

TARGET

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**SUNLIGHT (1977) HOLDINGS LTD
DO NOT BELITTLE SMALL FISHES:
THEY HAVE THE ABILITY TO SURPRISE, ONE !**

It is quite likely that Sunlight (1977) Holdings Ltd (日光[1977]控股有限公司) (Code 8451, The Growth Enterprise Market – The GEM – The Stock Exchange of Hongkong Ltd) in respect of its financials, is amongst the smallest of publicly listed companies, the shares of which are listed on the secondary equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

Many people, no doubt, might sneer at such a corporate entity whose Total Revenue, with regard to the 2022 Financial Year, ended November 30, 2022, was about \$S12,020,000.00 (about \$HK70,104,880.00), with a Profit for that Financial Year, being \$S260,000.00 (about \$HK1,516,412.00).

But, as this scribe recalls, at many a Friday nights' dinner, when my late, quick-witted grandmother would take note of that which sounded to her as being a contemptuous remark with regard to a seemingly small matter that should have been considered of deserving clarity and understanding rather than a suggestion of disdain, she would utter:

'Bubbeleh! Little things, like little fishes, can be sweet, too!'

A SHORT INTRODUCTION TO SUNLIGHT (1977) HOLDINGS LTD

At this point in its 45-year history, Sunlight (1977) Holdings Ltd has been suffering an extremely difficult time as its Chairman, Mr Chua Liang Sie (蔡良聲), would willingly attest.

In his '*Chairman's Statement*' to shareholders, Mr Chua Liang Sie explains his Company's plight:

'In the Relevant Year – the Financial Year, ended September 30, 2022 – and the Previous Year, the Singapore Government fought the spread of COVID-19. Restrictions on commercial activities were imposed and lifted repeatedly throughout these two years in response to the continuous increases and decreases in COVID-19 infection rates.'

‘Our business is directly related to the level of commercial activities. Our monthly revenue in these two years were not stable, in response to the COVID-19 restrictions applicable in the respective months.

‘Our revenue in the Relevant Year ended up similar to the Previous Year. Our cost of purchase increased disproportionately due to worldwide inflation. Despite adjusting our selling prices, this impacted our gross profit in the Relevant Year.

‘Our delivery to customers were not affected because we adhered strictly to Singapore Government’s COVID-19 directives on safety measures. Our supply chain was also not interrupted. We monitored the COVID-19 status of our vendors closely.

‘PERFORMANCE

‘Our revenue increased slightly by 2.2% from \$11.8 million in FY2021 to \$12.0 million in FY2022.

‘Gross profit reduced slightly by 3.5% from \$2.9 million in FY2021 to \$2.8 million in FY2022. This is due to worldwide inflation.

‘Our profit increased by 5.7% from \$246,000 in FY2021 to \$260,000 in FY2022. This was mainly due to changes in tax estimates in respect of prior years...’.

TARGET (泰達財經) Note:

All financial statistics, although not stated, explicitly, in the 2022 Annual Report of the Company, are meant to be in respect of Singapore dollars, the lawful currency of The Republic of Singapore. The Singapore dollar, vis-à-vis the Hongkong dollar, is, approximately, \$S1.00 = \$HK5.81.

The Business Of Sunlight (1977) Holdings Ltd

The following is the Company’s statement, found at Page 64 of the 2022 Annual Report:

‘The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 21.9.2017. The shares of the Company were listed on GEM operated by The Stock Exchange of Hong Kong Limited on 16.4.2018.’

‘The Group – the Company and its subsidiaries – is principally engaged in the supply of tissue products to corporate customers in Singapore.

*‘The subsidiary directly and wholly-owned by the Company is SPP Investments Limited (“**SPP Investments**”), which is an investment holding company. The subsidiary indirectly and wholly-owned by the Company (through SPP Investments) is Sunlight Paper Products Pte. Ltd.*

*(“**Sunlight Paper**”), which is principally engaged in the supply of tissue products to corporate customers in Singapore...’.*

A more-detailed explanation as to the business of the Company was given in the database of **TOLFIN** (泰達資訊), the Computerised, Online Financial Intelligence Service and Web-Based, Credit-Checking Provider, as follows:

Sunlight (1977) Holdings Ltd is segmented into the following categories:

- Hygiene-related products and ‘*Others*’;
- The provision of a number of services, from advising as to the types and specifications of tissue products, sourcing suitable products, conducting quality control, delivery of products through a fleet of delivery vehicles, to providing after-sales services when requested; and,
- The manufacture of products, including jumbo roll tissues, paper hand towels, hand-roll towels, wipes, napkins, gloves, dispensers, facial tissues, toilet paper roll, and garbage bags.

As at September 30, 2022, Sunlight (1977) Holdings Ltd ... [CLICK TO ORDER FULL ARTICLE](#)

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