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

PROPOSED DISPOSAL OF A WHOLLY-OWNED SUBSIDIARY

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1. INTRODUCTION

The Board of Directors (the "**Board**" or the "**Directors**") of Sunrise Shares Holdings Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company's wholly-owned subsidiary, Hong Kong Sunrise Consultant Ltd. (the "**Vendor**"), had, on 4 March 2025, entered into a share sale agreement (the "**Share Sale Agreement**") with Shenzhen Zhonglin Enterprise Financial Consulting Co., Ltd. (深圳市中林企业财务顾问有限公司) (the "**Purchaser**" or "**Shenzhen Zhonglin**"), pursuant to which the Vendor has agreed to sell, and the Purchaser has agreed to purchase, the entire registered and paid-up share capital of Shenzhen Sunrise Development Limited ("**SSDL**") of HKD1,800,000 (or equivalent to approximately S$311,400) (the "**Sale Shares**") for a total cash consideration of RMB2,300,000 (or equivalent to approximately S$425,500) (the "**Consideration**") (the "**Proposed Disposal**").

2. EXCHANGE RATE

All exchange rates used in this announcement are based on the extracted exchange rates from Refinitiv Eikon of (i) RMB1 : S$0.185 and (ii) HKD1 : S$0.173 as at 3 March 2025, unless otherwise indicated.

3. INFORMATION ON THE PURCHASER

Shenzhen Zhonglin is a company incorporated in the People's Republic of China, and is principally engaged in financial advisory and consultancy services. Mr. Zhang Zhi Liang ("**Mr. Zhang**") is the major shareholder of Shenzhen Zhonglin, holding approximately 80.0% equity interest in Shenzhen Zhonglin, as well as the sole director and legal representative of Shenzhen Zhonglin.

Mr. Zhang was formerly the Executive Director and Chief Executive Officer of the Company during the period from 23 July 2020 to 3 August 2021. He was also the former legal representative and director of the SSDL and its subsidiaries (the "**Shenzhen Sale Subsidiaries**"). Mr. Zhang was involved in the management of the Shenzhen Sale Subsidiaries during his tenure, including overseeing the business operations and implementation of the business strategies of the Group's subsidiaries in Shenzhen.

As at the date of this announcement, Shenzhen Zhonglin and Mr. Zhang do not have any shareholding interest in the Company. Save as disclosed above, to the best knowledge of the Board, the Group, the Company and its substantial shareholders do not have any connection (including business relationship) with Shenzhen Zhonglin and Mr. Zhang.

4. INFORMATION ON THE SHENZHEN SALE SUBSIDIARIES

Details of each of the Shenzhen Sale Subsidiaries are as follows:

Name of Sale Subsidiaries (Note 1)	Principal activity	Principal place of business / Country of incorporation	Registered and paid-up share capital	The Group's effective equity interest
Shenzhen Sunrise Development Limited	Property, consultancy, management and related services	People's Republic of China	HKD1,800,000	100%
Shenzhen Kimshek Consultancy Management Limited	Property, consultancy, management and related services	People's Republic of China	RMB330,000	100%
Shenzhen Zhongtong Apartment Management Limited	Property, consultancy, management and related services	People's Republic of China	RMB1,800,000	100%

Note 1 – The Shenzhen Sale Subsidiaries have been inactive and dormant following the (i) termination of consultancy service agreement with Zhuhai Mucun Construction Engineering Co., Ltd. and (ii) expiration of the consultancy service agreement with Zhuhai Tonglin Hotel Management Limited, as announced by the Company on 16 May 2024 and 30 July 2024 respectively, after the expiry of the respective one-year contracts.

Upon completion of the registration of the change of shareholder of the Shenzhen Sale Subsidiaries, the Company will cease to have any interest in the Shenzhen Sale Subsidiaries, and accordingly the Shenzhen Sale Subsidiaries will cease to be part of the Group.

5. FINANCIAL INFORMATION OF THE SHENZHEN SUBSIDIARIES

There is no open market value as the Sale Shares are not publicly traded and no valuation was commissioned on the Shenzhen Sale Subsidiaries. Based on the aggregated management accounts of the Shenzhen Sale Subsidiaries as at 31 December 2024, the net asset value and net tangible asset value attributable to the Sale Shares was RMB3,952,000 (or equivalent to approximately S$731,120).

Pursuant to the terms of the Share Sale Agreement, the Purchaser and Vendor have agreed that the Shenzhen Sale Subsidiaries shall not make any claims for debts against the Company and/or its related subsidiaries. As at 31 December 2024, there was an amount outstanding of approximately RMB1,430,000 (or equivalent to approximately S$264,550) owing from the Company and its subsidiaries to the Shenzhen Sale Subsidiaries (the "**Intercompany Balances**"). Accordingly, the proforma net asset value and net tangible asset value attributable to the Sale Shares (after adjusting for the elimination of the Intercompany Balances) was RMB2,522,000 (or equivalent to approximately S$466,570).

Based on the management accounts of the Shenzhen Sale Subsidiaries, the net loss before income tax attributable to the Sale Shares is approximately RMB353,000 (or equivalent to approximately S$65,305) for 12-month financial period ended 31 December 2024.

The Consideration represents a deficit of approximately RMB222,000 (or equivalent to approximately S$41,000) over the proforma net asset value of the Shenzhen Sale Subsidiaries of RMB2,522,000 (or equivalent to approximately S$466,570). Accordingly, the Proposed Disposal will result in a loss on disposal of approximately S$41,000 to the Group, representing approximately 2.8% of the net loss before income tax of the Group of approximately S$1.46 million for the 12-month financial period ended 31 December 2024.

6. RATIONALE FOR THE PROPOSED DISPOSAL

The Proposed Disposal is line with the Group's on-going plans to review its current business operations and to divest its non-performing subsidiaries.

The Group has considered that the Shenzhen Sale Subsidiaries are expected to continue incurring expenses following the termination and expiration of the consultancy service agreements as mentioned in Note 1 above. As a result, the financial performance of the Group will be affected should the Shenzhen Sale Subsidiaries remain as the Group's subsidiaries. The net losses attributable to the Shenzhen Sale Subsidiaries were RMB353,000 (or equivalent to approximately S$65,305) for the 12-month financial period ended 31 December 2024.

The Proposed Disposal presents the Company an efficient exit strategy in terms of both time and cost. The Proposed Disposal will enable the Company to unlock the value of the net assets in the Shenzhen Sale Subsidiaries and re-deploy its financial and capital resources.

The sales proceed arising from the Proposed Disposal will provide the Group with additional working capital to support its operations, expand into other businesses and/or undertake new investment opportunities that may arise in the future, which may result in higher value to shareholders of the Company.

7. PRINCIPAL TERMS OF THE PROPOSED DISPOSAL

7.1 Consideration

The consideration for the Shenzhen Sale Subsidiaries of RMB2,300,000 (or equivalent to approximately S$425,500) (the "**Consideration**") for the Sale Shares will be satisfied fully in cash. The Consideration was arrived at after arms' length negotiations between the Vendor and the Purchaser, on a 'willing-buyer and willing-seller' basis, after taking into consideration, among others, the Shenzhen Sale Subsidiaries' proforma net asset value of approximately RMB2,522,000 (excluding the Intercompany Balances) as at the latest financial period ended 31 December 2024 and the current operating status of the Shenzhen Sale Subsidiaries.

The Consideration shall be payable by the Purchaser to the Vendor in the following manner:

a) upon signing of the Share Sale Agreement, the Vendor shall arrange for the registration of change of shareholder of the Shenzhen Sale Subsidiaries to the Purchaser within 30 days after being notified by the Purchaser. Within three (3) days after completion of the registration of change of shareholder of the Shenzhen Sale Subsidiaries (subject to the issuance of new business license), 10% of the Consideration, amounting to RMB230,000 (or equivalent to approximately S$42,550), shall be payable by the Purchaser to the Vendor (the "**Deposit**"); and

b) the remaining 90% of the Consideration, amounting to RMB2,070,000 (or equivalent to approximately S$382,950), shall be payable within six (6) months after completion of the registration of change of shareholder of the Shenzhen Sale Subsidiaries (the "**Final Payment**").

7.2 Sale Shares

The Sale Shares shall, at the completion date, be free from all encumbrances and together with all rights, entitlements and benefits hereafter attaching thereto.

7.3 Other Salient Terms

If the Purchaser fails to make the Final Payment by the due date, the Vendor shall be entitled to impose late payment charges of 0.05% per day on the overdue amount. If the payment is not made within the 30 days, the Purchaser shall be deemed to have breached the Share Sale Agreement, and the Vendor shall have the right to impose a forfeiture penalty equivalent to twice of the Deposit paid. Additionally, the Vendor has the right to terminate the Share Sale Agreement, upon which the Purchaser must

unconditionally transfer its 100% equity interest in the Shenzhen Sale Subsidiaries back to the Vendor within 30 days of a written notice by the Vendor.

If the Vendor fails to complete the registration of change of shareholder of the Shenzhen Sale Subsidiaries, it shall be deemed to have breached the Share Sale Agreement, and the Purchaser shall have the right to impose a forfeiture penalty equivalent to twice of the Deposit paid to the Vendor. Additionally, if the Vendor does not complete the registration of change of shareholder within 30 days from the notice date given by the Purchaser, the Purchaser shall be entitled to impose late payment charges of 0.05% per day on the Deposit paid.

After the entry into the Share Sale Agreement, both the Vendor and the Purchaser shall no longer have any further claims and responsibility for any related liabilities. The Shenzhen Sale Subsidiaries shall not make any claims for debts against the Company and/or its related subsidiaries. For the benefit of doubt, the related liabilities/debts include the Intercompany Balances that the Company and its subsidiaries owed to the Shenzhen Sale Subsidiaries amounting to RMB1,430,000 (or equivalent to approximately S$264,550).

The Vendor and the Purchaser will settle any disputes arising from the Share Sale Agreement through friendly negotiation. In the event that such negotiation fails, the relevant party will apply to the Shenzhen Court of International Arbitration Commission for arbitration.

8. RELATIVE FIGURES FOR THE PROPOSED DISPOSAL UNDER RULE 1006 OF THE CATALIST RULES

The relative figures for the Proposed Disposal as computed on the bases set out in Rule 1006 of the Catalist Rules and the Group's latest announced interim financial statements for the 12-month financial period ended 31 December 2024 ("**12M2024**") are as follows:

Rule 1006	Bases	Relative figures
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value	18.98%(1)
(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits(2)	-4.49%(2)
(c)	The aggregate value of the consideration given or received, compared with the Group's market capitalisation	6.87%(3)
(d)	The number of equity securities issued by the Group as consideration for the proposed acquisition, as compared with the number of equity securities previously in issue	Not applicable
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the Group's proved and probable reserves	Not applicable

Notes:

(1) Computed based on (i) the net asset value of the assets to be disposed of, that is, of the Shenzhen Sale Subsidiaries which amounted to RMB3.95 million (or equivalent to approximately S$731,120) and (ii) the net asset value of the Group which amounted to approximately S$3.85 million as at 31 December 2024.

(2) Net profits/(losses) are defined to be profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests. Based on the management accounts of the Shenzhen Sale Subsidiaries, the net loss before income tax attributable to the Sale Shares is approximately RMB353,000 (or equivalent to approximately S$65,305) for 12M2024. The Group recorded a net loss of approximately S$1.46 million for 12M2024.

(3) Computed based on (i) the Consideration of RMB2.3 million (approximately $425,500); and (ii) the Company's market capitalisation of approximately S$6.20 million. Under Rule 1002(5) of the Catalist Rules, the market capitalisation of the Company is determined by multiplying the number of shares in issue (being 295,051,575 shares) (the "**Shares**") by the weighted average market price of S$0.021 on 3 March 2025 (being the last and preceding market day on which the Shares were traded prior to the signing of the Share Sale Agreement).

Under Rule 1007(1) of the Catalist Rules, if any of the relative figures computed pursuant to Rule 1006 involves a negative figure, Chapter 10 of the Catalist Rules may still be applicable to the transaction in accordance with the applicable circumstances in Practice Note 10A of the Catalist Rules.

As the relative figure computed pursuant to Rules 1006(b) is a negative figure, and the Proposed Disposal constitutes a disposal of a loss-making asset by the Company and the Company will be recognising a loss on disposal, the operative provision of Practice Note 10A of the Catalist Rules is paragraph 4.4(e).

With reference to paragraph 4.4(e) of Practice Note 10A of the Catalist Rules, the Proposed Disposal constitutes a disposal of a loss-making asset by the Company, where: (i) the absolute relative figure computed on the basis of each of Rule 1006(a) and Rule 1006(c) does not exceed 50%; and (ii) if the disposal will result in a loss on disposal, the loss on disposal exceeds 5% but does not exceed 10% of the consolidated net loss of the Company, an announcement of the Proposed Disposal is required.

Based on the above, as the Proposed Disposal satisfies the requirements of, and falls under paragraph 4.4(e) of Practice Note 10A of the Catalist Rules. Accordingly, the Proposed Disposal constitutes a "Disclosable Transaction" under Rule 1006 of the Catalist Rules and an announcement on the Proposed Disposal is required.

9. FINANCIAL EFFECT

The proforma financial effects of the Proposed Disposal on the Group set out below are purely for illustrative purposes only and are not intended to reflect the actual future financial performance or position of the Group immediately after the completion of the Proposed Disposal.

As announced by the Company on 31 December 2024, the Company has changed its financial year end from 31 December to 30 June. Accordingly, the current financial year end of the Company will be on 30 June 2025.

As such, the proforma financial effects of the Proposed Disposal set out below have been prepared based on the Group's interim financial statements for the financial year ended 31 December 2023, and on the following bases and assumptions:

(a) the proforma financial effects of the Proposed Disposal on the net tangible assets ("**NTA**") per share of the Group is computed based on the assumption that the Proposed Disposal was completed on 31 December 2023; and

(b) the proforma financial effects on the Proposed Disposal on the loss per share ("**LPS**") of the Group is computed based on the assumption that the Proposed Disposal was completed on 1 January 2023.

9.1 NTA per Share

	Before the Proposed Disposal	**After the Proposed Disposal**
NTA (S$'000)	2,242	2,201
Number of Shares ('000) [(1)]	209,337	209,337
NTA per Share (S$ cents per share)	1.07	1.05
Number of Shares ('000) [(2)]	295,052	295,052
NTA per Share (S$ cents per share)	0.76	0.75

9.2 LPS

	Before the Proposed Disposal	After the Proposed Disposal
Net loss attributable to Shareholders (S$'000)	(1,452)	(1,493)
Weighted average number of ordinary shares ('000) (1)	209,337	209,337
Net loss per Share (S$ cents per share)	(0.69)	(0.71)
Weighted average number of ordinary shares ('000) (2)	295,052	295,052
Net loss per Share (S$ cents per share)	(0.49)	(0.51)

Notes:

(1) Based on the issued shares as at 31 December 2023.

(2) The Company had, on 3 May 2024, issued and allotted 85,714,285 new ordinary shares in the capital of the Company as part of satisfying the consideration for the acquisition of Falcon Pace Sdn. Bhd.. Accordingly, the number of shares in the capital of the Company have increased from 209,337,290 shares as at 31 December 2023 to 295,051,575 shares as at 31 December 2024. Purely for illustrative purposes, the NTA per share and net loss per share have been computed taking into account the abovementioned issuance and allotment.

10. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company and their respective associates has any interest, direct or indirect, in respect of the Proposed Disposal.

11. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any such person in connection with the Proposed Disposal.

12. 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 Proposed Disposal 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 this announcement 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 announcement in its proper form and context.

13. TRADING CAUTION

Shareholders and potential investors are advised to exercise caution when dealing or trading in the shares of the Company. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully, and should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

14. DOCUMENT FOR INSPECTION

A copy of the Share Sale Agreement is available for inspection at the registered office of the Company at 380 Jalan Besar, #07-10 ARC 380, Singapore 209000 for a period of three (3) months from the date of this announcement.

By Order of the Board

Huang Jyun-Ruei
Chief Executive Officer
4 March 2025

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

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Ms. Lau Sze Mei, Associate Director, at 7 Temasek Boulevard, #04-02 Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.