

Issuer: Sunrise Shares Holdings Ltd.

Security: Sunrise Shares Holdings Ltd.

Meeting details:

Date: 26 April 2017

Time: 10:00H

Venue: Room 332, Level 3 Suntec Singapore Convention & Exhibition Centre,
1 Raffles Boulevard, Suntec City Singapore 039593

Company Description

Sunrise Shares Holdings Ltd., together with its subsidiaries, engages in trading and distributing electrical products to the construction and property industries in Singapore, Malaysia, and internationally. The company operates through Electrical Trading, Electrical Manufacturing, and Investment Holding segments. It also manufactures, assembles, and sells electrical distribution and control equipment, and lighting accessories. The company was formerly known as ITE Electric Co Ltd and changed its name to Sunrise Shares Holdings Ltd. in January 2017. Sunrise Shares Holdings Ltd. was founded in 1982 and is based in Singapore.

(Source: http://www.sgx.com/wps/portal/sgxweb/home/company_disclosure/stockfacts?code=581)

Q1. The board of directors, comprising all new board directors, was appointed on 9 September 2016 following a change in the shareholding structure of the company. The company had also changed its name to Sunrise Shares Holdings Ltd on 26 January 2017.

As announced via SGXNET, the Company had on 24 March 2017 allotted and issued 41,000,000 new ordinary shares to subscribers at the issue price of S\$0.0468 per share representing gross proceeds of approximately S\$1.92 million, which are going to be utilised to develop the “Sunrise (旭飞)” brand and diversify into new business segments (page 23 of the annual report).

- a) **Can the Board help shareholders understand the new identity of the company “Sunrise (旭飞)” better and let shareholders know how much of the proceeds from the share placement will be used to develop the brand?**
- b) **Can the Board elaborate further on how it is going to develop the brand? What are some of the plans and initiatives to develop the Sunrise (旭飞) brand?**

It was also disclosed in the company’s announcement dated 25 August 2016 that the purchaser and also the new substantial shareholder of the company is associated with Hong Kong Sunrise Holdings Limited and its group of companies (the “Sunrise Group”). Also, certain members of the current Board are associated with the Sunrise Group.

- c) **Shareholders would like to know if there are ongoing collaboration or discussions on business opportunities with the Sunrise Group in Hong Kong.**

Q2. The group has proposed to diversify its current core business to include other areas of interest comprising operation and management of property development, hospitality operation and services, as well as fund management (page 3).

- a) **Shareholders would like to know what plans the Board / management have to turn around the company which has been incurring losses for several years.**

In the circular to shareholders dated 10 April 2017, under section 2.2.1 Fund Management Business, the company noted that fund management in Singapore is a regulated activity under the Securities and Futures Act, and is subject to the supervision and regulation of Monetary Authority of Singapore.

- b) **Should shareholders’ approval be obtained for the proposed diversification into fund management business, how long will the registration of the company (and/or a subsidiary of the company) as a Registered Fund Management Company take?**

As disclosed in the announcement dated 16 September 2016, the group’s wholly-owned subsidiary, Sunrise Industrial (Singapore) Pte. Ltd., was incorporated with the (i) Property Fund Management Including REIT Managers and (ii) Real Estate Investment Trusts (REITs) with Rental Income listed as the principal activities.

- c) **Can shareholders understand if the group is still considering going into the business of real estate investment trust management?**

Q3. In Note 26 (page 70 – Related parties: Key management personnel compensation), the group has recognised \$98,700 in advisory fees payable to “Other directors” in 2016 (2015: Nil). This relates to the “two-year contract with Aw Cheok Huat, a director of certain Group entities, for the provision of corporate advisory services to the Group”. Mr Aw was the previous Chairman of the company.

- a) **Can shareholders understand the nature and extent of the corporate advisory services?**
- b) **When was the contract entered into?**
- c) **Following Mr. Aw Cheok Huat’s resignation from the company’s board on 9 September 2016, can shareholder understand Mr. Aw’s role as director of the group entities which he still retains?**