



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

INTERESTED PERSON TRANSACTION – CONSULTANCY AND MANAGEMENT SERVICE AGREEMENT ENTERED INTO WITH HONG KONG SUNRISE ASSET MANAGEMENT (“HKSAM”)

*Capitalised terms used herein, unless otherwise defined, shall have the definitions ascribed to them in the circular (“**Circular**”) dated 13 December 2022 in relation to, inter alia, the proposed adoption of the IPT Mandate as defined therein. The IPT Mandate was approved by the Independent Shareholders at an extraordinary general meeting (“**EGM**”) on 29 December 2022.*

1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of Sunrise Shares Holdings Ltd. (the “**Company**”, and together with its subsidiaries, collectively the “**Group**”) wishes to announce that its indirect wholly-owned subsidiary, Hong Kong Sunrise Consultant Limited (“**HKSC**”) has entered into a consultancy and management service agreement (the “**Agreement**”) dated 30 December 2022 with Hong Kong Sunrise Asset Management (“**HKSAM**”) in connection with the provision of consultancy management services by HKSC to HKSAM.

The Agreement has been executed pursuant to the general mandate (“**IPT Mandate**”) as approved by the Independent Shareholders of the Company (as defined in the Circular) at the EGM pursuant to Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), Section B: Rules of Catalist (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 such Mandated Transactions (as defined in the Circular) with the Mandated Interested Persons (as defined in the Circular)..

2. DETAILS OF THE INTERESTED PERSON

HKSAM is a company incorporated in Hong Kong and its principal activity is global regional asset property operations, and is wholly-owned by Mr Wong Siu Fai (“**Mr Wong**”).

Mr Wong is the Executive Director and Chairman of the Company and the controlling shareholder of the Company as defined in the Catalist Rules.

Mr Wong is deemed interested in the shares in the Company (“**Shares**”) held by:-

- (a) 69,012,815 Shares (approximately 32.97% of the issued Shares) held by Sunrise Wealth Management Pte. Ltd. through his 100% interest in the issued share capital of Sino Yu Pte. Ltd.; and
- (b) 45,351,537 Shares (approximately 21.66% of the issued Shares) held by Prosperity Luck Overseas Inc, through his 100% interest in the issued share capital of Prosperity Luck Overseas Inc.

HKSAM is an entity named as an Mandated Interested Person in the Circular and is considered as an “interested person” for the purposes of Chapter 9 of the Catalist Rules, as it is an associate of Mr Wong.

Accordingly, the Agreement would constitute an Interested Person Transaction (“**IPT**”) pursuant to Chapter 9 of the Catalist Rules and a transaction within the IPT Mandate as approved by Independent Shareholders at the EGM.

3. AGREEMENT AS IPT

HKSCCL and HKSAM had on 30 December 2022 entered into the Agreement in connection with the provision of consultancy management services by HKSCCL to HKSAM.

The entry into the Agreement was in the ordinary course of business of HKSCCL and is subject to the IPT Mandate as approved by Independent Shareholders.

The salient terms of the Agreement are, *inter alia*, as follows:-

- (a) During the term of the Agreement, HKSCCL shall provide HKSAM with management services including but not limited to asset management; asset reorganization; asset merger and acquisition; cooperative investment; cooperative development; engineering, construction; fiscal and tax law affairs; and other related business cooperation and management services. These may involve, *inter alia*, industrial/commercial/residential land property project design and development, engineering construction, decoration distribution, equipment purchase, facility maintenance, planning and promotion, sales agents, leasing and purchase, property management, financial evaluation, investment pricing, personnel secondment, professional review and other business cooperation and management services. For avoidance of doubt, during the term of the Agreement, HKSCCL will not be providing any underwriting service or loans or advances of whatsoever nature to HKSAM.
- (b) The period of the Agreement is set for ten (10) year, from the effective date of this Agreement. The Agreement will be automatically renewed yearly if neither party proposes to terminate after the expiration.
- (c) The agreed basic consultation fee payable by HKSAM is S\$720,000 per year (which is to be paid on quarterly basis in advance, being S\$180,000 per quarter).
- (d) Meanwhile, the specific appointed consultancy services negotiated by both parties are charged according to the service content and fee charging standards which will be agreed in writing by both parties in advance.
- (e) HKSCCL shall not assume profitability responsibility or business risk of HKSAM.
- (f) Either party can terminate the Agreement by giving to the other party one (1) month's notice in writing if HKSCCL cannot meet HKSAM's requirements and expectations, or HKSAM has significant hidden peril and risk.

Notwithstanding the tenure of the Agreement, it is subject to IPT Mandate as approved by Shareholders at the EGM. The IPT Mandate will take effect from the date of receipt of Shareholders' approval being 29 December 2022, 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 including this Agreement entered into. 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 the Company ("**Audit Committee**") of its continued application to the Mandated Transactions.

As at the date of this announcement the Audit Committee comprises Mr. Tang An, Mr. Zheng Aimin and Mr. Wang Ziquan

The Company will where applicable make such announcements at a later date for any specific appointed consultancy services negotiated and agreed by both parties.

4. TOTAL IPTS WITH THE SAME INTERESTED PERSON FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2022 (“FY2022”) AND THE TOTAL IPTS FOR FY2022

As at the date of this announcement, information of the interested persons transactions entered into between the Group and the same interested person as described in paragraphs 2 and 3 above for the current financial year ending 2022, are set out below:

Name of interested person	Details of Interested Transaction	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) including the Agreement
HKSAM	As described pursuant to paragraph 3 above	Nil	S\$7,200,000 ¹

Note:

1. Based on the fees payable for the 10-year period, which is, *inter alia*, subject to the Independent Shareholders' approval at the forthcoming annual general meeting and subsequently at each annual general meeting. The IPT Mandate for which the Agreement is subject to will take effect from 29 December 2022 being 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 till 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 including this Agreement entered into. 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.

The Group has obtained the IPT Mandate from the Independent Shareholders for the Mandated Transactions on 29 December 2022. There were no interested party transactions of or over S\$100,000 in value during the financial year. Accordingly, no Shareholders' approval is required to be sought for the Agreement.

Based on the latest audited consolidated financial statements of the Company for the financial year ended 31 December 2021, (the “**Group's Audited NTA**”) is approximately S\$5,691,268.

The estimated value of the Agreement to the Company as at the date of the Agreement is approximately S\$7,200,000 and this represents approximately 126.5% of the Group's Audited NTA.

The aggregate value of all interested person transactions (excluding transactions that are less than S\$100,000) entered into between the Group and the same interested person for the financial year ending 2022 including the Agreement is approximately S\$7,200,000. This represents approximately 126.5% of the Group's Audited NTA.

As an illustration in the event that the aggregate value of this transaction is annualised (as the Agreement is subject to the Independent Shareholders' approval at the forthcoming annual general meeting and subsequently at each annual general meeting based on a 10 year period) save for, *inter alia*, the periods commencing from the date of the Agreement and ending on the date for the forthcoming annual general meeting, and date commencing from the ninth annual general meeting thereafter till 29 December 2031, the annual value of the transaction will be approximately S\$720,000 (or approximately 12.65% of the Group's Audited NTA).

As the aggregate value of the interested person transactions exceeds 5% of the Group's Audited NTA and as it involves, *inter alia*, asset management and investment management-related transactions, the Agreement has been reviewed and approved by the Board (including the Audit Committee) save for Mr Wong, prior to entry and pursuant to all the procedures as set forth in the Circular.

The entry into the Agreement will not have any impact on the net tangible assets per share and earnings per share of the Group for the current financial year ended 31 December 2022 as it will only commence

with effect from 30 December 2022. However, the entry into the Agreement is expected to have a material positive impact on the net tangible assets per share and earnings per share of the Group for the financial year ending 31 December 2023.

5. STATEMENT OF THE AUDIT COMMITTEE

The Audit Committee of the Company had considered and reviewed the terms of, the rationale for and benefit of the above Agreement and is of the view that the Agreement is in accordance to the IPT Mandate (including but not limited to the procedures as stipulated in the Circular) as approved by the Independent Shareholders and is on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders. The Audit Committee has previously opined on the Mandated Transactions in the Company's Circular dated 13 December 2022.

6. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed above and save for their shareholdings in the Company, none of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Agreement.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Agreement and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

Where information in the announcement (including information relating to HKSAM) 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 the announcement in its proper form and context.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Agreement 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 announcement.

BY ORDER OF THE BOARD

Mr. Zheng Aimin
Lead Independent Director
30 December 2022

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

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