

# **SUNRISE SHARES HOLDINGS LTD.**

*Registration Number: 198201457Z*

Condensed interim financial statements  
For the six months and full year ended 31 December 2022

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## A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	GROUP			
		6 months	6 months	12 months	12 months
		ended 31	ended 31	ended 31	ended 31
		December	December	December	December
		2022	2021	2022	2021
		S\$'000	S\$'000	S\$'000	S\$'000
Revenue		-	247	400	577
Selling and distribution expenses		(1)	-	(1)	(3)
Finance income, net		22	268	88	508
Other income		-	414	-	414
Administrative expense		(1,051)	(617)	(1,535)	(1,021)
Other expense		-	-	(686)	-
Finance cost		(1)	-	(1)	(1)
<b>(Loss)/ Profit before taxation</b>		<b>(1,031)</b>	<b>312</b>	<b>(1,735)</b>	<b>474</b>
Tax expense		-	(224)	(186)	(406)
<b>(Loss)/ Profit for the financial period, net of tax</b>		<b>(1,031)</b>	<b>88</b>	<b>(1,921)</b>	<b>68</b>
<b>(Loss)/ Profit for the year</b>		<b>(1,031)</b>	<b>88</b>	<b>(1,921)</b>	<b>68</b>
Other comprehensive income/ (loss)					
Items that may be reclassified to profit or loss in subsequent periods (net of tax)					
Currency translation difference on consolidation of foreign entities (net)		(37)	13	(19)	211
<b>Other comprehensive income/ (loss), net of tax</b>		<b>(37)</b>	<b>13</b>	<b>(19)</b>	<b>211</b>
<b>Total comprehensive income/ (loss) for the period</b>		<b>(37)</b>	<b>13</b>	<b>(19)</b>	<b>211</b>
<b>Profit/ (loss) attributable to:-</b>					
Owners of the Company					
<b>Total comprehensive income/(loss) attributable to:-</b>					
Owners of the Company		(1,068)	101	(1,940)	279
<b><u>Earnings/ (loss) per share for profit/ (loss) for the period attributable to owners of the Company during the year:</u></b>					
Basic (SGD in cents)		(0.49)	0.04	(0.92)	0.03
Diluted (SGD in cents)		(0.49)	0.04	(0.92)	0.03

Note:

- (1) During the preparation of results for 6 months period ended 31 December 2022 (“**2HY2022**”), an error in the Group’s revenue of S\$409,000 for 6 months period ended 30 June 2022 (“**1HY2022**”) was noted. The withdrawal of funds of US\$300,000 (equivalent to S\$409,000) from the forex trading platform, Axicorp Limited, was incorrectly recognised as revenue during the preparation of 1HY2022 accounts. As the error was only noted during the preparation of results for 2HY2022, it has been reversed to recognize the forex trading loss. In addition, in the results for 1HY2022, the Group has omitted loss on forex trading of approximately S\$692,000. Taking into account the above adjustments, the Group should have reported revenue of approximately S\$400,000 (instead of revenue of S\$809,000 as announced on 15 August 2022) and loss after tax of approximately S\$890,000 (instead of profit after tax of S\$205,000 as announced on 15 August 2022) for 1HY2022. There was no forex trading activities during 2HY2022.

## B. Condensed Interim statements of financial position

	GROUP		Company	
	31 December 2022 S\$'000	31 December 2021 S\$'000	31 December 2022 S\$'000	31 December 2021 S\$'000
	Note			
<b>Assets</b>				
Subsidiaries		-	10	10
Right of use assets		14	-	-
<b>Non-current Assets</b>		<b>14</b>	<b>10</b>	<b>10</b>
Trade and other receivables		42	1,371	1,819
Cash and cash equivalents		4,046	331	1,641
<b>Current Assets</b>		<b>4,088</b>	<b>1,702</b>	<b>3,460</b>
<b>Total assets</b>		<b>4,088</b>	<b>1,712</b>	<b>3,470</b>
<b>Equity</b>				
Share capital		25,668	25,668	25,668
Reserves		(21,916)	(24,710)	(22,666)
<b>Total equity</b>		<b>3,752</b>	<b>958</b>	<b>3,002</b>
<b>Liabilities</b>				
Current lease liabilities		15	-	-
Trade and other payables		332	754	204
Deferred income		40	-	-
Loan from shareholder		264	-	264
Current tax liabilities		4	-	-
<b>Current liabilities</b>		<b>336</b>	<b>754</b>	<b>468</b>
Non-current lease liabilities		-	-	-
<b>Non-current lease liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>336</b>	<b>754</b>	<b>468</b>

Note:

- (2) Taking into account the adjustments mentioned in the Note (1) on page 4 of this announcement, the Group should have reported trade and other receivables of approximately S\$468,000 (instead of approximately S\$1.4 million as announced on 15 August 2022) and total equity of approximately S\$4.8 million (instead of approximately S\$5.8 million as announced on 15 August 2022) as at 30 June 2022.

### C. Condensed interim statements of changes in equity

	Share capital	Foreign currency translation reserve	Statutory reserve	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>The Group 2022</b>					
<b>Balance as at 1 January 2022</b>	<b>25,668</b>	<b>141</b>	<b>523</b>	<b>(20,640)</b>	<b>5,692</b>
<b>Total comprehensive income</b>					
Loss for the period	-	-	-	(1,921)	(1,921)
Other comprehensive income:					
Foreign currency translation arising from the translation of foreign operations	-	(19)	-	-	(19)
Total comprehensive income, net of tax	-	(19)	-	(1,921)	(1,940)
<b>Balance as at 31 December 2022</b>	<b>25,668</b>	<b>122</b>	<b>523</b>	<b>(22,561)</b>	<b>3,752</b>
<b>2021</b>					
<b>Balance as at 1 January 2021</b>	<b>25,668</b>	<b>(70)</b>	<b>523</b>	<b>(20,708)</b>	<b>5,413</b>
<b>Total comprehensive income</b>					
Profit for the period	-	-	-	68	68
Other comprehensive income:					
Foreign currency translation arising from the translation of foreign operations	-	211	-	-	211
Total comprehensive income, net of tax	-	211	-	68	279
<b>Balance as at 31 December 2021</b>	<b>25,668</b>	<b>141</b>	<b>523</b>	<b>(20,640)</b>	<b>5,692</b>

### C. Condensed interim statements of changes in equity (cont'd)

<b>The Company</b>	Share capital	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000
<b>2022</b>			
<b>Balance as at 1 January 2022</b>	25,668	(22,666)	3,002
Loss for the period/representing total comprehensive loss for the period	-	(2,044)	(2,044)
<b>Balance as at 31 December 2022</b>	<b>25,668</b>	<b>(24,710)</b>	<b>958</b>

	Share capital	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000
<b>2021</b>			
<b>Balance as at 1 January 2021</b>	<b>25,668</b>	<b>(24,833)</b>	<b>835</b>
Profit for the period/representing total comprehensive profit for the period	-	2,167	2,167
<b>Balance as at 31 December 2021</b>	<b>25,668</b>	<b>(22,666)</b>	<b>3,002</b>

## D. Condensed interim consolidated statement of cash flow

	The Group	
	12 months ended 31 December 2022 S\$'000	12 months ended 31 December 2021 S\$'000
<b><u>Cash Flows from Operating Activities</u></b>		
(Loss)/ Profit before tax	(1,735)	474
Adjustments for:-		
Interest income on loans to third party	(88)	(508)
Depreciation	13	14
Interest expense - ROU	1	1
Operating loss before working capital changes	(1,809)	(19)
Change in working capital:		
Trade and other receivables	4,150	1,367
Trade and other payables	33	26
Cash generated from operations	2,374	1,374
Net taxation paid	(382)	(342)
<b>Net cash generated from operating activities</b>	<b>1,992</b>	<b>1,032</b>
<b><u>Cash Flows from Investing Activities</u></b>		
Interest Income on loans to third party	88	471
Loans to third parties	-	(4,152)
Repayment of loan from a third party	-	3,638
<b>Net cash generated from/ (used in) investing activities</b>	<b>88</b>	<b>(43)</b>
<b><u>Cash Flows from Financing Activities</u></b>		
Loan from shareholder	-	671
Repayment of shareholder loan	(264)	(407)
Repayment of lease liabilities	(14)	(14)
Interest paid	(1)	(1)
<b>Net cash (used in)/ generated from financing activities</b>	<b>(279)</b>	<b>249</b>
Net increase in cash and cash equivalents	1,801	1,238
Cash and cash equivalents at beginning of financial year	2,264	961
Effect of exchange rate changes on cash held in foreign currencies	(19)	65
<b>Cash and cash equivalents at end of financial year</b>	<b>4,046</b>	<b>2,264</b>
Represented by:-		
Cash at bank and in hand	4,046	2,264
Fixed deposits	-	-
	4,046	2,264



## **E. Notes to the condensed interim consolidated financial statements**

### **1. Corporate Information**

Sunrise Shares Holdings Ltd. (the Company) is incorporated in Singapore and whose shares are publicly traded on the Catalist Board of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months and full year ended 31 December 2022 comprise the Company and its subsidiaries (collectively, the Group).

The principal activities of the Group are engaged in the provision of property consultancy and management services to property management companies in PRC in relation to, among others, (i) construction execution planning, (ii) construction team management advising, (iii) material supplier consulting, (iv) budget advising, (v) property management team advising, and (vi) property marketing and brokerage service.

### **2. Basis of Preparation**

The condensed interim financial statement for the six months ended 31 December 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of changes in the Group’s financial position and performance of the Group since the last annual financial statements for the financial statements for the financial year ended 31 December 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore Dollars (“SGD” or “S\$”), which is the Company’s functional currency, and all values are rounded to the nearest thousand (“S\$’000”) except when otherwise indicated.

#### **2.1 New and amended standards adopted by the Group**

A number of amendments to standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustment as a result of adopting those standards. The adoption of these new standards and amendments have no material impact on the Group’s financial statements for FY2022.

#### **2.2 Use of judgements and estimates**

In preparing the interim condensed financial statements, management has made judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

#### *Use of estimates and judgements*

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 December 2022.

The carrying amounts of cash and cash equivalents, trade and other receivables and other payables (other than lease liabilities) approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

There were no significant judgements made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next interim period.

### **3. Seasonal Operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

### **4. Segment and revenue information**

The Group is organised into the following main business segments:

- (a) Property consultancy and management.
- (b) Investment segment

These operating segments are reported in a manner consistent with internal reporting provided to the Group's Executive Director and Chief Executive Officer who are responsible for allocating resources and assessing performance of the operating segments.

#### 4.1 Segment information (cont'd)

	Property consultancy and management S\$'000	Investment Segment S\$'000	Consolidated S\$'000
<b>From 1 July 2022 to 31 December 2022</b>			
Total segment revenue	-	-	-
Inter-segment revenue	-	-	-
Revenue from external party	-	-	-
Dividend income	-	-	-
Finance income	22	-	22
Other income	-	-	-
Total other income	22	-	22
Total revenue and other income	22	-	22
Depreciation	13	-	13
Interest expense	1	-	1
Segment profit			
Unallocated expenses	-	-	-
Share of profit of associated company	-	-	-
Loss before taxation	(1,031)	-	(1,031)
Taxation	-	-	-
Loss for the period	(1,031)	-	(1,031)
Segment assets	2,956	1,132	4,088
Deferred income tax assets	-	-	-
Total assets per financial position	2,956	1,132	4,088
Expenditures for segment			
Non-current assets			
- Addition to PPE	-	-	-
- Investment properties improvements	-	-	-
Segment liabilities	332	-	332
Current income tax liabilities	4	-	4
Deferred income tax liabilities	-	-	-
Total liabilities per statement of financial position	336	-	336

#### 4.1 Segment information (cont'd)

	Property consultancy and management S\$'000	Investment Segment S\$'000	Consolidated S\$'000
<b>1 July 2021 to 31 December 2021</b>			
Total segment revenue	247	-	247
Inter-segment revenue	-	-	-
Revenue from external party	247	-	247
Dividend income	-	-	-
Finance income	244	24	268
Other income	414	-	414
Total other income	658	24	682
Total revenue and other income	905	24	929
Depreciation	14	-	14
Interest expense	1	-	1
Segment profit			
Unallocated expenses	-	-	-
Share of profit of associated company	-	-	-
Profit before taxation	312	-	312
Taxation	(224)	-	(224)
Earnings for the period	88	-	88
Segment assets	5,146	1,324	6,470
Deferred income tax assets	-	-	-
Total assets per financial position	5,146	1,324	6,470
Expenditures for segment			
Non-current assets			
- Addition to PPE			
- Investment properties improvements			
Segment liabilities	577	-	577
Current income tax liabilities	201	-	201
Deferred income tax liabilities	-	-	-
Total liabilities per statement of financial position	778	-	778

#### 4.1 Segment information (cont'd)

	Property consultancy and management S\$'000	Investment Segment S\$'000	Consolidated S\$'000
<b>From 1 January 2022 to 31 December 2022</b>			
Total segment revenue	400	-	400
Inter-segment revenue	-	-	-
Revenue from external party	400	-	400
Dividend income	-	-	-
Finance income	88	-	88
Other income	-	-	-
Total other income	88	-	88
Total revenue and other income	488	-	488
Depreciation	13	-	13
Interest expense	1	-	1
Segment profit			
Unallocated expenses	-	-	-
Share of profit of associated company	-	-	-
Loss before taxation	(1,735)	-	(1,735)
Taxation	(186)	-	(186)
Loss for the period	(1,921)	-	(1,921)
Segment assets	2,956	1,132	4,088
Deferred income tax assets	-	-	-
Total assets per financial position	2,956	1,132	4,088
Expenditures for segment			
Non-current assets			
- Addition to PPE	-	-	-
- Investment properties improvements	-	-	-
Segment liabilities	332	-	332
Current income tax liabilities	4	-	4
Deferred income tax liabilities	-	-	-
Total liabilities per statement of financial position	336	-	336

	Property consultancy and management S\$'000	Investment Segment S\$'000	Consolidated S\$'000
<b>From 1 January 2021 to 31 December 2021</b>			
Total segment revenue	577	-	577
Inter-segment revenue	-	-	-
Revenue from external party	577	-	577
Dividend income	-	-	-
Interest income	484	24	508
Miscellaneous income	414	-	414
Total other income	898	24	922
Total revenue and other income	1,475	24	1,499
Depreciation	14	-	14
Interest expense	1	-	1
Segment profit			
Unallocated expenses	-	-	-
Share of profit of associated company	-	-	-
Profit before taxation	474	-	474
Taxation	(406)	-	(406)
Earnings for the period	68	-	68
Segment assets	5,146	1,324	6,470
Deferred income tax assets	-	-	-
Total assets per financial position	5,146	1,324	6,470
Expenditures for segment			
Non-current assets			
- Addition to PPE	-	-	-
- Investment properties improvements	-	-	-
Segment liabilities	577	-	577
Current income tax liabilities	201	-	201
Deferred income tax liabilities	-	-	-
Total liabilities per statement of financial position	778	-	778

## 4.2 Disaggregation of Revenue

	The Group		
	6 months ended 31 December 2022		
	Property consultancy and management S\$'000	Investment Segment S\$'000	Consolidated S\$'000
<b>Types of goods or service:</b>			
Sale of goods	-	-	-
Rendering of service	-	-	-
Rental income	-	-	-
<b>Total revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Timing of revenue recognition:</b>			
At a point in time	-	-	-
Over time	-	-	-
<b>Total revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Geographical information:</b>			
Singapore	-	-	-
China	-	-	-
<b>Total revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>

	The Group		
	6 months ended 31 December 2021		
	Property consultancy and management S\$'000	Investment Segment S\$'000	Consolidated S\$'000
<b>Types of goods or service:</b>			
Sale of goods	-	-	-
Rendering of service	247	-	247
Rental income	-	-	-
<b>Total revenue</b>	<b>247</b>	<b>-</b>	<b>247</b>
<b>Timing of revenue recognition:</b>			
At a point in time	-	-	-
Over time	247	-	247
<b>Total revenue</b>	<b>247</b>	<b>-</b>	<b>247</b>
<b>Geographical information:</b>			
Singapore	-	-	-
China	247	-	247
<b>Total revenue</b>	<b>247</b>	<b>-</b>	<b>247</b>

The Group		
12 months ended 31 December 2022		
Property consultancy and management S\$'000	Investment Segment S\$'000	Consolidated S\$'000

**Types of goods or service:**

Sale of goods	-	-	-
Rendering of service	400	-	400
Rental income	-	-	-
<b>Total revenue</b>	<b>400</b>	<b>-</b>	<b>400</b>

**Timing of revenue recognition:**

At a point in time	-	-	-
Over time	400	-	400
<b>Total revenue</b>	<b>400</b>	<b>-</b>	<b>400</b>

**Geographical information:**

Singapore	400	-	400
China	-	-	-
<b>Total revenue</b>	<b>400</b>	<b>-</b>	<b>400</b>

The Group		
12 months ended 31 December 2021		
Property consultancy and management S\$'000	Investment Segment S\$'000	Consolidated S\$'000

**Types of goods or service:**

Sale of goods	-	-	332
Rendering of service	577	-	577
Rental income	-	-	-
<b>Total revenue</b>	<b>577</b>	<b>-</b>	<b>909</b>

**Timing of revenue recognition:**

At a point in time	-	-	-
Over time	577	-	577
<b>Total revenue</b>	<b>577</b>	<b>-</b>	<b>577</b>

**Geographical information:**

Singapore	-	-	-
China	577	-	577
<b>Total revenue</b>	<b>577</b>	<b>-</b>	<b>577</b>



	<b>The Group</b>			
	<b>Financial year ending 31 December 2022 S\$'000</b>	<b>Financial year ending 31 December 2021 S\$'000</b>	<b>Increase/ (Decrease)</b>	
	Sales reported for the first half year	400	330	21%
	Operating profit/(loss) after tax before deducting non-controlling interests reported for first half year	(890)	(20)	-11.25
Sales reported for the second half year	-	247	-100%	
Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	(1,031)	88	-1272%	

## 5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2022 and 31 December 2021:

	<b>The Group</b>		<b>The Company</b>	
	<b>31 December 2022 S\$'000</b>	<b>31 December 2021 S\$'000</b>	<b>31 December 2022 S\$'000</b>	<b>31 December 2021 S\$'000</b>
<b>Financial assets</b>				
Cash and bank balances and trade and other receivables	4,088	6,456	1,702	3,460
<b>Financial liabilities</b>				
Trade and other payables and borrowings (Amortised cost)	332	522	754	468
Lease liabilities	-	15	-	-

## 6. Profit before taxation

### 6.1 Significant items

	The Group		The Company	
	31 December 2022 S\$'000	31 December 2021 S\$'000	31 December 2022 S\$'000	31 December 2021 S\$'000
<b>Income</b>				
Dividend income	-	-	-	-
Interest income	88	508	-	-
Termination income	-	355	-	-
Other income	-	-	-	-
<b>Expenses</b>				
Net foreign exchange loss	686	-	-	-
Interest on borrowings	1	1	-	-
Depreciation of right of use asset	13	14	-	-

## 6.2 Related party transactions

The following transactions took place between the Group and related parties, who are not members of the Group during the financial year on terms agreed by the parties concerned:

	GROUP	
	As at 31	As at 31
	December	December
	2022	2021
	S\$'000	S\$'000
Loan received from shareholder	-	671
Repayment of loan to shareholder	(264)	(407)
Amount due to shareholder	-	264
	<u>-</u>	<u>264</u>

*Key management personnel compensation*

Total key management personnel compensation is analysed as follows:

	GROUP	
	As at 31	As at 31
	December	December
	2022	2021
	S\$'000	S\$'000
Directors of the Group		
- Directors' fee	227	90
- Short-term employee benefits	48	53
Other key management personnel		
- Short-term employee benefits	-	150
Total key management personnel benefits incurred by the Group	<u>275</u>	<u>293</u>

There are no material related party transactions apart from those disclosed elsewhere in the financial statements

**7. Tax expense**

	GROUP			
	6 months	6 months	12 months	12 months
	ended 31	ended 31	ended 31	ended 31
	December	December	December	December
	2022	2021	2022	2021
	S\$'000	S\$'000	S\$'000	S\$'000
Current income tax expense	-	(224)	(186)	(406)
Deferred income tax expense relating to origination and reversal of temporary differences	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

## 8. Net asset value

	The Group		The Company	
	31 December 2022 Singapore cents	31 December 2021 Singapore cents	31 December 2022 Singapore cents	31 December 2021 Singapore cents
Net asset value per ordinary share	1.79	2.72	0.46	1.43

The net asset value per ordinary share is calculated based on the Company's issued share capital of 209,337,290 ordinary shares as at 31 December 2022 and 31 December 2021.

## 9. Investment in subsidiaries

	The Company	
	31 December 2022 S\$'000 (Unaudited)	31 December 2021 S\$'000 (Unaudited)
Unquoted equity shares, at cost		
At 1 January	10	337
Addition	-	-
Disposal	-	(327)
At end of period	10	10
Allowance for impairment loss		
At 1 January	-	-
Disposal	-	-
At end of period	-	-
Net carrying amount	10	10

## 10. Trade and other receivables

	The Group		The Company	
	31 December 2022 S\$'000 (Unaudited)	31 December 2021 S\$'000 (Unaudited)	31 December 2022 S\$'000 (Unaudited)	31 December 2021 S\$'000 (Unaudited)
Prepayment	-	2	-	2
Other receivables	42	4,190	37	1,375
Amount due from subsidiaries	-	-	1,334	442
	42	4,192	1,371	1,819

Amount due from subsidiaries is non-trade, unsecured, interest free and repayable on demand.

## 11. Borrowings

	The Group		The Company	
	31 December 2022 S\$'000 (Unaudited)	31 December 2021 S\$'000 (Unaudited)	31 December 2022 S\$'000 (Unaudited)	31 December 2021 S\$'000 (Unaudited)
Amount repayable within one year on demand				
Secured				
Unsecured	-	279	-	264

## 12. Share capital

	The Group and the Company			
	31 December 2022		31 December 2021	
	Number of shares '000	Amount S\$'000	Number of shares '000	Amount S\$'000
Beginning and end of financial year	209,337	25,668	209,337	25,668

he Company did not hold any treasury shares as at 31 December 2022 and 31 December 2021.

The Company's subsidiaries did not hold any shares in the Company as at 31 December 2022 and 31 December 2021.

The Company did not have any outstanding convertible instruments as at 31 December 2022 and as at 31 December 2021.

### **13. Fair values of Assets and Liabilities**

- a) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonableness approximation of fair value

The carrying amounts of financial assets and financial liabilities at amortised cost are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

- b) The Group and the Company have no other financial instruments.

### **14. Subsequent Events**

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

## **F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C**

### **1. Review**

The full year condensed consolidation balance sheet of Sunrise Shares Holdings Ltd and its subsidiaries as at 31 December 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six month and full year ended 31 December 2022 and certain explanatory notes have not been audited nor reviewed by the Company's auditors.

#### **1A. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors, and the figures are in accordance with which auditing standard or practice.

#### **1B. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).**

The figures have not been audited or reviewed by the auditors.

### **2 Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—**

#### **(a) Updates on the efforts taken to resolve each outstanding audit issue.**

Messrs Baker Tilly TFW LLP, the Company's previous External Auditors ("Previous Auditors") has raised five issues (the "Five Issues" or "Five Contracts") being identified that resulted in the issuance of a Disclaimer of Opinion by the Previous Auditors for the financial year ended 31 December 2021. The Five Issues are a) consultancy management services to New Zealand Nan Fang Investment Limited ("NZ Nan Fang"); b) sales brokerage commission; c) property consultancy and management fee; d) loan to corporation; and e) loan to Nan Fang (Singapore) Investment Fund Management Pte. Ltd. ("Nan Fang Singapore"). The Previous Auditors did the background searches

and is unable to satisfactorily assess and conclude whether these contracts are related party transactions, and whether the contracts are entered into on normal commercial terms.

The Previous Auditors had indicated to the Company on 10 May 2022, and relevant announcement had been made on the 21 May 2022, that the Previous Auditors were unable to obtain appropriate sufficient explanations and information, nor perform any alternative procedures to satisfy themselves that the issues are highlighted are adequately resolved thus the Previous Auditors did not seek re-appointment as auditor of the Company subsequent to the conclusion of FY2021, at the annual general meeting for FY2021. The Company had announced on 4 November 2020 the proposed appointment of PKF-CAP LLP (“PKF”) as the independent auditors of the Company for the financial year ended 31 December 2022. The appointment of PKF as the Company’s auditors had been approved by the Company’s shareholders at the extraordinary general meeting held on 7 December 2022.

The Board is also seeking to appoint a new Chief Financial Officer (“CFO”) as soon as possible to beef up the finance function.

The Company had on 28 September 2022 appointed Virtus Assure Pte Ltd (the “**Independent Reviewer**”) to perform review of the Five Issues highlighted by the Previous Auditors which formed the bases for the Disclaimer of Opinion. The Independent Reviewer had completed its independent review and has provided its findings and recommendations in its report dated 26 November 2022 (“**Independent Review Report**”).

In summary, the Independent Reviewer did not find any interested persons, based on the Interested Persons List, having direct or indirect interests of 30% or more in any of the counterparties for the 5 transactions or contracts highlighted by the Previous Auditors. Based on their findings, the Independent Reviewer is of the opinion that there is no evidence to deem the Five Contracts as an IPT. Please refer to the Company’s announcement dated 27 November 2022 for more details on the findings from the Independent Reviewer.

Having reviewed the Independent Review Report carefully, the Board concurred with the Independent Reviewer in relation to the findings and agreed to, *inter-alia*, implement the measures recommended by the Independent Reviewer on prohibiting third party payment receipts and strengthening the internal controls over the Group’s IPT processes. The Board will be engaging the Company’s internal auditors to assist the Company on the implementation of such measures as recommended by the Independent Reviewer and to conduct period review to ensure that such measures have indeed been implemented.

**(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

The Board confirms that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

### **3A. Review of the Performance of the Group**

Note: During the preparation of results for 2HY2022, an error in the Group’s revenue of S\$409,000 for 1HY2022 was noted. The withdrawal of funds of US\$300,000 (equivalent to S\$409,000) from the forex trading platform, Axicorp Limited, was incorrectly recognised as revenue during the preparation of 1HY2022 accounts. As the error was only noted during the preparation of results for 2HY2022, it has been reversed to recognize the forex trading loss. In addition, in the results for 1HY2022, the Group has omitted loss on forex trading of approximately S\$692,000. Taking into account the above adjustments, the Group should have reported revenue of approximately S\$400,000 (instead of revenue of S\$809,000 as announced on 15 August 2022) and loss after tax of approximately S\$896,000 (instead of profit after tax of S\$205,000 as announced on 15 August 2022) for 1HY2022. Due to unfavourable economic conditions, there was no forex trading activities during 2HY2022.

Revenue from operations decreased by 31% or S\$177,000, from S\$577,000 in FY2021 to S\$400,000 in FY2022, mainly due to the termination of agreements with Nan Fang Singapore and NZ Nanfang. It mainly comprises of revenue of S\$400,000 which is derived from Nan Fang Singapore of \$160,000 and S\$240,000 from NZ Nanfang.

The Group recorded net forex trading loss of approximately S\$686,000 for FY2022.. The Group made a profit of S\$48,000 in foreign exchange transactions during 2HY2022.

The Board confirms that the forex trading activities are within the ordinary course of business and within the business diversification of the Group to include the Investment Business as defined in the Company's circular dated 27 May 2019, which the Company had sought and obtained Shareholders' approval.

During the year, the finance income has decreased by 83% or S\$420,000, from S\$508,000 in FY2021 to S\$88,000 in FY2022. The finance income in FY2022 mainly pertains to the bank interest of S\$20,000 earned from the China subsidiaries, interest of S\$56,000 received in 1HY2022 for loan to Shenzhen Xudao and interest earned of S\$10,000 during the refund of investment from Nan Fang Singapore.

Selling and distribution expense decreased by 67% or S\$2,000, from S\$3,000 in FY2021 to S\$1,000 in FY2022, as no sales and distribution activities were conducted during FY2022.

Administrative expenses (comprising staff costs and other expenses) increased by 50% or S\$514,000 from \$1.021 million in FY2021 to S\$1.535 million in FY2022. This was mainly due (i) increase of professional fee and (ii) a loss of S\$686,000 has been accounted for during the forex trading activities conducted during the year.

Tax expense amounted to S186,000 in FY2022, as compared to S\$406,000 in FY2021. This related to the withholding tax suffered during the remittance of inter-company dividend.

As a result of the above, the Group reported net loss of S\$1.921 million in FY2022, as compared to net profit of S\$68,000 in FY2021.

## **5B. Review of the Group's Financial Position**

### **Current Assets**

Trade and other receivables decreased by S\$4.15 million to approximately S\$42,000 as at 31 December 2022. This was mainly due to a decrease in number of short-term investment loans extended by Group to a third party. During FY2022 the Group has only made two loans to a third party, NZ Nan Fang and Nan Fang Singapore. The loans have been terminated on 30<sup>th</sup> June 2022, and the Group confirms that the full loans amount have been fully paid as at 31 December 2022.

The Group has also engaged in forex trading in FY2022 and have placed a deposit of S\$1.107 million with a third party agent and shall be refunded once the engagement with them has ended. During the year, a loss of S\$686,000 was incurred. As of 31 December 2022, S\$2,800 of balance was still placed with the third party agent.

Cash and cash equivalents has increased from S\$2.264 million as at 31 December 2021 to S\$4.046 million at 31 December 2022. The increase is mainly due to the repayment of third party loans back to the Group.

### **Current Liabilities**



Trade and other payables increased by S\$74,000, from S\$258,000 as at 31 December 2021 to S\$332,000 as at 31 December 2022. The increase is mainly due to increase of payables to third parties during FY2022.

Current tax liabilities decreased by S\$197,000, from S\$201,000 as at 31 December 2021 to S\$4,000 as at 31 December 2022. The decrease of tax liabilities mainly due to the full settlement of income tax payable in the PRC operations.

### **Right of Use Asset**

Right of use asset (“ROU”) pertains to the IFRS adjustment for Shenzhen Kimshek Consultancy Management Ltd where same accounting policy has been applied as per the audited financial statement as at 31 December 2021. The decrease is due to depreciation of S\$14,000.

### **Working Capital**

The Group recorded a positive working capital of S\$3.752 million as at 31 December 2022, as compare to a positive working capital of S\$5.678 million as at 31 December 2021.

## **5C. Review of Cash Flow Statement**

Net cash generated from operating activities amount to S\$2.08 million in FY2022, due to operating cash outflows before working capital changes of S\$1.809 million, cash generated from operations of S\$2.374 million and income tax paid of S\$382,000. There was no cashflow from investing activity during the year.

Net cash flow used for financing activities amount of S\$279,000 in FY2022, mainly due to the net cash outflows of S\$264,000 in FY2022 relates to the remaining payment of loan from shareholder.

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

The results for FY2022 is in line with the profit guidance announcement dated 28 February 2023.

## **7. 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 Company has terminated the two consultant agreements with Nan Fang Singapore and NZ Nan Fang on 30 June 2022. However, as announced on 30 December 2022, the Company’s indirect wholly-owned subsidiary, Hong Kong Sunrise Consultant Limited (“**HKSCS**”) has entered into a consultancy and management service agreement (the “**Consultancy Agreement**”) dated 30 December 2022 with Hong Kong Sunrise Asset Management (“**HKSAM**”) in connection with the provision of consultancy management services by HKSCS to HKSAM. Please refer to the announcement dated 30 December 2022 released by the Company on the SGXNET.

The Company is also actively looking for new investment for the Investment Business and has also commenced forex trading activities since 1HY2022. The Company will still be continuing with the forex trading.

In addition, the Board believes that the Company's stock can continue to be traded because of the Company's commitment to (1) appoint a Chief Financial Officer, and (2) secure new contracts. The Board confirms that, to the best of its knowledge and belief, the Company has disclosed sufficient information in accordance with the above interpretation to enable the Company's shares to continue to be traded in an orderly manner. The Directors will undertake and make all material disclosures as soon as there is any update on the status of the Group's affairs

## **8. Dividend Information**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended); and**

No dividend has been declared or recommended for the current financial period.

**(b) Corresponding period of the immediately preceding financial year.**

No dividend has been declared or recommended for the corresponding period of the immediately preceding financial year.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

**(d) The date the dividend is payable.**

Not applicable.

**(e) The date on which Registrable Transfers received by the company (up to 5.00 p.m.) will be registered before entitlements to the dividend are determined.**

No applicable.

**9. If no dividend has been declared/recommended, a statement to the effect and the reason(s) for the decision.**

No dividend has been declared or recommended for the current financial period reported on 31 December 2022 as the Group intends to conserve its cash for growth in anticipation of an overall challenging business environment.

**10. If the group has obtained a general mandate from shareholders for interested person transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has obtained its general mandate for Interested Party Transactions at the recent extraordinary general meeting held on 29 December 2022.

Name of interested person	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 during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
HKSAM	<p>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”).</p> <p>Mr Wong is the Executive Director and Chairman of the Company and the controlling shareholder of the Company as defined in the Catalist Rules.</p> <p><b><u>IPT transaction</u></b> consultancy management services</p>	Nil	S\$7,200,000 <sup>1</sup>

*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.*

In addition, in June 2021, an interested person, being Prosperity Luck Overseas Inc., which has the same controlling shareholder as the Company, extended two loans to the Company. The amount of the loans are USD 300,000 and USD 200,000, and each loan carry an annual interest of 1.2% and the loan ends in 12 months commencing from the time when the loan was disbursed. The interest will be paid at the end of the loan period. The Company has disbursed USD 300,000 on 3 June 2021 and USD 200,000 on 1 July 2021. The loans are unsecured. The Company has repaid the loan of USD 300,000 and USD200,000 on 27 October 2021 and 20 January 2022, respectively together with the total interest expenses for the two loans of USD 2,850. These loans are not included in the table above, as the amount at risk, being the interest payable or paid, were lower than S\$100,000.

Note:

The Company wishes to highlight that as previously announced, the Previous Auditors had raised Five Issues that resulted in the issuance of a Disclaimer of Opinion by the Previous Auditors for the financial year ended 31 December 2021. The Previous Auditors did the background searches and is unable to satisfactory assess and conclude whether these contracts are related party transactions, and whether the contracts are entered into on normal commercial terms.

The Company had on 28 September 2022 appointed Virtus Assure Pte Ltd as the Independent Reviewer to perform review of the Five Issues highlighted by the Previous Auditors which formed the bases for the Disclaimer of Opinion. The Independent Reviewer had completed its independent review and has provided its findings and recommendations in the Independent Reviewer Report. In summary, the Independent Reviewer did not find any interested persons, based on the Interested Persons List, having direct or indirect interests of 30% or more in any of the counterparties for the Five Issues or contracts highlighted by the Previous Auditors. Based on their findings, the Independent Reviewer is of the opinion that there is no evidence to deem the Five Contracts as an IPT. Please refer to the Company's announcement dated 27 November 2022 for more details on the findings from the Independent Reviewer.

**11. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)**

The Company confirms that all the required undertakings under Rule 720(1) of the Catalist Rules have been obtained from all its directors and executive officers in the format set out in Appendix 7H of the Catalist Rules.

**12. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Please refer to item 5.

**13. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:—**

**(a) Ordinary**

Not applicable.

**(b) Preference**

Not applicable.

**(c) Total**

Not applicable.

**14. 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.**

<b>Name</b>	<b>Age</b>	<b>Family relationship with any director and/or substantial shareholder</b>	<b>Current position and duties, and the year the position was held</b>	<b>Details of changes in duties and position held, if any, during the year</b>
Huang Angela On Yee	30	Daughter of substantial shareholder and Executive Director and Chairman, Mr Wong Siu Fai	Director of Sunrise Investment Limited from 2017, Director of Sunrise Industrial (Singapore) Pte. Ltd. From 2019, and Vice President of SSSL from 2019.  Ms Huang's duty as Vice President is responsible for the Company's overall development strategy, develop strategy plan and business plan, and be responsible for the organization and implementation of daily operations and management.	Ms Huang has resigned on 27 September 2022. She is currently the director of Sunrise Industrial (Singapore) Pte. Ltd. And Sunrise Investment Limited.
Huang Rui	36	Nephew of substantial shareholder and Executive Director and Chairman, Mr Wong Siu Fai	Director of Hong Kong Sunrise Development Limited from 2019, Vice President of SSSL from 2019. Mr Huang Rui's duty as Vice President is responsible for the Company's overall development strategy, develop strategy plan and business plan, and be responsible for the organization and implementation of daily operations and management.	Mr Huang Rui resigned as Vice President on 26 January 2022. He is current the director of Hong Kong Sunrise Industrial Development Limited and Hong Kong Sunrise Consultant Limited.

Liang Yong dong	45	Nephew-in-law of substantial shareholder and Executive Director and Chairman, Mr Wong Siu Fai	Chief Executive Officer of Sunrise Shares Holdings Ltd. since January 2022 , Director and legal representative of Shenzhen Sunrise Development Limited, Shenzhen Kimshek Construction Project Management Limited, and Shenzhen Kimshek Consultancy Management Limited from 2021	Nil
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**On Behalf of the Board of Directors**

**Wong Siu Fai**  
**Executive Director and Chairman**

**Zheng Aimin**  
**Lead Independent Director**

**2 March 2023**

*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*