agreed payment schedule stipulated in the contracts or agreements upon meeting specific milestones.

Real Estate Agency Services

The Group may enter into contracts to provide real estate agency services such as the marketing and sale of industrial, commercial and/or residential properties owned by or that will be owned by the Mandated Interested Persons.

The Group will execute the sale, purchase and/or lease of properties that are owned or developed by or that will be owned or developed by the Mandated Interested Persons. The Group may also market the properties owned or developed by the Mandated Interested Persons solely or jointly with other real estate agencies. Such services may commence during the development phase of the properties and include the conduct of show-flat events to create awareness about the new development properties.

Facilities Management Services

The Group may enter into contracts to provide facilities management services for industrial, commercial and/or residential properties owned by or that will be owned by the Mandated Interested Persons. Such services include revenue management, occupancy improvements, cost management and property maintenance.

Secondment of staff

From time to time, secondment of staff might take place between the Group and the Mandated Interested Persons to meet the respective company’s operational needs and/or expertise requirements (for example, in the areas of management and technical knowledge or know-how).

Corporate-related Services

The Group may provide and/or obtain corporate-related services to or from the Mandated Interested Persons, which include (but are not limited to) rental of meeting facilities, administrative and support services, *inter alia*, for corporate events, potential and/or existing business development, business relations, investment/project risk review, information technology, and management information systems, intellectual property rights, human resources, insurance, corporate communications (including investor relations), taxation, accounting, internal audit, central purchasing, corporate secretarial services and any other professional, administrative and support services that may arise from time to time.

LETTER TO SHAREHOLDERS

For the avoidance of doubt, the IPT Mandate does not extend to the purchase or sale of assets, undertakings or businesses between the Group and the Mandated Interested Persons. The IPT Mandate will also not cover any Mandated Transaction that is below S\$100,000 in value as the threshold and aggregation requirements of Chapter 9 of the Catalist Rules would not apply to such transactions.

Transactions by the Group with the Mandated Interested Persons that do not fall within the ambit of the IPT Mandate shall be subject to the relevant provisions of Chapter 9 of the Catalist Rules and/or other applicable provisions of the Catalist Rules.

2.2.3. Classes of Mandated Interested Persons

The IPT Mandate will apply to any Mandated Transactions that are carried out between any entity within the Group with Mr Wong and/or his Associates (the '**Mandated Interested Persons**'). Mr Wong's Associates as at the Latest Practicable Date include, *inter alia*:

- (i) Mr Wong's immediate family members (being Huang Yi Lin, Huang Anna Yi, Huang Angela On Yee, Huang Cindy and Huang William);
- (ii) The trustees of any trust of which Mr Wong or his immediate family is a beneficiary; and
- (iii) Companies which Mr Wong and his immediate family together (directly or indirectly) have an interest of 30% or more (being HKSAM, LCW, NZSDL, PLO, SY, SWM and SWMFO).

2.2.4. Guidelines and Review Procedures for the Mandated Transactions

(A) Review Procedures

To ensure that the Mandated Transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and the minority Shareholders, the Group has put in place the following guidelines and review procedures for the Mandated Transactions under the proposed IPT Mandate to ensure that transactions with the Mandated Interested Persons are made on normal commercial terms, and are consistent with the Group's usual business practices and policies, and consistent or comparable with the usual margins or historical margins or costs (where applicable), rates (including commission) or fees extended to or received by the Group for the same or substantially similar type of transactions between the Group and unrelated third parties, and the terms of the Mandated Transactions are (a) not more favourable to the Mandated Interested Persons compared to those extended to unrelated third parties, or (b) not less favourable to the Group than the terms offered by unrelated third parties.

The Audit Committee of the Company (which currently comprises Mr Tang An (chairman), Mr Zheng Aimin, and Mr Wang Ziquan) will also review the Mandated Transactions at least on a semi-annual basis, and provides its prior approval for the Mandated Transactions in accordance with Section 2.2.4 of this Circular, to ensure that all Mandated Transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Group or the minority Shareholders.

The following review procedures will be implemented after having regard to the nature of the Mandated Transactions and the criteria for establishing review procedures, which is to ensure that such review procedures are adequate and/or commercially practicable in ensuring that the Mandated Transactions are conducted on normal commercial terms, are in the interest of the Company and are not prejudicial to the interests of the Company and minority Shareholders:

LETTER TO SHAREHOLDERS

Asset Management, Investment and Business Management-related transactions

The terms of the asset management and/or investment and business management services including the terms and scope of services provided, the rate and fees such as management fees charged as well as performance fees, shall take into account the Group's usual business practices and all other relevant factors, including but not limited to, the nature, size and risk profile, type of collateral provided, composition of the investment, the rate of returns, the prevailing market fee structures, tenure of investments, information from comparable funds and assets including fees charged by other third party fund and assets service providers for funds and assets that they manage and which are comparable in terms of nature, size and risk profile, and the complexity of the services rendered, where relevant.

The terms of the asset management and/or investment and business management services shall be submitted by senior key personnel of the management team or the investment committee (which will comprise members of the management team and third party advisers as may be approved by the Audit Committee from time to time) to the Directors (who does not have any interest, direct or indirect, in the Mandated Transaction) for approval.

The terms of two (2) other contemporaneous successful transactions of a similar or substantially similar type of services with unrelated third parties will be used as a comparison to ensure that the terms of the Mandated Transaction are no more favourable to the Mandated Interested Persons than the usual commercial terms extended to at least two (2) unrelated third parties.

In circumstances where comparable terms of contemporaneous transactions of similar or substantially similar types of services are not available due to the nature of the services to be provided, the Board will discuss, deliberate, understand and decide on the nature and extent of the Group's undertaking in such arrangement or contract, including any risk mitigation steps as may be required. The Board will take into account the prevailing market fee structures, tenure of investments, information from comparable funds and assets including fees charged by other third party fund and assets service providers for funds and assets that they manage and which are comparable in terms of nature, size and risk profile, and the complexity of the services rendered, where relevant, as well as input from third party professional, where applicable.

In the event that the Board does not approve the terms of the asset management and/or investment and business management services, the Group will not enter into the agreement with the Mandated Interested Persons.

In the event that any of the Directors is interested in the Mandated Transaction, he shall abstain from participating in the review and approval of the transaction.

Property and Real Estate Project Management Services

Real Estate Agency Services

Facilities Management Services

When providing any services to a Mandated Interested Person, all Mandated Transactions shall be conducted at the prevailing market rate or fee offered by the Group and in accordance with the Group's usual business practices and policies, consistent or comparable with the usual margins or historical margins or fees (where

LETTER TO SHAREHOLDERS

applicable), rates (including commission) or fees extended by the Group for the same or substantially similar type of services and on terms which shall be no more favourable than the usual commercial terms extended to other unrelated third parties.

The fee or profit margins and terms of two (2) other contemporaneous transactions of a similar or substantially similar type of services with unrelated third parties will be used as a comparison to ensure that the fee or profit margins and terms of the Mandated Transaction are no more favourable than the usual commercial terms extended to the unrelated third parties.

The fee or profit margins for the supply of services shall not be less favourable to the Group than the fee or profit margin of the two (2) other contemporaneous successful transactions with unrelated third parties, taking into account all pertinent factors, including but not limited to speed of and cost for timely response and mobilisation, credit records of the customer, terms of contract, duration of contract, project schedule, nature and scale of the project, amount of investment required, market conditions in the property market, strategic purpose of the transaction, scope, size, complexity and resources required for implementation of the projects for Mandated Interested Persons, preferential or relatively advantageous access to assets and buyers, asset type, restrictions, array of services including its specialists nature, local knowledge, track record and standing in the relevant markets, risk for such transactions and the attendant cost in managing such risks and other qualitative considerations.

In circumstances where terms of contemporaneous transactions of similar or substantially similar type of services are not available due to the nature of the services to be provided, any two (2) of Directors of the Company with no interest, direct or indirect, in the Mandated Transaction will take such necessary steps which would include but is not limited to (1) relying on corroborative inputs from reasonably experienced market practitioners in order to determine that the terms provided to the Mandated Interested Persons are fair and reasonable; and (2) evaluate and weigh the benefits of, and rationale for transacting with the Mandated Interested Persons, taking into account factors such as, but not limited to, speed of and cost for timely response and mobilisation, credit records of the customer, terms of contract, duration of contract, project schedule, nature and scale of the project, amount of investment required, market conditions in the property market, strategic purpose of the transaction, scope, size, complexity and resources required for implementation of the projects for Mandated Interested Persons, preferential or relatively advantageous access to assets and buyers, asset type, restrictions, array of services including its specialists nature, local knowledge, track record and standing in the relevant markets, risk for such transactions and the attendant cost in managing such risks and other qualitative considerations.

The terms including, *inter alia*, payment schedule stipulated in the contracts or agreements should be in accordance and consistent with the Group's usual practices and policies extended to unrelated third parties for the same or substantially similar type of Property and Real Estate Project Management Services, Real Estate Agency Services and Facilities Management Services and the payment terms and/or schedules are not less favourable to the Group compared to those extended to unrelated third parties;

Secondment of Staff

In the case of the secondment of staff to or from a Mandated Interested Person (being an entity), the details of the staff who rendered services to or from the Group will be obtained, including the identity of the seconded staff and the salary of the seconded staff which shall be determined on a pro-rated basis taking into

LETTER TO SHAREHOLDERS

consideration, *inter alia*, the remuneration (including bonuses, allowances or other monetary benefit, and other accompanying terms and conditions of employment under his or her employment contract), and the actual time spent by the relevant staff which will be recorded in such records as may be required by the Audit Committee from time to time including a timesheet either with the Company or the Mandated Interested Person (being an entity), when relevant. For the avoidance of doubt, such fees payable to or by the Group pursuant to services provided may be billed on a periodic basis or on a lump sum basis taking into account the provisions for “cost-over runs” and the agreed period for such services.

The fees for the secondment of staff to or from the Mandated Interested Person (being an entity) shall be based on the actual costs incurred by the Group or the Mandated Interested Person plus a mark-up (when relevant) (as the case may be) with reference to the prevailing employment expenses or fee of the secondment of staff that would be incurred by the Group or the Mandated Interested Person (as the case may be) if the Group or the Mandated Interested Person (as the case may be) is to employ such new staff from an unrelated third party.

The total employment expenses of fees payable by the Group to the Mandated Interested Persons shall not be more favourable to the Mandated Interested Persons as compared to employing such new staff from an unrelated third party and vice versa, taking into account all pertinent factors including, but not limited to, the actual total employment expenses incurred, the on-going requirements of time spent by the seconded staff, the estimated percentage of time spent by the seconded staff, the efficiency, the expertise and familiarity of the work process of the seconded staff.

The approval of any secondment of staff to the Mandated Interested Persons should also be approved by the head of the human resources department or such other senior management personnel as designated by the Audit Committee of the Group (who must not have any interest, direct or indirect, in the Mandated Transaction) after considering, *inter alia*, (i) the needs of the Group and its projects; (ii) the availability of the staff; and (iii) the expertise of the staff. In the event that the head of human resources department has any interest, direct or indirect, the chief executive officer of the Group (“CEO”) or the chief financial officer of the Group (“CFO”) (or its equivalent person), shall approve such secondment.

Corporate-related Services

When obtaining any Corporate-related Services from a Mandated Interested Person, in order to ensure that the interests of the Group or the minority Shareholders are not disadvantaged, comparison will be made with at least two quotations from unrelated/independent third party(ies) as a basis for comparison, from independently verifiable and reliable sources as approved by the Audit Committee from time to time (“**Approved Independent Sources**”), with advice from relevant employees of the Company with management responsibilities comprising personnel from the finance department and other relevant departments.

The list of Approved Independent Sources will be maintained by the relevant departments and reviewed by the Audit Committee on a semi-annual basis or such other periods as may be determined by the Audit Committee. The fee or rates for the services obtained by the Group shall not be less favourable to the Group than the fee of the two other quotations (wherever possible or available) from the Approved Independent Sources. Credit terms of the provision of services will be comparable to those offered by unrelated third parties. In determining the most competitive fee, all pertinent factors, including but not limited to quality, requirements, specifications, delivery time of services, industry norms, specifications, scope, size, complexity and resources required for implementation of the projects for which Mandated Interested

LETTER TO SHAREHOLDERS

Persons are providing services, restrictions, array of services including its specialists nature, local knowledge, track record and standing in the relevant markets, risk for such transactions and the attendant cost in managing such risks will be taken into consideration.

When supplying any Corporate-related Services to a Mandated Interested Person, the price or fee or profit margins and terms of two other successful transactions of a similar nature (or comparable nature) with unrelated third parties will be used as comparison to ensure that the interests of the Group or the minority Shareholders are not disadvantaged. The fee or margin for the supply of services shall not be less favourable to the Group than the fee or margin of the two other successful transactions with unrelated third parties, taking into account all pertinent factors, including but not limited to speed of and cost for timely response and mobilisation, credit records of the customer, terms of contract, duration of contract, project schedule, nature and scale of the project, strategic purpose of the transaction, scope, size, complexity and resources required for implementation of the projects for Mandated Interested Persons, restrictions, array of services including its specialists nature, local knowledge, track record and standing in the relevant markets, risk for such transactions and the attendant cost in managing such risks and other qualitative considerations.

In circumstances where quotations from unrelated/independent third party(ies) or terms of contemporaneous transactions of similar or substantially similar type of services are not available due to the nature of the services to be obtained or provided, any two (2) of Directors of the Company with no interest, direct or indirect, in the Mandated Transaction will take such necessary steps which would include but is not limited to (1) relying on corroborative inputs from reasonably experienced market practitioners in order to determine that the terms obtained from or provided to the Mandated Interested Persons are fair and reasonable; and (2) evaluate and weigh the benefits of, and rationale for transacting with the Mandated Interested Persons, taking into account factors such as, but not limited to, speed of and cost for timely response and mobilisation, credit records of the customer, terms of contract, duration of contract, project schedule, nature and scale of the project, strategic purpose of the transaction, scope, size, complexity and resources required for implementation of the projects for Mandated Interested Persons, restrictions, array of services including its specialists nature, local knowledge, track record and standing in the relevant markets, risk for such transactions and the attendant cost in managing such risks and other qualitative considerations.

(B) Approval and Review Threshold

The following approval procedures will be implemented to supplement existing internal control procedures for the Mandated Transactions to ensure that such transactions are undertaken on normal commercial terms and not prejudicial to the interest of the Group and the minority Shareholders. For the avoidance of doubt, where the approving party as stipulated herein is interested in the transaction to be approved, he/she will inform the Audit Committee and such disclosures should be documented. In the event any equivalent person with the relevant experience and responsibility, as stated below for the various thresholds cannot be determined, the approving authority shall be decided by the Audit Committee.

In relation to the asset management and investment management-related transactions, all agreements shall be reviewed and approved by the Board (including the Audit Committee) prior to entry.

Save for the asset management, investment management and business

LETTER TO SHAREHOLDERS

management-related transactions, the other individual and aggregate transactions review and approval thresholds shall be as follows:

- (a) Where the individual value of the Mandated Transactions is less than 3% of the Group's latest audited NTA, such transaction(s) shall require the prior approval of (i) either the CFO (or its equivalent person) or the CEO for the Group; and (ii) at least one (1) Director, who is not interested in the transaction and a member of the Audit Committee.
- (b) Where the individual value of the Mandated Transactions or when aggregated with other transactions entered into with the same interested person in a financial year is equal to or more than 3% of the Group's latest audited NTA, the Mandated Transactions shall require the prior approval of Audit Committee, and all subsequent Mandated Transactions shall be recommended by the CFO (or its equivalent person) or the CEO (who does not have any interest, direct or indirect, in the Mandated Transaction) to the Audit Committee prior approval of the Audit Committee. If a member of the Audit Committee is interested in any Mandated Transactions, direct or indirect, he shall abstain from participating in the review of that particular transaction. Mandated Transactions that have been approved by the Audit Committee need not be aggregated for the purpose of such approval. For the avoidance of doubt, the Audit Committee shall be responsible for such approvals.
- (c) All approvals must strictly follow the review procedures as stipulated in Sections 2.2.4(A) and 2.2.4(B) and must be documented. The documentation, including the reasons for approval where necessary, must be accompanied with supporting documents to serve as audit trails, which will be subject to internal and/or external audit.

In addition, the CFO (or equivalent person) or the CEO will review (and document such reviews) all Mandated Transactions (including Mandated Transactions that are less than S\$100,000 in value) and its register on a quarterly basis or such other periods as approved by the Audit Committee.

The approval and review threshold limits set out above are adopted by the Company taking into account, *inter alia*, the nature, volume, recurrent frequency and size of the transactions as well as the Group's day-to-day operations, administration and businesses. The approval and review threshold limits are arrived at after considering the operational efficiency for the day-to-day business operations of the Group and the internal control for the Mandated Transactions. The approval and review threshold limits act as an additional safeguard to supplement the review procedures which will be implemented by the Company for the Mandated Transactions. The Audit Committee will consider the revision of the approval and review threshold limits as and when necessary and appropriate.

(C) Additional Controls

The additional controls will apply to the Mandated Transactions as stated below.

- (a) The finance department of the Group will maintain a register of transactions (the "IPT Register") to record all interested person transactions, including interested person transactions below S\$100,000, and the transactions carried out with Mandated Interested Persons pursuant to the IPT Mandate recording and documenting, but not limited to, the identity of the interested persons, the amount of the interested person transactions, and the basis, including the comparative quotations and supporting evidence or records or details

LETTER TO SHAREHOLDERS

obtained to support such basis, on which they were entered into as well as the approving authority.

The IPT Register shall be reviewed on a quarterly basis, by the CFO (or equivalent person) or the CEO of the Company who does not have an interest, direct or indirect, in the interested person transactions and who is duly delegated to do so by the Audit Committee. This is to ensure that the interested person transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and the minority Shareholders and that the guidelines and review procedures in the IPT Mandate have been complied with. All relevant non-quantitative factors will also be taken into account. Such review includes the examination of the transaction(s) and its supporting documents or such other data deemed necessary by the Audit Committee. In addition, any exceptions or departures from the procedures shall be reported and highlighted to the Audit Committee immediately.

- (b) The CFO (or equivalent person) / CEO / Company Secretary will obtain signed letters of confirmation from persons delegated with the approving authority, key management personnel, Controlling Shareholders and the Directors on a semi-annual basis or such other period as may be determined by the Audit Committee on their respective list of interested persons.
- (c) The CFO (or equivalent person) / CEO / Company Secretary will maintain a list of the Directors and Controlling Shareholders of the Company (which is to be updated immediately if there are any changes) to enable identification of Mandated Interested Persons. The master list of Mandated Interested Persons which is maintained by the CFO (or equivalent person) / CEO / Company Secretary shall be reviewed by the Audit Committee at least on a semi-annual basis. The list of interested persons will be disseminated to the management teams and finance staff within the Group to enable identification of the interested persons, and to allow them to closely monitor transactions which are or may be deemed to be Mandated Transactions so that they can promptly report to the CFO (or equivalent person) or CEO to facilitate timely update of the IPT Register. The IPT Register will also be updated with the review procedures for the Mandated Transactions to ensure that the Mandated Transactions are carried out in accordance with the review procedures.
- (d) The Audit Committee will review the letters of confirmation from persons delegated with the approving authority, key management personnel, Controlling Shareholders and the Directors of the Company and all Mandated Transactions on a semi-annual basis or such other period as may be determined by the Audit Committee and the minutes of such review and its outcome shall be taken.
- (e) The Audit Committee shall review all the interested person transactions in the IPT Register and the internal control procedures on interested person transactions (including the Mandated Transactions under the IPT Mandate), at least on a semi-annual basis, to ensure that they are carried out on normal commercial terms and in accordance with the guidelines and review procedures in the IPT Mandate. All relevant non-quantitative factors will also be taken into account. Such review includes the examination of the transaction(s) and its supporting documents or such other data deemed necessary by the Audit Committee. The Audit Committee shall, when it deems fit, have the right to require the appointment of independent sources, advisers and/or valuers to provide additional information or review of controls

LETTER TO SHAREHOLDERS

and its implementation pertaining to the transactions under review. The outcome of such review, where applicable, shall be submitted to the Audit Committee and documented.

- (f) In the event that a member of the Audit Committee and/or his associates is interested in any interested person transaction, he shall abstain from participating in the review of that particular transaction.
- (g) The Group's annual internal audit plan shall incorporate a review on a semi-annual basis of all Mandated Transactions (where applicable), including the established review procedures for monitoring of such Mandated Transactions, entered into during the current financial year pursuant to the IPT Mandate and consistent with the Code of Corporate Governance 2018.
- (h) The Group's internal auditor shall, on at least a semi-annual basis or such other periods as required by the Audit Committee, subject to adjustment in frequency, depending on factors such as, *inter alia*, substantial increment of aggregate transactional value, report their findings to the Audit Committee on all Mandated Transactions, and the basis of such transactions, entered into with Mandated Interested Persons during the current financial period.
- (i) The Audit Committee will conduct reviews at least on a semi-annual basis or such other period as may be determined by the Audit Committee of the review procedures for the Mandated Transactions. If, during these reviews, the Audit Committee is of the view that these review procedures are no longer sufficient or appropriate to ensure that the Mandated Transactions are transacted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, it will, in consultation with the Board, take such actions as it deems appropriate in respect of such guidelines and review procedures and/or modify or implement such guidelines and review procedures. Accordingly, the Company will seek a fresh mandate from the Shareholders based on new guidelines and review procedures for the Mandated Transactions. All Mandated Transactions will be reviewed and approved by the Audit Committee prior to entry while a fresh mandate is being sought from the Shareholders.
- (j) For purposes of the above review and approval process, any Director who is not considered independent for purposes of the IPT Mandate and/or any Mandated Transactions will abstain from voting in relation to any respective resolution, and/or abstain from participating in the Audit Committee's decision during its review of the established review procedures for the Mandated Transactions or during its review or approval of any Mandated Transactions.

(D) Further Compliance

The Directors will ensure that all disclosures, approvals and other requirements in respect of the Mandated Transactions, including those required by prevailing legislation, the Catalist Rules and relevant accounting standards, are complied with.

2.2.5. Validity Period of the IPT Mandate

If approved by Shareholders at the EGM, the IPT Mandate will take effect from the date of receipt of Shareholders' approval, and will (unless revoked or varied by the Company in a general meeting) continue to be in force until the next annual general meeting or the expiration of the period within which the next annual general meeting is required by law to be held, whichever is the earlier, and will apply to all Mandated Transactions entered into from

LETTER TO SHAREHOLDERS

the date of receipt of Shareholders' approval. Approval from Shareholders will be sought for the renewal of the IPT Mandate at each subsequent annual general meeting, subject to review by the Audit Committee of its continued application to the Mandated Transactions.

2.2.6. Disclosures

The Company will announce the aggregate value of transactions conducted with the Mandated Interested Persons pursuant to the IPT Mandate for each financial period on which the Company is required to report on pursuant to Appendix 7C of the Catalist Rules and within the time required for the announcement of such report in accordance with Rule 920(1)(a)(ii) of the Catalist Rules.

Disclosure will also be made in the annual report of the Company of the aggregate value of the Mandated Transactions pursuant to the IPT Mandate during the relevant financial period and in the annual reports for the subsequent financial years during which the IPT Mandate is in force, in the following format as stipulated under Rule 907 of the Catalist Rules:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

3.1. Interests of the Directors and Substantial Shareholders in the Shares

The interests of the Directors and Substantial Shareholders' in the Shares as at the Latest Practicable Date, based on the Company's register of interest of Directors and register of Substantial Shareholders respectively, are as follows:

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Directors						
Wong Siu Fai ⁽¹⁾	-	-	114,364,352	54.63	114,364,352	54.63
Zheng Aimin	-	-	-	-	-	-
Tang An	-	-	-	-	-	-
Wang Ziquan	-	-	-	-	-	-
Substantial Shareholders						
Sunrise Wealth Management Pte. Ltd.	69,012,815	32.97	-	-	69,012,815	32.97
Sino Yu Pte. Ltd. ⁽²⁾	-	-	69,012,815	32.97	69,012,815	32.97
Prosperity Luck Overseas Inc.	45,351,537	21.66	-	-	45,351,537	21.66
China Channel Technologies Limited	23,000,000	10.99	-	-	23,000,000	10.99
Lai Su Hung ⁽³⁾	-	-	23,000,000	10.99	23,000,000	10.99

LETTER TO SHAREHOLDERS

Notes:-

- (1) *Wong Siu Fai is deemed interested in the Shares held by (a) Sunrise Wealth Management Pte. Ltd. through his 100% interest in the issued share capital of Sino Yu Pte. Ltd., and (b) Prosperity Luck Overseas Inc, through his 100% interest in the issued share capital of Prosperity Luck Overseas Inc.*
- (2) *Sino Yu Pte. Ltd. is deemed interested in the Shares held by Sunrise Wealth Management Pte. Ltd. through its 100% interest in the issued share capital of Sino Yu Pte. Ltd.*
- (3) *Lai Su Hung is deemed interested in the Shares held by China Channel Technologies Limited through his 100% interest of the issued share capital of China Channel Technologies Limited.*

3.2. Interests of the Directors and Substantial Shareholders in the Proposed Adoption of IPT Mandate

Mr Wong is interested in the Proposed Adoption of IPT Mandate by virtue of him being the Executive Director and Chairman of the Company and also the Mandated Interested Person.

SWM, PLO and SY are the interested in the Proposed Adoption of IPT Mandate by virtue of them being the Associates of Mr Wong and therefore, they are the Mandated Interested Persons.

Save for Mr. Wong Siu Fai, SWM, PLO, and SY, none of the other Directors or Substantial Shareholders of the Company has any interest, direct or indirect, in the Proposed Transaction other than through their respective shareholding interests in the Company.

4. OPINION OF THE IFA

Pursuant to Chapter 9 of the Catalist Rules, Novus Corporate Finance Pte. Ltd. has been appointed as the IFA pursuant to Rule 920 of the Catalist Rules to opine on whether the review procedures for determining the transaction prices of the Mandated Transactions, if adhered to, are sufficient to ensure that the Mandated Transactions pursuant to the proposed IPT Mandate will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

Having regard to the considerations set out in the IFA Letter and the information available to the IFA as at the Latest Practicable Date, the IFA is of the opinion that the guidelines and review procedures for determining the transaction prices of the Mandated Transactions as set out in section 2.2.4 of this Circular, if adhered to, are sufficient to ensure that the Mandated Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders.

A copy of the IFA Letter in respect of the Proposed Adoption of IPT Mandate is set out in Appendix A to this Circular. Shareholders are advised to read the IFA Letter in its entirety carefully and consider it in the context of this Circular before deciding on whether to approve the Proposed Adoption of IPT Mandate.

5. OPINION OF THE AUDIT COMMITTEE

Having reviewed the terms, rationale and benefits of the proposed IPT Mandate, the Audit Committee confirms that it concurs with the opinion of the IFA and is of the opinion that the Review Procedures proposed by the Company for the proposed IPT Mandate as set out in Section 2.2.4 of this Circular are sufficient to ensure that the Mandated Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and the minority Shareholders.

LETTER TO SHAREHOLDERS

6. RECOMMENDATION BY THE NON-INTERESTED DIRECTORS

Independent Shareholders should read and consider carefully the recommendation of the Non-Interested Directors and the opinion of the IFA in its entirety before voting for or against the Proposed Adoption of IPT Mandate. Independent Shareholders are also urged to read carefully the terms and conditions of the Proposed Adoption of IPT Mandate as set out in this Circular.

Mr. Wong Siu Fai, being an interested person under Chapter 9 of the Catalist Rules, is deemed to be interested the Proposed Adoption of IPT Mandate by virtue of his directorship in the Company, and in his capacity as a Director, he has refrained from making any voting recommendation to the Independent Shareholders in respect of the Ordinary Resolution relating to on the Proposed Adoption of IPT Mandate.

Having considered, *inter alia*, the terms, rationale and benefits of the Proposed Adoption of IPT Mandate, and the opinion of the IFA, the Non-Interested Directors are of the opinion that the Proposed Adoption of IPT Mandate is in the best interests of the Company. Accordingly, the Non-Interested Directors recommend that Shareholders vote in favour of the Ordinary Resolution relating to the Proposed Adoption of IPT Mandate at the forthcoming EGM as set out in the Notice of EGM.

The Non-Interested Directors further recommend that any Independent Shareholder who may require specific advice to consult his or her stockbroker, bank manager, solicitor, accountant or other professional adviser(s).

7. ABSTENTION FROM VOTING

Pursuant to Rule 919 of the Catalist Rules, an interested person and any Associate of the interested person shall abstain from voting on the resolution approving the interested person transactions involving themselves and their Associates. Such interested persons and their Associates shall not act as proxies nor accept appointments as proxies in relation to such resolutions unless specific voting instructions had been given by the Shareholders.

Accordingly, Mr. Wong Siu Fai, will abstain, and has undertaken to ensure that their respective Associates will abstain, from voting on the Ordinary Resolution set out in the Notice of EGM, nor accept any nominations to act as proxy for any Shareholder in approving the IPT Mandate at the EGM unless specific instructions as to voting are given by such Shareholder in the proxy instrument.

8. EXTRAORDINARY GENERAL MEETING

8.1. Circular, Notice of EGM, and Proxy Form

The EGM, notice of which is set out on pages N-1 to N-5 of this Circular, will be conducted via electronic means on 29 December 2022 at 9.30 a.m. for the purpose of considering and, if thought fit, passing with or without any modifications, the Resolution set out in the Notice of EGM.

LETTER TO SHAREHOLDERS

8.2. Attendance and participation at the EGM

Alternative arrangements have been put in place to allow Shareholders to participate in the EGM by:

- (a) watching the EGM proceedings via “live” audio-and-video webcast or listening to the EGM proceedings via “live” audio feed (“**Live Webcast**”);
- (b) submitting questions in advance of, or “live” at the EGM; and
- (c) voting at the EGM (i) “live” by the Shareholders themselves or their duly appointed proxy(ies) (other than the Chairman of the EGM)[#] via electronic means; or (ii) by appointing the Chairman of the EGM as proxy to vote on their behalf at the EGM.

[#] For the avoidance of doubt, CPF and SRS investors will not be able to appoint third party proxy(ies) (i.e. persons other than the Chairman of the EGM) to vote “live” at the EGM on their behalf.

Please refer to section 9 below and the Notice of EGM and Proxy Form for further details on the alternative arrangements.

In addition, Shareholders should note that the Company may make further changes to its EGM arrangements (including but not limited to any applicable alternative arrangements as may be prescribed or permitted (as the case may be) under the COVID-19 (Temporary Measures) Act 2020 and any regulations promulgated thereunder (including the COVID-19 Order) as well as other guidelines issued by the relevant authorities) as the situation evolves. Shareholders are advised to keep abreast of any such changes as may be announced by the Company from time to time on SGXNET.

9. ACTION TO BE TAKEN BY SHAREHOLDERS

9.1. Circular, Notice of EGM, and Proxy Form

Printed copies of this Circular, the Notice of EGM and the enclosed proxy form (the ‘**Proxy Form**’) will not be sent to Shareholders. This Circular together with the Notice of EGM and the enclosed Proxy Form may be accessed at the Company’s website at <http://sunriseshares.com/> and are also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.

9.2. Depositors

A Depositor’s name must appear on the Depository Register as at 72 hours before the time fixed for holding the EGM in order for the Depositor to be entitled to access the live audio-visual webcast or the live audio-only stream, and to vote by appointing the Chairman of the EGM as proxy at the EGM.

10. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Adoption of IPT Mandate, the Company and its subsidiaries,

LETTER TO SHAREHOLDERS

and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

In respect of the IFA Letter, the sole responsibility of the Directors has been to ensure that the facts stated with respect to the Proposed Adoption of IPT Mandate and the Group are fair and accurate in all material aspects.

11. CONSENT FROM THE IFA

Novus Corporate Finance Pte. Ltd., the IFA, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, the IFA Letter set out at Appendix A to this Circular and references thereto in the form and context in which it appears in this Circular and to act in such capacity in relation to this Circular.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 30 Cecil Street #19-08, Prudential Tower, Singapore 049712, during normal business hours for a period of three (3) months from the date of this Circular:

- (a) the Constitution of the Company;
- (b) the Annual Report of the Company for FY2021;
- (c) the IFA Letter; and
- (d) the letter of consent from the IFA referred to in Appendix A to this Circular.

Yours faithfully

For and on behalf of the Board of Directors of
SUNRISE SHARES HOLDINGS LTD

Zheng Aimin
Lead Independent Director

APPENDIX A: LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE NON-INTERESTED DIRECTORS IN RELATION TO THE PROPOSED ADOPTION OF IPT MANDATE

NOVUS CORPORATE FINANCE PTE. LTD.
(Incorporated in the Republic of Singapore)
(Company Registration Number: 201723484W)

7 Temasek Boulevard
#18-03B Suntec Tower 1
Singapore 038987

13 December 2022

To: The Non-Interested Directors of Sunrise Shares Holdings Ltd.
(in respect of the Proposed IPT Mandate (as defined below))

Zheng Aimin
Tang An
Wang Ziquan

Dear Sirs,

THE PROPOSED ADOPTION OF A GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

Unless otherwise defined or the context otherwise requires, all capitalised terms in this letter shall have the same meanings as defined in the circular dated 13 December 2022 (the “Circular”).

1. INTRODUCTION

Sunrise Shares Holdings Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) is proposing to seek approval from its shareholders (the “**Shareholders**”) for the proposed adoption of a general mandate for interested person transactions (the “**Proposed IPT Mandate**”).

Novus Corporate Finance Pte. Ltd. (“**NCF**”) has, in accordance with Chapter 9 of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”), been appointed as the independent financial adviser (the “**IFA**”) as required under Rule 920(1)(b)(v) of the Catalist Rules to provide an opinion on whether the methods or procedures for determining the transaction prices of the interested person transactions (the “**Guidelines and Review Procedures**”) pursuant to the Proposed IPT Mandate (the “**Mandated Transactions**”), if adhered to, are sufficient to ensure that the Mandated Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders (as defined herein).

This letter has been prepared pursuant to Rule 920(1)(b)(v) of the Catalist Rules as well as for the use by the directors of the Company (the “**Directors**” or “**Board**”) who are deemed to be independent in respect of the Proposed IPT Mandate (the “**Non-Interested Directors**”) in their consideration of the Proposed IPT Mandate. This letter will be incorporated as Appendix A to the Circular which provides, *inter alia*, the details of the Proposed IPT Mandate and the opinion of the audit committee of the Company (the “**Audit Committee**”) thereon.

APPENDIX A: LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE NON-INTERESTED DIRECTORS IN RELATION TO THE PROPOSED ADOPTION OF IPT MANDATE

2. TERMS OF REFERENCE

We were neither a party to the negotiations entered into by the Company in relation to the transactions contemplated under the Proposed IPT Mandate nor were we involved in the deliberations leading up to the decision of the Directors to seek the approval of the Shareholders who are deemed to be independent in respect of the Proposed IPT Mandate (the “**Independent Shareholders**”) for the adoption of the Proposed IPT Mandate. We do not, by this letter, warrant the merits of the Proposed IPT Mandate other than to form an opinion, for the purposes of Chapter 9 of the Catalist Rules, on whether the Guidelines and Review Procedures, if adhered to, are sufficient to ensure that the Mandated Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders. We have not conducted a comprehensive review of the business, operations or financial condition of the Company and its subsidiaries (collectively, the “**Group**”).

For the purposes of arriving at our opinion in respect of the Proposed IPT Mandate, we have, as the IFA appointed under Rule 920(1)(b)(v) of the Catalist Rules, taken into account the Guidelines and Review Procedures set up by the Company for determining the transaction prices of the Mandated Transactions pursuant to the Proposed IPT Mandate but have not evaluated, and have not been requested to comment on, the strategic or commercial merits or risks of the Proposed IPT Mandate or the prospects or earnings potential of the Company or the Group, and such evaluation shall remain the sole responsibility of the Directors.

We were also not required or authorised to obtain, and we have not obtained, any quotation or transacted prices from third parties for products and/or services similar to those which are to be covered by the Proposed IPT Mandate, and therefore are not able to and will not compare the transactions covered by the Proposed IPT Mandate to similar transactions with third parties.

In the course of our evaluation of the Proposed IPT Mandate, we have relied on, and assumed without independent verification, the accuracy and completeness of published information relating to the Company. We have also relied on the information provided and representations made by the Directors and the Company’s management. We have not independently verified such information, representation or assurance made by them, whether written or verbal, and accordingly cannot and do not accept any responsibility for the accuracy, completeness or adequacy of such information, representation or assurance. We have nevertheless made reasonable enquiries and exercised our judgment on the reasonable use of such information and have found no reason to doubt the accuracy or reliability of the information.

We have relied upon the Company’s representations that, after making all reasonable inquiries and to the best of the Company’s knowledge, information and belief, all material information in connection with the Proposed IPT Mandate and the Company has been disclosed to us, that such information is true, complete and accurate in all material aspects and that there is no other information or fact, the omission of which would cause any information disclosed to us or the facts of or in relation to the Company stated in the Circular to be inaccurate, incomplete or misleading in any material aspect.

Our opinion, as set out in this letter, is based upon the market, economic, political, industry, monetary and other applicable conditions subsisting on, and the information made available to us as of, 12 December 2022 (the “**Latest Practicable Date**”) prior to the issue of this letter. Such conditions may change significantly over a relatively short period of time. We assume no responsibility to update, revise or reaffirm our opinion in light of any subsequent development after the Latest Practicable Date that may affect our opinion contained herein.

In arriving at our opinion, we have not had regard to the specific investment objectives, financial situation, tax position, risk profile or unique needs and constraints of any individual

APPENDIX A: LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE NON-INTERESTED DIRECTORS IN RELATION TO THE PROPOSED ADOPTION OF IPT MANDATE

Shareholder. As each Shareholder would have different investment objectives and profiles, we would advise that any individual Shareholder who may require specific advice in relation to his or her investment objectives or portfolio should consult his or her stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

The Company has been separately advised by its own advisers in the preparation of the Circular (other than this letter). Accordingly, we take no responsibility for and state no views, express or implied, on the contents of the Circular (other than this letter).

Our opinion in respect of the Proposed IPT Mandate should be considered in the context of the entirety of this letter and the Circular.

3. BACKGROUND AND RATIONALE

The Group is principally engaged in the (i) property and construction project management activities, (ii) operations and management of hotels and franchising of hotel brands business, (iii) fund management business and (iv) investment business. The details of each of the business segment are set out in section 2.2.1 of the Circular.

The Company foresees that, from time to time, transactions will arise between the Group and the Mandated Interested Person (as defined in paragraph 4 of this letter), in the ordinary course of business to leverage on the synergies between the businesses of the Group and the Mandated Interested Persons. Such recurrent transactions are likely to occur with some degree of frequency and are part of the day-to-day operations of the Group, and could arise at any time. As such, the Company wishes to seek the Shareholders' approval for the adoption of the Proposed IPT Mandate.

As at the Latest Practicable Date, Mr Wong Siu Fai ("**Mr Wong**"), the Executive Director and Chairman of the Company, is also the Controlling Shareholder of the Company. Accordingly, Mr Wong and/or his associates constitute as interested person(s) under Chapter 9 of the Catalyst Rules. The list of the Mandated Interested Persons has been listed in paragraph 4 of this letter.

The Company is seeking the approval from the Independent Shareholders for the Proposed IPT Mandate in view of, *inter alia*, the fact that following the termination of property consultancy management agreements with New Zealand Nan Fang Investment Limited and Nan Fang (Singapore) Investment Fund Management Pte. Ltd. with effect of 30 June 2022 (as announced on 3 June 2022), the Company has no outstanding contracts on hands; and the general weakening business sentiments in the People's Republic of China ("**PRC**") in particular within the property and real estate sector. As such, with the support from the Mandated Interested Persons, the Company is now exploring possibility to expand and diversify its revenue stream by including potential revenue from potential business dealings with the Mandated Interested Persons. The Proposed IPT Mandate is also an attempt by the Company to avoid being deemed as a "cash company" pursuant to Rule 1017 of the Catalyst Rules.

In view of the time-sensitive nature of commercial transactions, and the need for smooth and efficient conduct of business which is envisaged to include entering into the Mandated Transactions which are recurring in nature or in the ordinary course of business with the Mandated Interested Persons, the Directors are seeking the approval of the Independent Shareholders (which shall exclude Shareholders who are required to abstain from voting pursuant to Rule 920(1)(b)(viii) of the Catalyst Rules) for the Proposed IPT Mandate in respect of future transactions that the Group may enter into with the Mandated Interested Persons provided that the Mandated Transactions are entered into on an arm's length basis and on normal commercial terms and are not prejudicial to the Company and its minority Shareholders.

APPENDIX A: LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE NON-INTERESTED DIRECTORS IN RELATION TO THE PROPOSED ADOPTION OF IPT MANDATE

The Proposed IPT Mandate and any subsequent renewal on an annual basis will eliminate the need for the Company to announce and convene separate general meetings on each occasion, where necessary, to seek Shareholders' approval for each separate Mandated Transaction to be entered between the Group and the Mandated Interested Person of a revenue or trading nature or those necessary for its day-to-day operations, thereby substantially reducing the time and expenses associated with the convening of such general meetings (including the engagement of external advisers and preparation of documents) on an ad hoc basis, improving administrative efficacy considerably, allowing manpower resources and time to be channelled towards attaining other corporate objectives.

4. CLASSES OF MANDATED INTERESTED PERSONS

The Proposed IPT Mandate will apply to any Mandated Transaction that are carried out between any entity within the Group with Mr Wong and/or his associates (the "**Mandated Interested Persons**"). Mr Wong's associates as at the Latest Practicable Date include, *inter alia*:

- (a) Mr Wong's immediate family members (being Huang Yi Lin, Huang Anna Yi, Huang Angela On Yee, Huang Cindy and Huang William);
- (b) the trustees of any trust of which Mr Wong or his immediate family is a beneficiary; and
- (c) companies which Mr Wong and his immediate family together (directly or indirectly) have an interest of 30% or more (being Hong Kong Sunrise Asset Management, Lion City Worldwide Limited, New Zealand Sunrise Development Limited, Prosperity Luck Overseas Inc, Sino Yu Pte. Ltd., Sunrise Wealth Management Pte. Ltd., and Sunrise Wealth Management Family Office Pte. Ltd.).

5. CATEGORIES OF MANDATED TRANSACTIONS

The categories of the Mandated Transactions which will be covered by the Proposed IPT Mandate are as follows:

Asset Management, Investment and Business Management-related transactions

The Group may enter into contracts to provide asset management, investment advisory services, and business management services to the Mandated Interested Person. Such services will include, *inter alia*:

- (a) the undertaking on behalf of the Mandated Interested Persons (whether on a discretionary authority granted by the Mandated Interested Persons or otherwise) the management of a portfolio of asset or securities or futures contracts, or foreign exchange trading and leveraged foreign exchange trading for the purpose of managing the Mandated Interested Persons' asset and fund;
- (b) the managing and maintaining the asset and investment portfolio of the Mandated Interested Persons, conducting investments and executing transactions for the asset and funds managed by the Group, market research and analysis, formulation and implementation of investment strategies and solutions; and
- (c) such other services ancillary as may be required by the Mandated Interested Persons for the business, *inter alia*, the relevant period reports for monitoring and administering the investments.

APPENDIX A: LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE NON-INTERESTED DIRECTORS IN RELATION TO THE PROPOSED ADOPTION OF IPT MANDATE

Property and Real Estate Project Management Services

The Group may provide services to the Mandated Interested Persons in relation to property development projects which include:

- (a) pre-planning/pre-development consultancy services such as marketing and pricing strategy and project financial feasibility assessment;
- (b) design and implementation services such as architectural design, provision of engineering expertise and construction management services; and
- (c) post-completion professional review and management services such as rectification of defects and conduct post-mortem review of the development projects (collectively, the “**Property and Real Estate Project Management Services**”).

The nature, project scope, duration and the transaction values of the Property and Real Estate Project Management Services is dependent on, *inter alia*, the size of the land and the projected development value or cost of the land by the owner. Due to the nature of the Property and Real Estate Project Management Services, it is envisaged that the duration of such transaction between the Group and the Mandated Interested Persons will spread over several years and payment from the Mandated Interested Persons to the Group will be based on an agreed payment schedule stipulated in the contracts or agreements upon meeting specific milestones.

Real Estate Agency Services

The Group may enter into contracts to provide real estate agency services such as the marketing and sale of industrial, commercial and/or residential properties owned by or that will be owned by the Mandated Interested Persons. The Group will execute the sale, purchase and/or lease of properties that are owned or developed by or that will be owned or developed by the Mandated Interested Persons. The Group may also market the properties owned or developed by the Mandated Interested Persons solely or jointly with other real estate agencies. Such services may commence during the development phase of the properties and include the conduct of show-flat events to create awareness about the new development properties.

Facilities Management Services

The Group may enter into contracts to provide facilities management services for industrial, commercial and/or residential properties owned by or that will be owned by the Mandated Interested Persons. Such services include revenue management, occupancy improvements, cost management and property maintenance.

Secondment of staff

From time to time, secondment of staff might take place between the Group and the Mandated Interested Persons to meet the respective company's operational needs and/or expertise requirements (for example, in the areas of management and technical knowledge or know-how).

Corporate-related Services

The Group may provide and/or obtain corporate-related services to or from the Mandated Interested Persons, which include (but are not limited to) rental of meeting facilities, administrative and support services, *inter alia*, for corporate events, potential and/or existing business development, business relations, investment/project risk review, information technology, and management information systems, intellectual property rights, human

APPENDIX A: LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE NON-INTERESTED DIRECTORS IN RELATION TO THE PROPOSED ADOPTION OF IPT MANDATE

resources, insurance, corporate communications (including investor relations), taxation, accounting, internal audit, central purchasing, corporate secretarial services and any other professional, administrative and support services that may arise from time to time.

For the avoidance of doubt, the Proposed IPT Mandate does not extend to the purchase or sale of assets, undertakings or businesses between the Group and the Mandated Interested Persons. The Proposed IPT Mandate will also not cover any Mandated Transactions that is below S\$100,000 in value as the threshold and aggregation requirements of Chapter 9 of the Catalyst Rules would not apply to such transactions.

Transactions by the Group with the Mandated Interested Persons that do not fall within the ambit of the Proposed IPT Mandate shall be subject to the relevant provision of Chapter 9 of the Catalyst Rules and/or other applicable provisions of the Catalyst Rules.

6. GUIDELINES AND REVIEW PROCEDURES FOR MANDATED TRANSACTIONS UNDER THE PROPOSED IPT MANDATE

Any proposed Mandated Transactions to be entered into between the Group and the Mandated Interested Persons shall be subject to the following Guidelines and Review Procedures:

6.1 Review Procedures

To ensure that the Mandated Transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and the minority Shareholders, the Group has put in place the following Guidelines and Review Procedures for the Mandated Transactions under the Proposed IPT Mandate to ensure that transactions with the Mandated Interested Persons are made on normal commercial terms, and are consistent with the Group's usual business practices and policies, and consistent or comparable with the usual margins or historical margins or costs (where applicable), rates (including commission) or fees extended to or received by the Group for the same or substantially similar type of transactions between the Group and unrelated third parties, and the terms of the Mandated Transactions are (a) not more favourable to the Mandated Interested Persons compared to those extended to unrelated third parties, or (b) not less favourable to the Group than the terms offered by unrelated third parties.

The Audit Committee of the Company (which currently comprises Mr Tang An (chairman), Mr Zheng Aimin, and Mr Wang Ziquan) will also review the Mandated Transactions at least on a semi-annual basis, and provides its prior approval for the Mandated Transactions in accordance with the Guidelines and Review Procedures to ensure that all Mandated Transactions are conducted on normal commercial terms and are not prejudicial to the interests of the Company or the minority Shareholders.

The following Guidelines and Review Procedures will be implemented after having regard to the nature of the Mandated Transactions and the criteria for establishing such review procedures, which is to ensure that such review procedures are adequate and/or commercially practicable in ensuring that the Mandated Transactions are conducted on normal commercial terms, are in the interest of the Company and are not prejudicial to the interests of the Company and minority Shareholders:

Asset Management, Investment and Business Management-related transactions

The terms of the asset management and/or investment and business management services including the terms and scope of services provided, the rate and fees such as management fees charged as well as performance fees, shall take into account the Group's usual business practices and all other relevant factors, including but not limited to, the nature, size and risk

APPENDIX A: LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE NON-INTERESTED DIRECTORS IN RELATION TO THE PROPOSED ADOPTION OF IPT MANDATE

profile, type of collateral provided, composition of the investment, the rate of returns, the prevailing market fee structures, tenure of investments, information from comparable funds and assets including fees charged by other third party fund and assets service providers for funds and assets that they manage and which are comparable in terms of nature, size and risk profile, and the complexity of the services rendered, where relevant.

The terms of the asset management and/or investment and business management services shall be submitted by senior key personnel of the management team or the investment committee (which will comprise members of the management team and third party advisers as may be approved by the Audit Committee from time to time) to the Directors (who does not have any interest, direct or indirect, in the Mandated Transaction) for approval.

The terms of two (2) other contemporaneous successful transactions of a similar or substantially similar type of services with unrelated third parties will be used as a comparison to ensure that the terms of the Mandated Transactions are no more favourable to the Mandated Interested Persons than the usual commercial terms extended to at least two (2) unrelated third parties.

In circumstances where comparable terms of contemporaneous transactions of similar or substantially similar types of services are not available due to the nature of the services to be provided, the Board will discuss, deliberate, understand and decide on the nature and extent of the Group's undertaking in such arrangement or contract, including any risk mitigation steps as may be required. The Board will take into account the prevailing market fee structures, tenure of investments, information from comparable funds and assets including fees charged by other third party fund and assets service providers for funds and assets that they manage and which are comparable in terms of nature, size and risk profile, and the complexity of the services rendered, where relevant, as well as input from third party professional, where applicable.

In the event that the Board does not approve the terms of the asset management and/or investment and business management services, the Group will not enter into the agreement with the Mandated Interested Persons.

In the event that any of the Directors is interested in the Mandated Transaction, he shall abstain from participating in the review and approval of the transaction.

Property and Real Estate Project Management Services / Real Estate Agency Services / Facilities Management Services

When providing any services to a Mandated Interested Person, all Mandated Transactions shall be conducted at the prevailing market rate or fee offered by the Group and in accordance with the Group's usual business practices and policies, consistent or comparable with the usual margins or historical margins or fees (where applicable), rates (including commission) or fees extended by the Group for the same or substantially similar type of services and on terms which shall be no more favourable than the usual commercial terms extended to other unrelated third parties.

The fee or profit margins and terms of two (2) other contemporaneous transactions of a similar or substantially similar type of services with unrelated third parties will be used as a comparison to ensure that the fee or profit margins and terms of the Mandated Transaction are no more favourable than the usual commercial terms extended to the unrelated third parties.

The fee or profit margins for the supply of services shall not be less favourable to the Group than the fee or profit margins of the two (2) other contemporaneous successful transactions with unrelated third parties, taking into account all pertinent factors, including but not limited to, speed of and cost for timely response and mobilisation, credit records of the customer, terms

APPENDIX A: LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE NON-INTERESTED DIRECTORS IN RELATION TO THE PROPOSED ADOPTION OF IPT MANDATE

of contract, duration of contract, project schedule, nature and scale of the project, amount of investment required, market conditions in the property market, strategic purpose of the transaction, scope, size, complexity and resources required for implementation of the projects for Mandated Interested Persons, preferential or relatively advantageous access to assets and buyers, asset type, restrictions, array of services including its specialists nature, local knowledge, track record and standing in the relevant markets, risk for such transactions and the attendant cost in managing such risks and other qualitative considerations.

In circumstances where terms of contemporaneous transactions of similar or substantially similar type of services are not available due to the nature of the services to be provided, any two (2) of Directors of the Company with no interest, direct or indirect, in the Mandated Transaction will take such necessary steps which would include but is not limited to (1) relying on corroborative inputs from reasonably experienced market practitioners in order to determine that the terms provided to the Mandated Interested Persons are fair and reasonable; and (2) evaluate and weigh the benefits of, and rationale for transacting with the Mandated Interested Persons, taking into account factors such as, but not limited to, speed of and cost for timely response and mobilisation, credit records of the customer, terms of contract, duration of contract, project schedule, nature and scale of the project, amount of investment required, market conditions in the property market, strategic purpose of the transaction, scope, size, complexity and resources required for implementation of the projects for Mandated Interested Persons, preferential or relatively advantageous access to assets and buyers, asset type, restrictions, array of services including its specialists nature, local knowledge, track record and standing in the relevant markets, risk for such transactions and the attendant cost in managing such risks and other qualitative considerations.

The terms including, *inter alia*, payment schedule stipulated in the contracts or agreements should be in accordance and consistent with the Group's usual practices and policies extended to unrelated third parties for the same or substantially similar type of Property and Real Estate Project Management Services, real estate agency services and facilities management services and the payment terms and/or schedules are not less favourable to the Group compared to those extended to unrelated third parties.

Secondment of Staff

In the case of the secondment of staff to or from a Mandated Interested Person (being an entity), the details of the staff who rendered services to or from the Group will be obtained, including the identity of the seconded staff and the salary of the seconded staff which shall be determined on a pro-rated basis taking into consideration, *inter alia*, the remuneration (including bonuses, allowances or other monetary benefit, and other accompanying terms and conditions of employment under his or her employment contract), and the actual time spent by the relevant staff which will be recorded in such records as may be required by the Audit Committee from time to time including a timesheet either with the Company or the Mandated Interested Person (being an entity), when relevant. For the avoidance of doubt, such fees payable to or by the Group pursuant to services obtained or provided may be billed on a periodic basis or on a lump sum basis taking into account the provisions for "cost-over runs" and the agreed period for such services.

The fees for the secondment of staff to or from the Mandated Interested Person (being an entity) shall be based on the actual costs incurred by the Group or the Mandated Interested Person plus a mark-up (when relevant) (as the case may be) with reference to the prevailing employment expenses or fee of the secondment of staff that would be incurred by the Group or the Mandated Interested Person (as the case may be) if the Group or the Mandated Interested Person (as the case may be) is to employ such new staff from an unrelated third party.

The total employment expenses or fees payable by the Group to the Mandated Interested Persons shall not be more favourable to the Mandated Interested Persons as compared to

APPENDIX A: LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE NON-INTERESTED DIRECTORS IN RELATION TO THE PROPOSED ADOPTION OF IPT MANDATE

employing such new staff from an unrelated third party and *vice versa*, after taking into account all pertinent factors including, but not limited to, the actual total employment expenses incurred, the on-going requirements of time spent by the seconded staff, the estimated percentage of time spent by the seconded staff, the efficiency, the expertise and familiarity of the work process of the seconded staff.

The approval of any secondment of staff to the Mandated Interested Person should also be approved by the head of the human resources department or such other senior management personnel as designated by the Audit Committee of the Group (who must not have any interest, direct or indirect, in the Mandated Transaction) after considering, *inter alia*, (a) the needs of the Group and its projects, (b) the availability of the staff, and (c) the expertise of the staff. In the event that the head of human resources department has any interest, direct or indirect, the chief executive officer of the Group (“**CEO**”) or the chief financial officer of the Group (“**CFO**”) (or its equivalent person), shall approve such secondment.

Corporate-related Services

When obtaining any corporate-related services from a Mandated Interested Person, in order to ensure that the interests of the Group or the minority Shareholders are not disadvantaged, comparison will be made with at least two (2) quotations from unrelated/independent third parties as a basis for comparison, from independently verifiable and reliable sources as approved by the Audit Committee from time to time (the “**Approved Independent Sources**”), with advice from relevant employees of the Company with management responsibilities comprising personnel from the finance department and other relevant departments.

The list of Approved Independent Sources will be maintained by the relevant departments and reviewed by the Audit Committee on a semi-annual basis or such other periods as may be determined by the Audit Committee. The fees or rates for the services obtained by the Group shall not be less favourable to the Group than the fee of the two (2) other quotations (wherever possible or available) from the Approved Independent Sources. Credit terms of the provision of services will be comparable to those offered by unrelated third parties. In determining the most competitive fee, all pertinent factors, including but not limited to, quality, requirements, specifications, delivery time of services, industry norms, specifications, scope, size, complexity and resources required for implementation of the projects for which Mandated Interested Persons are providing services, restrictions, array of services including its specialists nature, local knowledge, track record and standing in the relevant markets, risk for such transactions and the attendant cost in managing such risks will be taken into consideration.

When supplying any corporate-related services to a Mandated Interested Person, the price or fee or profit margins and terms of two (2) other successful transactions of similar nature (or comparable nature) with unrelated third parties will be used as comparison to ensure that the interests of the Group and the minority Shareholders are not disadvantaged. The fee or margin for the supply of services shall not be less favourable to the Group than the fee or margin of the two (2) other successful transactions with unrelated third parties, taking into account all pertinent factors, including but not limited to, speed of and cost for timely response and mobilisation, credit records of the customer, terms of contract, duration of contract, project schedule, nature and scale of the project, strategic purpose of the transaction, scope, size, complexity and resources required for implementation of the projects for Mandated Interested Persons, restrictions, array of services including its specialists nature, local knowledge, track record and standing in the relevant markets, risk for such transactions and the attendant cost in managing such risks and other qualitative considerations.

In circumstances where quotations from unrelated/independent third parties or terms of contemporaneous transactions of similar or substantially similar type of services are not available due to the nature of the services to be obtained from or provided, any two (2) of Directors of the Company with no interest, direct or indirect, in the Mandated Transaction will

APPENDIX A: LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE NON-INTERESTED DIRECTORS IN RELATION TO THE PROPOSED ADOPTION OF IPT MANDATE

take such necessary steps which would include but is not limited to (1) relying on corroborative inputs from reasonably experienced market practitioners in order to determine that the terms obtained from or provided to the Mandated Interested Persons are fair and reasonable, and (2) evaluate and weigh the benefits of, and rationale for transacting with the Mandated Interested Persons, taking into account factors such as, but not limited to, speed of and cost for timely response and mobilisation, credit records of the customer, terms of contract, duration of contract, project schedule, nature and scale of the project, strategic purpose of the transaction, scope, size, complexity and resources required for implementation of the project for Mandated Interested Persons, restrictions, array of services including its specialists nature, local knowledge, track record and standing in the relevant markets, risk for such transactions and the attendant cost in managing such risks and other qualitative considerations.

6.2 Approval and Review Threshold

The following approval procedures will be implemented to supplement existing internal control procedures for the Mandated Transactions to ensure that such transactions are undertaken on normal commercial terms and not prejudicial to the interests of the Company and the minority Shareholders. For the avoidance of doubt, where the approving party as stipulated herein is interested in the transaction to be approved, he/she will inform the Audit Committee and such disclosures should be documented. In the event any equivalent person with the relevant experience and responsibility, as stated below for the various thresholds cannot be determined, the approving authority shall be decided by the Audit Committee.

In relation to the asset management and investment, and business management-related transactions, all agreements shall be reviewed and approved by the Board (including the Audit Committee) prior to entry.

Save for the asset management, investment management, and business management-related transactions, the other individual and aggregate transactions review and approval thresholds shall be as follows:

- (a) Where the individual value of the Mandated Transactions is less than 3% of the Group's latest audited NTA, such transaction(s) shall require the prior approval of (i) either the CFO (or its equivalent person) or the CEO for the Group; and (ii) at least one Director, who is not interested in the transaction and a member of the Audit Committee.
- (b) Where the individual value of the Mandated Transactions or when aggregated with other transactions entered into with the same interested person in a financial year is equal to or more than 3% of the Group's latest audited NTA, the Mandated Transactions shall require the prior approval of Audit Committee, and all subsequent Mandated Transactions shall be recommended by the CFO (or its equivalent person) or the CEO (who does not have any interest, direct or indirect, in the Mandated Transactions) to the Audit Committee, prior to the approval of the Audit Committee. If a member of the Audit Committee is interested in any Mandated Transactions, he shall abstain from participating in the review of that particular transaction. The Mandated Transactions that have been approved by the Audit Committee need not be aggregated for the purpose of such approval. For the avoidance of doubt, the Audit Committee shall be responsible for such approvals.

APPENDIX A: LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE NON-INTERESTED DIRECTORS IN RELATION TO THE PROPOSED ADOPTION OF IPT MANDATE

- (c) All approvals must strictly follow the Guidelines and Review Procedures and must be documented. The documentation, including the reasons for approval where necessary, must be accompanied with supporting documents to serve as audit trails, which will be subject to internal and/or external audit.

In addition, the CFO (or equivalent person) or the CEO will review (and document such reviews) all Mandated Transactions (including Mandated Transactions that are less than S\$100,000 in value) and its register on a quarterly basis or such other periods as approved by the Audit Committee.

The approval and review threshold limits set out above are adopted by the Company taking into account, *inter alia*, the nature, volume, recurrent frequency and size of the transactions as well as the Group's day-to-day operations, administration and businesses. The approval and review threshold limits are arrived at after considering the operational efficiency for the day-to-day business operations of the Group and the internal control for the Mandated Transactions. The approval and review threshold limits act as an additional safeguard to supplement the review procedures which will be implemented by the Company for the Mandated Transactions. The Audit Committee will consider the revision of the approval and review threshold limits as and when necessary and appropriate.

6.3 Additional Controls

The additional controls will apply to the Mandated Transactions as stated below:

- (a) The finance department of the Group will maintain a register of transactions (the "**IPT Register**") to record all interested person transactions, including interested person transactions below S\$100,000, and the transactions carried out with Mandated Interested Persons pursuant to the Proposed IPT Mandate recording and documenting, but not limited to, the identity of the interested persons, the amount of the interested person transactions, and the basis, including the comparative quotations and supporting evidence or records or details obtained to support such basis, on which they were entered into as well as the approving authority. The IPT Register shall be reviewed on a quarterly basis, by the CFO (or equivalent person) or the CEO of the Company who does not have an interest, direct or indirect, in the interested person transactions and who is duly delegated to do so by the Audit Committee. This is to ensure that the interested person transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and the minority Shareholders, and that the Guidelines and Review Procedures have been complied with. All relevant non-quantitative factors will also be taken into account. Such review includes the examination of the transaction(s) and its supporting documents or such other data deemed necessary by the Audit Committee. In addition, any exceptions or departures from the procedures shall be reported and highlighted to the Audit Committee immediately.
- (b) The CFO (or equivalent person) / CEO / Company Secretary will obtain signed letters of confirmation from persons delegated with the approving authority, key management personnel, Controlling Shareholders and the Directors of the Company on a semi-annual basis or such other period as may be determined by the Audit Committee on their respective list of interested persons.
- (c) The CFO (or equivalent person) / CEO / Company Secretary will maintain a list of the Directors and Controlling Shareholders of the Company (which is to be updated immediately if there are any changes) to enable identification of Mandated Interested Persons. The master list of Mandated Interested Persons which is maintained by the CFO (or equivalent person) / CEO / Company Secretary shall be reviewed by the Audit Committee at least on a semi-annual basis. The list of interested persons will be disseminated to the management teams and finance staff within the Group to enable

APPENDIX A: LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE NON-INTERESTED DIRECTORS IN RELATION TO THE PROPOSED ADOPTION OF IPT MANDATE

identification of the interested persons, and to allow them to closely monitor transactions which are or may be deemed to be Mandated Transactions so that they can promptly report to the CFO (or equivalent person) or CEO to facilitate timely update of the IPT Register. The IPT Register will also be updated with the Guidelines and Review Procedures for the Mandated Transactions to ensure that the Mandated Transactions are carried out in accordance with the Guidelines and Review Procedures.

- (d) The Audit Committee will review the letters of confirmation from persons delegated with the approving authority, key management personnel, Controlling Shareholders and the Directors of the Company and all Mandated Transactions on a semi-annual basis or such other period as may be determined by the Audit Committee and the minutes of such review and its outcome shall be taken.
- (e) The Audit Committee shall review all the interested person transactions in the IPT Register and the internal control procedures on interested person transactions (including the Mandated Transactions under the Proposed IPT Mandate), at least on a semi-annual basis, to ensure that they are carried out on normal commercial terms and in accordance with the Guidelines and Review Procedures in the Proposed IPT Mandate. All relevant non-quantitative factors will also be taken into account. Such review includes the examination of the transaction(s) and its supporting documents or such other data deemed necessary by the Audit Committee. The Audit Committee shall, when it deems fit, have the right to require the appointment of independent sources, advisers and/or valuers to provide additional information or review of controls and its implementation pertaining to the transactions under review. The outcome of such review, where applicable, shall be submitted to the Audit Committee and documented.
- (f) In the event that a member of the Audit Committee and/or his associates is interested in any interested person transaction, he shall abstain from participating in the review of that particular transaction.
- (g) The Group's annual internal audit plan shall incorporate a review on a semi-annual basis of all Mandated Transactions (where applicable), including the established review procedures for monitoring of such Mandated Transactions, entered into during the current financial year pursuant to the Proposed IPT Mandate and consistent with the Code of Corporate Governance 2018.
- (h) The Group's internal auditor shall, on at least a semi-annual basis or such other periods as required by the Audit Committee, subject to adjustment in frequency, depending on factors such as, *inter alia*, substantial increment of aggregate transactional value, report their findings to the Audit Committee on all Mandated Transactions, and the basis of such transactions, entered into with Mandated Interested Persons during the current financial period.
- (i) The Audit Committee will conduct reviews at least on a semi-annual basis or such other period as may be determined by the Audit Committee of the Guidelines and Review Procedures for the Mandated Transactions. If, during these reviews, the Audit Committee is of the view that such Guidelines and Review Procedures are no longer sufficient or appropriate to ensure that the Mandated Transactions are transacted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, it will, in consultation with the Board, take such actions as it deems appropriate in respect of such guidelines and review procedures and/or modify or implement such guidelines and review procedures. Accordingly, the Company will seek a fresh mandate from the Shareholders based on new guidelines and review procedures for the Mandated Transactions. All Mandated Transactions will

APPENDIX A: LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE NON-INTERESTED DIRECTORS IN RELATION TO THE PROPOSED ADOPTION OF IPT MANDATE

be reviewed and approved by the Audit Committee prior to entry while a fresh mandate is being sought from the Shareholders.

- (j) For purposes of the above review and approval process, any Director who is not considered independent for purposes of the Proposed IPT Mandate and/or any Mandated Transactions will abstain from voting in relation to any respective resolution, and/or abstain from participating in the Audit Committee's decision during its review of the established Guidelines and Review Procedures for the Mandated Transactions or during its review or approval of any Mandated Transactions.

6.4 Further Compliance

The Directors will ensure that all disclosures, approvals and other requirements in respect of the Mandated Transactions, including those required by prevailing legislation, the Catalist Rules and relevant accounting standards, are complied with.

7. VALIDITY PERIOD OF THE PROPOSED IPT MANDATE

If approved by Independent Shareholders at the extraordinary general meeting to be held by the Company, the Proposed IPT Mandate will take effect from the date of receipt of Shareholders' approval, and will (unless revoked or varied by the Company in a general meeting) continue to be in force until the next annual general meeting or the expiration of the period within which the next annual general meeting is required by law to be held, whichever is the earlier, and will apply to all Mandated Transactions entered into from the date of receipt of Shareholders' approval. Approval from Shareholders will be sought for the renewal of the Proposed IPT Mandate at each subsequent annual general meeting, subject to review by the Audit Committee of its continued application to the Mandated Transactions.

8. DISCLOSURE OF MANDATED TRANSACTIONS

The Company will announce the aggregate value of transactions conducted with the Mandated Interested Persons pursuant to the Proposed IPT Mandate for each financial period which the Company is required to report on pursuant to Appendix 7C of the Catalist Rules and within the time required for the announcement of such reports in accordance with Rule 920(1)(a)(ii) of the Catalist Rules.

Disclosure will also be made in the annual report of the Company of the aggregate value of the Mandated Transactions pursuant to the Proposed IPT Mandate during the relevant financial period and in the annual reports for subsequent financial years during which the Proposed IPT Mandate is in force, in accordance with the requirements of Rule 907 of the Catalist Rules.

APPENDIX A: LETTER FROM THE INDEPENDENT FINANCIAL ADVISER TO THE NON-INTERESTED DIRECTORS IN RELATION TO THE PROPOSED ADOPTION OF IPT MANDATE

9. OPINION

In arriving at our opinion in respect of the Proposed IPT Mandate, we have considered, *inter alia*, the Guidelines and Review Procedures set up by the Company, the role of the Audit Committee in enforcing the Guidelines and Review Procedures for the Mandated Transactions pursuant to the Proposed IPT Mandate and the rationale for the Proposed IPT Mandate.

Having regard to the considerations set out in this letter and the information available to us as at the Latest Practicable Date, we are of the opinion that the Guidelines and Review Procedures for determining the transaction prices of the Mandated Transactions as set out in section 2.2.4 of the Circular, if adhered to, are sufficient to ensure that the Mandated Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Independent Shareholders.

This letter has been prepared pursuant to Rule 920(1)(b)(v) of the Catalist Rules as well as for the use of the Non-Interested Directors in their consideration of the Proposed IPT Mandate.

Whilst a copy of this letter may be reproduced in Appendix A to the Circular, neither the Company nor the Directors may reproduce, disseminate or quote this letter (or any part thereof) for any other purpose at any time and in any manner without the prior written consent of NCF in each specific case, except for any matter in relation to the Proposed IPT Mandate. Our opinion is governed by and construed in accordance with the laws of Singapore and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours truly,
For and on behalf of
Novus Corporate Finance Pte. Ltd.

Andrew Leo
Chief Executive Officer

Lau Sze Mei
Associate Director

NOTICE OF EXTRAORDINARY GENERAL MEETING



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

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Sunrise Shares Holdings Ltd. (the “**Company**”) will be held by way of electronic means on 29 December 2022 at 9.30 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the resolution as set out below.

All capitalised terms used in this Notice which are not defined herein shall have the meanings ascribed to them in the circular to the shareholders of the Company dated 29 December 2022.

ORDINARY RESOLUTION

THE PROPOSED ADOPTION OF THE IPT MANDATE

That:

- (a) pursuant to Chapter 9 of the Listing Manual – Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (“**Catalist Rules**”), approval be and is hereby given for the Company, and any of its subsidiaries and associated companies that is an “entity at risk” (as defined in Chapter 9 of the Catalist Rules), to enter into transactions with any of the Mandated Interested Persons (as defined in the Circular) under the proposed IPT Mandate (as defined in the Circular) for the Mandated Transactions (as defined in the Circular), provided that such transactions are made on normal commercial terms which are not prejudicial to the interests of the Company and its minority Shareholders (as defined in the Circular) and are in accordance with the review procedures for the proposed IPT Mandate as set out in the Circular;
- (b) the Directors of the Company and each of them to be authorised to take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as they/he may consider necessary, desirable, expedient or in the interests of the Company to give effect to the Proposed Adoption of IPT Mandate and/or this resolution; and
- (c) the authority conferred by this resolution shall, unless revoked or varied by the Company in a general meeting, continue to be in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

By Order of the Board

Shirley Tan Sey Liy
Company Secretary
Singapore, 13 December 2022

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes relating to measures to minimise the risks of the spread of COVID-19:

1. Pursuant to the COVID-19 (Temporary Measures) Act that was passed by Parliament on 7 April 2020 and the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 issued by the Minister of Law on 13 April 2020 (as amended from time to time), provide legal certainty such that issuers are able to make alternative arrangements to hold general meetings where personal attendance is required under written law or legal instruments (such as a company's constitution). A joint statement was also issued by the Monetary Authority of Singapore, the Accounting and Corporate Regulatory Authority and the Singapore Exchange Regulation on 13 April 2020 to provide guidance on the conduct of general meetings during the period when elevated safe distancing measures are in place. As such, the EGM will be convened and held by way of **electronic means and shareholders will NOT be allowed to attend the EGM in person**. Printed copies of this Notice will not be sent to members. Instead, this Notice will be sent to members by electronic means via publication on the Company's corporate website at the <http://sunriseshares.com/> and the following URL: <https://conveneagm.com/sg/sunrise2022egm2>. This Notice will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
2. Alternative arrangements are instead put in place to allow shareholders to participate in the EGM by:
 - (a) watching or listening to the EGM proceedings via a Live Webcast (as defined below). Shareholders who wish to participate as such will have to pre-register in the manner outlined in Note 3 to 7 below;
 - (b) submitting of questions in advance of or "live" at the EGM. Please refer to Notes 8 to 13 below for further details; and
 - (c) voting (i) "live" by the Shareholders themselves or their duly appointed proxy(ies) (other than the Chairman of the EGM) via electronic means; or (ii) by appointing the Chairman of the EGM as proxy to vote on their behalf at the EGM. Please refer to Notes 14 to 19 below for further details.

Participation in the EGM via live webcast or live audio feed

3. A shareholder of the Company or their corporate representatives (in the case of a member which is a legal entity) will be able to watch or listen to the proceedings of the EGM through a live webcast via mobile phone, tablet or computer ("**Live Webcast**"). In order to do so, the member must pre-register by 9.30 a.m. on 27 December 2022, being 48 hours before the time appointed for the EGM ("**Registration Cut-Off Time**"), at the following URL: <https://conveneagm.com/sg/sunrise2022egm2> ("**Sunrise EGM Website**"), to create an account.
4. Following authentication of his/her/its status as a shareholder of the Company, such shareholder will receive an email on their authentication status and will be able to access the Live Webcast using the account created.
5. Shareholders who have registered by the Registration Cut-Off Time in accordance with paragraph 3 above but do not receive an email response by 9.30 a.m. on 28 December 2022 may contact the Company by 5.00 p.m. on 28 December 2022 for assistance at the following email address: sunriseshares@126.com, with the following details included: (1) the shareholder's full name; (2) his/her/its identification/company registration number; and (3) the manner in which the shares are held (e.g. via The Central Depository (Pte) Limited ("**CDP**"), Central Provident Fund ("**CPF**") Investment Scheme, or Supplementary Retirement Scheme ("**SRS**").

NOTICE OF EXTRAORDINARY GENERAL MEETING

6. Non-CPF/SRS holders whose shares are registered under Depository Agents (“DAs”) must **also** contact their respective DAs to indicate their interest in order for their respective DAs to make the necessary arrangements for them to participate in the Live Webcast of the EGM proceedings.
7. Corporate shareholders must also submit the Corporate Representative Certificate to Company at sunriseshares@126.com, in addition to the registration procedures as set out in paragraph (3) above, by the Registration Cut-Off Time, for verification purpose.

Submission of questions in advance of or “live” at the EGM

8. Shareholders and Investors may submit substantial and relevant questions related to the resolution to be tabled for approval for the EGM in advance of, or "live" at, the EGM.

How to submit questions in advance of EGM

9. Shareholders and Investors may submit questions in advance of the EGM in the following manner:
 - (a) via the Sunrise EGM Website; or
 - (b) by post to the Company’s registered office at 30 Cecil Street #19-08 Prudential Tower Singapore 049712.

All questions submitted in advance of the EGM must be received by the Company no later than 21 December 2022 at 9.30 a.m. to be treated as valid.

10. Shareholders and Investors submitting questions are required to state:
 - (a) their full name as it appears on his/her/its CDP/CPF/SRS records;
 - (b) their identification/registration number; and
 - (c) the manner in which his/her/its shares in the Company are held (e.g. via CDP, CPF, or SRS),failing which the Company shall be entitled to regard the submission as invalid and not respond to the question(s) submitted.
11. The Company will endeavour to address all substantial and relevant questions relating to the resolution to be tabled for approval at the EGM as received from Shareholders and Investors before the EGM on SGXNET and the Company's website at <http://sunriseshares.com/> or during the EGM. Company will also address subsequent clarifications sought or follow-up questions
12. The Company will publish the minutes of the EGM on SGXNet and the Company's website within one month after the date of the EGM and the minutes will include the responses to the questions referred to above.

How to submit questions “live” at the EGM

13. Shareholders and Investors may submit questions “live” at the EGM in the following manner:
 - (a) Shareholders or where applicable, their appointed proxy(ies) and Investors who have pre-registered and are verified to attend the EGM can ask questions relating to the ordinary resolution tabled for approval at the EGM "live" at the EGM, by typing in and submitting their questions through the "live" ask-a-question function via the audio-visual webcast platform during the EGM within a certain prescribed time limit.
 - (b) Shareholders who wish to appoint a proxy(ies) (other than the Chairman of the EGM) to ask questions "live" at the EGM on their behalf must, in addition to completing and submitting an instrument appointing a proxy(ies), ensure that their proxy(ies) pre-register separately via the registration link that will be sent to the appointed proxy(ies) via email by the EGM service provider, support@conveneagm.com Convene SG , upon verification of the Proxy Form(s).

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (c) Shareholders (including CPF and SRS Investors) or, where applicable, their appointed proxy(ies) must access the EGM proceedings via the "live" audio-visual webcast in order to ask questions "live" at the EGM, and will not be able to do so via the audio-only stream of the EGM proceedings.
- (d) The Company will, during the EGM itself, address as many substantial and relevant questions (which are related to the resolution to be tabled for approval at the EGM) which have not already been addressed prior to the EGM, as well as those received "live" at the EGM itself, as reasonably practicable. Where there are substantially similar questions, the Company will consolidate such questions; consequently, not all questions may be individually addressed.

Voting "live" at the EGM or by proxy

- 14. A member who is not a Relevant Intermediary*, entitled to attend and vote at the EGM is entitled to appoint not more than two proxies to attend, speak and vote in his/her stead at the EGM of the Company. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shareholding to be represented by each proxy in the form of proxy. A proxy need not be a member of the Company. The accompanying proxy form for the EGM may be accessed via the Sunrise EGM Website, the Company's corporate website at the URL: <http://sunriseshares.com/>, and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
- 15. A member who is a relevant intermediary may appoint one or more proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member.
- 16. The instrument appointing a proxy or proxies must be submitted to the Company in the following manner:
 - (a) in the electronic format accessible on the Sunrise EGM Website;
 - (b) if submitted by post, be lodged at the Company's registered office of the Company at 30 Cecil Street #19-08 Prudential Tower Singapore 049712 or
 - (c) if submitted electronically, be submitted via email to the Company at sunriseshares@126.com,

in either case **by no later than the Registration Cut-Off Time.**

In the case of submission of the Proxy Form other than via the Sunrise EGM Website, a member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

Members are strongly encouraged to submit completed proxy forms electronically via email.

- 17. In the case of submission of the Proxy Form other than via the Sunrise EGM Website, the instrument appointing the proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing the proxy or proxies is executed by a corporation, it must be executed either under its common seal or signed on its behalf by its attorney duly authorised in writing or by an authorised officer of the corporation. Where the instrument appointing the proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument, failing which the instrument may be treated as invalid.
- 18. An investor who holds shares under the CPF Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investor**") (as may be applicable) and wishes to vote,

NOTICE OF EXTRAORDINARY GENERAL MEETING

should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes to appoint the Chairman of the EGM as their proxy, at least 7 working days before the EGM.

19. A Depositor's name must appear on the Depository Register maintained by CDP as at 72 hours before the time fixed for holding the EGM in order for the Depositor to be entitled to vote.

*"Relevant Intermediary" means:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity;
or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

PERSONAL DATA PRIVACY

By pre-registering for the Live Webcast, submitting the Proxy Form appointing the proxy(ies) and/or representative(s) to vote at the EGM and/or any adjournment thereof, and/or submitting questions relating to the resolution to be tabled for approval at the EGM or the Company's businesses and operations, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration, analysis and facilitation by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

*This Notice 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 "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this Notice, including the correctness of any of the statements or opinions made or reports contained in this Notice.*

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

PROXY FORM

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

IMPORTANT:

1. The Extraordinary General Meeting ("EGM") is being convened by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Order 2020. Member will not be able to physically attend the EGM.
2. Alternative arrangements relating to the attendance of the EGM through electronic means, as well as conduct of the EGM and relevant guidance with full details are set out in the accompanying Company's Notice of EGM dated 13 December 2022, which can be accessed via the SGX website at: <https://www.sgx.com/securities/company-announcements>.
3. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investors") and wishes to vote should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes to appoint the Chairman of the EGM as their proxy, at least 7 working days before the EGM.
4. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

**EXTRAORDINARY GENERAL MEETING
PROXY FORM**

(Please see notes overleaf before completing this Form)

I/We, _____ (Name) NRIC /Passport No./Co. _____
Registration No. _____ (Address)
of _____
being *a member/members of **SUNRISE SHARES HOLDINGS LTD.** ("**Company**"), hereby appoint:

Name	Address	Email Address [^]	NRIC/Passport Number	Proportion of Shareholdings to be presented by Proxy	
				No of Shares	%

*and/or (delete as appropriate)

Name	Address	Email Address [^]	NRIC/Passport Number	Proportion of Shareholdings to be presented by Proxy	
				No of Shares	%

[^] Appointed proxy(ies) will be prompted via email (within 2 business days after the Company's receipt of a validly completed and submitted proxy form) to pre-register at the pre-registration website which is accessible from the URL: <https://conveneagm.com/sq/sunrise2022egm2> in order to access the "live" audio-visual webcast or "live" audio-only stream of the Extraordinary General Meeting proceedings.

or failing him/her, the Chairman of the Extraordinary General Meeting of the Company (the "**Meeting**"), as *my/our proxy/proxies to attend and vote for *me/us on *my/our behalf at the Meeting to be held by way of electronic means on 29 December 2022 at 9.30 a.m. and at any adjournment thereof. *I/We direct *my/our proxy/proxies to vote for or against, or abstain from voting on the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, (i) the *proxy/proxies (except for the Chairman of the Meeting) will vote or abstain from voting at *his/her/their discretion, as *he/she/they will on any other matter arising at the EGM and at any adjournment thereof; or (ii) the appointment of Chairman of the Meeting as proxy for the resolution will be treated as invalid at the EGM and at any adjournment thereof.

PROXY FORM

No.	Resolution relating to:	No. of Votes 'For'**	No. of Votes 'Against'**	No. of Votes 'Abstain'**
Ordinary Business				
1	To approve the Proposed Adoption of IPT Mandate			

* Delete where inapplicable

** If you wish to exercise all your votes 'For' or 'Against' or 'Abstain', please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.

Dated this day of 2022

.....
*Signature of Member
 and/or, Common Seal of Corporate
 Shareholder*

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

IMPORTANT: Please read notes overleaf

PROXY FORM

NOTES TO PROXY FORM

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing proxy or proxies shall be deemed to relate to all the Shares held by you. The proxy form can be downloaded from SGXNet and company website.
2. **The Extraordinary General Meeting (“EGM”) will be convened and held by way of electronic means and members will not be able to attend the EGM in person.** A member of the Company who is not a Relevant Intermediary entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. Where a member who is not a Relevant Intermediary appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. A member who is a Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).
5. Subject to note 8, completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.
6. The instrument appointing a proxy or proxies must be submitted to the Company in the following manner:
 - (a) via the following URL: <https://conveneagm.com/sg/sunrise2022egm2> (“Sunrise EGM Website”), in the electronic format accessible on the Sunrise EGM Website;
 - (b) if submitted by post, be lodged at the Company’s registered office of the Company at 30 Cecil Street #19-08 Prudential Tower Singapore 049712; or
 - (c) if submitted electronically, be submitted via email to the Company at sunriseshares@126.com,

in either case **by no later than 9.30 a.m. on 27 December 2022, being forty-eight (48) hours before the time appointed for the EGM.**

In the case of submission of the Proxy Form other than via the Sunrise EGM Website, a member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

Members are strongly encouraged to submit completed proxy forms electronically either through the Sunrise EGM Website or via email to the Company.

7. In the case of submission of the Proxy Form other than via the Sunrise EGM Website, the instrument appointing the proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing the proxy or proxies is executed by a corporation, it must be executed either under its common seal or signed on its behalf by its attorney duly authorised in writing or by an authorised officer of the corporation. Where the instrument appointing the proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument, failing which the instrument may be treated as invalid.
8. An investor who holds shares under the Central Provident Fund (“CPF”) Investment Scheme (“CPF Investor”) and/or the Supplementary Retirement Scheme (“SRS Investor”) (as may be applicable) and wishes to vote, should approach their respective CPF Agent Banks and/or SRS Operators who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting, at least seven (7) working days before the EGM.

* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

PROXY FORM

- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

By submitting an instrument appointing proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 13 December 2022.