

TARGET

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**SY HOLDINGS GROUP LTD:
THE 2020 FINANCIAL YEAR WAS UNBELIEVABLE,
BUT THE 2021 INTERIM REPORT:
OUCH! OUCH! OUCH!**

SY Holdings Group Ltd (盛業控股集團有限公司), formerly known as Sheng Ye Capital Ltd (盛業資本有限公司), (Stock Code 6069, Main Board, The Stock Exchange of Hongkong Ltd) appears that it had hit the motherload in respect of the Financial Year, ended December 31, 2020.

With regard to the 2020 Financial Year, ended December 31, the Company's Revenue was the highest of the past five Financial Years, as was its Net Profits, Total Assets, and Net Earnings Per Share.

On July 6, 2017, the Company obtained a listing of its shares on the secondary equity market of The Stock Exchange of Hongkong Ltd (the **GEM**), however, on October 24, 2019, Management applied and obtained the right to transfer of its listing from the GEM to the Main Board of The Stock Exchange of Hongkong Ltd, the Main Board, being the premier equity market of the **Hongkong Special Administrative Region (HKSAR)** of the **People's Republic of China (PRC)**.

The Company is a PRC-based investment holdings company, its main business includes the provision of commercial factoring services, software-as-a-service (**SaaS**), and supply chain financial services to corporate entities in the industry chain in the Asia-Pacific Region.

The Company's main product is '*Easy Factoring*', a cloud server, proprietary fintech² platform for supply chain digital technology services.

The 2020 Annual Report Of SY Holdings Group Ltd

On March 31, 2021, SY Holdings Group Ltd produced its 2020 Annual Report in respect of the Financial Year, ended December 31.

At Pages four and five of the 2020 Annual Report, Mr Tung Chi Fung, the Chairman of the Board of Directors and an Executive Director of SY Holdings Group Ltd, shared his thoughts with his minority investors about the Company and its progress in the 2020 Financial Year.

He said, inter alia:

‘Despite the major disruptions impacting travel and businesses over the year, we (the Company) adapted swiftly to the changing environment by being proactive, giving our employees, customers and their families the utmost support in terms of providing medical supplies and care, while at the same time, ensuring normal operations and assisting customers in resuming business. Even with the macroeconomic headwinds impacting global businesses and supply chains, the collective efforts of everyone in the Group enabled us to achieve several milestones and ended the (financial) year maintaining a stable growth trajectory.

‘Looking back on our performance for the fiscal year of 2020, the Group’s profit for the year totaled approximately RMB337 million¹, representing an increase of 14% year-on-year. Total platform users were over 7,000, translating to an increase of more than 80% over the previous year, while achieving accumulated total assets under management of approximately RMB100 billion. These further reaffirm the sustainability and maturity of our business model. One of the notable highlights last year was also the completion of an HKD388.5 million equity top-up placement executed in September 2020, resulting in an enlarged equity base of approximately RMB3.03 billion as of 31 December 2020, making us one of the largest third-party commercial factoring³ groups in China at that point of time. The placement exercise not only solidified our balance sheet but also attracted strong interest from several institutional investors, allowing us to expand our shareholder base to internationally renowned investors, at the same time, galvanizing the trading liquidity of the Company’s shares. Amidst growing interest from the global investor community in both the supply chain financing sector and the Company, Macquarie and DBS Bank⁴ initiated research coverage of the Group in November 2020, outlining the Company’s strong fundamentals and future growth potential. Both international institutions had also re-iterated their buy ratings in early 2021.

‘Since our establishment in 2013, technology has always been an important cornerstone of our core business in anticipation of the digital economy. Over the years, we have successfully built an industry focused and data-driven digital technology platform. By leveraging technology and our credibility, we develop close working relationships with core enterprises, entrenching ourselves within the supply chain ecosystem and supporting the working capital needs of numerous downstream companies. Our unwavering commitment and investment into research and development allows us to strengthen our risk management framework, elevate the online customer experience and also minimize the disruption to our business brought about by the pandemic. Since our listing in 2017, we have invested a cumulative total of over RMB77.7 million in technology research and development, and will continue to stay committed to investing in this area as well as new technology applications and talent. We firmly believe that only through sheer persistence and overcoming the most challenging obstacles, can the greatest value be created!’

Editor's Notes:

- ¹ Renminbi, or RMB, is the official currency of the People's Republic of China.
- ² Fintech: Computer programmes and other technology, used to support or enable banking and financial services.
- ³ Factoring: A company that buys a manufacturer's invoices at a discount and takes responsibility for collecting the payments due on them.
- ⁴ Macquarie and DBS Bank: Macquarie Capital Ltd (麥格理資本股份有限公司) and DBS Bank.

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