

TARGET

Intelligence Report

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**SUNWAH KINGSWAY CAPITAL HOLDINGS LTD:
THIS TIGHTLY CONTROLLED FAMILY COMPANY HAS
LEARNED TO WORK TOGETHER TO REAP ITS JUST REWARDS**

Sunwah Kingsway Capital Holdings Ltd (新華滙富金融控股有限公司) (Code: 188, Main Board, The Stock Exchange of Hongkong Ltd) is a Hongkong, family controlled corporate entity, all the shares of which are listed on the premier equity market of the **Hongkong Special Administrative Region (HKSAR)** of the **People's Republic of China (PRC)**.

A positive aspect of Mr Jonathan Choi Koon Shum (蔡冠深), the paterfamilias of this tightly controlled, family Company, determined, some time ago, to pay unadulterated homage to his ethnic roots.

As a direct result of his singular determination, in the fullness of time, he was well-rewarded by a number of the bigwigs of Beijing, Beijing, to Mr Jonathan Choi Koon Shum, being the Capital City and the seat of power of the PRC, inter alia, with the showering of accolades that were heaped upon him, culminating, by way of presenting the voluntary benefactor with a high position on the **National Committee of the Chinese People's Political Consultative Conference (CPPCC)**.

By this time, Mr Jonathan Choi Koon Shum was a well-known gentleman of China in the Capital City of that dynamic country that had, in fact, '*crowned*' him as being one of the chosen ones.

Mr Jonathan Choi Koon Shum, then, orchestrated an act that must have shocked quite a number of those Beijing bigwigs who had seen him as not being very much more than a businessman, domiciled in the Hongkong Special Administrative Region of the PRC.

The Acts Of Mr Jonathan Choi Koon Shum

On or about September 15, 2000, the date on which the entire Issued and Fully Paid-Up Share Capital of Sunwah Kingsway Capital Holdings Ltd had been listed on the Main Board of The Stock Exchange of Hongkong Ltd, the Company proudly announced its illustrious presence to prospective investors of the world.

Today, after 23 years as a publicly listed corporate entity, Sunwah Kingsway Capital Holdings Ltd is somewhat of a desultory success story ... of sorts.

According to the database of **TOLFIN** (泰達資訊), the Computerised, Online Financial Intelligence Service and Web-Based, Credit-Checking Provider at its HKSAR Property Transaction Database, on or about January 19, 2012, Sunwah Capital Holdings Ltd purchased from Verybest Holdings Ltd, the entire office on the Seventh Floor of Tower One, Lippo Centre, Number 89, Queensway, the HKSAR.

The purchase price of the entire Seventh Floor of this prime, commercial office building was \$HK206,312,000.00.

In January 2012, the purchase of part of a relatively new, swank commercial office building at the price of more than \$HK206 million was considered something extraordinary, reserved only for the likes of multimillionaires.

About three years after the purchase of part of the Lippo Centre commercial office building, Rich Smart Corporation Ltd (駿發興業有限公司), a wholly owned subsidiary of Sunwah Kingsway Capital Holdings Ltd, purchased from Sun Billion Development Ltd (耀億發展有限公司), Shop A, on the First Floor, Numbers 52, 54, and 56, Tsun Yip Street, Kowloon, the HKSAR.

The purchase price of this Kowloon property was only \$HK52,130,000.00, according to the database of **TOLFIN**.

The Business Of Sunwah Kingsway Capital Holdings Ltd

The business of Sunwah Kingsway Capital Holdings Ltd, today, is said to be an investment holding company, engaged in multiple businesses that include:

- The Brokerage Segment that engages in the provision of securities, options, funds, futures, and commodities brokerage services, margin financing and other financial services;
- The Corporate Finance and Capital Markets Segment provides financial advisory services and underwriting and placement agency;
- The Pty (Proprietary) Investment Segment engages in securities investment and structured transaction investment;
- The Asset Management Segment provides asset management and related advisory services to private equity funds and private clients; and,
- The Property Segment provides management, administrative and company secretarial services, in-house lending, and office services.

THE FINANCIALS OF SUNWAH KINGSWAY CAPITAL HOLDINGS LTD

At Page 37 of the 2022 Annual Report of Sunwah Kingsway Capital Holdings Ltd, the Company's '*Consolidated Income Statement*' was presented as follows:

	For The Financial Year, Ended June 30		Percentage Increase/(Decrease)**
	2022	2021	
	All Figures Are Denominated In \$HK'000 (except where otherwise stipulated)		
Revenue*	68,926	90,017	(23.43)
Profit/(Loss) Before Taxation	(75,631)	33,920	(322.97)
Profit/(Loss) For The Year	(78,696)	30,958	(354.20)
Basic And Diluted Earnings/(Loss) Per Share	(10.78) cents	4.44 cents	(342.79)

** These are **TARGET**'s calculations.

* A breakdown of the Company's Revenue was given at Page 70 of the 2022 Annual Report as follows:

	2022 HK\$'000	2021 HK\$'000
Revenue from contracts with customers		
Commission and fee income		
– securities, options, funds, futures and commodities brokerage	15,870	28,323
– underwriting and placements in equity capital markets	321	4,542
– corporate finance	23,150	23,274
– asset management	121	33
– miscellaneous fee income	5,164	4,810
	<u>44,626</u>	<u>60,982</u>
Revenue from other sources		
Interest income arising from financial assets at amortised cost		
– bank deposits	752	896
– margin and cash clients	5,994	5,664
– loans	9,144	14,461
– others	58	60
	<u>15,948</u>	<u>21,081</u>
Interest income arising from debt securities	1,552	1,552
Dividend income	3,796	3,487
Rental income	3,004	2,915
	<u>24,300</u>	<u>29,035</u>
	<u>68,926</u>	<u>90,017</u>

At Page 39 of the 2022 Annual Report of the Company, under the heading, '**Consolidated Statement of Financial Position**', this medium noted the following:

	2022 \$HK'000	2021 \$HK'000
Bank Balances and Cash – Trust Accounts:	531,645	668,244
Cash and Cash Equivalents:	162,529	168,610
Bank Loans:	105,000	130,000
Net Assets (Shareholders' Funds):	910,832	996,957

At Page 73 of the 2022 Annual Report of Sunwah Kingsway Capital Holdings Ltd, under the heading, '*Net (loss)/gain on financial assets and liabilities at fair value through profit or loss*', the following table was given:

	2022 \$HK'000	2021 \$HK'000
Listed Equity Securities:	(11,717)	46,912
Listed Debt Securities:	(11,828)	(383)
Listed Derivates:	6,236	(3,501)
Bond Funds:	(3,703)	461
Unlisted Debt Security:	Nil	186
Unlisted Investment Loan:	Nil	5,823
Unlisted Investment Funds:	(5,887)	721
Overseas Unlisted Equity Securities:	4,288	37,055
<u>TOTAL:</u>	<u>(22,611)</u>	<u>87,274</u>

MR MICHAEL CHOI KOON MING PONTIFICATES

To be absolutely fair to Mr Michael Choi Koon Ming (蔡冠明), the Chief Executive Officer of Sunwah Kingsway Capital Holdings Ltd ... [CLICK TO ORDER FULL ARTICLE](#)

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