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Hong Kong, August 24, 2022 – SY Holdings Group Limited ("SY " or the "Group", stock code: 6069.HK) announced its interim results for the six months ended 30 June 2022 (the "Period"). During the Period, the Group recorded steady growth across its core financial indicators. Net profit was RMB 179 million, an increase of 7% year-on-year. The Group’s sustained growth was primarily attributed to the continued implementation of its “Dual-Engine, One-Platform” strategy, rapid growth of both Industrial Internet of Things (“IIoT”) and digital finance business sectors and the Group’s efforts to build a supply chain technology platform.

Key Business and Financial Highlights

In 2022, SY further capitalized on the digital era by integrating digital technology within the industrial landscape to rapidly expand its smart construction and hospital supply, processing, and distribution (“hospital SPD”) businesses. During the Period, the Group secured smart construction projects from several China State Construction subsidiaries and entered into a strategic cooperation with a leading pharmaceutical distribution group in China to provide hospital SPD solutions. In August, Sheng Ye Information Technology (Shenzhen) Co., Ltd. (“SYIT”), a wholly owned subsidiary of the Group, successfully secured a number of hospital SPD solutions from Sinopharm Lerentang Pharmaceutical Co., Ltd. (“Sinopharm Lerentang”). As of the date of the interim results announcement, the Group’s total new contracts in the IIoT segment reached approximately RMB 78 million, representing a significant increase of 15 times over the full year of 2021.

SY continued to expand the scale of its business driven by rapid growth in its platform-based services. As of June 30, 2022, revenue from digital financing solutions increased by 51% year-on-year to RMB 302 million. The daily average supply chain assets balance increased by 52% year-on-year to approximately RMB8.3 billion. Cumulative supply chain assets processed by the Group was approximately RMB145.6 billion, while cumulative platform users reached 11,413, representing a growth of 39% compared with the corresponding period last year. The Group’s daily average loan facilitation balance increased to RMB1.6 billion, an increase of 16% year-on-year. During

th[illegible] period, revenue fro[illegible] latform-based services reached approximately [illegible]29.32 million, an in[illegible]e of 26% year-on-year. Total revenue and income from principal [illegible]s w[illegible] RMB 386 million, representing growth of 29% year-on-year.

SY also continued to deploy capital into its technology R&D efforts. As of June 30, 202[illegible] umulative R&D expenses reached [illegible]127 million. Following on its outstan[illegible] in adva[illegible]formation technology, business scalabil[illegible] and develo[illegible]nt c[illegible]y, SY won the “Award for Leading Technol[illegible]al Innovati[illegible]022” [illegible] the 11th CFS Finance Summit and the “[illegible]1 Exp[illegible] Orient[illegible] Economy A[illegible]d” of th[illegible]Wuxi Economic Development Zone. In addition, SYIT was se[illegible]ed to the L[illegible] of “Specialized, Refined, Unique and Innovative” enterprise[illegible] Shenzhen.

Expanding Business Presenc[illegible] and Accele[illegible]ing Digital Ecosystem Development

Within the IIoT segment, SY fully e[illegible]raced th[illegible]e of digital technology to help core enterprises achieve di[illegible]l t[illegible]on and the upgrade of its supply chain ecosystem. In July 2022, Mengcheng Technology, Huazhu Technology and Xi’an Yilong initiated a strategic cooperation with SY to become its first partners in the “SY Digital Construction Ecosystem Alliance”.

Within the digital finance segment, SY capitalized on its platform capabilities to deepen its collaboration with multiple core enterprises and financial institutions. Drawing on its strengths in terms of resources and empowerment from both its state-owned shareholder, Wuxi Guojin Factoring achieved strong growth, enabling SY to reduce its cost of capital. Meanwhile, SY also successfully increased its loan facilitation cooperation amount with China Construction Bank Shenzhen Branch and Ningbo Commerce Bank to RMB2 billion and RMB800 million respectively. As of 30 June 2022, the Group' platform has linked 91 funding partners, an increase of 47% compared to that as of 30 June last year.

SY also achieved significant breakthroughs in terms of financial innovation. SY successfully implemented the “e-CNY + supply chain finance” scenario to alleviate the difficulties faced by SMEs in Shanghai during the pandemic. In August, SY secured a USD50 million loan facility from Orion Capital Asia, a leading private credit investment manager, further broadepi[illegible]

f[illegible]tur[illegible]-rel[illegible]ch[illegible]financing while further demonstrating its [illegible]y in[illegible]n[illegible]ion.

In terms of strate[illegible] inv[illegible]ments, SY witnessed several milestones. SY c[illegible]pleted a strate[illegible] inv[illegible]ment in Huazhu Technology during the Period, allowing SY to stre[illegible]hen its product competitiveness for smart construction business and gain additional market share. SY also plans to replicate its model for cooperation with state-owned enterprises ("SOEs") and the export of platform technology capabilities by establishing joint ventures with several outstanding regional SOEs, leveraging their industrial ecosystem advantages and credit-enhancing endorsements to accelerate its continuing business expansion.

Assuming Social Responsibilities and Giving Back to Society

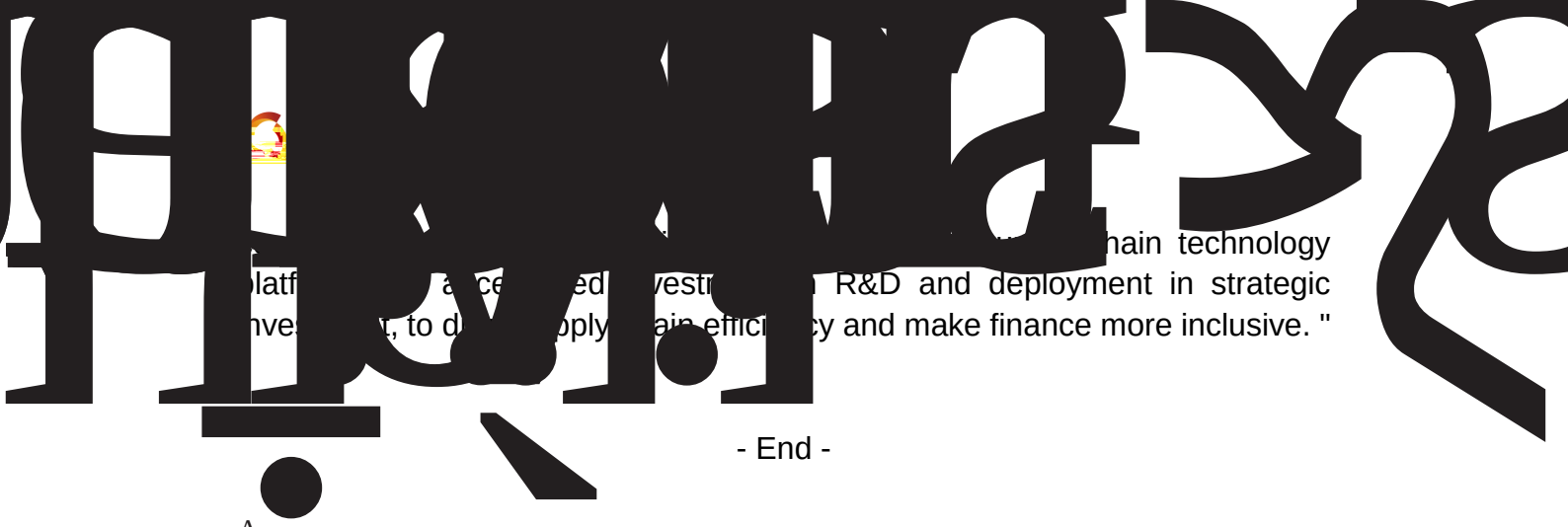
In adhering to its overall sustainable corporate development, SY remains committed to fulfilling its corporate social responsibilities and actively participates in public welfare and charity efforts. To date, SY has donated a total of over RMB10 million, benefiting more than 2,000 people.

In May 2022, SY launched the SY Public Welfare Foundation (the "Foundation") in Tianjin. The Foundation plans to continuously carry out public welfare activities in three major areas: caring for children in need, supporting industry development and youth inspirational programs. In June 2022, the Foundation made donations to the Tibetan region of Qinghai Province, where the funds were used to promote rural revitalization and help students in need finish their studies.

In July, SY launched the "Caring for Construction Workers" public welfare program and the "SY Specialized Fund for Green Construction" to further provide care for migrant workers and boost the development of the green supply chain. In the same month, the Foundation joined hands with the South China Branch of the China Construction Second Engineering Bureau Ltd. to implement the "Caring for Construction Workers" program and hold a "Summer Camp for Migratory Birds on Construction Sites".

Business Outlook

Jeff Tung, Chairman of SY, commented, "During the first half of the year, the Group maintained steady growth in its digital financing business while accelerating deployment within the IIoT business segment. This is evidenced in the significant business growth of its supply chai



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nves t, to d pply ain effic cy and make finance more inclusive. "

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SY Holdings Group Limited is a leading supply chain technology platform. Notable
investors include Temasek Holdings, China Taiping Insurance, Olympus Capital
and Wuxi Communications Inds