[Press Release]

SY Announces Full Year 2022 Results
Achieved Steady Growth Driven by Significant Rise in Technology-related Revenue

Hong Kong, March 23, 2023

announced its 2022 annual results today. During the year, leveraging its position as the "leading supply chain technology platform", SY -Engine, One- , successfully expanded its SOE joint venture model, and continued to grow in both business scale and profit. Adjusted net profit* was RMB250 million, an increase of 10% year-on-year.

development of the IIoT segment, technology-related revenue (including revenue from platform-based services and supply chain technology services) has emerged as the -related revenue exceeded RMB100 million, representing an increase of 106% year-on-year and contributing 13% of total revenue.

In view of its solid fundamentals and strong growth potential, research houses CICC and Orient Securities both initiated coverage of the Group, while Essence Securities, Haitong International Securities and DBS Bank reit
Group. In addition, the Group was successively included in both the Shenzhen-Hong Kong Stock Connect and the Shanghai-Hong Kong Stock Connect. These developments reflect the recognition of the Group's long-term investment value and future development prospects by the capital markets and institutional investors.

Driving Dual-Engine development and platform technology

capabilities to provide SMEs with digital financing solutions tailored to their development needs. As of December 31, 2022, revenues from digital financing solutions increased by 45% year-on-year to RMB625 million. The supply chain assets balance including both self-funded and loan facilitation supply chain assets by 47% year-on-year to approximately RMB11.93 billion.The cumulative supply chain assets processed by the platform was approximately RMB159.10 billion, representing growth of 20% compared with the corresponding period last year, and the cumulative number of customers reached 12,788, representing growth of 23% compared with the

activities was RMB800 million, representing growth of 39% year-on-year.

Science and technology innovation has been a primary growth driver for the Group, evidenced by its continued efforts in deploying capital for R&D to promote the application of scientific and technological achievements. As of December 31, 2022, cumulative R&D expenses reached RMB150 million, with R&D staff accounting for approximately 25% of the workforce and a total of 55 national invention patents and software copyrights . During the year, leveraging its advanced information technology capability, well-established product and service offerings and intelligent risk

Case" Award. Sheng Ye Information Techn

by China" certificate as well as the "Software Product Certificate" issued by the China Software Industry Association.

Accelerating the building of local platforms and empowering local inclusive finance

rebranding exercise to emphasize its smart supply chain service ecosystem. In addition, we made innovative breakthroughs in multiple fields to build a win-win supply chain ecosystem.

In terms of strategic investments, SY successfully replicated its proven SOE cooperation model in 2022 based on its successful track record of investing in Wuxi

Wuxi. To date, SY has signed strategic cooperation agreements with reputable SOEs in Ningbo, Xiamen and Qingdao, establishing joint ventures to develop supply chain

institutions in championing innovative models which connect quality assets with funding partners to expand the reach of inclusive finance. During the year, China

to RMB2 billion. SY also secured a loan facility of USD50 million from Orion Capital

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cooperation with Industrial and Commercial Bank of China. SY also secured a social and sustainability-linked dual ESG structure syndicated loan of RMB500 million, the first-of-its-kind in China, and successfully completed the issuance of a RMB3 billion ABS shelf registration program under the innovative N+N+N model.

Through its ecosystem, SY has been able to successfully engage various resources, draw on complementary strengths and unlock synergies. The Group launched strategic collaborations with Mengcheng Technology, Huazhu

joint development of its digital supply chain service ecosystem, SY signed strategic collaboration agreements with the cloud businesses of China Communications Construction Company and Shenzhen Lingchao Supply Chain Management, a subsidiary of China Overseas Land & Investment Limited. SY also deepened its collaboration with the Wuxi Economic Development Zone and announced plans to establish its East China Regional Headquarters and IIoT R&D Center in Wuxi.

Embracing ESG and contributing to public welfare

SY has gained wide market recognition not only for its professional platform-based technology services, but also for its dedication to fulfilling its corporate social responsibilities and promoting sustainable development. This recognition is a result of

into its strategy, business development and daily operation
have also been recognized by a number of organizations, including MSCI ESG

Seng Corporate Sustainability Benchmark Index for two consecutive years, ranking near the top among its industry peers globally.

In 2022, to promote green development among SY employees, the Group launched the

through actions including cleaning up hiking trails and maintaining a green office. Meanwhile, since its establishment in December, 2021, the SY Public Welfare

major areas: caring for children in need, supporting industry development and running youth inspirational programs. To name a few highlights, SY joined forces with the

University and made donations to the Tibetan region of Qinhai Province.

SY is also committed to promoting public welfare and charity efforts. Since 2014, the Group has donated a total of over RMB10 million to public welfare causes across fourteen provinces in China, involving 189 SY employees dedicating a total public welfare time of 2,799 hours to benefit over 3,660 people.

The way forward

ushers in a more mature stage of enterprise digital transformation, SY will increase its R&D investments to boost the proportion of technology-driven revenue and drive growth in the platform-
revenue structure in this way will enable us to fulfill our mission as a supply chain technology platform to serve more enterprise customers with our digital solutions,

*We define non-HKFRSs adjusted net profit as profit for the year, as adjusted by excluding (i) gains arising from acquisition of a subsidiary, (ii) net gain from changes in f