

**SUNRISE SHARES HOLDINGS LTD.**

Registration No. 198201457Z

Unaudited Full Year Financial Statements And Dividend Announcement for the Financial Year Ended 31 December 2017

**PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

<u>Income Statement</u>	Note	GROUP		
		Full Year ended 31.12.2017 S\$'000	Full Year ended 31.12.2016 S\$'000	% Difference
Revenue		14,181	12,100	17%
Changes in inventories of finished goods and work in progress		(8,764)	(8,297)	6%
Raw material and consumable used		(454)	(605)	-25%
Sub-contract work		(683)	-	NM
Other income	1	252	469	-46%
Staff costs		(2,073)	(2,213)	-6%
Depreciation charge on property, plant and equipment		(51)	(35)	47%
Other expenses	2	(2,115)	(1,707)	24%
Finance costs		(4)	(8)	-49%
Profit/(Loss) before tax		289	(297)	NM
Tax expense	3	(329)	(77)	NM
Loss for the year		(40)	(374)	-89%
Loss attributable to :- Owners of the Company		(40)	(374)	-89%
Loss for the year		(40)	(374)	-89%
<u>Statement of Comprehensive Income</u>				
Loss for the year		(40)	(374)	-89%
Other comprehensive Profit/(Loss)				
Items that are or may be reclassified subsequently to profit or loss:				
Foreign currency translation difference arising from the translation of foreign operations		56	(59)	NM
Other comprehensive profit/(loss), net of tax		56	(59)	NM
Total comprehensive profit/(loss) for the year		16	(433)	NM
Total comprehensive profit/(loss) attributable to :-				
Owners of the Company		16	(433)	NM
Non-controlling interests		-	-	NM
		16	(433)	NM

Note : NM - Not Meaningful

1(a)(ii) Notes to the Income Statement

Note 1

Other income includes the following :-

- 1) Gain on disposal of property, plant and equipment
- 2) Foreign exchange gain (net)
- 3) Interest income
- 4) Rental income
- 5) Rebates received
- 6) Others

Note 2

Other expenses include the following :-

- 1) Allowance for doubtful receivables
- 2) Allowance for inventory obsolescence
- 3) Audit fees paid to:
  - auditors of the company
  - other auditors
- 4) Non audit fees paid to:
  - other auditors fee
- 5) Operating lease rental
- 6) Others

Note 3

Income tax expenses include :-

- 1) Current year:
  - Income tax

GROUP	
Full Year ended 31.12.2017 S\$'000	Full Year ended 31.12.2016 S\$'000
5	-
31	19
29	28
-	250
92	24
95	148
<b>252</b>	<b>469</b>
148	19
207	30
82	63
54	14
6	10
351	776
1,267	795
<b>2,115</b>	<b>1,707</b>
<b>329</b>	<b>77</b>
<b>329</b>	<b>77</b>

The current taxation expenses are incurred by profit-making subsidiaries.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	GROUP		COMPANY	
	31.12.2017 S\$'000	31.12.2016 S\$'000	31.12.2017 S\$'000	31.12.2016 S\$'000
<b>Assets</b>				
<b>Non-Current Assets</b>				
Property, plant and equipment	253	157	-	-
Subsidiaries	-	-	7,399	7,072
Deferred tax assets	124	95	-	-
Long term receivable/loan	458	0	-	-
	<b>835</b>	<b>252</b>	<b>7,399</b>	<b>7,072</b>
<b>Current Assets</b>				
Inventories	2,287	2,100	-	-
Trade and other receivables	4,931	3,315	879	69
Cash and cash equivalents	3,676	2,877	117	124
	<b>10,894</b>	<b>8,292</b>	<b>996</b>	<b>193</b>
<b>Total Assets</b>	<b>11,729</b>	<b>8,544</b>	<b>8,395</b>	<b>7,265</b>
<b>Equity</b>				
Share capital	24,937	23,018	24,937	23,018
Reserves	(16,445)	(16,459)	(17,017)	(16,207)
Equity Attributable to owners of the Company	<b>8,492</b>	<b>6,559</b>	<b>7,920</b>	<b>6,811</b>
<b>Total Equity</b>	<b>8,492</b>	<b>6,559</b>	<b>7,920</b>	<b>6,811</b>
<b>Liabilities</b>				
<b>Non-Current Liability</b>				
	-	-	-	-
<b>Current Liabilities</b>				
Trade and other payables	2,551	1,643	145	124
Loan from shareholder	330	330	330	330
Current tax liabilities	356	13	-	-
	<b>3,237</b>	<b>1,986</b>	<b>475</b>	<b>454</b>
<b>Total Liabilities</b>	<b>3,237</b>	<b>1,986</b>	<b>475</b>	<b>454</b>
<b>Total Equity and Liabilities</b>	<b>11,729</b>	<b>8,544</b>	<b>8,395</b>	<b>7,265</b>

1(b)(ii) Aggregate amount of the Group's borrowings and debt securities.

	As at 31.12.2017		As at 31.12.2016	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount payable in one year or less, on demand	-	-	-	-

Details of collateral

The bank borrowings of certain subsidiaries were secured by legal charges over the Group's leasehold land and building, fixed deposits and corporate guarantee provided by the Company.

1(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Full Year ended 31.12.2017 S\$'000	Full Year ended 31.12.2016 S\$'000
<b><u>Cash Flows from Operating Activities</u></b>		
Loss for the year	(40)	(374)
Adjustments for :-		
Allowance for doubtful receivables	148	17
Allowance for inventory obsolescence	207	28
Depreciation charge on property, plant and equipment	51	35
Interest income	(29)	(28)
Interest expense	4	8
Tax expense	329	77
Operating cash flow before working capital changes	670	(237)
Change in working capital:		
Trade and other receivables	(1,616)	1,096
Inventories	(374)	205
Trade and other payables	794	(424)
Cash generated from operations	(525)	640
Income tax paid	(46)	(81)
Cash flows from operating activities	(571)	559
<b><u>Cash Flows from Investing Activities</u></b>		
Interest received	29	28
Loan to non related party	(458)	
Acquisition of property, plant and equipment	(143)	(45)
Cash flows (used in) investing activities	(572)	(17)
<b><u>Cash Flows from Financing Activities</u></b>		
Deposits pledged	-	559
Interest paid	(4)	(8)
Repayment of financial liabilities and other borrowings	-	(203)
Loan from shareholder	-	330
Issuance of share	1,919	-
Cash flows (used in)/from financing activities	1,915	678
Net increase in cash and cash equivalents	772	1,220
Cash and cash equivalents at beginning of the year	2,877	1,674
Effect of exchange rate changes on cash balances held in foreign currencies	27	(17)
Cash and cash equivalents at end of the year	3,676	2,877
Represented by :-		
Cash at bank and in hand	3,676	2,149
Fixed deposits	-	728
Less: Deposits pledged	-	-
	3,676	2,877

1(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENT OF CHANGES IN EQUITY	Attributable to equity holders of the Company					Total Equity
	Share Capital	Foreign currency translation reserve	Other reserves	Accumulated losses	Total	
<b>GROUP (S\$'000)</b>						
At 1 January 2017	23,018	(1,172)	77	(15,366)	6,557	6,557
Issuance of shares	1,919	-	-	-	1,919	1,919
Total comprehensive Profit Profit for the year	-	-	-	(40)	(40)	(40)
Other comprehensive profit: Foreign currency translation differences arising from the translation of foreign operations	-	56	-	-	56	56
Total comprehensive profit for the year	-	56	-	(40)	16	16
At 31 December 2017	24,937	(1,116)	77	(15,406)	8,492	8,492
At 1 January 2016	23,018	(1,113)	77	(14,992)	6,990	6,990
Total comprehensive loss Loss for the year	-	-	-	(374)	(374)	(374)
Other comprehensive loss: Foreign currency translation differences arising from the translation of foreign operations	-	(59)	-	-	(59)	(59)
Total comprehensive loss for the year	-	(59)	-	(374)	(433)	(433)
At 31 December 2016	23,018	(1,172)	77	(15,366)	6,557	6,557

COMPANY (S\$'000)	Attributable to equity holders of the Company		
	Share Capital	Accumulated losses	Total
At 1 January 2017	23,018	(16,207)	6,811
Issuance of shares	1,919	-	1,919
Profit for the year/representing total comprehensive profit for the year	-	(810)	(810)
At 31 December 2017	24,937	(17,017)	7,920
At 1 January 2016	23,018	(15,968)	7,050
Income for the year/representing total comprehensive income for the year	-	(239)	(239)
At 31 December 2016	23,018	(16,207)	6,811

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were 41,000,000 ordinary shares issued in 2017 and the share capital increased 1,918,800 respectively. The Company does not have any outstanding convertible securities or held any treasury shares or subsidiary holdings as at 31 December 2016 and 31 December 2017.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediate preceding year.

	Share Capital	Ordinary Shares
Total number of shares as at 31 December 2017	24,936,695	178,337,290
Total number of shares as at 31 December 2016	23,017,895	137,337,290

1(d)(iv) A statement showing all sales, transfers, cancellaton and / or use of treasury shares as at the end of the current financial period reported on.

Not applicable. There were no treasury shares held by company during and as at the end of the current financial year reported on.

1(d)(v) A statement showing all sales, transfers, cancellaton and / or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. There were no subsidiary holding during and as at the end of the current financial year reported on.

2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have neither been audited nor reviewed by the Company's auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Save as disclosed in Paragraph 5 below, the Group has adopted the same accounting policies and methods of computation as those in the audited financial statements for the financial year ended 31 December 2016.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted all the new and revised accounting standards where relevant to its operations and effective for the annual periods beginning on or after 1 January 2017. The adoption of the new and revised accounting standards which are relevant to its operations did not result in any significant financial impact on the results of the Group.

6 Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year.

	Full Year ended 31.12.2017 cents	Full Year ended 31.12.2016 cents
Profit /(Loss) per ordinary share for the financial period		
(i) Basic loss per share [1a]	(0.02)	(0.27)
(ii) Diluted loss per share [1b]	(0.02)	(0.27)

Notes :

1a: Basic earning per share is calculated by dividing the total profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the current financial period of 178,337,290 ordinary shares (2016: 137,337,290 ordinary shares).

1b: Diluted loss per share are the same as earnings per share as there are no potentially dilutive ordinary shares for the financial year ended 31 December 2017 and 31 December 2016.

- 7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

GROUP		COMPANY	
31.12.2017 cents	31.12.2016 cents	31.12.2017 cents	31.12.2016 cents
4.76	4.78	4.44	4.96

Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on

Note :

- (i) The net asset value per ordinary share is calculated based on the issued share capital of 178,337,290 ordinary shares as at 31 December 2017 (137,337,290 ordinary shares as at 31 December 2016).
- (ii) The Group's and the Company's net asset value per ordinary share were calculated based on the net assets of the Group and the Company over the number of ordinary shares in issue as at respective balance sheet date.
- 8 A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

#### Review of Performance

The Group reported revenue of S\$14.2 million in the year ended 31 Dec 2017 ("FY2017") as compared to S\$12.1 million in the year ended 31 Dec 2016 ("FY2016"), an increase of 17% or S\$2 million. The increase is mainly due to revenue recorded by the property management segment in China.

Other income decreased from S\$469,000 in FY2016 to S\$252,000 in FY2017, a decrease of 46% or S\$217,000. The decrease is mainly due to the decrease in rental income.

Depreciation charge on property, plant and equipment increased from S\$35,000 in FY 2016 to S\$51,000 in FY 2017 mainly due to the increase of depreciation for new equipment .

As a result of the above, the Group reported profit before tax of S\$289,000 in FY2017 as compared to loss before tax of S\$297,000 in FY2016. After taking into account income tax expense of S\$329,000, the Group reported net loss of S\$40,000 in FY2017 as compared to a net loss of S\$374,000 in FY2016.

#### Review on working capital, assets and liabilities

The movements in assets and liabilities are as follows:-

##### 1) Non-Current Assets

(a) Property, plant and equipment increased mainly due to the additions of equipment during the year.

##### 2) Current Assets

(a) The increase of S\$1.6 million in trade and other receivables is mainly due to the increase in receivables from the property management segment which the group will receive payment in the first quarter of FY2018.

(b) Cash and cash equivalents increased mainly due to the issuance of shares.

##### 3) Current Liabilities

(a) The main reason for the increase in current tax liabilities is due to the increased business turnovers occurred in the property man:

The Group had a positive working capital of S\$7.7 million as at 31 December 2017, an increase of S\$1.4 million as compared to the positive working capital position of S\$6.3 million reported as at 31 December 2016.

#### Cash Flow Analysis

The Group reported a net increase in cash and cash equivalents of S\$0.8 million for FY2017, mainly from cash received from issuance of share.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

There was no forecast or prospect statement disclosed to the shareholders in the previous announcement.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

The Group expects the property management business to contribute the major part of the revenue next year as it continues to grow.

In light of the current economic conditions, the Group expects the electrical trading and electrical manufacturing business remain challenging in the next 6 to 12 months.

11 Dividend

(a) Current Financial Period Reported On :

(i) Any dividend declared for the current financial period reported on? No

(ii) Any dividend recommended for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Period

Any dividend declared for the corresponding period of the immediately preceding financial period? No

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12 If no dividend has been declared / recommended, a statement to that effect

No dividend has been declared or recommended for financial year ended 31 December 2017.

13 If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions is required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for interested person transactions.  
There were no interested person transactions during the financial year ended 31 December 2017.



- 14 Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited financial statements, with comparative information for the immediately preceding year.

By Business Activity

	Electrical Trading S\$'000	Electrical Manufacturing S\$'000	Property Management S\$'000	Total S\$'000
<b>31 December 2017</b>				
Revenue				
External revenue	12,231	36	1,914	14,181
Inter-segment revenue	170	656	-	826
Total revenue	12,401	692	1,914	15,007
Reportable segment profit/(loss) before tax	(32)	(7)	1,162	1,123
Tax expense	(35)	(4)	(291)	(330)
Reportable segment profit/(loss) for the year	(67)	(11)	871	793
Other material non-cash items				
- Allowance for obsolete stocks	194	13	-	207
- Allowance for doubtful receivables	148	-	-	148
- Depreciation charge on property, plant and equipment	49	2	-	51
	391	15	-	406
Capital expenditure	-	-	-	-
Reportable segment assets	7,386	919	1,970	10,275
Reportable segment liabilities	1,558	78	1,103	2,739
<b>31 December 2016</b>				
Revenue				
External revenue	12,009	91	-	12,100
Inter-segment revenue	12	777	-	789
Total revenue	12,021	868	-	12,889
Interest income	7	21	-	28
Finance costs	(6)	(2)	-	(8)
Reportable segment profit/ (loss) before tax	(74)	16	-	(58)
Tax expense	(72)	(5)	-	(77)
Reportable segment profit/ (loss) for the year	(146)	11	-	(135)
Other material non-cash items				
- Allowance for obsolete stocks	20	-	-	20
- Allowance for doubtful receivables	17	-	-	17
- Depreciation charge on property, plant and equipment	32	3	-	35
	69	3	-	72
Capital expenditure	45	-	-	45
Reportable segment assets	7,353	893	-	8,246
Reportable segment liabilities	1,413	154	-	1,567

**By Business Activity (Continued)**

Reconciliation of reportable segment revenue, profit or loss, assets and liabilities an other material items

	Full Year ended 31.12.2017 S\$'000	Full Year ended 31.12.2016 S\$'000
Revenue		
Total revenues for reportable segments	15,007	12,889
Elimination of inter-segment revenue	(826)	(789)
Consolidated revenue	<u>14,182</u>	<u>12,100</u>
Assets		
Total assets for reportable segments	10,275	8,246
Unallocated assets		
- Other receivables	9	79
- Cash and cash equivalents	1,321	124
Deferred tax assets	124	95
Consolidated total assets	<u>11,729</u>	<u>8,544</u>
Liabilities		
Total liabilities for reportable segments	2,739	1,567
Loan from shareholder	330	330
Unallocated liabilities		
- Other payables	168	76
Current tax liabilities		13
Consolidated total liabilities	<u>3,237</u>	<u>1,986</u>

**Geographical Information**

The electrical trading and manufacturing segments are managed locally but operate in two principal countries namely Singapore and Malaysia. The Property Management segment operate mainly in China.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

	External Revenue S\$'000	Non-current assets S\$'000
<b><u>31 December 2017</u></b>		
Singapore	8,813	116
Malaysia	2,812	136
China	1,914	458
Other countries	643	-
	<u>14,182</u>	<u>710</u>
<b><u>31 December 2016</u></b>		
Singapore	8,695	45
Malaysia	3,252	112
Other countries	153	-
	<u>12,100</u>	<u>157</u>

- 15 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to paragraph 8 above for further details.

16 A breakdown of sales.

	Full Year ended 31.12.2017 S\$'000	Full Year ended 31.12.2016 S\$'000	% Change
Sales reported for first half year	5,846	6,333	-8%
Profit/(Loss) after tax before deducting non-controlling interest reported for first half year	(474)	(66)	618%
Sales reported for second half year	8,335	5,767	45%
Profit / Loss after tax before deducting non-controlling interest reported for second half year	434	(308)	NM

17 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

No dividend were declared for the financial year 2017 and 2016.

18 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10). If there are no such person, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Ng Clarence Kar Lung	30	Son-in-law of substantial shareholder	Director of SSSL and Hong Kong Sunrise Development Limited	Nil
Huang Angela On Yee	25	Daughter of substantial shareholder	Director of Hong Kong Sunrise Development Limited	Nil

19 Confirmation Pursuant to Rule 720(1) of the Listing Manual

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Zhang Zhi Liang  
Executive Director

1 March 2018

This announcement and its contents have been reviewed by the Company's sponsor, RHT Capital Pte Ltd ("Sponsor"), for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume 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 Mah How Soon, Registered Professional, RHT Capital Pte Ltd, 9 Raffles Place, #29-01, Republic Plaza Tower 1, Singapore 048619, telephone (65) 6381 6757.