

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

Condensed Interim Financial Statements
For the three-months and full
year ended 31 December 2023

Sunrise Shares Holdings Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to announce the unaudited condensed interim financial statements of the Group for the three-months and full year ended 31 December 2023. Such quarterly reporting announcement is mandatory, made pursuant to the Singapore Exchange Securities Trading Limited’s requirements, as required under Rule 705(2C) of the SGX-ST Listing Manual Section B: Rules of Catalist.

*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.

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

		THE GROUP				
		3 MONTHS ENDED		12 MONTHS ENDED		
		31.12.2023	31.12.2022	31.12.2023	31.12.2022	
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
Note		S\$'000	S\$'000	S\$'000	S\$'000	
	Revenue	4	37	-	356	400
	Finance income		3	12	19	89
	Other income	6	(30)	42	54	82
	Administrative expense		(953)	(520)	(1,876)	(1,523)
	Finance expense		-	-	-	(1)
	Other expense		-	-	-	(686)
	Loss before taxation		<u>(943)</u>	<u>(466)</u>	<u>(1,447)</u>	<u>(1,639)</u>
	Tax expense	7	(1)	(25)	(6)	(235)
	Loss for the financial period / year, net of tax		<u>(944)</u>	<u>(491)</u>	<u>(1,453)</u>	<u>(1,874)</u>
Other comprehensive (loss)/income for the period / year:						
Item that maybe subsequently reclassified to profit or loss (net of tax):						
Currency translation difference on consolidation of foreign entities (net)						
			(10)	18	(107)	(15)
	Total comprehensive loss for the period / year		<u>(954)</u>	<u>(473)</u>	<u>(1,560)</u>	<u>(1,889)</u>
Net loss attributable to :						
	Equity holders of the Company		<u>(944)</u>	<u>(491)</u>	<u>(1,453)</u>	<u>(1,874)</u>
Total comprehensive loss attributable to:						
	Equity holders of the Company		<u>(954)</u>	<u>(473)</u>	<u>(1,560)</u>	<u>(1,889)</u>
Loss per share attributable to equity holders of the Company (cents)						
	-Basic	9	<u>(0.45)</u>	<u>(0.23)</u>	<u>(0.69)</u>	<u>(0.90)</u>
	-Diluted	9	<u>(0.45)</u>	<u>(0.23)</u>	<u>(0.69)</u>	<u>(0.90)</u>

B. Condensed interim statements of financial position

	Note	The Group		The Company	
		As at 31.12.2023 S\$'000 (Unaudited)	As at 31.12.2022 S\$'000 (Audited)	As at 31.12.2023 S\$'000 (Unaudited)	As at 31.12.2022 S\$'000 (Audited)
Assets					
Property, plant and equipment	11	262	-	-	-
Investment in subsidiaries	13	-	-	154	10
Non-current Assets		<u>262</u>	<u>-</u>	<u>154</u>	<u>10</u>
Trade and other receivables	14	765	28	87	957
Cash and cash equivalents		1,687	4,134	230	331
Current Assets		<u>2,452</u>	<u>4,162</u>	<u>317</u>	<u>1,288</u>
Total Assets		<u>2,714</u>	<u>4,162</u>	<u>471</u>	<u>1,298</u>
Equity					
Share capital	15	25,668	25,668	25,668	25,668
Reserves		541	648	-	-
Accumulated losses		(23,967)	(22,514)	(25,820)	(24,707)
Total Equity		<u>2,242</u>	<u>3,802</u>	<u>(152)</u>	<u>961</u>
Liabilities					
Trade and other payables	18	472	307	623	337
Current tax liabilities		-	53	-	-
Current Liabilities		<u>472</u>	<u>360</u>	<u>623</u>	<u>337</u>
Total Liabilities		<u>472</u>	<u>360</u>	<u>623</u>	<u>337</u>
Total Equity and Liabilities		<u>2,714</u>	<u>4,162</u>	<u>471</u>	<u>1,298</u>

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
The Group					
2023					
Balance as at 1 January 2023	25,668	125	523	(22,514)	3,802
Total comprehensive loss					
Loss for the year	-	-	-	(1,453)	(1,453)
Other comprehensive loss: Foreign currency translation arising from the translation of foreign operations	-	(107)	-	-	(107)
Total comprehensive loss, net of tax	-	(107)	-	(1,453)	(1,560)
Balance as at 31 December 2023	25,668	18	523	(23,967)	2,242

	Share capital	Foreign currency translation reserve	Statutory reserve	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2022					
Balance as at 1 January 2022	25,668	140	523	(20,640)	5,691
Total comprehensive loss					
Loss for the year	-	-	-	(1,874)	(1,874)
Other comprehensive income: Foreign currency translation arising from the translation of foreign operations	-	(15)	-	-	(15)
Total comprehensive loss, net of tax	-	(15)	-	(1,874)	(1,889)
Balance as at 31 December 2022	25,668	125	523	(22,514)	3,802

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

	Share capital	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000
The Company			
2023			
Balance as at 1 January 2023	25,668	(24,707)	961
Loss for the year / Total comprehensive loss for the year	-	(1,113)	(1,113)
Balance as at 31 December 2023	25,668	(25,820)	(152)

	Share capital	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000
2022			
Balance as at 1 January 2022	25,668	(22,666)	3,002
Loss for the year / Total comprehensive loss for the year	-	(2,041)	(2,041)
Balance as at 31 December 2022	25,668	(24,707)	961

D. Condensed interim consolidated statement of cash flows

	The Group	
	12 months ended 31.12.2023 S\$'000 (Unaudited)	12 months ended 31.12.2022 S\$'000 (Audited)
<u>Cash flows from operating activities</u>		
Loss before tax	(1,447)	(1,639)
Adjustments for:		
Interest expense	-	1
Interest income	(19)	(89)
Depreciation	13	13
Operating loss before working capital changes	(1,453)	(1,714)
Changes in working capital:		
Trade and other receivables	(737)	15
Trade and other payables	165	8
Cash used in operations	(2,025)	(1,691)
Income tax paid	(59)	(382)
Net cash used in operating activities	(2,084)	(2,073)
<u>Cash flows from investing activities</u>		
Interest received	19	89
Purchase of property, plant and equipment	(275)	-
Repayment of loan from a third party	-	4,149
Net cash (used in)/generated from investing activities	(256)	4,238
<u>Cash flows from financing activities</u>		
Repayment of shareholder loan	-	(264)
Repayment of lease liabilities	-	(14)
Interest paid	-	(1)
Net cash used in financing activities	-	(279)
Net (decrease)/increase in cash and cash equivalents	(2,340)	1,886
Cash and cash equivalents at beginning of financial year	4,134	2,263
Effect of exchange rate changes on cash and cash equivalents held in foreign currencies	(107)	(15)
Cash and cash equivalents at end of financial year	1,687	4,134
Represented by:		
Cash and bank balances	1,687	4,134
	1,687	4,134

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 **SGX-ST**. These condensed interim consolidated financial statements as at and for the 3-months and 12-months ended 31 December 2023 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are the provision of property consultancy and management services to property management companies in the People’s Republic of China (“**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 service.

2. Basis of preparation

The condensed interim financial statement for the 3-months and 12-months ended 31 December 2023 (“**FY2023**”) 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 interim financial statements for the financial period ended 30 September 2023.

The accounting policies adopted and methods of computation 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 below.

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.

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. As 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 differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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 FY2022.

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

There were no critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements, and there were no assumptions and estimation uncertainties 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 services;
- (b) Others

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

	Property consultancy and management services S\$'000	Others S\$'000	Total S\$'000
<u>1 September 2023 to 31 December 2023</u>			
Services rendered to external customers	37	-	37
Services rendered to related party	-	-	-
Total revenue	37	-	-
Segment loss before tax			
Administrative and other expenses	(953)	-	(953)
Finance income	3	-	3
Other income	(30)	-	(30)
Loss before taxation	(943)	-	(943)
Taxation	(1)	-	(1)
Loss for the period	(944)	-	(944)
<u>As at 31 December 2023</u>			
Segment assets	2,714	-	2,714
Total assets per statement of financial position	2,714	-	2,714
Capital expenditure			
- Additions to PPE	275	-	275
Depreciation	13	-	13

Segment liabilities	472	-	472
Current income tax liabilities	-	-	-
Total liabilities per statement of financial position	472	-	472

	Property Consultancy and management services S\$'000	Others S\$'000	Total S\$'000
<u>1 September 2022 to 31 December 2022</u>			
Services rendered to external customers	-	-	-
Total revenue	-	-	-
Segment loss before tax			
Administrative and other expenses	(520)	-	(520)
Finance income	12	-	12
Other income	42	-	42
Loss before taxation	(466)	-	(466)
Taxation	(25)	-	(25)
Loss for the period	(491)	-	(491)
<u>As at 31 December 2022</u>			
Segment assets	2,699	1,463	4,162
Total assets per statement of financial position	2,699	1,463	4,162
Segment liabilities	307	53	360
Total liabilities per statement of financial position	307	53	360

	Property consultancy and management services S\$'000	Others S\$'000	Total S\$'000
<u>FY2023</u>			
Services rendered to external customers	186	-	186
Services rendered to related party	170	-	170
Total revenue	356	-	356
Segment loss before tax			
Administrative and other expenses	(1,876)	-	(1,876)
Finance income	19	-	19
Other income	54	-	54
Loss before taxation	(1,447)	-	(1,447)
Taxation	(6)	-	(6)
Loss for the year	(1,453)	-	(1,453)
<u>As at 31 December 2023</u>			
Segment assets	2,714	-	2,714
Total assets per statement of financial position	2,714	-	2,714

Capital expenditure			
- Additions to PPE	275	-	275
Depreciation	13	-	13
Segment liabilities	472	-	472
Current income tax liabilities	-	-	-
Total liabilities per statement of financial position	472	-	472
	Property Consultancy and management services S\$'000	Others S\$'000	Total S\$'000
<u>FY2022</u>			
Services rendered to external customers	400	-	400
Total revenue	400	-	400
Segment loss before tax			
Administrative and other expenses	(2,209)	-	(2,209)
Finance income	89	-	89
Finance expense	(1)	-	(1)
Other income	82	-	82
Loss before taxation	(1,639)	-	(1,639)
Taxation	(235)	-	(235)
Loss for the year	(1,874)	-	(1,874)
<u>As at 31 December 2022</u>			
Segment assets	2,699	1,463	4,162
Total assets per statement of financial position	2,699	1,463	4,162
Segment liabilities	307	-	307
Current tax liabilities	-	53	53
Total liabilities per statement of financial position	307	53	360

The following table provides a disaggregation of the Group's revenue by timing of revenue recognition.

	The Group			
	3 months ended 31.12.2023 S\$'000 (Unaudited)	3 months ended 31.12.2022 S\$'000 (Unaudited)	12 months ended 31.12.2023 S\$'000 (Unaudited)	12 months ended 31.12.2022 S\$'000 (Audited)
Timing of revenue recognition:				
Over time:				
Property consultancy and management services	37	-	356	400
	37	-	356	400

Geographical Information

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

The Group

	Revenue S\$'000	Non-current assets S\$'000
<u>3 months ended 31.12.2023</u>		
Singapore	-	-
Malaysia	-	262
China	37	-
Hong Kong	-	-
Total	37	262

3 months ended 31.12.2022

Singapore	-	-
China	-	-
Total	-	-

The Group

	Revenue S\$'000	Non-current assets S\$'000
<u>FY2023</u>		
Singapore	-	-
Malaysia	-	262
China	186	-
Hong Kong	170	-
Total	356	262

FY2022

Singapore	-	-
China	400	-
Total	400	-

	The Group		
	12 months ended 31.12.2023 S\$'000 (Unaudited)	12 months ended 31.12.2022 S\$'000 (Audited)	Increase/ (Decrease) %
Sales reported for first half year	286	400	(29%)
Operating loss after tax before deducting non-controlling interests reported for first half year	(265)	(890)	(70%)
Sales reported for second half year	70	-	n.m
Operating loss after tax before deducting non-controlling interests reported for second half year	(1,188)	(984)	21%

n.m = Not meaningful

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 2023 and 31 December 2022:

	The Group		The Company	
	As at 31.12.2023 S\$'000 (Unaudited)	As at 31.12.2022 S\$'000 (Audited)	As at 31.12.2023 S\$'000 (Unaudited)	As at 31.12.2022 S\$'000 (Audited)
Financial assets				
Cash and bank balances and trade and Other receivables (Amortised cost)	2,452	4,162	317	1,288
Financial liabilities				
Trade and other payables (Amortised cost)	472	307	623	337

6. Other income

	The Group			
	3 months ended 31.12.2023 S\$'000 (Unaudited)	3 months ended 31.12.2022 S\$'000 (Unaudited)	12 months ended 31.12.2023 S\$'000 (Unaudited)	12 months ended 31.12.2022 S\$'000 (Audited)
- Unrealised gain on foreign exchange	(30)	42	54	82
	(30)	42	54	82

7. Tax expense

	The Group			
	3 months ended 31.12.2023 S\$'000 (Unaudited)	3 months ended 31.12.2022 S\$'000 (Unaudited)	12 months ended 31.12.2023 S\$'000 (Unaudited)	12 months ended 31.12.2022 S\$'000 (Audited)
Tax expense attributable to profits is made up of:				
- Current income tax provision	1	25	6	235
	1	25	6	235

8. Loss for the year

	The Group			
	3 months ended 31.12.2023 S\$'000 (Unaudited)	3 months ended 31.12.2022 S\$'000 (Unaudited)	12 months ended 31.12.2023 S\$'000 (Unaudited)	12 months ended 31.12.2022 S\$'000 (Audited)
Loss for the financial period / year is arrived at charging:				
Professional fee	339	581	779	879
Staff costs, directors' fee and provision for gratuity	417	108	803	372
Lease expense	43	-	84	8

9. Loss per share

The calculation of the basic and diluted loss per share attributable to the ordinary equity holders of the Company is as follows:

	The Group			
	3 months ended 31.12.2023 S\$'000 (Unaudited)	3 months ended 31.12.2022 S\$'000 (Unaudited)	12 months ended 31.12.2023 S\$'000 (Unaudited)	12 months ended 31.12.2022 S\$'000 (Audited)
Weighted average number of ordinary shares outstanding for basic and diluted earnings per share ('000)	209,337	209,337	209,337	209,337
Basic and diluted loss per share (cents per share)	(0.45)	(0.23)	(0.69)	(0.90)

10. Net asset value (for the issuer and group) per ordinary share based on issued share capital excluding treasury shares of the issuer at the end of the:

- a) Current financial period reported on; and
- b) Immediately preceding financial year.

The Group		The Company	
As at 31.12.2023	As at 31.12.2022	As at 31.12.2023	As at 31.12.2022
Singapore cents	Singapore cents	Singapore cents	Singapore cents
1.07	1.82	(0.07)	0.46

The calculation of net asset value is based on 209,337,290 ordinary issued shares in the share capital of the Company as at 31 December 2023 (31 December 2022: 209,337,290 shares).

11. Property, plant and equipment

During the financial year ended 31 December 2023, the Group acquired property, plant and equipment amounting to S\$275,000 (31 December 2022: S\$Nil).

12. Right-of-use assets and lease liabilities

The Group as a lessee

Nature of the Group's leasing activities

The Group leases shared office space with short contractual term. The Group has elected not to recognise rights-of-use assets and lease liabilities for this short term lease.

Information about leases for which the Group is a lessee is presented below:

Amounts recognised in statement of financial position

	The Group	
	As at 31.12.2023 S\$'000 (Unaudited)	As at 31.12.2022 S\$'000 (Audited)
<u>Carrying amount of right-of-use assets</u>		
Office unit	-	-
<u>Carrying amount of lease liabilities</u>		
Current	-	-

There were no additions during the financial year.

Amounts recognised in profit or loss

	The Group	
	As at 31.12.2023 S\$'000 (Unaudited)	As at 31.12.2022 S\$'000 (Audited)
Depreciation charge for the financial year	-	13
<u>Lease expense not included in the measurement of lease liabilities</u>		
Lease expense – short term leases	-	8
Interest expense on lease liabilities	-	1

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Lease liabilities	
	As at 31.12.2023 S\$'000 (Unaudited)	As at 31.12.2022 S\$'000 (Audited)
Balance at 1 January	-	15
Changes from financing cash flows		
- Repayments	-	(14)

- Interest paid	-	(1)
Non-cash changes		
- Interest expense	-	1
- Effect of changes in foreign exchange rates	-	(1)
Balance at 31 December	-	-

13. Investment in subsidiaries

	<u>The Company</u>	
	As at 31.12.2023 S\$'000 (Unaudited)	As at 31.12.2022 S\$'000 (Audited)
Unquoted equity shares, at cost At 1 January and end of financial year	154	10

a) Details of subsidiaries held by the Company are:

Name of subsidiary and country of business / incorporation	Principal activities	Effective equity interest	
		As at 31.12.2023 %	As at 31.12.2022 %
Sunrise Industrial (Singapore) Pte. Ltd. ⁽²⁾ Singapore	Property fund management and real estate investment trusts	100	100
Sunrise Investment Limited ⁽¹⁾ (Cayman Island)	Investment holding	100	100
Sunrise Shares (M) Sdn Bhd ⁽¹⁾⁽⁴⁾ (Malaysia)	Management, advisory and consultancy services	100	-
<u>Held by Sunrise Industrial (Singapore) Pte Ltd.</u>			
Hong Kong Sunrise Industrial Development Limited ⁽³⁾ (Hong Kong)	Property consultancy, management and related services	100	100
<u>Held by Hong Kong Sunrise Industrial Development Limited</u>			
Hong Kong Sunrise Consultant Limited ⁽³⁾ (Hong Kong)	Investment holding	100	100
<u>Held by Hong Kong Sunrise Consultant Limited</u>			
Shenzhen Sunrise Development Limited ⁽¹⁾ (China)	Property consultancy, management and related services	100	100

Held by Shenzhen Sunrise Development Limited

Shenzhen Zhongtong Apartment Management Limited (Formerly known as Shenzhen Kimshek Construction Project Management Limited) ⁽¹⁾ (China)	Property consultancy, management and related services	100	100
Shenzhen Kimshek Consultancy Management Limited ⁽¹⁾ (China)	Property consultancy, management and related services	100	100

1. Not required to be audited.
2. Audited by PKF-CAP LLP.
3. Not audited by PKF-CAP LLP.
4. On 4 October 2023, the Company had incorporated a wholly-owned subsidiary known as Sunrise Shares (M) Sdn Bhd with total issued and paid-up share capital of Ringgit Malaysia (RM) 500,000 comprising of 500,000 ordinary shares.

14. Trade and other receivables

	The Group		The Company	
	As at 31.12.2023 S\$'000 (Unaudited)	As at 31.12.2022 S\$'000 (Audited)	As at 31.12.2023 S\$'000 (Unaudited)	As at 31.12.2022 S\$'000 (Audited)
Prepayments	667	1	87	-
Other receivables	98	27	-	3
Amounts due from subsidiaries	-	-	-	954
	<u>765</u>	<u>28</u>	<u>87</u>	<u>957</u>

Amounts due from subsidiaries are non-trade in nature, unsecured, interest free and repayable on demand.

15. Share capital

	The Group and The Company			
	As at 31.12.2023		As at 31.12.2022	
	Number of shares ('000)	Issued share capital S\$'000	Number of shares ('000)	Issued share capital S\$'000
Beginning and end of financial year	<u>209,337</u>	<u>25,668</u>	<u>209,337</u>	<u>25,668</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

There were no changes in the Company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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, being 30 September 2023.

The Company does not have any outstanding convertibles, treasury shares and subsidiary holdings as at 31 December 2023 and 31 December 2022 respectively.

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2023 and 31 December 2022.

There was no sale, transfer, cancellation and/or use of treasury shares or subsidiary holdings during, and as at the end of the current financial period ended 31 December 2023.

16. Foreign currency translation reserve

The foreign currency translation reserve comprises foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Company.

17. Statutory reserve

In accordance with the Foreign Enterprise Law applicable to entities in the PRC, the Group's PRC subsidiaries are required to make appropriation to a Statutory Reserve Fund ("SRF"). At least 10% of the profit after tax as determined in accordance with the applicable PRC accounting standards and regulations must be allocated to the SRF until the cumulative total of the SRF reaches 50% of the PRC entity's registered capital. Subject to approval from the relevant PRC authorities, the SRF may be used to offset any accumulated losses or increase the registered capital of the PRC entity. The SRF is not available for dividend distribution to shareholders.

18. Trade and other payables

	The Group		The Company	
	As at 31.12.2023 S\$'000 (Unaudited)	As at 31.12.2022 S\$'000 (Audited)	As at 31.12.2023 S\$'000 (Unaudited)	As at 31.12.2022 S\$'000 (Audited)
Trade payables	-	60	-	-
Accruals	213	171	202	169
Provision for gratuity Note (a)	54	-	54	-
Other payables	205	76	151	50
Amount due to a subsidiary Note (b)	-	-	216	118
	472	307	623	337

Notes:

- Provision for gratuity is for the three Directors of the Company, namely Zheng Aimin, Tang An and Wang Ziquan, who had resigned on 4 September 2023. The payment shall be tabled for shareholders' approval at the next annual general meeting to be held by the Company in April 2024.
- Amount due to a subsidiary is non-trade in nature, unsecured, interest free and repayable on demand.

19. Related party transactions

In addition to information disclosed elsewhere in the financial statements, 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:

	The Group	
	As at 31.12.2023 S\$'000 (Unaudited)	As at 31.12.2022 S\$'000 (Audited)
Consultancy fee received	170	-
Repayment of loan to shareholder	-	(264)

Key management personnel compensation

Total key management personnel compensation is analysed as follows:

	The Group	
	As at 31.12.2023 S\$'000 (Unaudited)	As at 31.12.2022 S\$'000 (Audited)
Directors of the Company		
- Directors' fee	109	90
- Provision for gratuity	54	-
Other key management personnel		
- Short-term employee benefits ^{Note (a)}	185	233
- Contributions to defined contribution plans	-	3
Total key management personnel benefits incurred by the Group	348	326

Note:

- a) Short term employee benefits include gratuity payment of S\$20,000 to former Chief Executive Officer of the Company, Liang Yongdong who had resigned on 5 September 2023.

20. Fair value of assets and liabilities

- a) Fair value hierarchy

The tables below analyse the fair value measurements by the levels in the fair value hierarchy based on the inputs to the valuation techniques. The different levels are defined as follows:

- a) Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
b) Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (i.e. derived from prices);
and
c) Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

No fair value hierarchy information is disclosed for the Group's and Company's financial assets and financial liabilities measured at amortised cost as the carrying amount of these financial assets and liabilities approximate their fair values.

- b) 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.

- c) The Group and the Company has no other financial instruments.

21. Subsequent Events

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

F. OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES

The condensed interim statements of financial position of Sunrise Shares Holdings Ltd. and its subsidiaries as at 31 December 2023 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the three and twelve-month periods then ended and certain explanatory notes have not been audited or reviewed.

1A. 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.

The three agreements in relation to the consultancy management services to New Zealand Nan Fang Investment Limited and Nan Fang (Singapore) Investment Fund Management Pte Ltd, and loan to a corporation, which were the subject of the auditor's qualified opinion on the audited financial statements in respect of FY2022 had ceased in first half of FY2022.

The Company has appointed a qualified Chief Financial Officer on 4 September 2023 and set up an in-house internal audit department lead by Chief Internal Auditor, and constituted a new finance team, all of whom are sufficiently trained and suitably qualified to oversee the finance functions and internal controls of the Company, including but not limited to the Company's accounting and financial reporting. The internal audit department is tasked to strengthen the Company's overall internal control systems, including but not limited to the identification of related party transactions ("RPTs") and interested person transactions ("IPTs") so as to ensure that all RPTs and IPTs are properly disclosed on a timely manner.

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

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

2A. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:

(a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period report on, including (where applicable) seasonal or cyclical factors; and

Review for the performance of the Group for the twelve-months ended 31 December 2023 ("FY2023")

The Group had on 30 December 2022 entered into a consultancy and management service agreement with Hong Kong Sunrise Asset Management ("HKSAM"), an interested person transaction. However, as the real estate business in China had continued to remain weak despite the gradual re-opening of the economy in China, HKSAM had no new business in both Hong Kong and China, and the consultancy agreement with HKSAM was terminated on 22 March 2023.

Despite the above loss of business, the Group secured two consultancy service agreements during the financial year, one with Zhuhai Tonglin Village Eco-Tourism Development Co., Ltd. and the other with Zhuhai Mucun Construction Engineering Co., Ltd.

Revenue from operations decreased by 11% or S\$44,000, from S\$400,000 in FY2022 to S\$356,000 in FY2023, mainly due to lesser consultancy contracts secured during the financial year as the property market, particularly in China remained challenging.

During the financial year, interest income and other income have decreased by 57% or S\$98,000, from S\$171,000 in FY2022 to S\$73,000 in FY2023, mainly due to lower bank interest earned from the subsidiaries.

Administrative expense (comprising mainly directors' remuneration, staff costs, office overhead cost and professional fees) increased by 23% or S\$353,000, from S\$1,523,000 in FY2022 to S\$1,876,000 in FY2023, mainly due to the increase of manpower cost following the change of the composition of the Board and management team in September 2023 as well as office overhead cost incurred for new the management team who are based in Malaysia

The other expense of S\$686,000 incurred in FY2022 was mainly due to the loss on investment in foreign exchange market and commission paid for forex trading activities. The Group has ceased its investment in foreign exchange market in first half of FY2023.

As a result, the Group reported net loss of S\$1,447,000 in FY2023, as compared to net loss of S\$1,639,000 in FY2022.

(b) 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 Statement of financial position

Non-Current Assets

Property, plant and equipment of S\$262,000 incurred during the financial year was in relation to renovation cost for new office based in Malaysia as well as the purchase of fixed assets such as computer equipment, office equipment and furniture and fittings.

Current Assets

Trade and other receivables increased by S\$737,000, from S\$28,000 as at 31 December 2022 to S\$765,000 as at 31 December 2023, mainly due to trade receivable of S\$31,000 and, prepayment and deposits made of S\$629,000 on new office rental and set-up cost for new management team who based in Malaysia.

With the loss after tax of S\$1,453,000 for FY2023 and payments to purchase fixed assets as well as prepayment made, cash and cash equivalents of the Group has reduced from S\$4.1 million as at 31 December 2022 to S\$1.7 million as at 31 December 2023.

Current Liabilities

The Group's current liabilities increased by S\$165,000, from S\$307,000 as at 31 December 2022 to S\$472,000 as at 31 December 2023, mainly due to an increase in trade and other payables as a result of accrual of directors' fees and increase in other payables in relation to the professional fees incurred for corporate exercises undertaken by the Company.

Working Capital

The decrease in working capital from S\$3.8 million as at 31 December 2022 to S\$2.2 million as at 31 December 2023 was mainly due to lower consultancy services revenue and payments of administrative and other expenses as well as prepayment made.

Review of statement of cash flows

Net decrease of S\$2.4 million in cash and cash equivalents during FY2023, from S\$4.1 million as at 31 December 2022 to S\$1.7 million as at 31 December 2023 was mainly due to loss before tax of S\$1,447,000 and increase of trade and other receivables of S\$737,000 and purchase of property, plant and equipment of S\$275,000, coupled with the effect of exchange rate changes on cash and bank balances held in foreign currencies amounted to S\$107,000.

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

Not applicable as no specific forecast or prospect statement was previously disclosed to the shareholders.

4. 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 recovery in the property market is expected to continue in 2024, albeit at a slower pace amid rising borrowing costs and growing inflationary pressure. The real estate business in China is expected to remain weak despite the re-opening of the borders in China and Hong Kong. The Group is presently working on consultancy contracts for two projects located in Zhuhai, China, of which, one of them is in relation to tourism and hotel accommodation.

Following the change of the composition of the Board and management in September 2023 after the lapse of the mandatory conditional general offer in the end of August 2023, the new management of the Group is now exploring to expand and pursue other business opportunities to enhance shareholders' value.

On 21 November 2023, the Group has announced the proposed acquisition of 100% equity interest in Falcon Pace Sdn Bhd, a private limited company incorporated in Malaysia who is currently managing a 4-star hotel known as The Pines Melaka. The proposed acquisition is part of the Group's efforts to expand its core business outside of the Group's existing PRC market into the Southeast Asia hospitality market, to generate additional revenue streams for the Group and mitigate concentration risks in the PRC market. Barring unforeseen circumstances, the proposed acquisition is expected to complete by end of second quarter of 2024.

5. If a decision regarding dividend has been made:

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

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

(b) (i) Amount per share

Not applicable.

(ii) 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.

Not applicable.

6. 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 as the Group had incurred losses for FY2023.

7. 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

8. If the group has obtained a general mandate from shareholders for IPTs, 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 had previously on 29 December 2022, obtained a general mandate from shareholders for the following IPT:

Name of Interested Person	Nature of Relationship	Aggregate value of all IPT conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
HKSAM	A company wholly owned by Mr Wong Siu Fai, the substantial shareholder of the Company ^{Note (a)}	Management consultancy fee charged by the Group to HKSAM: S\$170,000

The consultancy agreement with HKSAM was terminated on 22 March 2023.

Note:

- (a)** As announced on 1 December 2023, Mr Wong Siu Fai had disposed of his 100.0% shareholding in Prosperity Luck Overseas Inc. ("**Prosperity Luck**"), which held a direct interest of 45,351,437 Shares, to Hong Kong CY Development Co., Limited on 29 November 2023. Accordingly, Mr Wong Siu Fai is no longer deemed interested in the Shares held by Prosperity Luck and has ceased to be a controlling shareholder of the Company.

9. 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) of the Catalist Rules

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7H of the Catalist Rules in accordance with Rule 720(1) of the Catalist Rules.

10. 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.

None of the persons occupying a managerial position in the Company or any of its principal subsidiaries is a relative of a director or chief executive officer or substantial shareholder of the Company.

11. Disclosure of acquisitions (including incorporations) and realisations of shares since the end of the previous reporting period pursuant to Rule 706A of the Catalist Rules.

As announced on 4 October 2023, the Company had incorporated Sunrise Shares (M) Sdn. Bhd. (“SSMSB”) in Malaysia, with an initial issued and paid-up share capital of RM1.00 comprising of 1 ordinary share. The subscription for the issued and paid-up share capital in SSMSB was funded through internal working capital resources.

The Company further announced on 21 December 2023 that SSMSB has increased its paid-up share capital by RM499,999 to RM500,000 via an allotment and issuance of 499,999 new ordinary shares to the Company by way of subscription in cash for the purpose of working capital requirements in SSMSB. The Company now holds 500,000 ordinary shares in SSMSB, and SSMSB remains as a wholly-owned subsidiary of the Company. The subscription was funded through internal working capital resources.

On Behalf of the Board of Directors

Dato’ Syed Norulzaman bin Syed Kamarulzaman
Independent Non-Executive Chairman

Datuk Wira Boo Kuang Loon
Executive Director and Chief Executive Officer

27 February 2024