

**SY Holdings Announces 2024 Interim Results:  
Accelerating Technology-Driven Revenue, Revenue from Platform-Based Technology Service  
Income Increases by 83% YoY, Share of Total Revenue Rises to 35%**

Shen Zhen, August 20, 2024 – SY Holdings Group Limited ( “SY” or the “Group” , stock code: 6069.HK) announced its interim results for the six months ended 30 June 2024 (the “Period” ).

In the first half of 2024, SY remained focused on “inclusive finance” as outlined in the Central Financial Work Conference. By integrating technology with the industrial supply chain, SY has deepened its presence in key strategic sectors such as infrastructure, pharmaceuticals, and commodities, while also actively expanding into other emerging industries such as cross-border e-commerce and renewable energy. The Group has continuously enhanced its ability to serve the real economy, helping SMEs in the supply chain gain more accessible inclusive financial services, thereby boosting both social responsibility and value creation. As a result, SY achieved a net profit of RMB 165 million.

With the deepening integration of technology and the industrial digital ecosystem, SY’ s business scale has continued to expand. As of June 30, 2024, SY’ s digital financial solution revenue reached approximately RMB 275 million. The platform processed supply chain assets totaling RMB 215 billion, an increase of approximately 22% compared to the same period last year, with the cumulative number of platform customers reaching 16,728, up by about 23%. SMEs accounted for more than 97% of the customer base.

Through continuous investment in science and technology, SY helps more SMEs to obtain more convenient and inclusive financial services. As of June 30, 2024, SY’ s cumulative R&D investment had reached RMB 222 million, with a total of 68 national invention patents and computer software copyrights. By enhancing platform connectivity through technology, SY has enabled precise matching of quality assets to inclusive funds, resulting in a total revenue and income from principal activities of RMB 436 million. Of this, with revenue from platform-based technology services was approximately RMB 154 million, representing a year-on-year growth of 83%, and further increasing its share of total revenue to 35%, making it a core driver of the Group’ s performance growth.

SY stated: "In February 2024, SY reached a strategic cooperation agreement with Wuxi Taihu New City Development Group Co., Ltd. (referred to as 'Taihu New City Group') to advance our platform development strategy. Taihu New City Group acquired a controlling stake in Wuxi Guojin Commercial Factoring Co., Ltd. (referred to as 'Wuxi Guojin Factoring') . The deconsolidation of Wuxi Guojin Factoring resulted in a short-term decline in credit-related income, total assets, and net profit. However, with the support of Taihu New City Group, Wuxi Guojin Factoring's total business scale is expected to RMB 10 billion within the next three years, contributing an estimated 60% increase in net profit and platform service revenue to SY. This will also enhance SY's revenue mix, with technology revenue expected to account for 50% by 2025, alongside improvements in net profit margin and return on equity."

SY's self-developed "SY Cloud Platform" has been awarded the "Level 3 Certification" in the

Classified Protection of Cybersecurity (the highest level of national certification for non-banking institutions' information systems security). This certification provides a strong compliance and security foundation for SY's supply chain technology platform, supporting big data analysis, precise customer acquisition, and business innovation. The application of technology has also improved internal operational efficiency, such as using AI for contract entry and automatic review, payment prediction, automatic recognition and extraction of key elements from voice content, and RPA (Robotic Process Automation) for automatic bank statement collection. These advancements have significantly enhanced loan disbursement speed and risk control capabilities. Currently, SY has achieved 100% online operations, helping more customers access convenient inclusive financial services.

SY's wholly-owned subsidiary, SY Information Technology Services (Shenzhen) Co., Ltd. ("SY Technology"), has been recognized as a "National High-Tech Enterprise," a "Specialized and Innovative Enterprise" in Shenzhen, as well as receiving certifications for "Software Enterprise Encouraged by the State" and "Software Product Encouraged by the State."

SY continues to embrace regulatory compliance, actively supporting the development of the national credit reporting system. Its wholly-owned subsidiary, SY Commercial Factoring Co., Ltd., was awarded the title of "Outstanding Institution for Credit Reporting System Data Quality" by the Credit Reference Center of the People's Bank of China. Additionally, SY has fully leveraged its headquarters' economic impact on the industry, earning the "2024 Digital Intelligence Innovation Award" at the 13th China Financial Summit. Its wholly-owned subsidiary, SY Information Technology Services (Shenzhen) Co., Ltd. ("SY Technology"), was certified as a "Multinational Corporation Headquarters Institution in Guangdong Province" by the Guangdong Provincial Department of Commerce and as a "Multinational Corporation Headquarters Enterprise in Shenzhen" by the Shenzhen Municipal Bureau of Commerce.

### **Expanding the Business Landscape and Connecting New Industrial Ecosystems**

In terms of strategic breakthroughs, SY actively responded to the "Opinions on Expanding Cross-Border E-Commerce Exports and Promoting the Construction of Overseas Warehouses" issued by the Ministry of Commerce and eight other departments. Through strategic investment in a company that is engaged in e-commerce supply chain services and innovative pharmaceutical industry investments, SY ventured into the cross-border e-commerce segment. SY has existing established cooperative relationships with several leading cross-border e-commerce platforms and provides innovative inclusive financial solutions for cross-border e-commerce supply chains. These efforts help Chinese SMEs shorten payment settlement periods and accelerate capital turnover, supporting "Made in China" to go global and enabling Chinese consumers to "global shopping," thereby creating new business growth points.

Within the domain of inclusive finance cooperation, SY has continued to advance its platformisation strategy, supporting the expansion and coverage of local supply chain inclusive finance. In the first half of 2024, the joint venture commercial factoring companies in which SY holds equity stakes maintained strong growth momentum, with a combined business scale

exceeding RMB 15.7 billion. Additionally, the number of funding partners connected to the SY platform increased to 138, reflecting a year-on-year growth of 13%.

In terms of innovation in inclusive finance, SY actively responded to the digital RMB pilot initiative, collaborating with Agricultural Bank of China to implement Zhejiang Province's first "Digital RMB + Smart Contract + Factoring Financing + Wage Arrears Governance" innovative application. This not only met customers' financing needs but also enabled targeted distribution of wages, ensuring their timely payment. Furthermore, SY leveraged the "24/7 large-amount loan support" and "full-cycle transparency and traceability" advantages of "Digital RMB + Factoring Financing" to effectively connect enterprises and meet the financing needs of various supply chain scenarios, ensuring that inclusive financial services remain available throughout the year. As of June 30, 2024, SY had issued approximately RMB 243 million in factoring financing in the form of digital RMB.

### **Fulfilling Corporate Responsibility and Practicing Sustainable Development**

SY adheres to the philosophy of "technology for good," using technological means to address the social challenges of "difficult and expensive financing" for SMEs while also taking on corporate social responsibility by actively participating in charitable activities. The SY Public Welfare Foundation, initiated by SY, continues to focus on "Support Children in Distress," "Youth Inspiration Program," and "Supporting Rural Revitalization," earning an AAA-level social organization rating. To date, SY has donated over RMB 13 million in charitable contributions, with more than 6,000 hours of volunteer work, impacting over 11,000 individuals.

Since March this year, the SY Public Welfare Foundation has held "Angel's Heartbeat" events in Ningxia and Qinghai, conducting free screenings for children from low-income families with congenital heart disease and providing surgical treatment support for 12 children with congenital heart disease. In April, the Foundation participated in the "One Egg Walkathon" charity event, once again advocating for children and raising RMB 30,000 in donations to support the protection of disadvantaged children in western China. In July, the SY Public Welfare Foundation actively participated in the counterpart assistance projects organized by the Shenzhen Financial Bureau and the Tianjin Financial Bureau, donating RMB 160 thousand to Shangguan Town, Dongyuan County, Heyuan City, and Gaoxin Village, Tianjin City, to support village infrastructure construction.

Through its deep understanding and practice of ESG principles, SY has achieved an A-level MSCI ESG rating, leading the domestic financial industry. The company was also recognized by S&P Global, ranking in the top 26% globally in ESG scores within its industry. Additionally, SY places great importance on talent development, employee care, and corporate culture, earning spots on the 2024 Bloomberg Green Finance "DEI Caring Workplace" Outstanding List and the 2024 Zhaopin "Outstanding Employer" List. In the future, SY will continue to uphold the ESG philosophy, using compassionate inclusive financial services for the supply chain to contribute "SY Power" to the high-quality development of the real economy.