



趣 致 集 團

Qunabox Group Limited

(於開曼群島註冊成立的有限公司)

股份代號: 0917

AI



2024

ESG Report

Contents

01 About the Report

•	Compilation Note	02
•	Source & Reliability Statement	02
•	Reporting Period and Scope	02
•	Report Language	02
•	Basis of Preparation	02

02 About the Group

•	The Group Overview	04
•	History and Milestones	04
•	The Group Honors	05
•	Long-term Strategy and Outlook	05

03 Governance

•	ESG Governance	08
•	Risk Governance	12
•	Business Ethics	13

04 Social

•	Products and Services	16
•	Supply Chain Management	23
•	Industry Cooperation and Eco-Building	26
•	Staff	27
•	Charity	32

05 Environmental

•	Resource Usage	34
•	Emissions Management	36
•	Green Office	38
•	Coping with Climate-related Risks and Opportunities	38

06 Appendix

•	Critical Performance Table	41
•	HKEX ESG Code Indicators Index	45



About the Report

Compilation Note

Source & Reliability Statement

Reporting Time and Scope

Report Language

Basis of Preparation

01

Compilation Note

This is the first *Environmental, Social, and Governance Report* (the "Report") released by the Qunabox Group (the "Group"). The Report aims to outline the principles and sustainable development concepts upheld by the Group in fulfilling its corporate social responsibilities, enabling stakeholders to understand the Group's policies, measures, and performance in environmental, social, and governance (the "ESG") aspects beyond financial performance and business operations, and to share the Group's related visions and commitments.

Source & Reliability Statement

The data and information quoted in the report are obtained from the Group's 2024 Annual Report and internal materials.

Reporting Period and Scope

This Report covers the overall performance of all financial statement consolidated entities of the Qunabox Group from January 1, 2024 to December 31, 2024 (the "Reporting Period") in practicing sustainable development and fulfilling corporate social responsibility. The scope of the Report is determined based on the financial threshold principle in the *How to Prepare an ESG Report - A Step-by-Step Guide to ESG Reporting*, which combines multi-dimensional data indicators to comprehensively assess the Group's ESG performance during the year.

Report Language

The Report is published in both traditional Chinese and English. In case of discrepancies, the traditional Chinese version shall prevail.

Basis of Preparation

The Report has been prepared in accordance with the requirements of *the Code on Environmental, Social and Governance Reporting* (the "Code") as set out in Appendix C2 of the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*, following the reporting principles set out below:

Materiality

Highlight ESG issues that have a significant impact on the Group and various stakeholders.

Quantitative

Key performance information should be measurable and, where appropriate, comparable.

Consistency

A consistent disclosure methodology to ensure comparability of ESG data.

Balance

To present an objective and factual account of the Group's ESG performance for the year.

About the Group

The Group Overview

History and Milestones

The Group Honors

Long-term Strategy and Outlook

02

The Group Overview

Qunabox Group is a leading AI interactive marketing service provider in China, specializing in the consumer goods industry. During the business operating process, the Group utilizes our broad network of AI interactive marketing terminals across China, by combining with its technology-enabled online platforms, allow the Group to provide target consumers with convenient and interesting experience in testing and accessing consumer goods that the Group serve, while successfully soliciting and completing necessary interaction and feedback. With the mission of "Simplify brand incubation and deliver unparalleled enjoyment", Qunabox Group provides brand customers with a full range of marketing solutions using AI interactive marketing terminals as touchpoints, combining online and offline, and adapting to a variety of scenarios.

History and Milestones

2013

Establish **Shanghai QUNA Network Technology Co., Ltd.**, the principal operating subsidiary, in **Shanghai**.

2016

Expand to **14** cities in the PRC
Obtain "**the High and New Technology Enterprise**" Qualification.

2020

Launch **Intelligent operation platform**, achieving remote, data-based, visualized management and control and automatic operation and maintenance of the equipment across the entire network.

2022

Awarded "**Shanghai Municipal Specialized, Refined, Unique and Innovative Enterprise**".

2024

Qunabox Group **listed on the Main Board of the Hong Kong Stock Exchange**.

2015

Launch annual marketing event "**99 QUNA Festival**" for the first time, which has been successfully held **for 10 years** by the end of 2024.

2018

Exceed **15 million** registered users on our platform.
Reach **1,000** AI interactive marketing terminals.

2021

Awarded "**Little Giant of Science and Technology Award under the Science and Technology Innovation Action Program of Shanghai**".
Reach **5,000** AI interactive marketing terminals.

2023

Exceed **50 million** registered users on our platform
Reach **7,500** AI interactive marketing terminals.

The Group Honors

During the Reporting Period, Qunabox Group won recognition from the capital market and the marketing industry, and was awarded multiple awards.

Industry Related Awards



The 8th China Brand Marketing Awards Silver Award



The 12th TopDigital Innovative Marketing Awards Bronze Award



The 6th Guru Club Golden Standard Award Most Promising IPO of the Year



The 8th DMAA International Digital Marketing Awards Silver Award

Capital Markets Related Awards



Bloomberg Businessweek/Chinese Edition Newly Listed Enterprises 2024



The 10th Phoenix Adx Festival Awards AIoT Marketing Service Provider of the Year

Accelerating the Strategic Layout for the Internationalization

The Group will actively promote its internationalization strategy, accelerate the exploration of **the Middle East and Singapore** markets, provide more foreign brands and consumers with innovative AI interactive experiences, and promote cross-regional business synergies and facilitation.

Accelerating the Strategic Layout for Diversification

Based on the ecosystem, the Group initiates strategic business mergers and acquisitions, further integrates resources, expands synergistic effects across business sectors, achieving high-quality diversified development, and establishing a comprehensive ecosystem of brand services.

Through the above strategies, the Group expects to achieve the long-term sustainable development of the Group and at the same time promote the innovation and development of the industry and create greater value for the Group's shareholders.

Long-term Strategy and Outlook

Looking forward to 2025, with the increased policy support for the consumption industry and the growing influence of new-quality productive forces represented by AI and industrial robots in empowering China's economy, the optimization and upgrading of the consumption industry are expected to accelerate, injecting new impetus and growth potential into the market. The marketing industry is also expected to benefit from this and obtain new development opportunities.

Continuing to Deepen AI Interaction

As **a leading AI interactive marketing service provider** in China, Qunabox Group will continue to invest in **AI interaction** to provide more innovative and efficient **one-stop marketing** solutions for global brand costumers, and provide more innovative and interesting AI interactive experiences for global consumers. Through these efforts, Qunabox Group expects not only to promote the rapid development of itself, but also to bring more innovative practices to the whole industry.

Governance

ESG Governance

Risk Governance

Business Ethics

OB

ESG Governance

ESG Overall Objectives

Qunabox Group attaches significant importance to ESG development and adheres to the philosophy of sustainable growth. The Group has established internal governance frameworks including the *Sustainable Development Policy* to drive sustainable development in communities where it operates and create long-term value for shareholders. Concurrently, the Group prioritizes environmental stewardship through green initiatives and actively participates in philanthropic endeavors, striving to achieve synergistic value creation where commercial success coexists with societal benefits.

ESG Specific Objectives

Customers	Community
<ul style="list-style-type: none">• Focus on user needs, optimize the service portfolio, and enhance user activity satisfaction.• Protect user private data, strengthen information security construction, and prevent the leakage of user private data.	<ul style="list-style-type: none">• Actively organize and participate in various community welfare activities.• Actively promote the concept of charity within the Group and encourages employees to participate in volunteer activities.• Respect the local cultural heritage and customs.
Employees	Business
<ul style="list-style-type: none">• Endeavour to become an excellent employer recognized by our employees, and create a fair, just and non-discriminatory work environment.• Continuously improve the training system, provide employees with appropriate training, encourage them to actively participate in sustainable development matters, and raise their awareness on sustainable development.• Enhance health and safety management, and promote a safe and healthy work environment.	<ul style="list-style-type: none">• Persist in investing in research and development, enhance technological capabilities, optimize user experiences, and elevate operational efficacy, thereby furnishing customers with higher quality products and services.• Comply with relevant laws, regulations and regulatory requirements as well as applicable codes of conduct.
Environment	Suppliers and Partners
<ul style="list-style-type: none">• Adhere to the green philosophy and minimize the environmental impact of our operations.• Deeply implement the concept of energy conservation and emission reduction, reduce energy consumption, and continue to work toward the goal of “reducing the average annual power consumption of each AI interactive marketing terminal by approximately 10% over the next three years from the base year of 2023”.	<ul style="list-style-type: none">• Strictly adhere to business ethics and operate with a responsible attitude and strict business ethics.• Assist suppliers in enhancing their management capabilities and vision towards sustainable development, and encourage all suppliers to adopt environmentally and socially responsible operational practices.

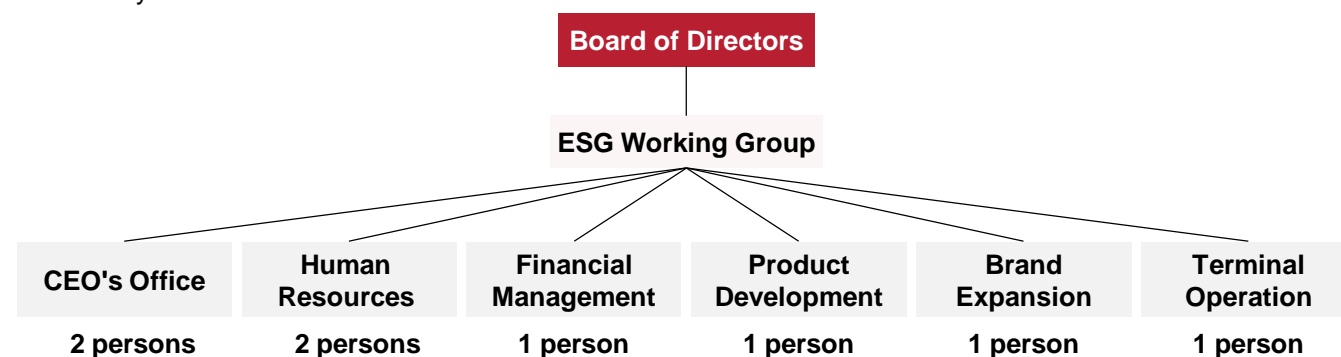
ESG Governance Framework

To fully adhere to the new ESG mandates of the Hong Kong Stock Exchange, establish a competitive edge in sustainable development, and enhance and standardize the Group's ESG framework and policies, the Group has established an ESG governance framework in accordance with the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Code*, as well as other relevant national regulations and guidelines. The Group has formulated an array of policies grounded in prevailing conditions, including the *Sustainable Development Policy*, *Policy on Sustainable Supply Chain Management*, *Code of Ethics for Employees*, and *Quality, Environmental, Health, and Safety Management Policy*, which have ensured the effective transition of ESG strategy from vision to actions.

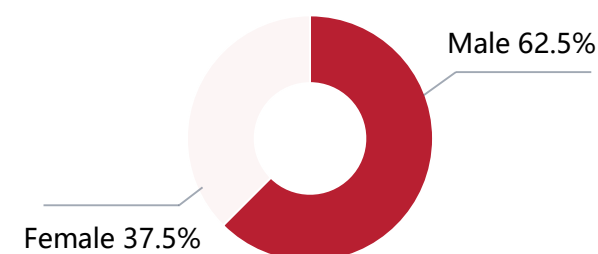
ESG Governance Framework

The Board of Directors, serving as the central decision-making body for ESG governance, oversees the assessment and identification of ESG-related risks. It regularly reviews ESG progress reports, participates in the supervision and management of material ESG decisions, and ensures the Group maintains robust ESG risk management and internal control frameworks.

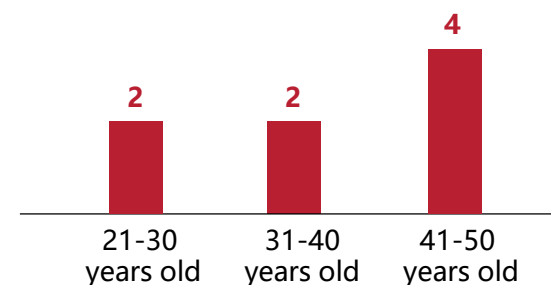
The Group has implemented a cross-departmental collaboration mechanism, establishing an eight-member ESG Working Group composed of mid-to-senior management personnel. All members are principal leaders from core departments, comprehensively covering six key departments: CEO's Office, Human Resources, Financial Management, Product Development, Brand Expansion, and Terminal Operations. This structure guarantees holistic integration of ESG initiatives across all business units. The Working Group convenes regular meetings to coordinate ESG-related issue resolution, cascade objectives to operational departments, drive deep integration of ESG principles into business operations, and continuously enhance governance efficiency.



Gender Structure of the ESG Working Group



ESG Working Group Age Structure
(Unit: Person)



Stakeholder Communication

The Group attaches great importance to communication with all stakeholders and has established a systematic communication framework. Through diversified interactive channels, the Group listens to and responds to the needs of shareholders and investors, customers, community, employees, government and regulators, suppliers and partners to ensure that the rights and interests of all parties are effectively safeguarded and to promote sustainable development.

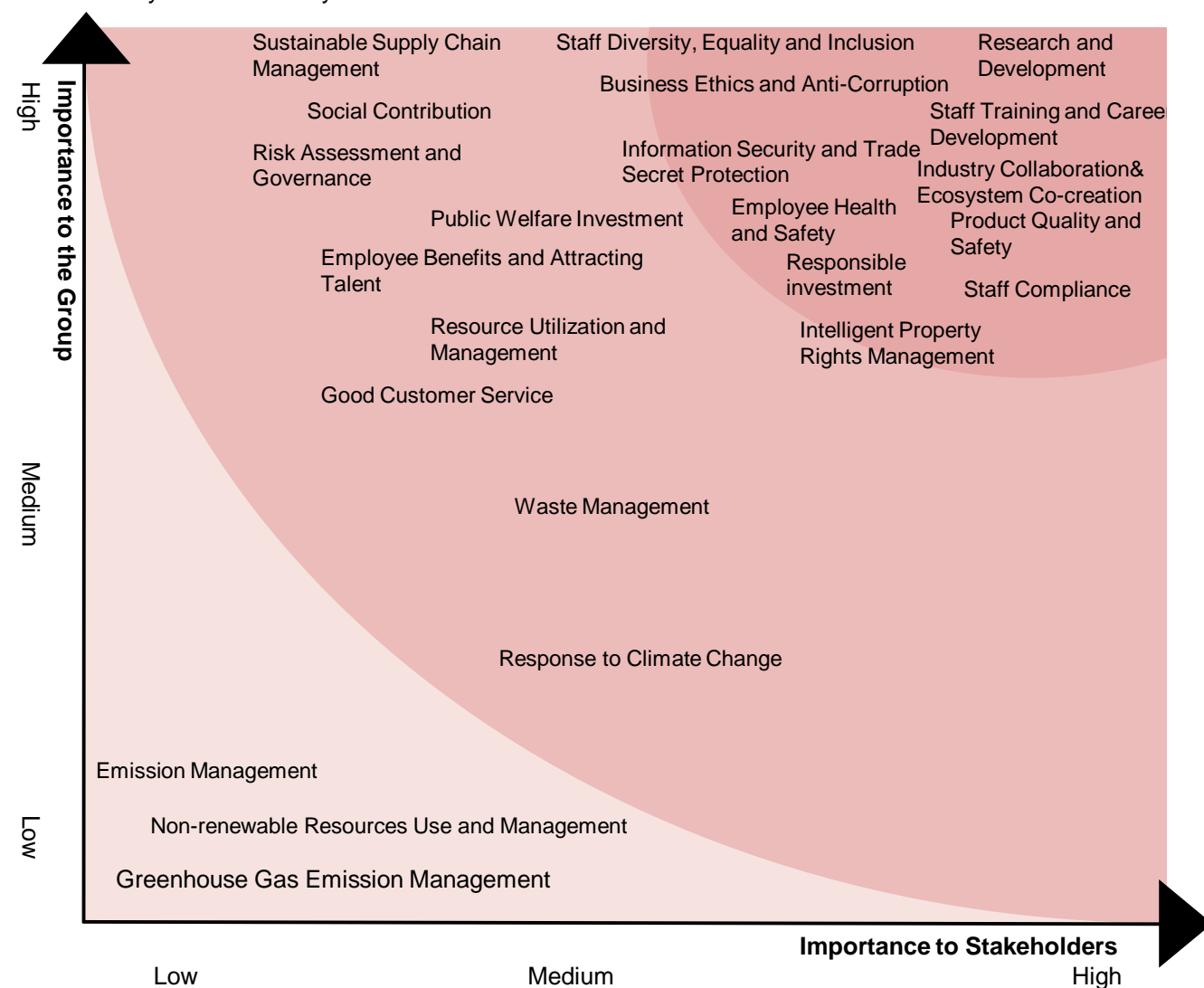
Shareholders and Investors	Customers
<ul style="list-style-type: none"> Expectations and Concerns: Corporate Governance Structure, ESG Compliance, Climate Change Risk, Investor Protection, Information Disclosure, Risk Management. Communication Method: Timely disclosure of operating conditions and financial data, General Meetings, Investor Conferences, Public Information (e.g., Annual Reports, Announcements), Investor Relations Contact Email. 	<ul style="list-style-type: none"> Expectations and Concerns: Product Quality and Safety, Environmental Protection Measures, Customer Experience, Business Ethics, Professional Services, Privacy Security. Communication Method: Brand Promotion Mechanism (Online and Offline), Customer After-sales Service Mechanism, Customer Hotline, Various Customer Feedback Channels (e.g., Online Customer Service), Innovative Business Model, Product Quality Control Framework, Sustainable Development Mechanism.
Community	Employee
<ul style="list-style-type: none"> Expectations and Concerns: Environmental Impact, Social Contribution, Transparency Information Disclosure, Media Communication. Communication Method: Actively participate in community welfare activities, Promote green and sustainable development in various ways, Establish third-party public sentiment monitoring mechanisms, Actively respond to public opinion. 	<ul style="list-style-type: none"> Expectations and Concerns: Remuneration and Welfare, Employee Benefits, Career Development Opportunities, Health and Safety, Diversity and Inclusion in Workplace. Communication Method: Training Programs, Welfare Activities, Diversified Development Opportunities, Comfortable Working Environment
Government and Regulators	Suppliers and Partners
<ul style="list-style-type: none"> Expectations and Concerns: Law-abiding and Compliant, Paying Taxes According to Law Communication Method: Continuously pay attention to relevant laws and regulations, Pay taxes in strict accordance with the law. 	<ul style="list-style-type: none"> Expectations and Concerns: Commitment to Integrity, Anti-Corruption. Communication Method: Supply Chain Management Mechanism, Employee Integrity Training, Dedicated Ethics Reporting Email.

Identification of Important Issues

To identify and evaluate the priority of various ESG issues for Qunabox Group, the Group undertook a materiality assessment process.

- Initially prepare a list of potentially relevant ESG issues based on global ESG trends and major reporting standards.
- Confirm the ESG issue list according to regulatory requirements, industry benchmarks, and the context of business operations.
- Conduct extensive stakeholder engagement to solicit and collect feedback, obtaining in-depth insights into their expectations and priorities regarding the confirmed ESG issues.
- The Board and relevant personnel convene dedicated sessions to deliberate on the prioritization of ESG issues, review the internal governance body's comments and advice on ESG strategy, and finalize the materiality hierarchy of ESG issues through a materiality matrix analysis.

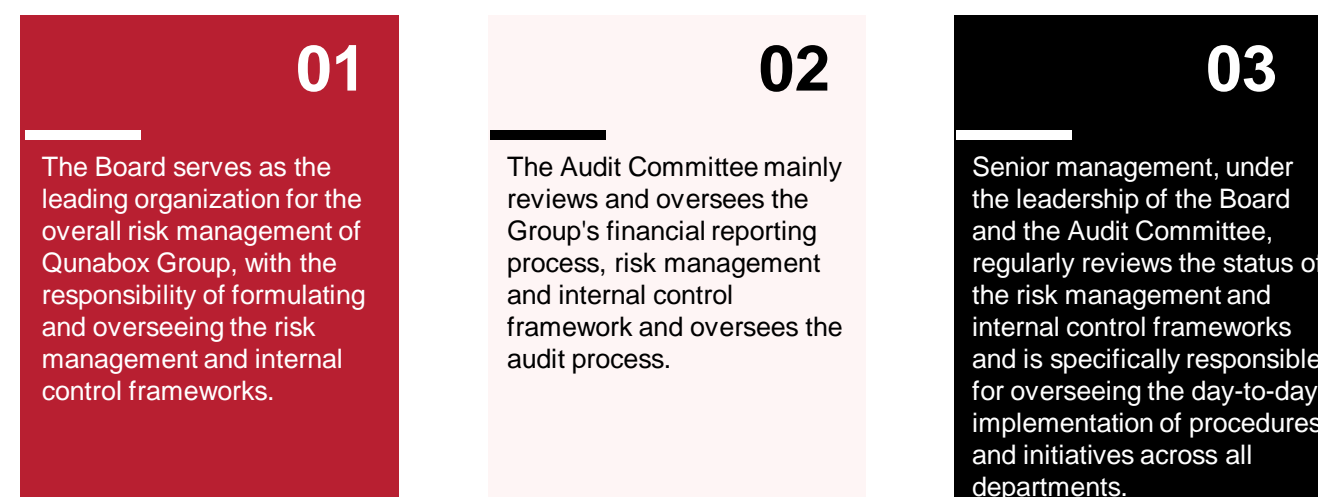
Taking into account the characteristics of the industry and the expectations of stakeholders, the Group has selected 23 key issues for analysis.



Risk Governance

The Group attaches great importance to risk management and has established a corporate culture with comprehensive risk management. The Group is committed to enhancing the risk management awareness of all employees, establishing a sound risk management concept and continuously improving risk management capability. The Group has established a robust internal risk management and internal control policies, including business operation policies, procedures and escalation mechanism, etc., to continuously identify, evaluate, assess and monitor key risks related to strategic objectives, and conduct regular reviews to adapt to changes in market conditions and the regulatory environment as well as their impact on the business.

Risk Governance Framework



Risk Management Process

Qunabox Group has established *Enterprise Risk Management Policy* and other relevant policies internally to clarify the risk management process.

During daily business activities, each department collects, analyzes and identifies internal and external risk-related information.

Each department consolidates risk inventories and conducts assessments, establishing and implementing targeted response plans for material risks.



Risk Monitoring and Response

The Group has implemented a systematic risk monitoring and response management mechanism to promptly track external environmental changes, swiftly identify and address potential risks, thereby safeguarding its brand reputation and market position. During the Reporting Period, the Group experienced no public relations crises.

Monitoring and Alerting

The Group has established long-term partnerships with third-party partners, entrusting them to conduct multi-dimensional monitoring of mainstream media, competitor activities, and abnormal stock price movements. The third-party partners provide daily monitoring reports covering trending news, public sentiment related to the Group, industry developments, and potential risk factors, as well as market trend analysis, which help the Group keep abreast of changes in the external environment.

Standardized Response Process

To address identified sensitive information or potential risks, the Group has established a standardized response SOP (Standard Operating Procedure), incorporating a tiered response mechanism (covering general public sentiment, sensitive public opinion, and crisis public sentiment). When risks materialize, the Marketing, Public Relations, Legal, and relevant business departments collaborate to conduct assessments, swiftly formulate communication strategies, and implement mitigation measures to prevent escalation of public sentiment.

Continuous Optimization and Enhancement

Qunabox Group conducts regular post-mortem reviews of public sentiment response cases to distill key learnings and continuously refine its monitoring and response protocols, thereby enhancing risk management capabilities and crisis response efficiency.

Business Ethics

Compliance

Qunabox Group prioritizes the compliance and has established the *Sales Compliance Management Policy* and other regulatory policies to ensure all business operations strictly adhere to applicable rules and regulations.

Qunabox Group promotes honesty and integrity, which are deeply rooted in the daily behavior and work attitude of employees. Qunabox Group has incorporated a compliance culture into the daily work of employees through compliance training. Qunabox Group has formulated internal policies such as *Code of Business Ethics for Employees* and *Policy in Relation to Employees Raising Concerns Over Possible Improprieties*, which explicitly prohibit corruption, and set strict penalties for violations to ensure business compliance.

Anti-corruption

Laws and Regulations	Internal Measures
<ul style="list-style-type: none"> Qunabox Group strictly complies with regulations like <i>Anti-Unfair Competition Law of the People's Republic of China</i>, follows principles of voluntariness, equality, fairness and honesty, abides by the laws and business ethics, and avoids unfair competition that disrupts market order or harms others' rights. The Group is unaware of unfair competition between its brand customers and merchandising business. 	<ul style="list-style-type: none"> Qunabox Group continuously monitors the development of the internal policies of various brand customers, including the restrictions they place on their suppliers and business partners. Qunabox Group builds close relationships with customers, routinely visits and consults with brand customers to understand their preferences and policies to avoid unfair competition.

Anti-corruption Management

Qunabox Group has established a comprehensive anti-corruption framework to effectively prevent and curb corrupt practices through multiple measures such as employee training, internal control mechanism and reporting mechanism to ensure operational compliance and transparency. During the Reporting Period, there were no corruption cases filed and concluded by the Group or its employees.

Regarding anti-corruption governance, the Group has clarified the responsibilities of each organizational unit.

Board	Management	Audit Committee
<ul style="list-style-type: none"> Procure the management personnel to establish a Group-wide anti-corruption culture and a sound internal control framework, including the prevention of corruption. 	<ul style="list-style-type: none"> Responsible for establishing and effectively implementing anti-corruption procedures and controls, including corruption risk assessment and prevention, and conducting self-assessment. 	<ul style="list-style-type: none"> Responsible for the guidance of anti-corruption activities and continuous oversight of anti-corruption matters.
Audit Department	All Employees	
<ul style="list-style-type: none"> Responsible for the Group's daily and ongoing anti-corruption oversight, including: organizing the investigation of corruption cases; issuing opinions and reports to the management and the Board of Directors; and organizing the annual risk assessment and self-assessment of the Group's functional departments and subsidiaries. 	<ul style="list-style-type: none"> Comply with the Group's Code of Conduct, ethics policies, and applicable domestic and industry laws and regulations. Suspected corrupt activities shall be escalated through designated channels to the Audit Department. 	

In the context of anti-corruption management, a number of measures have been taken within Qunabox Group.

Internal Policy Development

Qunabox Group has set up internal policies (e.g., *Anti-corruption Policy* and *Anti-fraud Management Policy*, and *Management Policy for Anti-Money Laundering, Counter-Terrorism Financing, and Identification of Business Transactions with Sanctioned Countries*), which cover the manifestations of improper conduct, case handling processes, and measures. The Group also updates its anti-corruption and anti-bribery compliance policies in a timely manner in accordance with relevant laws and regulations to ensure that its operations are conducted in a lawful and compliant manner, characterized by efficient and orderly management.

Relevant Internal Control Mechanism

The Group has implemented an internal control mechanism against corruption, including the creation of a reporting and escalation pathway designed for the prevention and identification of corrupt activities, the enforcement of control strategies to significantly reduce the likelihood of corruption, and the application of suitable and efficient remedial actions to mitigate the damages resulting therefrom. An escalation email address, jubao@zzss.com, has been established by the Group to facilitate the monitoring and reporting by both employees and external partners, ensuring that instances of corruption are promptly investigated and appropriately addressed.

Related Staff Training

The Group conducts regular anti-corruption training programs with the aim of enhancing the anti-corruption awareness and compliance capabilities of all employees.



Products and Services

Supply Chain Management

Industry Cooperation and Eco-Building

Staff

Charity

04

Products and Services

Food Quality and Safety

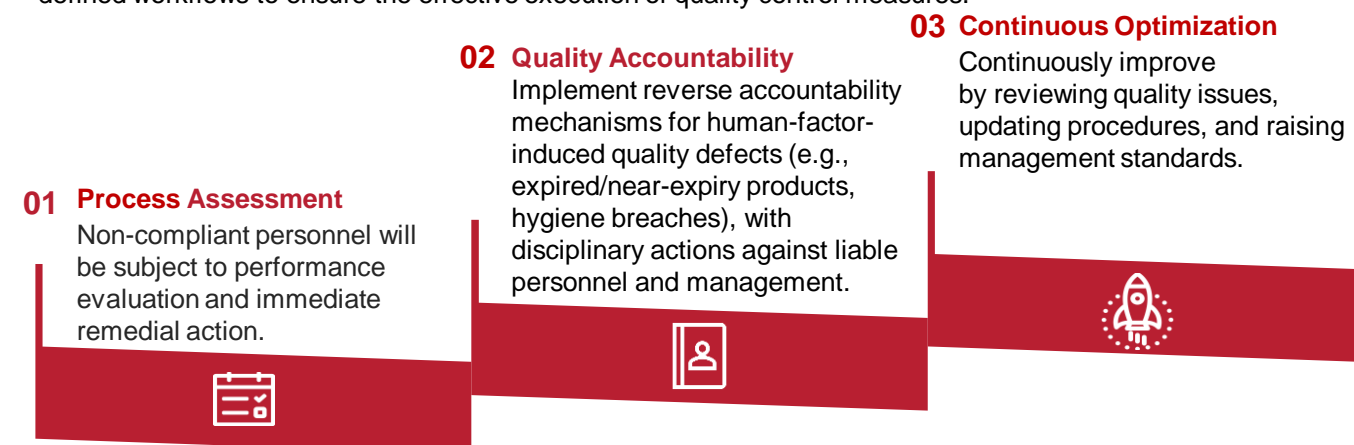
Qunabox Group has strict regulatory measures for food safety in its procurement and operational processes. The Group has developed internal process operation documents covering the entire commodity circulation chain and organizes regular staff training to ensure that operational staff are familiar with commodity operation procedures, standardize commodity circulation operations, conduct compliant operations through processes, and prevent the occurrence of non-compliant quality issues such as near-expiry, expired, or hygiene problems that do not align with Qunabox Group's values.

Product Quality and Safety Policy Framework

In order to ensure food safety and product quality, the Group has established the *Food Safety Regulation Policy*, *Sales Compliance Management Policy*, *Warehouse and Inventory Management Policy*, *Cosmetics Quality and Safety Management Policy*, and *Medical Devices Quality Management Policy*. The Group strictly complies with the relevant national laws and regulations as well as industry standards to protect the rights and interests of consumers.

Qunabox Group has established a dual-control mechanism, covering both institutional and organizational aspects, to guarantee the quality and safety of its products throughout the distribution process. This approach facilitates comprehensive process supervision and traceability by means of stringent evaluation and a decentralized management structure.

The Group implements strict performance evaluation protocols for its supply chain operations team, with clearly defined workflows to ensure the effective execution of quality control measures.



To mitigate quality management risks arising from excessive concentration of authority in a single department, the Group has adopted a checks-and-balances organizational structure with clear segregation of duties. Departments operate independently yet mutually supervise, forming a "Procurement-Logistics-Customer Service" quality control chain. Cross-department collaboration ensures rapid response and closed-loop resolution of quality issues.

Purchasing Department

01

Manage supplier relationships and procurement compliance, with no authority over inbound quality inspections to ensure testing independence

Logistics Department

02

Oversee quality control for warehousing and logistics operations, ensuring compliant storage and transportation of products

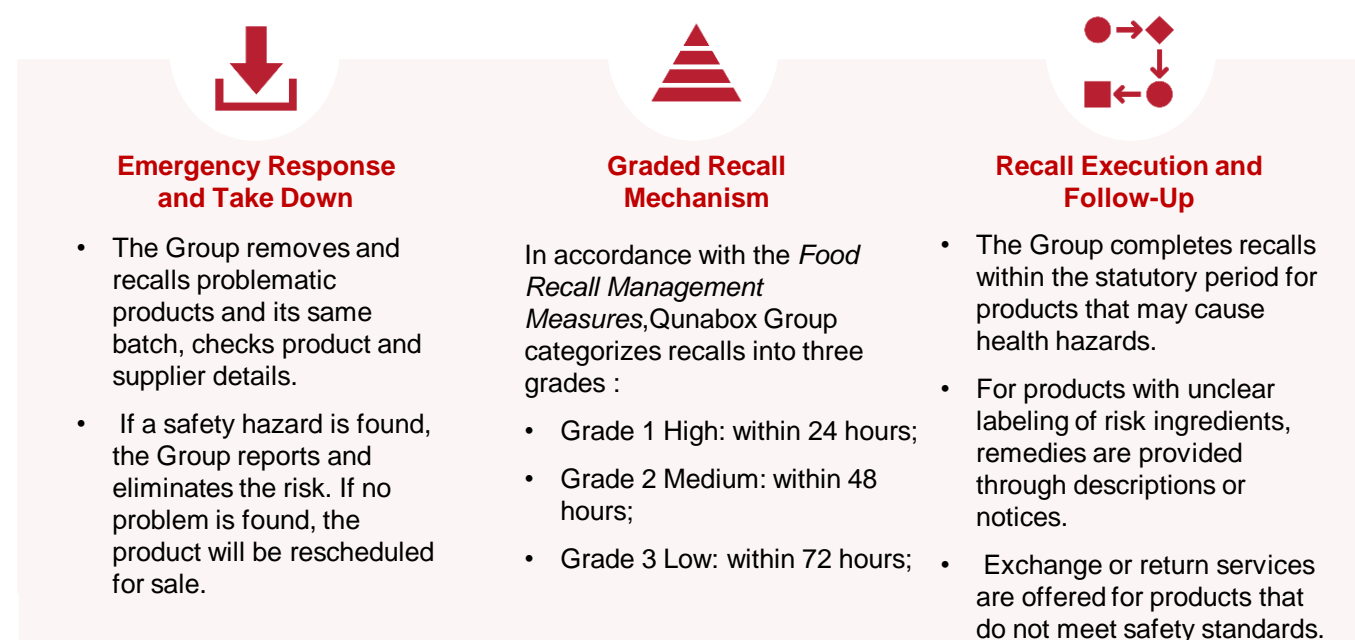
Customer Service Department

03

As the backend oversight department, responsible for collecting consumer feedback and proposing improvement recommendations for quality issues across the supply chain.

Product Safety and Recall

To ensure product safety and protect consumer rights, Qunabox Group has established a rigorous product safety risk response mechanism. Upon receiving safety-related feedback from the operations department regarding a particular product, the Group immediately initiates the following procedures.



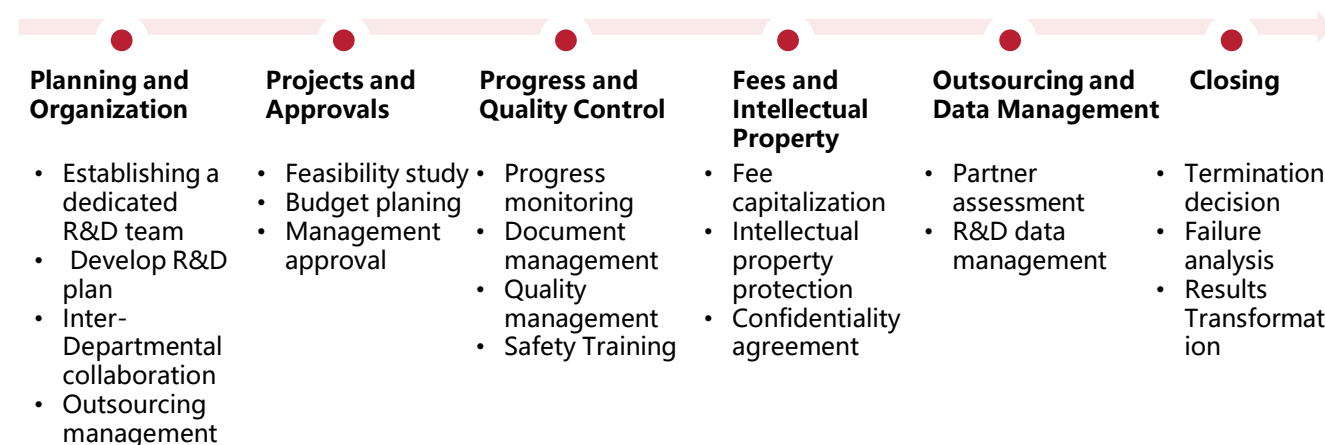
Through the aforementioned mechanism, the Group has enhanced safety management throughout the product life cycle, safeguarded consumer rights, and upheld its corporate social responsibilities. During the Reporting Period, there were no product recalls.

R&D and Technological Innovation

Qunabox Group sees technological innovation as its core competitiveness, and keeps investing in R&D and upgrades to enhance product and service quality, maintaining its market leadership.

Governance of Technological Innovation

Qunabox Group has formulated the *R&D Management Framework*, which covers all aspects and key points of R&D.



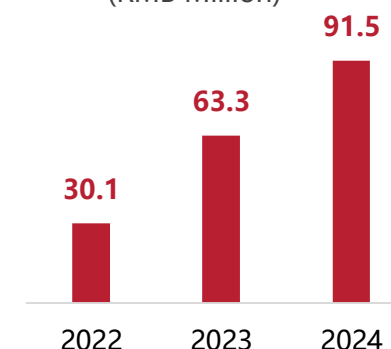
Research and Development (R&D)

To sustain its competitive edge in R&D, Qunabox Group has prioritized annual investments in research and development.

Recent data demonstrates a significant upward trend in the Group's R&D expenditures: in 2022, R&D spending reached RMB 30.1 million; by 2023, it increased to RMB 63.3 million; and in 2024, it further rose to RMB 91.5 million, achieving a compound annual growth rate of 74% from 2022 to 2024.

This growth primarily stems from increased investments in interactive technology R&D for AI interactive marketing terminals to support the Group's expanding business scale.

Qunabox Group's R&D Expenditure 2022-2024 (RMB Million)



Intellectual Property Protection

During the Reporting Period, Qunabox Group has achieved significant results in patents and copyrights. The software copyrights registered in China increased to **127** and **10** new patent applications was submitted, strengthening the technological and market competitiveness.

The Group prioritizes the acquisition, management, protection, and infringement prevention of intellectual property, having established the *Intellectual Property Management Policy* to prevent infringement of third-party rights and to protect its own intellectual property through regular monitoring by the R&D department.



Consumer Protection

Complaint Management

To protect customer rights and improve service quality, Qunabox Group has established the *Consumer Dispute Resolution Rules* and a systematic complaint management mechanism, covering complaint handling and data monitoring, to ensure efficient problem resolution and drive operational optimization. Qunabox Group has a dedicated customer service department that handles inquiries and complaints, with staff trained to provide consistent, high-quality service. Additionally, Qunabox Group has implemented *Seven-Day No Reason Return and Exchange Rules*, allowing consumers to initiate a return application within seven days of receiving eligible goods in good condition.

- Complaint Handling Process

Qunabox Group has set up a hotline, a WeChat official account and a WeChat mini program to answer customers' questions and complaints, and has developed a standardized complaint handling process.

> Receiving and Verification

Qunabox Group has a professional customer service team responsible for receiving and documenting customer complaints, as well as conducting initial verification to ensure the accuracy of information.

> Problem Categorization and Handling

Customer service staff categorize complaints based on their nature and take appropriate measures. For food safety issues, they quickly contact relevant departments for investigation and timely resolution.

> Feedback and Resolution

After the problem is confirmed, customer service staff will feedback the result to the customer in time, and provide solutions according to the specific situation, such as refund or replacement of goods, to ensure customer satisfaction. If the solution exceeds the customer service authorization, they will promptly feedback to the higher level leaders, who will confirm the solution and then give the users response.

Qunabox Group has standardized steps and specific measures for handling different types of feedback, such as product-related complaints, machine malfunctions and experience suggestions.

Feedback Type	Steps	Specific Measures
Product-related Complaints	Address User Concerns	Apologize and understand the user's emotions
	Verify the authenticity	Verification of problem existence and specific circumstances Users are requested to provide relevant evidence, such as photos, videos, etc.
	Initial Feedback Processing	Refunds are normally made after verification of the facts.
	Material Issue Consultation	If users do not accept the refund, negotiate other ways of compensation, such as issuing replacement coupons, etc.
	Non-routable Feedback	Provide timely feedback to senior leaders and confirm the response to users.
Machine Failure Problems	Address User Concerns	Respond in a timely manner, soothe users and commit to resolving the issue.
	Initial Resolution	Attempts to troubleshoot remotely through IOT architecture
	Follow-up Solutions	If the issue cannot be solved remotely, try to solve the issue within 24 hours.
Experience Suggestions	Timely Response	Communicate specific information about users' feedback to city operators
	Assessing Reasonableness	Include Feedback in Monthly Operational Improvement Planning

- Complaint Data Monitoring

> Data Collection and Analysis

Qunabox Group uses a systematic tool to collect and analyze complaint data, identifying problem frequency and severity to support improvements.

> Development of Improvement Measures

Based on the results of the data analysis, Qunabox Group formulates targeted improvement measures. For example, in response to high-frequency problems, the Group adjusted purchasing standards or strengthened quality control to minimize the occurrence of problems at the source.

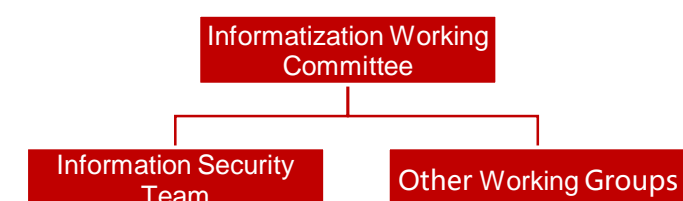
Through the above mechanism, the Group not only achieve efficient resolution of complaints, but also continuously improves service quality and customer satisfaction through data-driven improvement, laying a solid foundation for the long-term development of the brand. During the Reporting Period, the Group has not been subject to any material complaints from customers.

User Privacy Protection

Qunabox Group prioritizes consumer data security and privacy protection, strictly adhere to domestic regulations including the *Personal Information Protection Law of the People's Republic of China (PIPL)*, the *Administrative Provisions on Information Services of Mobile Internet Applications*, and the *Data Security Law of the People's Republic of China*, while also complying with international rules such as the *General Data Protection Regulation (GDPR)* and the *California Consumer Privacy Act (CCPA)*. The Group has established *Cybersecurity Policies* and *Data Security Policies* to ensure lawful, compliant collection, storage, usage, and protection of consumer data. During the Reporting Period, Qunabox Group experienced no major customer privacy breaches.

Qunabox Group has implemented a comprehensive data privacy and information security management system, safeguarding user information through organizational structure, internal policies, employee training, and technical safeguards.

The Group has established an Informatization Working Committee, under which an Information Security Team operates to oversee and coordinate cybersecurity, data security, and personal information protection initiatives.



In addition, Qunabox Group safeguards consumer privacy through a tripartite approach encompassing internal governance policies, employee management, and information transmission controls.

> Internal Management Policy

The Group has formally established comprehensive internal management policies and operational procedures governing cybersecurity, data security, and personal information protection.

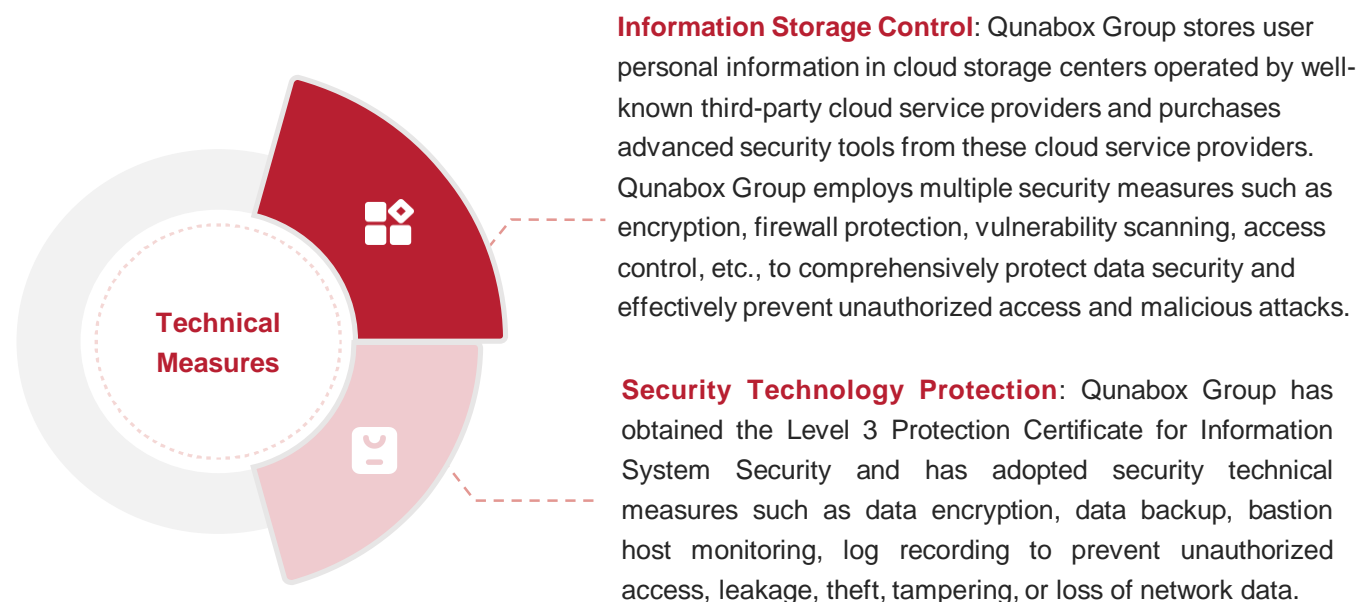
> Staff Management

Qunabox Group signed confidentiality agreements with employees and conducted training on cybersecurity, data security, and privacy protection to enhance their awareness.

> Information Transmission Control

Qunabox Group transfers consumer and product data summaries to brand customers, but no personal information is transferred or sold to third parties in violation of laws.

Qunabox Group has formulated specific measures and safeguard mechanisms to ensure user data security and privacy in the three aspects of data collection, storage, and use for AI interactive marketing terminals.



Aspects	Specific Measures	Safeguard Mechanism
Data Collection	<ul style="list-style-type: none"> Collect personal information only after obtaining explicit user authorization, such as scan-to-buy records and advertising interaction data. De-identification processing to ensure data cannot be directly linked to personal identity. Follow the minimization principle, collecting only necessary information like transaction data and user preferences, not sensitive personal information. 	<ul style="list-style-type: none"> User consent mechanism to ensure consumers understand data usage. Anonymization and de-identification processing to reduce data breach risks.
Data Storage	<ul style="list-style-type: none"> Adopt AES-256 advanced encryption algorithm to encrypt and store user data. Distributed storage architecture prevents single-point data leakage. Strictly categorized Access permissions ensure only authorized personnel can access sensitive data. Deploy security monitoring systems on servers to detect abnormal access behavior in real time. 	<ul style="list-style-type: none"> End-to-end encryption ensures secure data transmission. Access Control (RBAC) to avoid internal misuse of data.
Data Usage	<ul style="list-style-type: none"> AIoT data is used only for optimizing consumer experience, advertising recommendations, and smart replenishment. Data desensitization is applied in big data analysis to avoid involving specific individuals' identities. Users can manage, view, modify, or delete their personal information. 	<ul style="list-style-type: none"> Transparent Privacy Policy. Strictly scrutinize third-party data sharing to ensure compliance.

Responsible Marketing

The Group strictly complies with the provisions of *Advertising Law of the People's Republic of China*, *Measures for the Administration of Internet Advertising*, *Interim Measures for the Administration of Advertising Review of Drugs, Medical Devices, Health Food, and Special Medical Purpose Formula Foods*, etc., and has set up *Advertising Business Management Policy* to ensure that the contents of the advertisements are truthful, lawful and compliant, as well as adopted a number of measures in the area of responsible marketing to obtain It has also taken a number of measures in responsible marketing and achieved remarkable results.

Online and AI Interactive Marketing Terminal Screen/Shell Ads and Display Ads Review

Qunabox Group attaches great importance to the compliance of online and AI interactive marketing terminal screen/shell advertisements and display advertisements, and has established a comprehensive advertisement content review mechanism to ensure that all activities are in compliance with the requirements of the *Advertising Law of the People's Republic of China* and other relevant laws and regulations.

- The legal department, as the core review body, is responsible for conducting strict review of all project-related advertising content, ensuring its authenticity, legality, and compliance. During the review process, if any potential illegal or non-compliant situations are discovered, the legal department will promptly issue risk warnings to the project team and provide professional guidance to help the team avoid potential legal risks.
- The legal department also regularly monitors legal and regulatory dynamics related to marketing activities, ensuring that the group can respond to policy changes in a timely manner, compiles corresponding training materials and organizes comprehensive staff training to enhance employees' compliance awareness and legal literacy, ensuring that every employee strictly adheres to relevant laws and regulations in their daily work.



MCN and KOL Cooperation Management

Qunabox Group strictly adheres to laws and regulations such as the *Network Live Streaming Marketing Management Measures (Trial)* regarding live streaming promotion activities, ensuring legal and compliant cooperation with Multi-Channel Network (MCN) agencies and KOLs.

During the collaboration process, Qunabox Group conducts strict screening of MCN agencies based on service provider selection standards and requires MCNs to choose KOLs with good reputations. Meanwhile, Qunabox Group independently performs public searches and background investigations on selected KOLs, and if any negative information is discovered that may potentially damage brand image, the group will request MCNs to find alternative candidates.

Additionally, Qunabox Group assists brand customers in communicating with KOLs, ensuring live streaming plans and scripts comply with brand requirements and the *Advertising Law of the People's Republic of China*, and reviews live streaming content to guarantee its legality and compliance. Through these measures, Qunabox Group effectively reduces collaboration risks and safeguards brand image and advertising activity compliance.

By the end of 2024, Qunabox Group has not been penalized by relevant authorities or faced consumer claims due to inappropriate, illegal, or offensive advertising content, and the group has not published any improper, illegal, or offensive advertisements.

Supply Chain Management

The Group's primary procurement portfolio includes AI interactive marketing terminal, MCN, and commodity sourcing. To ensure supply chain reliability and sustainable development, the Group has formulated the *Procurement Management Regulations*, which delineate specific requirements across all procurement phases. Procurement operations are principally managed by the Terminal Operations Department and Procurement Department, which develop procurement plans based on marketing plans and AI interactive marketing terminal sales forecasts. Furthermore, the Group has instituted the *Sustainable Supply Chain Policy*, encouraging suppliers to proactively fulfill social responsibilities while maintaining legal compliance. The Group advocates human-centric values, implements workplace safety protocols, and prioritizes environmental conservation, thereby creating continuous value enhancement throughout the supply chain.

The Group's supply chain may be exposed to risks including supplier defaults, contract terminations, and force majeure events, potentially leading to delivery delays, cost escalations, and quality assurance failures. To mitigate these risks, Qunabao Group has strengthened supplier vetting processes, optimized product selection criteria, enhanced logistics and warehouse management systems, ensuring business continuity and achieving secure supply chain operations.

Provider Access

Qualification Review

Qunabao Group conducts stringent review of suppliers' business licenses, operating licenses and technical information. All suppliers selected are general taxpayers with merchandise circulation permits, so as to avoid the risk of general merchandise quality. For food products, suppliers are also required to provide product quality inspection reports, safety production certificates and food circulation permits.

Cost Control

At the screening stage, the Group evaluates whether the suppliers meet the cost requirements of the Group based on the cost information provided by the suppliers. Suppliers that meet the cost criteria and are able to provide a stable supply will be entered into contracts to ensure the economy and stability of the supply chain.

Environmental Requirements

> Supplier ESG Policy

- The Group has developed a Supplier ESG Policy as a minimum standard for all suppliers to comply with. The policy covers topics such as the environment, responsible sourcing, child labor, forced labor, pay and working hours, complaint mechanisms, health and safety, discrimination, bullying and harassment, bribery and corruption, and whistleblowing.

> Priority to Suppliers with Low Carbon Footprints

- The Group prioritizes suppliers whose products and services are environmentally friendly and have a low carbon footprint, or whose products and services can help minimize the Group's adverse impact on climate and the environment. The Group prioritizes suppliers that use environmentally friendly packaging materials and is gradually increasing the proportion of recyclable materials used.

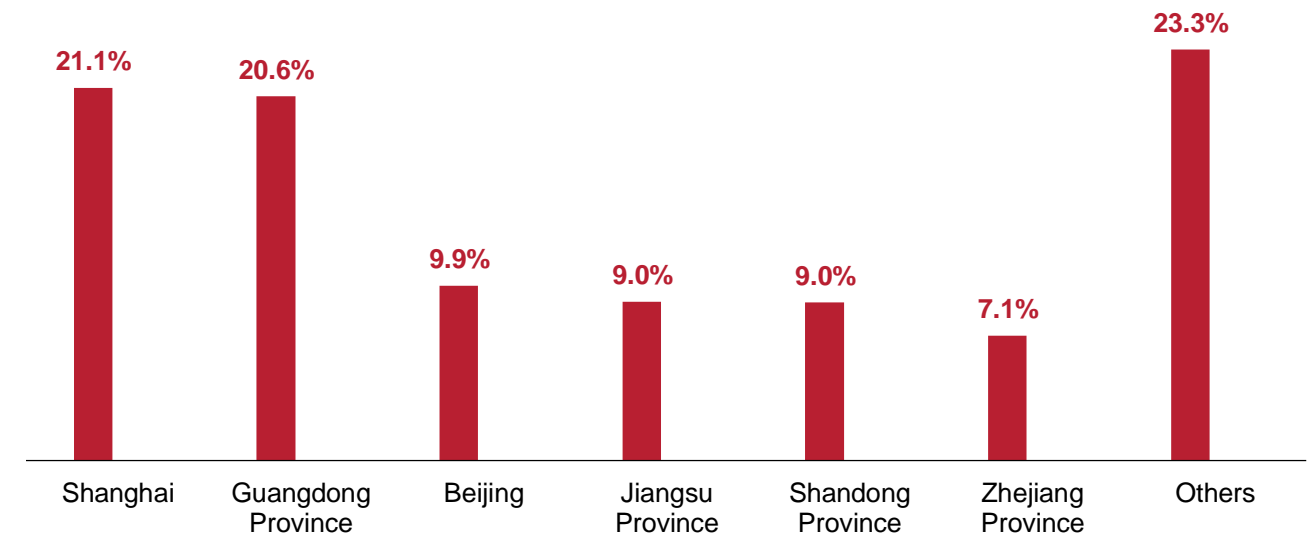
> Supplier Assessment and Elimination Mechanism

- The Group conducts regular assessments of suppliers, including site visits and on-site inspections, and implements an elimination mechanism for suppliers that do not meet relevant safety standards.

Number and Distribution of Suppliers

As at the end of 2024, Qunabao Group had a total of 2,433 suppliers, with Shanghai, Guangdong and Beijing being the Group's first, second and third largest regional sources of suppliers, with 514, 502 and 241 suppliers respectively.

Distribution of Fun Group Suppliers in 2024
(Percentage/%)



Product Selection

> Expiry Date Management

- Qunabao Group only purchases domestic goods with shelf life not exceeding one-third of their total duration.
- For imported goods, Qunabao Group purchases products with shelf life not exceeding half of their total duration.
- All purchased foods must comply with national food safety standards, and implement a first-in-first-out inventory management principle to ensure freshness of foods.



> Environmentally Friendly Packaging Materials

- Qunabao Group places great emphasis on the environmental friendliness of packaging materials and therefore promotes products packaged in aluminum and glass bottles, for example.
- The percentage of sales of products related to aluminum cans and glass bottles used by the Group in 2024 was at 8.1%.



Logistics

Qunabox Group uses an outsourced logistics model and encourages suppliers to adopt new energy vehicles. By leveraging its self-developed logistics optimization algorithm, the Group has built an efficient, safe and sustainable logistics network, supporting both operational efficiency and environmental goals.

New Energy Vehicle Application

In order to reduce carbon emissions, Qunabox Group is gradually increasing the proportion of new energy vehicles in its logistics fleet. The proportion of new energy vehicles accounts for 24% of the total logistics fleet, which is 100% fuel savings composed to traditional fuel vehicles and has virtually no carbon emissions. This initiative marks an important step in the Group's transition to a green supply chain and demonstrates its commitment to sustainable development.



Logistics Optimization Algorithm

Qunabox Group optimizes single-unit replenishment goods and quantities through refined operations, while planning efficient distribution routes to reduce carbon emissions in the transportation process and realize green logistics. Based on AI big data analysis, it optimizes the distribution routes of goods, reduces the logistics cost of single-piece goods, reduces unnecessary transportation energy consumption, and lowers distribution costs.



Warehouse Management

Full Process Management Criteria

Qunabox Group attaches great importance to the standardization and safety of warehouse management. The Group has formulated the *Warehouse and Inventory Management Policy*, which sets out strict management rules for every step from receiving, in-stock, out-of-stock to on-boarding inspection to ensure that the quality of merchandise is safe and controllable, and that consumers are supplied with fresh, high-quality merchandise.

> Safe Receipt of Goods

- Qunabox Group strictly follows the commodity procurement standards to receive goods, and refuses to accept any goods that do not meet the requirements, and simultaneously strengthens the management of suppliers to control the risk of commodity quality from the source.

> Treasury Management

- Qunabox Group strictly enforces the regulations on inventory management and performs dynamic management on the expiry date of commodities. All commodities with shorter expiry dates will be transferred to the management of expired products and will no longer be sold to the public.

> Deposit Management

- Qunabox Group's warehouse strictly enforces the First-in-First-out (FIFO) regulations to ensure that the earliest purchased goods are released for sale first, synchronized with the front-end suppliers' management requirements, and provided to the consumers in the freshest state.

> Higher Level Inspection

Qunabox Group warehouse sorting and logistics replenishment staff to implement a handover system. Out-of-warehouse procedures involve three inspection levels: warehouse personnel conduct the second-level inspection, and logistics personnel perform the third-level inspection after handover. It ensures that the quality of the goods out of the warehouse, hygiene, expiration date and batch are in line with the quality requirements, and synchronization of the goods in the machine to implement a regular inspection and replenishment of goods in the full inspection, to ensure that the expiration date of the machine goods, the quality of the safety of the scope of the goods.

Intelligent Inventory Optimization

Qunabox Group uses big data and AI technologies to analyze sales data, optimizing product allocation and inventory management. Its operation system is capable of real-time monitoring of inventory levels, SKU dynamics and other information, as well as storing merchandise and inventory data in the centralized operation system, from which it obtains the average daily sales volume and inventory levels of each SKU in each AI interactive marketing terminal.

Food & Beverage Fine Management

Qunabox Group pays special attention to food and beverage products. For products with shorter shelf life, the Group will negotiate batch supply with brand customers to prevent overstocking. Warehouse management alerts customers when items have less than 35 days (for shelf lives ≤ 180 days) or 45 days (for shelf lives ≥ 180 days) remaining. Merchandise that does not comply with the relevant regulations will be handled promptly.

Periodic Inventory and Inspection

Qunabox Group carries out routine monthly inspections and a full review every six months to ensure the accuracy and safety of our shipments.

Industry Cooperation and Eco-Building

Qunabox Group actively works with partners from various industries to build a prosperous ecosystem. Specific partners include technology service providers, AI interactive marketing terminal manufacturers, media service providers, venue providers, consumer goods suppliers, operation and maintenance service providers and venue providers.

Through in-depth cooperation with all parties, the Group and its partners will share resources and complement each other's strengths, promote the sustainable development and innovation of the entire ecosystem, create more value for our partners, and jointly embrace market opportunities.

Technical Service Providers

Qunabox Group collaborates with third-party software developers to optimize resources and enhance core competitiveness. The Group outsources non-core modules, UI/UX design, part of the software development, testing and standalone application projects so as to focus on core technology development and marketing design operations. The Group selects enterprises with strong research and development capabilities, good cooperation experience and reasonable cost structures to ensure rapid, iterative updates of functional modules.

AI Interactive Marketing Terminal Manufacturer

Qunabox Group collaborates with quality manufacturers to build an agile hardware supply chain, supporting business expansion. The Group adheres to flexible production concepts and customizing hardware designs for different scenarios, including compartmentalization structure, payment modules and interactive interfaces, to ensure that the equipment meets brand needs and delivers a high-performance, stable shopping experience.

Media Service Providers

Qunabox Group collaborates with MCN agencies and media to build a marketing resource pool meeting brand promotion needs. Using a platform-based approach, it integrates resources, expands online channels, and attracts users through creative content and interactive activities. The Group flexibly matches MCNs and KOLs to diversify traffic and reduce channel risks. In terms of content management, with the help of legal counsel, we ensure compliance with regulations, clarifies the boundaries of responsibility and avoids the risk of false advertising.

Consumer Goods Suppliers

Cooperating with beverages, food, daily necessities brands diversifies terminal products to meet user needs and enhances platform influence through brand resources.

Maintenance Service Providers

Qunabox Group adopts a light-asset logistics model, focusing on core warehousing and equipment maintenance while outsourcing logistics and distribution to reduce costs and support eco-development. The Group commissions a professional team to handle equipment maintenance and technical support to ensure terminal network efficiency. In logistics, a tiered cooperation model is used: brands and suppliers manage warehousing and collaborate with manufacturers' logistics providers for transportation, while consumer self-pickup reduces terminal distribution pressure. This approach allows resources to focus on high-value areas like optimizing equipment network density and enhancing consumer experience.

Venue Provider

Qunabox Group cooperates with venue providers such as shopping malls, offices, schools, etc. to ensure that the AI interactive marketing terminals have wide coverage and reach more potential users.

Staff

Qunabox Group strictly follows national regulations and earnestly protects employees' rights, establishing standardized employment management. The Group adheres to equal employment, eliminating discrimination and ensures the openness and transparency of the recruitment process. It has established a scientific salary structure and a diversified welfare framework to meet employees' material and spiritual needs. The Group combines training with development for talent growth, enhances health and safety to protect well-being, and built a communication platform to meet demands, fostering a fair, just, and harmonious environment for symbiotic growth.

Diverse and Equal Employment Policy

Qunabox Group strictly abides by *Labor Law of the People's Republic of China* and other regulations, respects and protects the legitimate rights and interests of each and every employee.

> No incidents of child labor and forced labor have occurred

- To prevent the occurrence of child labor incidents, the Group has internally established *the Human Resource Management Policy*, explicitly prohibiting the employment of individuals under age 18. On the on-boarding date, the Group requires the new employees to present their ID cards, academic certificates to verify their ages and identities. Additionally, the HR and Legal personnel will organize regular internal checks and training to avoid issues where employees are forced to work beyond the normal work scope or agreed working standards.

> Providing employment opportunities for persons with disabilities

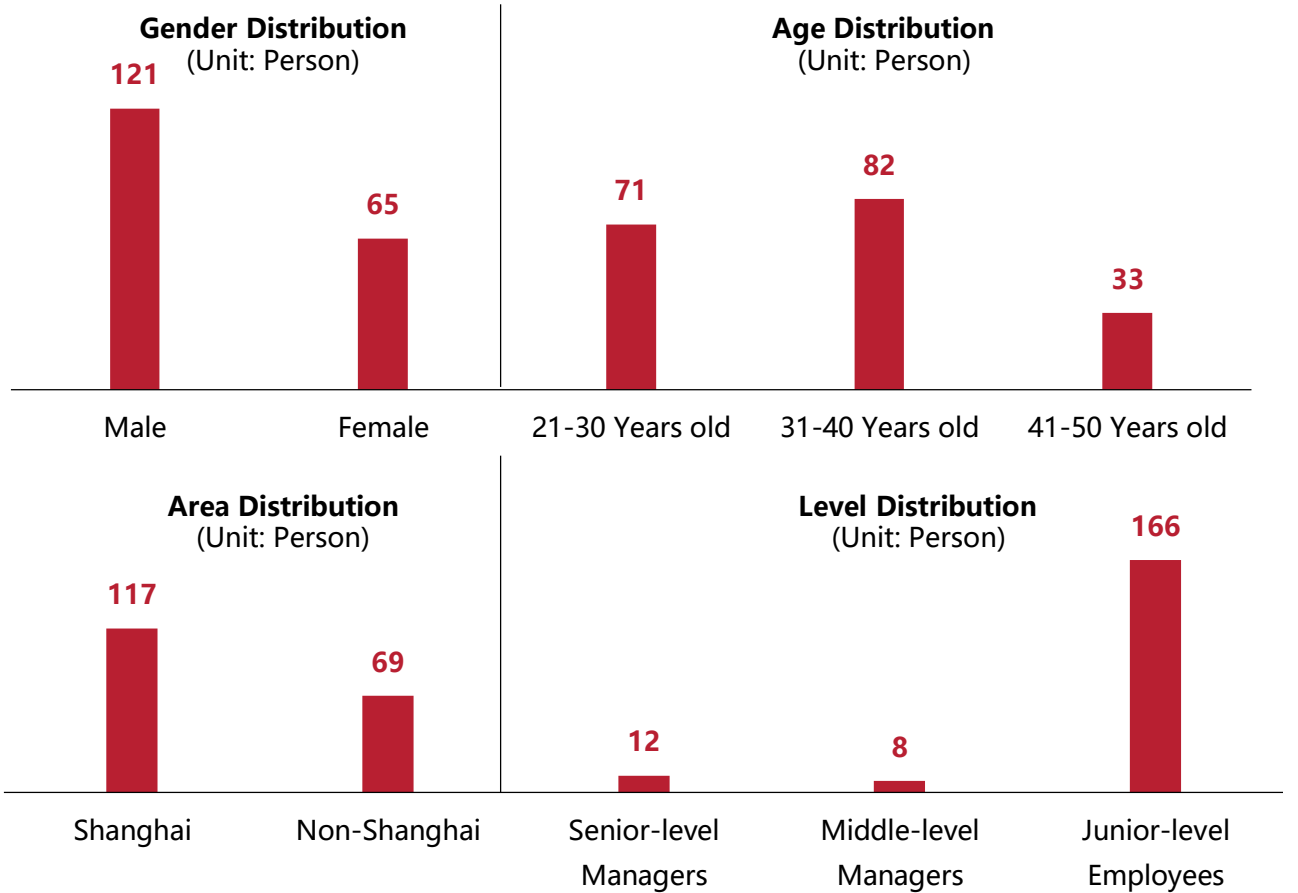
- Qunabox Group cultivates an inclusive culture, providing a development platform and sense of belonging for diverse individuals, fostering a diverse and inclusive talent ecosystem to drive sustainable development. There are 2 disabled employees in Qunabox Group, accounting for 1% of the employees.



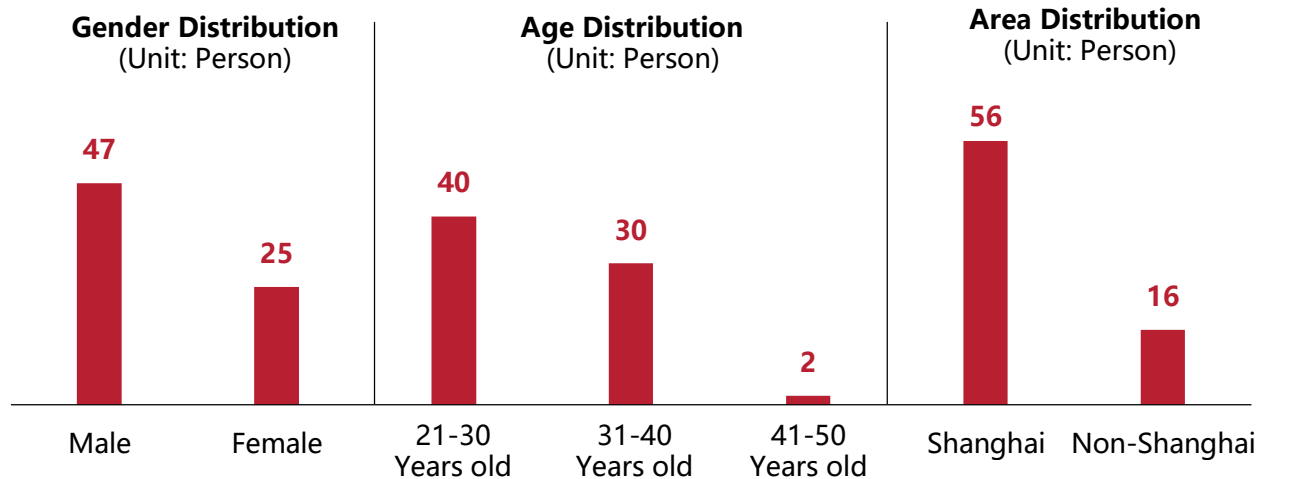
Providing equal opportunities for talents of different genders, ages and backgrounds

- Qunabox Group upholds the concept of diversity and equality in employment, adheres to the principle of fairness and impartiality in the recruitment process, constructs a bias-free promotion mechanism, and continues to improve the equal employment opportunity protection mechanism.

As of December 31, 2024, Qunabox Group had **186** employees, all of whom were employed on a full-time basis.



In 2024, Qunabox Group lost **72** employees, resulting in a turnover rate of **38.7%**.



Salary & Benefits

Qunabox Group has established an employee well-being protection framework, which combines institutional protection and humanized design to protect the rights and interests of employees in an all-round way, continue to enhance team cohesion and a sense of belonging, and demonstrate the core value of humanistic care.

The Group fully recognizes the dedication and hard work of its employees and has established internal policiess such as the *Performance Management and Performance Appraisal Policy* to build a comprehensive payroll performance management framework.

Equity Incentive Plan

In order to attract and retain the best available talent for the success of the business, the Group has implemented an equity incentive program to further enhance the motivation and loyalty of its employees.

Equal Communication

The Group adheres to the concept of equal communication and has set up an open and inclusive communication mechanism, encouraging employees to actively contribute their ideas and suggestions, and employees can provide feedback through multiple channels online and offline.

Staff Allowances

Employees of the Group are entitled to statutory holidays, parental leave and other vacations in accordance with the law. The Group provides each employee with a monthly shopping subsidy and a quarterly allowance to departmental employees for team building activities to promote teamwork and cohesion.

Team Building Activity

In 2024, the Group organized many sports and team building activities, which enriched the spare time life of the employees and enhanced the sense of belonging of the team.



(Team building activities)

Career Development Path

Qunabox Group benchmarks itself against established promotional frameworks in the market, devising explicit and transparent career progression pathways for its workforce, and fosters an environment where employees are encouraged to pursue promotion and salary enhancement opportunities through legitimate advancement channels. The Group is committed to offering its employees a spectrum of development avenues, thereby facilitating their career advancement and the augmentation of their personal value.

Case: The former payroll specialist within the HR department transitioned to the recruitment sector following maternity leave, achieving notable accomplishments. With the Group's support and her diligent endeavors, she ultimately ascended to the position of HR Manager. The flexible cross-position development mechanism activates the internal talent pool, providing employees with more career choices and promoting the incubation of composite talents in key positions, thus promoting the improvement of organizational effectiveness.

Training Framework

Qunabox Group attaches great importance to the career development and skill enhancement of employees and encourages them to pursue continuous learning. Through a systematic training framework and diversified learning opportunities, the Group is able to facilitate the growth of its employees and the development of the company.

New Employee Orientation

Qunabox Group provides comprehensive and systematic induction training for new employees, covering personnel and administrative policies, post professional skills, etc., to help them quickly integrate into the work environment.

Sharing Session

Qunabox Group organizes different types of sharing sessions to meet the professional and interest development needs of its employees.

> Technology Sharing Session

The technical department organizes regular sharing sessions focusing on technical content, aiming to enhance employees' professional skills and industry awareness, and to help them build a composite competency model.

> Interest Sharing Meeting

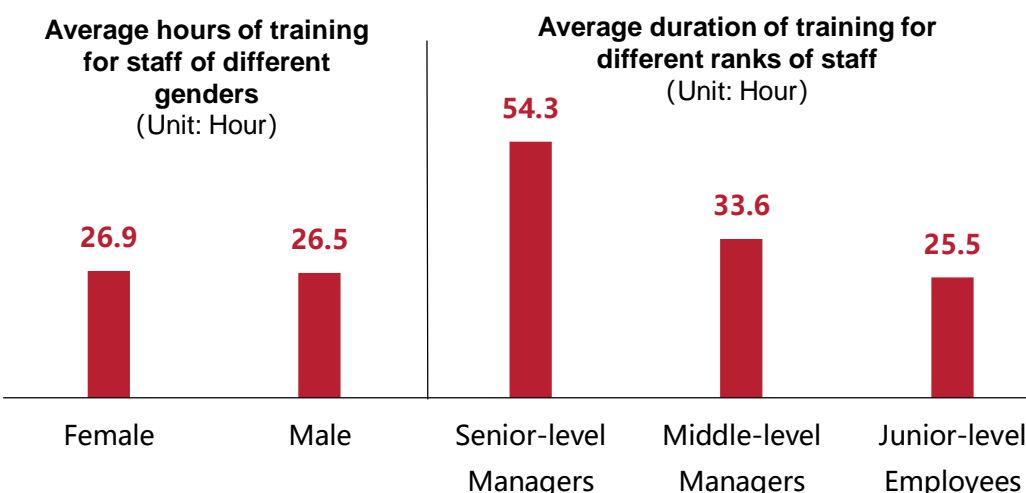
Organized by the human resource department according to the needs and interests of the employees, the content involves photography skills, etc., enriching the spare-time skills and interests of them, constructing a personalized development path for them, and continuing to enhance team cohesion.

> Feedback and Improvement Mechanism

Prior to the training, the Group conducts a survey on the demand for employee training content, pinpointing the employees' needs for professional enhancement and interest development to ensure that the training content meets the actual needs of the employees.

Upon completion of the training, the Group collects employee feedback and conducts in-depth analysis and summarization, and improves the training courses based on the evaluation results to ensure that employees are provided with abundant learning resources and development opportunities.

In 2024, a total of **2,146 person-times** were trained, covering **100%** of employees. The total number of training hours in 2024 for employees is **5,930h** (including the participation of departed trainees).



Occupational Health and Safety

Qunabox Group has always prioritized the health and safety of its employees and created a safe and comfortable working environment for them. In the past three years, including the Reporting Period, the Group has achieved the target of zero employee injuries and no work days lost due to work-related injuries, demonstrating the Group's excellent results in health and safety management and providing a solid guarantee for employees to work with peace of mind.

Health Management

> Health Check

- Qunabox Group attaches great importance to the health of its employees, and arranges mandatory health checkups for its logistics staff every year, with the costs fully covered by the Group. The Group also grants health checkup subsidies to the remaining staff to ensure that their health conditions are monitored and protected in a timely manner.

> Physical Activity

- During the Reporting Period, the Group organized a number of sports activities to encourage active participation of employees, cultivate healthy sports habits among employees and strengthen their sense of belonging and cohesion.



> Comfortable Environment

- The office area of the Group has a high coverage of green plants and is equipped with air purifiers to effectively regulate temperature and humidity and purify air pollutants, providing a comfortable working environment for employees.



Security Management

Qunabox Group has formulated the *Quality, Environmental Health and Safety Management Policy* and the *Operational Safety Management Policy* internally to establish comprehensive safety management rules and regulations and provide institutional support for the effective implementation of safety management activities.

> Occupational Safety Training

- Qunabox Group strictly enforces the rule of "train first, post later", providing systematic occupational safety training for warehouse logistics personnel, requiring all operations to be carried out in strict accordance with the video tutorials, and conducting regular spot checks and inspections to ensure that each link meets the safety standards and minimizes occupational risks.

> Checking for Hidden Safety Dangers

- Qunabox Group has set up a clear monitoring mechanism to check the security work on a regular basis, conduct outdoor power supply inspections, safety inspections of outdoor machine placement locations and other labor, to detect potential safety hazards in a timely manner, and take timely measures to solve the problems when they are detected.
- At the same time, the Group conducts safety emergency drills to ensure that employees can respond quickly, orderly and efficiently in emergency situations.

> Fire Safety Training

- Qunabox Group attaches great importance to the safety education and regularly organizes fire safety training, inviting professionals from the fire department to conduct on-site teaching at the Group. The training covers fire safety knowledge, etc., so as to enhance the staff's awareness of fire safety and their ability to cope with fire hazards.



Charity

Qunabox Group has always been concerned about social development and improvement of people's livelihood, and has actively participated in various public welfare activities to help more people in need through continuous participation in public welfare undertakings. The Group is committed to becoming the advocate and practitioner of the power of goodness, and joining hands with all walks of life to build a better future.

Community Public Benefit Activity

The Group has always maintained a high sense of social responsibility and regarded community welfare activities as an important part of the Group's development.

"JiuJiu" Public Benefit Festival

- Qunabox Group set up charity spots, attracting more than **6,000** consumers to stop by and raising more than RMB 300,000 for charity. At the same time, the brand provided RMB 250,000 worth of charity service rights packages, making positive contributions to the sustainable development of the community.



Charitable Donations

Qunabox Group actively participates in charitable donations to fulfill its social responsibility and enhance its brand image.

HKEX Foundation

- During the Reporting Period, the Group made a donation of **HK\$3 million** to the HKEX Foundation through its participation in the Stock Code for Charity Scheme.



Volunteer Service

Qunabox Group has always maintained a high sense of social responsibility and regarded community welfare activities as an important part of the Group's development.

Hong Hui Foundation

- The Group cooperated with the Hong Hui Foundation to launch a volunteer service program for children from mountainous areas to visit enterprise. More than 30 students were taken to visit the AI interactive marketing terminals, and a career planning seminar was arranged to answer students' questions about their future career development. More than 20 volunteers were involved, and the total service hours exceeded 200 hours.



Resource Usage

Emissions Management

Green Office

Coping with Climate-related Risks and Opportunities

05

Resource Usage

The Group has consistently deemed environmental protection as one of its paramount responsibilities during the enterprise development and has actively embraced the principles of sustainable development. To this end, the Group has established the *Biodiversity Conservation Policy* and the *Quality, Environmental, Health, and Safety Management Policy*, which delineate stringent environmental protection standards and lay a robust foundation for green operations. **In general, the business activities of the Qunabox Group do not have a significant impact on natural resources.**

Looking ahead, the Group is committed to progressively minimizing the power consumption of AI interactive marketing terminals by leveraging technological advancements and optimizing equipment management strategies. Furthermore, the Group will persist in refining its water resource management, aiming to gradually decrease water usage while enhancing utilization efficiency. Regarding waste management, the Group will vigorously adhere to the principles of minimization and harmlessness, striving to curtail the generation and emission of waste materials.

Energy Optimization and Conservation

The primary energy source utilized in the operations of Qunabox Group consists of the electricity consumed by its AI interactive marketing terminals. Qunabox Group aims to reduce average annual power consumption per AI interactive marketing terminal by approximately 10% over the next three years from the base year of 2023.

During the Reporting Period, Qunabox Group diligently investigated low-power hardware solutions to enhance the efficiency of energy consumption management. The incorporation of a smart standby mode automatically diminishes the energy expenditure of screens, lighting, and other components when the equipment is inactive. Concurrently, the utilization of temperature sensors facilitates automatic control over the refrigeration system, thereby optimizing overall energy consumption and elevating the energy efficiency level further.

By the end of 2024, through the implementation of phased energy saving measures, Qunabox Group has reduced the average annual per-computer power consumption of its AI interactive marketing terminals to 963 KWh.

Year	Annual Electricity Consumption per Terminal (KWh)
2024	963
2023	986

Core Energy Saving Measures and Implementation Path

In order to achieve the target, the Group has drawn up the following strategic plans to save energy in various aspects, such as time-sharing of equipment shutdowns, intelligent refrigeration and temperature control, and optimization of logistics and replenishment processes, without affecting the operation of offline machines.

- Equipment shutdown strategy

For EIT3 series and EIT5 series (50/51/53/70/60 models), during the period of 22:00-06:00 every day, the top light, warehouse display light, layer display light, pick-up port light and large screen are turned off, and only the touch screen is kept running. This measure can save **0.22kWh** of electricity per day for EIT3 series and **1.13kWh** per day for EIT5 series (60 models).

In shopping malls, museums, scenic areas and other locations with fixed business hours, during non-business hours, components like screens and lighting are all turned off, and the EIT5 series (53/70 models) can save up to **1.49kWh** of electricity per day on average per unit through this measure.

Each year, on the last Saturday of March, the Group participates in Earth Hour by powering down non-essential equipment of AI interactive marketing terminals for one hour across the nation.

- Intelligent temperature control and refrigeration system optimization

In winter, the 43W layer display light of the heating-point equipment automatically turns off. During transitional seasons, the cooling mode adjusts dynamically in response to diurnal temperature variations. This initiative results in an average daily energy reduction of **1.03 kWh** per terminal.

Qunabox Group undertakes routine maintenance of its cooling systems. In April and July, the Group will conduct thorough cleaning and precise compressor load adjustments. Equipment aged over one year undergoes dust removal procedures, whereas those exceeding two years in service require refrigerant replenishment. Such meticulous upkeep results in an average daily energy savings of **2.63 kWh** per terminal.

- Energy-saving improvements in logistics replenishment process

For the EIT5 Series, the group optimized logistics replenishment standardization. By improving the process and shortening opening time, the temperature fluctuation in the warehouse is minimized. The nationwide *Logistics Replenishment Operation Training Outline* has ensured strict implementation of the process by providing training the relevant operators, resulting in an average daily power saving of **0.24kWh** per terminal.

Enforcement of the Safeguard Mechanism

01	Dynamic Adjustment Strategy	02	Automation and Human Synergy	03	Effectiveness Monitoring
	<ul style="list-style-type: none">Qunabox Group integrates IoT data with manual feedback to fine-tune energy-saving measures in accordance with the distinct characteristics of the off-season, warm season, and peak season. For example, in the off-season, the dormant time of the equipment is extended appropriately; in the warm season, the intelligent temperature control system carries out more precise control according to the temperature change.		<ul style="list-style-type: none">Energy-saving strategies such as hibernation and temperature control of AI interactive marketing terminals are automatically triggered by the system to ensure accurate and timely implementation. For special events such as "Earth Hour", notifications are pushed through the operator to ensure that all relevant personnel are aware of the event and can execute it accurately.		<ul style="list-style-type: none">Qunabox Group conducts quarterly aggregate analysis of energy saving data and optimizes the implementation based on the actual energy saving effect. If it is found that the terminal energy-saving effect in a certain area is not as expected, the data is analyzed to find out the reasons, which may be due to aging equipment or irregular operation, and then measures are taken in a targeted manner.

Total Electricity Consumption

During the Reporting Period, Qunabox Group's 2024 AI interactive marketing terminal consumed a total of 7,926.69 MWh of electricity and emitted greenhouse gases equivalent to 4,253.46 tons of carbon dioxide equivalent.

The standards and methodologies for calculating carbon emissions align with the established greenhouse gas accounting framework. The emission factor for reporting carbon emissions is derived from the annual national average grid emission factor for 2024 published by the Ministry of Ecology and Environment of the PRC, i.e., the national average carbon dioxide emission factor for electricity of 0.5366 (kgCO₂/kWh) for 2022.

Future Goals and Time Planning

In order to successfully achieve the goal of reducing average annual power consumption per AI interactive marketing terminal by approximately 10% over the next three years from the base year of 2023, the Group plans to step up its R&D efforts and adopt a three-pronged energy-saving strategy comprising of technological upgrade (e.g., smart temperature control and IoT monitoring), process optimization (covering logistics specification and time period management) and equipment maintenance. With this strategy, Quanbox Group is confident that it can reduce the energy consumption of AI interactive marketing terminals at the system level. According to the statistics of Quanbox Group, the energy consumption of AI interactive marketing terminals will be 986KWh by the end of 2023, and will be reduced to 963KWh by the end of 2024. In order to achieve the target, the Group plans to save 12.7% of electricity in 2025 and 14.5% in 2026.



Scope II emissions

4,253.46 tons
of CO₂ equivalent



Power Consumption

7,926.69MWh

Year	Key Measures
2024	Time-phased power-down of devices, intelligent temperature control upgrade, etc.
2025	Further expanding the coverage of refrigeration system maintenance to ensure that more equipment can realize energy savings through regular maintenance; Using AI to empower energy saving and emission reduction, deepen intelligent management, and optimize system algorithms to enhance the energy utilization efficiency of AI interactive marketing terminals as a whole.
2026	Deeply optimized AI power optimization algorithms, such as automatically reducing the brightness and operating frequency of the device during low-traffic periods, significantly reduce the energy consumption of AI interactive marketing terminals.

In addition, Qunabox Group has stepped up training for its operators to ensure that all energy-saving measures can be implemented effectively and efficiently in the long run, thus contributing to sustainable development.

Water Use

Qunabox Group has implemented measures to protect water resources, including regular facility checks and maintenance to ensure efficiency and reduce waste. The Group has embarked on campaigns to elevate employees' awareness regarding water conservation.

The Group's water use is primarily for daily office needs like cleaning and landscaping and does not involve production, processing and other businesses that require the use of water resources in the course of operation. **There is no issue in sourcing water.** The water consumption in the office premises is managed by the property management company, which is responsible for the system maintenance, utility payments, and infrastructure oversight, and therefore, the Group is not in a position to compile specific statistics on the amount of water consumption.

Emissions management

Qunabox Group has consistently adhered to the principle of green development, embracing ecological preservation as the cornerstone of its corporate strategy. The Group strictly complies with the *PRC Environmental Protection Law*, *PRC Atmospheric Pollution Prevention and Control Law* and other regulations, and continuously optimizing various types of emissions through the research and development of modular AI interactive marketing terminals and active recycling of packaging.

Modularized AI Interactive Marketing Terminal

Through the development of modular AI interactive marketing terminals and standardized treatment of e-waste, Qunabox Group effectively reduces resource wast and environmental pollution.

Significantly Longer Equipment Life	Significant Reduction in Scrappage Rate	Outstanding Environmental Benefits
<ul style="list-style-type: none">The modular design greatly extends the life of the equipment, and is excellent for dealing with aging or damaged parts. When a component becomes damaged or old, the equipment can be quickly restored to normal operation by simply locating and replacing the damaged part.	<ul style="list-style-type: none">Conventional AI interactive marketing terminals suffer from a significant scrap rate issue stemming from the malfunction of individual components, while modular AI marketing terminals fix this issue by allowing replacement of only the broken parts, effectively reducing the scrap rate.	<ul style="list-style-type: none">Modularity offers significant environmental protection advantages. The application of the product promotes the minimization of e-waste. By reducing the amount of machine scrapping, it reduces the risk of e-waste pollution to the environment and contributes to green development.

Waste Recycling

Funky Group's hazardous waste is mainly E-waste, and its non-hazardous waste is mainly packaging generated during the transportation of its products.

E-waste

During the equipment replacement process, Qunabox Group meticulously adheres to electronic waste recycling regulations, ensuring compliant disposal of obsolete equipment and minimizing environmental pollution. Furthermore, the modular design of the equipment facilitates individual replacement and upgrading of each module, thereby extending the overall lifespan of the equipment. This approach minimizes electronic module wastage and further enhances resource utilization efficiency. In the year 2024, Qunabox Group decommissioned 246 electronic components and successfully recycled 758 parts. Due to the Group's volume-based disposal and recycling tracking protocols, which inherently exclude weight measurement methodologies, quantitative estimation (in tons) of hazardous waste mass remains unavailable.

Component	Number of Recycled Items (pcs)	Number of Scrapped Items (pcs)	Recovery Ratio(%)
Industrial Controller	276	6	97.9
Compressor	45	15	75.0
Display	49	37	57.0
Touchscreen	12	9	57.1
Power Module	12	2	85.7
Lamp Module	80	60	57.1
Sensor	235	98	70.6
Communication Modules	49	19	72.1
Total	758	246	75.5

Recycling is Effective

In 2024, the Group will dispose of a total of 246 electronic parts and 758 recycled parts, with a recycling ratio of **75.5%**, of which **97.9%** will be recycled from the center controller and **85.7%** from the power supply module.

Packaging

The packaging materials used during the operation of Qunabox Group are those used by the manufacturers of goods and those used by the manufacturers of machinery, mostly cardboard boxes. The Group recycles more than 99% of the cartons from its warehouses, while the remaining less than 1% is reused as a carrier for the loading of goods. Given the heterogeneous quality of cartons, the Group is objectively precluded from conducting methodologically robust quantification of carton (non-hazardous waste) weights.

Wastewater and Emissions

During daily operations, the Group is mainly involved in the development of equipment, procurement of goods, rental of premises and marketing services, all of which do not involve the emission of wastewater and waste gas.

Greenhouse Gas Emissions

Scope I Greenhouse Gas Emissions

Qunabox Group does not use stationary fuels such as coal, oil or natural gas to generate electricity, heat or steam in its daily operations, nor does it own any vehicles. As a result, there are no Scope I greenhouse gas emissions from Qunabox Group's AI interactive marketing terminals.

Scope II Greenhouse Gas Emissions

In 2024, Qunabox Group's AI interactive marketing terminals consumed 7,926.69 MWh of electricity. Based on the calculation standards stipulated by the Greenhouse Gas Accounting System, the greenhouse gas emissions resulting from this electricity consumption are equivalent to 4,253.46 tons of carbon dioxide equivalent.

During the Reporting Period, the office electricity of the Group was centrally managed by the property management company and therefore no statistics could be compiled.

ESG Indicators	Unit	Qunabox Group 2024 Emissions
Scope I emissions	Tons of carbon dioxide equivalent	/
Scope II emissions	Tons of carbon dioxide equivalent	4,253.46

Green Offices

In response to the national call for energy saving and emission reduction, and to realize the concept of green development, Qunabox Group has actively implemented a series of energy saving and emission reduction measures in its office area, and achieved significant results.

- 01

Water and Electricity Conservation

 - Lighting system upgraded: office lighting has been fully replaced by LED energy-saving lamps, effectively reducing energy consumption.
 - Enhancement of energy-saving awareness: regular publicity campaigns on water and electricity saving were launched to encourage employees to develop the habit of reducing the use of energy-intensive office equipment.
 - Intelligent control application: the Group adopted intelligent switch to realize intelligent automatic control of office area lighting and avoid the phenomenon of long-lighting.
- 02

Paper Optimization

 - Paperless office promotion: the Group built enterprise NAS system, e-mail system, CRM, WMS and other digital management systems. Internal files are preferred to be stored and shared in electronic form, significantly reducing paper consumption.
 - Duplex Printing Promotion: promote duplex printing for documents that must be printed to further reduce paper usage.
- 03

Office Supplies Management

 - Environmentally friendly purchasing: priority is given to purchasing environmentally friendly office supplies such as reusable whiteboard markers and biodegradable folders.
 - Regularized management: The Group set up specifications for the use of office supplies and a system for signing for them to avoid waste of disposable consumables. and improve the utilization.

Coping with Climate-related Risks and Opportunities

The Group faces multiple risks and opportunities during its operations. From physical risk perspective, natural disasters such as extreme weather, typhoons, and earthquakes may impact equipment safety and operational efficiency, while rising global temperatures could increase cooling and preservation costs. Transition risks include policy and regulatory risks, technological risks, and market risks. With technological advancements, innovative technologies and energy-saving initiatives also present new growth opportunities for the Group.

Physical Risk

In terms of physical risks, Qunabox Group may face both acute and chronic risks. Acute risks, such as extreme weather, typhoons, earthquakes and other natural disasters, may have a direct impact on the safety and operational efficiency of the equipments, while chronic risks, such as the long-term trend of rising global temperatures, may lead to an increase in the Group’s costs of refrigeration and preservation, to which the Group has implemented a series of countermeasures, including the regular inspection and maintenance of equipment to ensure its performance. The Group has initiated a series of measures to address this, including regular inspection and maintenance of equipment to ensure that it performs well, increased investment in research and development, and reduction of power consumption of equipment to save energy.

Case : Responding to Typhoon Weather

Qunabox Group has proven experience in dealing with acute risks. Taking typhoons as an example, such extreme weather events are one of the major acute risks faced by the Group in the course of its operations. Under strong winds, there is a risk of outdoor equipment being blown over, which may not only lead to equipment damage, but also jeopardize the safety of pedestrians. In order to effectively prevent such risks, the Group quickly took targeted measures to strengthen the bottom wheels of outdoor equipment, which significantly enhanced the stability of the equipment under strong wind conditions and effectively reduced the possibility of equipment slipping, thus ensuring the normal operation of the equipment and the safety of the surrounding personnel.

Transformation Risks

In terms of restructuring risks, Qunabox Group may face the challenges of increasingly stringent policies and regulations, technological upgrades and rapid changes in market demand. In order to cope with these risks, the Group will keep abreast of the changes in policies and regulations to ensure compliance, increase its investment in research and development and regularly upgrade its equipment to stay ahead of the technological curve, and set up a market research mechanism to satisfy the diversified needs of consumers.

Transformation Opportunities

In terms of transformation opportunities, Qunabox Group has applied energy-saving measures to reduce operating costs and leveraged innovative technologies to enhance service standards and customer satisfaction. The Group will continue to emphasize energy saving and emission reduction, and will define a strategy for the development of new technologies in order to promote sustainable development.

Appendix

Critical Performance Table

HKEX ESG Code Indicators Index

06

Critical Performance Table

Environmental Indicators		
Indicator	Unit	Qunabox Group 2024 Disposal
Waste Discharge		
Total hazardous waste	Tons (t)	/
Hazardous waste density	Tonnes/RMB million revenue	/
Total non-hazardous waste	Tons (t)	/
Non-hazardous waste density	Tonnes/million RMB revenue	/
Greenhouse Gas Emissions		
Scope I emissions	Tons of carbon dioxide equivalent	/
Scope II emissions	Tons of carbon dioxide equivalent	4,253.46
Energy Use		
Direct energy use		
Gasoline consumption	Tons (t)	/
Diesel consumption	Tons (t)	/
Indirect energy use		
Net purchase of electricity	Kilowatt-hour (KWH)	7,926,693.67
Total power consumption density	Kilowatt hours (KWH)/RMB million Revenue	5,917.65
Net thermal purchase	Giga (GJ)	/
Water Use		
Total water consumption	Tons (t)	/
Total water consumption density	Tons/million RMB revenue	/
Sewage disposal	Tons (t)	/

Social Indicators		
Supplier Regional Distribution	District	Number of Suppliers
East China	Shanghai	514
	Jiangsu Province	219
	Shandong Province	218
	Zhejiang Province	172
	Anhui Province	79
	Fujian Province	63
	Jiangxi Province	6
South China	Guangdong Province	502
	Guangxi Zhuang Autonomous Region	2
Northern China	Beijing	241
	Tianjin	72
	Hebei Province	4
	Shanxi Province	1
Southwestern	Sichuan Province	70
	Chongqing	69
	Guizhou Province	1
Central China	Hunan Province	57
	Henan Province	54
	Hubei Province	4
Northeast	Liaoning Province	67
Northwest	Shaanxi Province	1
Overseas	Overseas	17
Product Responsibility	Unit	Number
Recall rate due to safety and health-related defects	%	0

(Continued)

Staff Distribution	Unit	Number
Gender		
Male	Person	121
Female	Person	65
Rank		
Senior-level Managers	Person	12
Middle-level Managers	Person	8
Junior-level Employees	Person	166
Employee Type		
Full-time	Person	186
Part-time	Person	0
Age		
21-30 years old	Person	71
31-40 years old	Person	82
41-50 years old	Person	33
District		
Shanghai	Person	117
Non-Shanghai	Person	69
Total number of employees	Person	186

Staff Turnover	Unit	Number
Gender		
Male	Person	47
Female	Person	25
Age		
21-30 years old	Person	40
31-40 years old	Person	30
41-50 years old	Person	2
District		
Shanghai	Person	56
Non-Shanghai	Person	16
Total staff turnover	Person	72

(Continued)

Employee Health and Safety	Unit	Number
Work-related fatalities (current year and past three calendar years)	Person	0
Total recordable occupational injuries	Person	0
Total workdays lost due to occupational injuries	Day	0
Staff Training Ratio	Unit	Number
Gender		
Male	%	100
Female	%	100
Rank		
Senior-level Managers	%	100
Middle-level Managers	%	100
Junior-level Employees	%	100
Average staff training hours	Unit	Number
Gender		
Male	Hour	26.5
Female	Hour	26.9
Rank		
Senior-level Managers	Hour	54.3
Middle-level Managers	Hour	33.6
Junior-level Employees	Hour	25.5

HKEX ESG Code Indicators Index

A. Environment

Aspect	Indicator	Comply or Explain	Response
A1. Emissions	A1.1	The types of emissions and respective emissions data.	P36-P38
	A1.2	Direct (Scope I) and energy indirect (Scope II) greenhouse gas emissions in tonnes and, where applicable, intensity (e.g., per unit of production output, per facility).	P34 P37-P38
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P37
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P37
	A1.5	Description of emission target(s) set and steps taken to achieve them.	P36
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	P37
A2. Use of Resources	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	P34-P35
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P36
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	P34-P36 P38
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	P36 P38
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	P37
A3. Environment and Natural Resources	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P34
A4. Climate Change	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact the issuer, and the actions taken to manage them.	P38-P39

B. Society

Aspect	Indicator	Comply or Explain	Response
B1: Employment	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	P28
	B1.2	Employee turnover rate by gender, age group and geographical region.	P28

(Continued)

Aspect	Indicator	Comply or Explain	Response
B2: Health and Safety	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	P31
	B2.2	Lost days due to work injury.	P31
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P31-P32
B3: Development and Training	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P44
	B3.2	The average training hours completed per employee by gender and employee category.	P30
B4: Labor Standards	B4.1	Description of measures to review employment practices to avoid child and forced labour.	P27
	B4.2	Description of steps taken to eliminate such practices when discovered.	P27
B5: Supply Chain Management	B5.1	Number of suppliers by geographical region.	P24
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	P23
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P23-P24
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P23-P26
B6: Product Responsibility	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	P17
	B6.2	Number of products and service related complaints received and how they are dealt with.	P19-P20
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	P18
	B6.4	Description of quality assurance process and recall procedures.	P25-P26 P17
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	P20-P21
B7: Anti-corruption	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	P14
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	P14
	B7.3	Description of anti-corruption training provided to directors and staff.	P14
B8: Community Investment	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	P32
	B8.2	Resources contributed (e.g. money or time) to the focus area.	P32



趣 致 集 團

Qunabox Group Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 0917



2024 ESG Report