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## **SY HOLDINGS GROUP LIMITED**

**盛業控股集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 6069)**

### **DISCLOSEABLE TRANSACTION — PROVISION OF FINANCIAL ASSISTANCE TO AN AFFILIATED COMPANY**

#### **THE FINANCIAL ASSISTANCE AGREEMENT**

The Board is pleased to announce that on 23 September 2022 (after trading hours of the Stock Exchange), to support the business development of NBGF which is an affiliated company of the Company and to finance the operation of supply chain finance business engaged by NBGF, Sheng Long which is an indirect non-wholly owned subsidiary of the Company and SY Factoring which is an indirect wholly owned subsidiary of the Company, entered into the Financial Assistance Agreement with NBGF.

Pursuant to the Financial Assistance Agreement all parties agreed, amongst others, that within twenty-four (24) months from the date of the Financial Assistance Agreement, (i) Sheng Long will provide guarantees as security for the debt financing of NBGF in proportion to its shareholding interest in NBGF in which SY Factoring will provide joint and several guarantees (the “**Financial Assistance A**”); and/or (ii) Sheng Long will provide shareholder loans to NBGF (the “**Financial Assistance B**”) (the Financial Assistance A and the Financial Assistance B collectively, the “**Financial Assistance**”). The aggregated maximum amount of the Financial Assistance shall not exceed RMB875 million subject to compliance with the relevant regulatory requirement.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in relation to the Financial Assistance exceed 5% but all are less than 25%, the entry of the Financial Assistance Agreement constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

In addition, as the asset ratio (as defined in the Listing Rules) for the Financial Assistance Agreement exceeds 8%, the Financial Assistance Agreement is subject to the announcement requirements under Rule 13.16 of the Listing Rules.

## **BACKGROUND**

Sheng Long and NDIG established a joint venture NBGF in the PRC on 29 July 2022 to provide differentiated digital financial solutions for NDIG's ecosystem, to help solve the supply chain difficulties faced by small and medium enterprises ("SMEs") and vigorously promote supply chain digital technology services. NBGF has a registered capital of RMB200 million, with NDIG and Shen Long contributing 65% and 35% in cash respectively. Pursuant to the joint venture agreement entered into by both parties in June 2022, Sheng Long and NDIG agreed to jointly provide financing support to NBGF in proportion to their respective shareholding interest in NBGF.

## **FINANCIAL ASSISTANCE AGREEMENT**

The Board is pleased to announce that on 23 September 2022 (after trading hours of the Stock Exchange), Sheng Long, SY Factoring and NBGF entered into the Financial Assistance Agreement to support the business development of NBGF and to finance the operation of supply chain finance business engaged by NBGF.

The principal terms of the Financial Assistance Agreement are set out as follows:

Date	:	23 September 2022 (after trading hours of the Stock Exchange)
Parties	:	(i) Sheng Long; (ii) SY Factoring; and (iii) NBGF
Term of the Financial Assistance	:	Within twenty-four (24) months from the date of the Financial Assistance Agreement.
Financial Assistance A	:	Sheng Long agreed to provide guarantees as security for the debt financing of NBGF in proportion to its shareholding interest in NBGF in which SY Factoring will provide joint and several guarantees.

The SY Group will not charge any fee from NBGF in relation to the Financial Assistance A.

Financial Assistance B : Sheng Long agreed to provide shareholder loans jointly with NDIG to NBGF in proportion to their respective shareholding interest in NBGF, the interest rate of which shall not exceed the LPR of the corresponding maturity term.

Amount Limit : The aggregated maximum amount of the Financial Assistance shall not exceed RMB875 million subject to compliance with the relevant regulatory requirement.

## **REASONS FOR THE ENTRY OF THE FINANCIAL ASSISTANCE AGREEMENT**

The Group is a leading supply chain technology platform. The Group leverages its dual engine of Industrial Internet of Things and Digital Finance to create a supply chain technology platform, demonstrating its significant advantages in technological innovation.

The incorporation of NBGF is another milestone of the Group based on the cooperation model with state-owned enterprises with close reference to Wuxi Guojin Factoring Limited\* 無錫國金商業保理有限公司. Backed by NDIG's strong industrial background and the Group's supply chain technology platform service capabilities, NBGF will adopt advanced digital technology and a smart risk management system to provide differentiated digital financial solutions for NDIG's ecosystem, to help solve the supply chain difficulties faced by SMEs and vigorously promote supply chain digital technology services.

The Directors believe that the provision of financial assistance, together with the state-owned shareholder will support NBGF to obtain debt financing more efficiently and economically for its business expansion at the initial stage. The endorsement of the state-owned shareholder also enables the Group to receive more support from the funding partners in the joint venture, thereby reducing capital costs and increasing leverage.

Given that the Financial Assistance Agreement is being conducted in the ordinary and usual course of business of the Group, under normal commercial terms, and is beneficial to the Group in its business expansion and establishment of long term business relationship with NBGF and NDIG, the Directors are of the view that the terms of the Financial Assistance Agreement are fair and reasonable and are in the interests of the Company and Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in relation to the Financial Assistance exceed 5% but all are less than 25%, the entry of the Financial Assistance Agreement constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

In addition, as the asset ratio (as defined in the Listing Rules) for the Financial Assistance Agreement exceeds 8%, the Financial Assistance Agreement is subject to the announcement requirements under Rule 13.16 of the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings.

“affiliated company”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors of the Company
“Company”	SY Holdings Group Limited 盛業控股集團有限公司, an exempted company duly incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Stock Exchange (stock code: 6069)
“Director(s)”	the director(s) of the Company
“Financial Assistance Agreement”	the financial assistance agreement entered into among Sheng Long, SY Factoring and NBGF on 23 September 2022
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	the independent third party(ies) who is/are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, independent of and not connected with the Company and the connected person(s) (as defined in the Listing Rules) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“LPR”	the Loan Prime Rate published by the People’s Bank of China* 中國人民銀行
“NBGF”	Ningbo Guofu Commercial Factoring Co., Ltd* 寧波國富商業保理有限公司, a company established in the PRC with limited liability and it is principally engaged in the business of, among other things, the provision of commercial factoring. NBGF is owned as to 65% by NDIG and 35% by Sheng Long and is an affiliated company of the Company

“NDIG”	Ningbo Development & Investment Group Co., Ltd.* 寧波開發投資集團有限公司 (“NDIG”), a company established in the PRC with limited liability and it is principally engaged in the business of, among other things, project investment, asset management, real estate development and property management. NDIG is the holding company of NBGF. Both NDIG and its ultimate beneficial owner State-owned Assets Supervision and Administration Commission of Ningbo Municipal Government* 寧波市人民政府國有資產監督管理委員會 are Independent Third Parties of the Company
“PRC”	the People’s Republic of China, which for the purpose of this announcement and for geographical reference only, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary shares of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Sheng Long”	Shenglong Information Technology Services (Ningbo) Co., Ltd* 盛隆信息科技服務(寧波)有限公司, a company established in the PRC with limited liability and an indirect non wholly-owned subsidiary of the Company as indirectly owns 82.8571% equity interest in Sheng Long
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the Listing Rules
“SY Factoring”	SY Factoring Limited* 盛業商業保理有限公司, a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“SY Group”	collectively, Sheng Long and SY Factoring
“%”	per cent

By order of the Board  
**SY Holdings Group Limited**  
**Tung Chi Fung**  
*Chairman*

Hong Kong, 23 September 2022

*As at the date of this announcement, the Board comprises two Executive Directors: Mr. Tung Chi Fung and Mr. Chen Jen-Tse; one Non-executive Director: Mr. Lo Wai Hung; and four Independent Non-executive Directors: Mr. Loo Yau Soon, Mr. Fong Heng Boo. Mr. Tang King San Terence and Ms. Chan Yuk Ying Phyllis.*

*The English transliteration of the Chinese name(s) in this announcement, where indicated with “\*”, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).*

*If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.*