

TARGET

Intelligence Report

VOLUME XXIII No. 264

THURSDAY

December 2, 2021

SYNERGY GROUP HOLDINGS INTERNATIONAL LTD: WILL THIS COMPANY STILL BE OPEN FOR BUSINESS BY THE END OF THE 2022 CALENDAR YEAR ?

Within almost exactly seven months after Synergy Group Holdings International Ltd (滙能集團控股國際有限公司), having obtained the green light from the powers that be to have the Company's shares, listed on The **G**rowth **E**nterprise **M**arket (the **GEM**) of The Stock Exchange of Hongkong Ltd – the GEM is the secondary equity market of the **H**ong**k**ong **S**pecial **A**dmistrative **R**egion (**HKSAR**) of the **P**eople's **R**epublic of **C**hina (**PRC**) – Senior Management had applied, and was successful in this quest, to have its shares, listed on the Premier equity market of the HKSAR, known as the Main Board of The Stock Exchange of Hongkong Ltd.

Today, Synergy Group Holdings International Ltd is known – not famously, by the way – by its Stock Code: Number 1539.

Since October 26, 2016, having donned the Imperial toga, façon de parler, indicating that the Company '*had arrived*', both the Company's Revenue and its Net Profit Attributable to Shareholders had found their respective ways down the slope to that which is, today, approaching oblivion.

The Interim Report

On Tuesday, November 30, 2021, Management of Synergy Group Holdings International Ltd announced the Company's Interim Results for the six months, ended September 30, 2021.

The following are some of the highlights of the Interim Results:

	Six Months, Ended September 30		Percentage Increase/(Decrease)*
	2021	2020	
	All Figures Are Denominated In \$HK’000 (except where otherwise specified)		
Revenue	38,848	17,243	125.30
Gross Profit	18,792	4,486	318.90
Gross Profit Margin*	48.37	26.02	85.90
Net Loss Attributable To Shareholders	(21,720)	(76,104)	(71.46)
Net Assets (Shareholders’ Funds)	33,294	54,549	(38.96)

* These are **TARGET**'s calculations

At Note 10 to the Accounts, one was informed of the following:

‘ACCRUALS, OTHER PAYABLES AND DEPOSITS RECEIVED

In 2017, the Company issued certain notes to two companies (the “Creditors”) which became overdue on 22 July 2020. As such, the Company subsequently entered into a deed of settlement with each of the Creditors (collectively, “Deeds of Settlement”) in respect of the notes. During the year ended 31 March 2021, the Company received statutory demands from the legal representatives acting on behalf of each of the Creditors in which the Creditors were, demanding payment from the Company for its indebtedness under each of the Deeds of Settlement within 21 days from the date of the statutory demands. As at the date of approval of these unaudited condensed consolidated financial statements, the Company is still in the discussion of the repayment arrangement with the Creditors. No further action has been carried out by the Creditors.’

With regard to the Gearing Ratio of the Company, as at September 30, 2021, it stood at 584.70 percent, ‘representing an increase of 49.1% as compared to the 392.1% as at 31 March 2021’. (Page 28 of the Interim Results)

The Annual Report Of Synergy Group Holdings International Ltd

On July 29, 2021, Synergy Group Holdings International Ltd published and disseminated its 2020/2021 Annual Report with regard to the Financial Year, ended March 31, 2021.

The following are some of the highlights of the financials of the Company in respect to the 2020/2021 Financial Year:

	Financial Year, Ended March 31		Percentage Increase/(Decrease)*
	2021	2020	
	All Figures Are Denominated In \$HK'000 (except where otherwise specified)		
Revenue	53,784	126,547	(57.50)
Gross Profit	26,376	70,108	(62.38)
Gross Profit Margin*	49.04	55.40	(11.48)
Net Profit/(Loss) Attributable To Shareholders	(279,797)	(109,762)	154.91
Net Profit Margin*	N/A	N/A	N/A
Net Assets (Shareholders' Funds)	54,549	315,082	(82.69)

* These are **TARGET**'s calculations

On scanning the above-mentioned highlights of the financials of the Company, one might well consider that there is ample reason for attention to be paid, concerning a number of material anomalies, they, not being fatuous, at all; and, these anomalies are unlikely to be lost to the eagle eyes of right-minded investors.

The Independent Auditor's Report, found at Pages 85 through to 87 of the 2020/2021 Annual Report, had no compunctions, regarding its concerns, all of which were written in black and white – with black, being the dominant colour of its opinions.

BDO Ltd (香港立信德豪會計師事務所有限公司), Certified Public Accountants ...

[CLICK TO ORDER FULL ARTICLE](#)

***While TARGET makes every attempt to ensure accuracy of all data published,
TARGET cannot be held responsible for any errors and/or omissions.***

*If readers feel that they would like to voice their opinions about that which they have read in **TARGET**, please feel free to e-mail your views to editor@targetnewspapers.com. **TARGET** does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.*