

Yeahka 移卡

Yeahka Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 9923.HK



2024

Environmental, Social and
Governance Report

ABOUT THIS REPORT

REPORTING INTRODUCTION

Yeahka Limited (“Yeahka”, the “Company” or “we”) is pleased to publish its fifth Environmental, Social and Governance Report.

REPORTING SCOPE

The reporting period disclosed in this Report is from January 1, 2024 to December 31, 2024 (the “Year”), with some content slightly extended beyond the time frame. Unless otherwise stated, this Report mainly elaborates on the Environmental, Social and Governance (“ESG”) management issues related to Yeahka’s three business lines, namely one-stop payment services, in-store e-commerce services and merchant solutions.

REPORTING DATA SOURCE

The information in this Report is derived from the Company’s official institutional documents, statistical reports or relevant public information.

FORM OF PUBLICATION

The Report is available in both Chinese and English and is published in electronic form. You can log on to the official website of the Company (www.yeahka.com) or the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) to access the electronic version.

REPORTING STANDARD

The Report was prepared in accordance with the provisions of the Environmental, Social and Governance Reporting Code (the “ESG Reporting Code”) set out in Appendix C2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) while making reference to the United Nations Sustainable Development Goals (SDGs). The Report adheres to the principles of materiality, quantitative, balance and consistency to ensure that the Report is true and accurate, and strives to fully reflect the Company’s ESG management status and work results.

Principle	Definitions	Responses from the Company
Materiality	The issuer should report on the ESG issues as determined by the Board to have a material impact on investors and other stakeholders.	Sustainability issues related to the Company’s development are identified through continuous communication and exchanges with stakeholders.
Quantitative	The Report should disclose key performance indicators in a measurable manner in order to assess and verify the performance of ESG policies and management systems.	The Company continuously records and discloses its ESG quantitative performance indicators, and provides textual explanations for quantitative resources.
Balance	The Report should reflect both the positive and negative aspects of the Company’s performance in an unbiased manner to conduct a fair evaluation of the overall performance.	This report provides a truthful, accurate, and comprehensive overview of the Company’s ESG performance.
Consistency	The Company should ensure that the Report adopts consistent disclosure principles so that stakeholders can make meaningful comparisons later.	Unless otherwise stated, the Company will ensure that the disclosure scope and reporting methods of the Report remain generally consistent every year.

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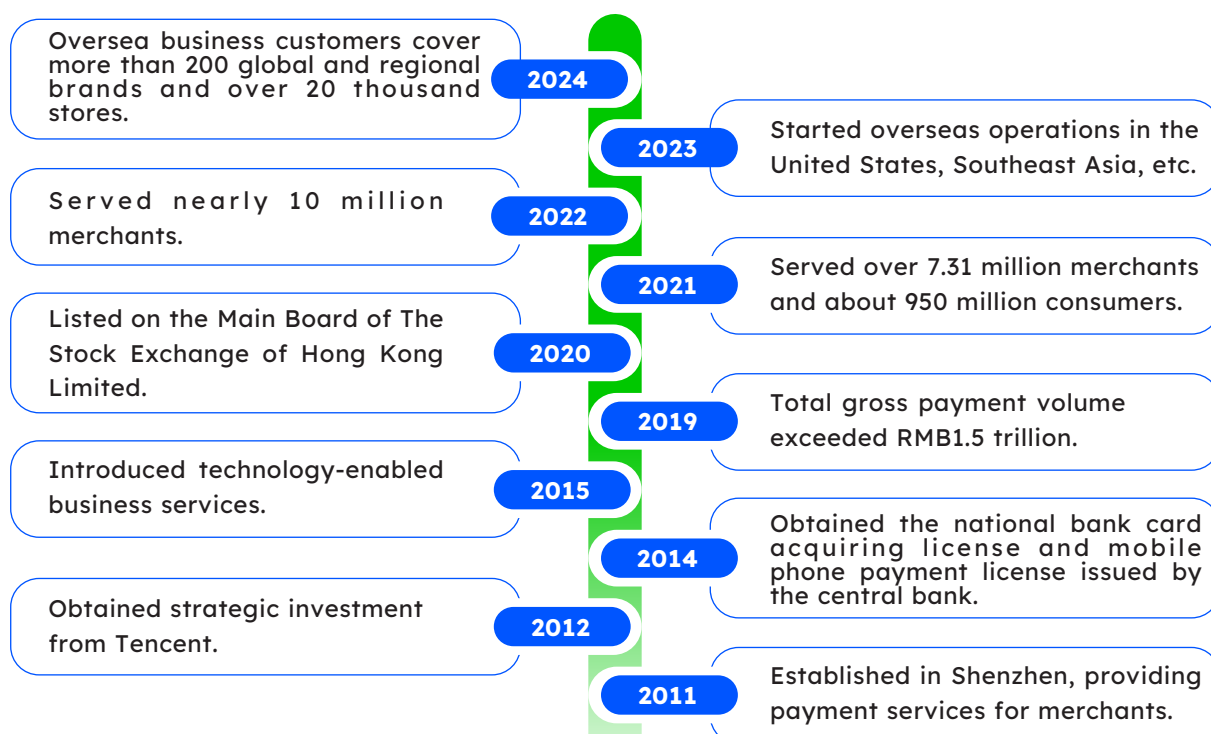


CHAPTER I COMPANY YEARBOOK FOR 2024

1.1 ABOUT US

As a leading payment-based technology platform, Yeahka has been focusing on creating value for our merchants and consumers. We are aimed at building an independent and scalable commercial digitalized ecosystem to achieve seamless, convenient and reliable payment transactions between merchants and consumers, and to further expand into serving merchants and consumers with our diversified product portfolio, including in-store e-commerce services and merchant solutions. By the end of 2024, we had provided one-stop payment services, merchant solutions, and in-store e-commerce services for more than 9.2 million merchants, promoting business growth for merchants. Meanwhile, we have provided consumers with more favorable and convenient local lifestyle services.

The Company adheres to the values of “innovation, integrity, proactivity and responsibility” and continues to make creations and breakthroughs in technology, products and services with forward-looking thinking, creating more value for merchants and bringing more convenience to life. We adhere to the principle of integrity and mutual trust, and establish long-term and mutually beneficial relationships with partners. We strive for improvement and continuously improve our technological innovation levels and service standards. We dare to take responsibility, actively engage in social welfare, and strive to be a responsible corporate citizen.



CHAPTER I COMPANY YEARBOOK FOR 2024

1.2 DETAILS ABOUT YEAHKA

ECONOMIC PERFORMANCE



Total assets RMB

7,705,476

thousand



Total equity RMB

2,589,503

thousand



Total revenue RMB

3,086,742

thousand

OPERATIONAL PERFORMANCE

One-stop Payment Services

- The peak daily transaction counts for our app-based payments reached nearly **60.0 million**. Connecting with over **6,000** SaaS partners and increased by **32%** year-on-year

In-Store E-Commerce Services

- The gross profit margin for our in-store e-commerce services increased by **1.2%** year-on-year

Merchant Solutions

- Achieving industry leadership in marketing service for fintech sectors, covering over **90%** of the major clients in the industry

ESG PERFORMANCE

Environmental (E)

- By promoting the implementation of a "half-cloud, half-physical" deployment approach, we achieved energy savings of **810,000 kWh**, equivalent to the energy consumption of **150** physical servers.

Society (S)

- The Company's risk control system has made **17 billion+** risk decisions. **19 million+** risky transactions have been handled to ensure transaction security;
- Integrated large models into the intelligent customer service system, syncing transaction and business data to expand system coverage, achieving an **85%** overall self-service rate.

Governance (G)

- Our anti-corruption and anti-money training coverage reached **100%**;
- There was no corruption or bribery, customer data privacy, conflict of interest, money laundering or insider trading violations of laws and regulations during the year.

CHAPTER I COMPANY YEARBOOK FOR 2024

1.3 HONORS AND AWARDS

S&P Global ESG Score

59/100



S&P Global ESG Score (59)
Included in 2024 Sustainability Yearbook (China)



MasterCard 2024 Excellence Partner Award



A-
54.21



Hang Seng ESG Rating (A-)



MasterCard Netsunion 2024
Excellence Partner Award



The Asset Triple A Awards:
Best Payments and Collections Solution



2024 Outstanding Contribution
Award from China UnionPay



2024 8th China Catering Innovation
List TOP100 – "Innovative Service List"
in the Catering Industry



2024 Financial Sector
Outstanding Growth Enterprise Award

CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

2.1 ESG GOVERNANCE

Yeahka upholds the philosophy of "continuously creating a better future", strengthening its business foundation while integrating ESG principles into its strategic goals and daily operations. The Company continuously improves its ESG governance system to achieve harmonious and sustainable growth in alignment with environmental and social interests.

2.1.1 ESG STRATEGY

In 2024, we continue to align with the United Nations Sustainable Development Goals (SDGs), focusing on Yeahka's impact across five key areas: business operations, users, upstream and downstream partners, communities and industries and environment. We fully integrate the concept of sustainable development into our daily operations to create long-term value for sustainable growth.

The ESG Committee continuously monitors and evaluates sustainability-related risks and opportunities to ensure compliance with industry-related laws and regulations in business operations

Create an inclusive, equal and humane working environment for employees and cultivate a diverse and relaxed working atmosphere

Adhere to business ethics and safeguard the rights and interests of all stakeholders



Assist merchants in continuously improving operational efficiency. Digital inclusive finance lowers the marketing threshold for small and micro merchants. Provide advanced merchant solutions with more powerful features

Bring aggregated and great-value local lifestyle experiences to consumers, allowing people to enjoy a better quality of life

Listen to user feedback and opinions, ensure the security of user personal information, and protect the original content of KOLs



CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

Upstream and Downstream Partners



Continuously improve the standardization and transparency of the procurement process, and create a responsible supply chain

Pay great attention to the social risks associated with the supply chain, provide sustainability training to partners, and create a good business environment



Communities and Industries



Increase investment in public welfare and community development, provide business support for small and micro merchants, and care about children's education and health

Support the digital upgrade of the industry and jointly build a digital transformation ecosystem with industry partners



Environment



Actively respond to the national call for energy conservation and emission reduction, reduce the environmental impact of our operations, and move towards the carbon peak and neutrality goals

Advocate green and environmental protection, and integrate low-carbon and environmental protection concepts into our business operations





Strengthen corporate management of climate change response and help society transition to a low-carbon future



CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

2.1.2 ESG VISION AND GOALS




Using SDGs as a guide for action, we identify the most relevant ESG areas in our operations, value chain and business ecosystem, set specific ESG strategic goals and improve our ESG vision based on the development situation of the Company, and take corresponding measures to continuously drive the sustainable development of the Company.

Our Focus on the United Nations Sustainable Development Goals		Key Areas	Responsibility Initiatives
 No poverty	End poverty in all its forms everywhere by 2030	Technology Sharing to Implement Collaborative Development	<ul style="list-style-type: none"> Drive public welfare innovation with product innovation, and help micro, small and medium-sized merchants digitize their operations
 Good health and well-being	Ensure healthy lives and promote well-being for all at all ages	Technology Sharing to Implement Collaborative Development	<ul style="list-style-type: none"> Provide diversified benefits and health protection for employees Send holiday warmth to small and micro merchants
 Gender equality	Achieve gender equality and empower all women and girls	Technology Sharing to Implement Collaborative Development	<ul style="list-style-type: none"> Advocate for equality and diversity, offering diverse benefits for female employees Conduct anti-discrimination and anti-harassment training for all employees
 Clean water and sanitation	Ensure availability and sustainable management of water and sanitation for all	Technology for Emission Reduction to Embrace a Green Future	<ul style="list-style-type: none"> Implement green operations and conserve water resources

CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

Our Focus on the United Nations Sustainable Development Goals		Key Areas	Responsibility Initiatives
 <p>Decent work and economic growth</p>	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Technology Sharing to Implement Collaborative Development	<ul style="list-style-type: none"> Implement a sound performance appraisal, remuneration and promotion mechanism Establish a comprehensive training system with targeted programs for employees at different levels and in different positions
 <p>Industry, innovation and infrastructure</p>	Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation	Technology Driving to Advance Business Innovation	<ul style="list-style-type: none"> Introduce innovative products and solutions to harness the power of AI technology Implement full lifecycle management for products and services
 <p>Sustainable cities and communities</p>	Make cities and human settlements inclusive, safe, resilient and sustainable	Technology Sharing to Implement Collaborative Development	<ul style="list-style-type: none"> Assist small and micro businesses in achieving high-quality growth Commit to public welfare and charity and support community development
 <p>Responsible consumption and production</p>	Ensure sustainable consumption and production patterns	<p>Technology Driving to Advance Business Innovation</p> <p>Technology Sharing to Implement Collaborative Development</p>	<ul style="list-style-type: none"> Adhere to lawful and compliant marketing practices Build a responsible supply chain by integrating ESG factors into the entire supplier management process

CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

Our Focus on the United Nations Sustainable Development Goals		Key Areas	Responsibility Initiatives
 <p>Climate action</p>	Take urgent action to combat climate change and its impacts	Technology for Emission Reduction to Embrace a Green Future	<ul style="list-style-type: none"> Identify climate change risks and take measures to address climate change impacts Promote energy conservation and emission reduction, explore new fields, and seize climate-related opportunities
 <p>Peace, justice and strong institutions</p>	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	Enhanced Corporate Responsibility in 2024	<ul style="list-style-type: none"> Establish a comprehensive compliance and risk management system to ensure stable operations Conduct anti-corruption and anti-money laundering training and awareness programs
 <p>Partnerships for the goals</p>	Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development	Technology Driving to Advance Business Innovation	<ul style="list-style-type: none"> Enhance collaboration with both upstream and downstream partners in the value chain to drive the industry's digital transformation

CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

2.1.3 BOARD'S STATEMENT

Yeahka regards ESG as the cornerstone of the Company's sustainable development, integrating ESG principles into its development strategy. The Company comprehensively strengthens the Board of Directors' oversight of ESG initiatives, actively fulfills corporate social responsibilities, and promotes long-term, high-quality sustainable development.

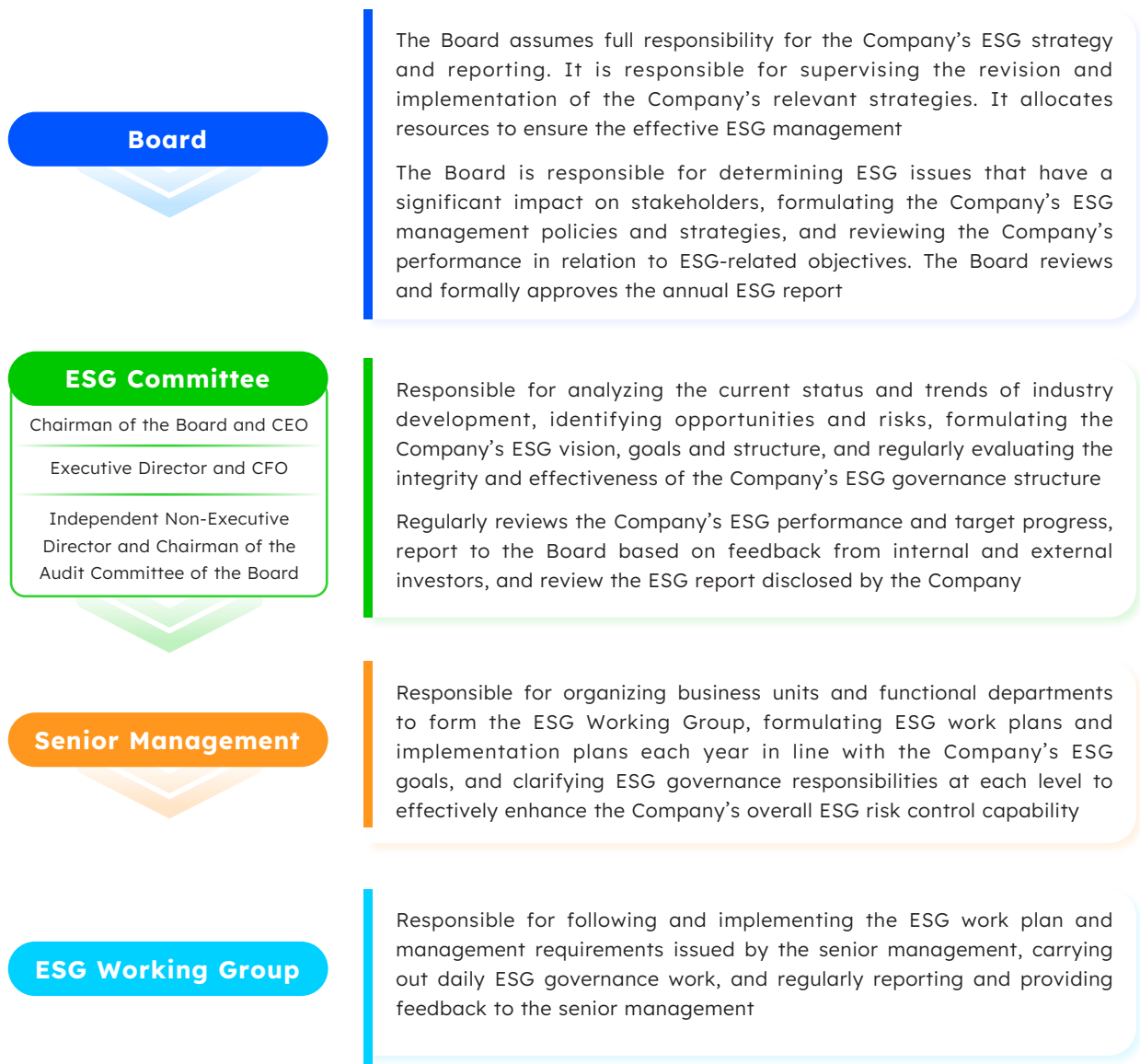
We have established a comprehensive ESG governance framework, with an ESG Committee at the board level responsible for overseeing ESG-related work. The committee participates in formulating and implementing ESG strategies, regularly reviews ESG goal setting and progress, allocates resources appropriately to ensure the efficient execution of ESG management, and reviews the Company's annual ESG reports. Under the ESG Committee, the ESG Working Group has been established. Comprising senior management, business units, and functional departments, the ESG Working Group assists the ESG Committee in identifying ESG issues that have a significant impact on internal and external stakeholders, setting practical ESG-related goals, assessing the Company's performance against these goals, and compiling ESG reports.

Looking ahead, we will continue to drive product innovation through technological advancements, fully integrate green and low-carbon principles into daily operations and management, focus on employee development and social well-being, and collaborate with stakeholders to create a better future.

CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

2.1.4 ESG GOVERNANCE STRUCTURE

We strive to fulfill our ESG management responsibilities while driving the Company's own development. We are committed to continuously enhancing our ESG governance standards, optimizing the ESG governance structure, and establishing a closely connected, top-down ESG organizational system to provide strong support for the implementation of our ESG strategy. The specific roles and responsibilities within our ESG governance structure are as follows:






CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024





2.2 COMMUNICATION WITH STAKEHOLDERS

2.2.1 COMMUNICATION WITH ESG STAKEHOLDERS

Yeahka has established a regular and diversified stakeholder communication and engagement mechanism, collecting stakeholder demands and expectations through multiple channels and maintaining open and transparent communication with stakeholders on a regular basis. To better respond to stakeholder expectations, we integrate their concerns into our decision-making process and remain committed to reviewing and improving ESG governance. Through continuous refinement in practice, we strive to enhance stakeholder engagement effectiveness and achieve mutual growth with all stakeholders.

TYPE OF STAKEHOLDERS	DEMANDS AND EXPECTATIONS	COMMUNICATION AND RESPONSE
Users 	<ul style="list-style-type: none"> • High-quality customer service • User privacy and security protection • User rights and interests protection 	<ul style="list-style-type: none"> • Improve the quality of products and services • Strictly keep user information confidential • Improve the user communication mechanism
Merchants 	<ul style="list-style-type: none"> • Industrial upgrading • Product safety and operation and maintenance • Prevention of business risks • Long-term and stable cooperation 	<ul style="list-style-type: none"> • Empower digital transformation • Implement technological advancement • Improve the quality of products and services • Conduct industry analysis • Establish regular communication mechanisms
Investors and Shareholders 	<ul style="list-style-type: none"> • Return on investment • Rights and interests protection • Industry trends and policies • Information disclosure transparency 	<ul style="list-style-type: none"> • Improve profitability • Update business progress on time • Hold shareholder meetings • Regularly disclose reports and announcements

CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

TYPE OF STAKEHOLDERS	DEMANDS AND EXPECTATIONS	COMMUNICATION AND RESPONSE
<p>Employees</p> 	<ul style="list-style-type: none"> • Employee rights and interests protection • Employee career development • Employee care 	<ul style="list-style-type: none"> • Provide a reasonable remuneration and benefits system • Optimize talent training, assessment, and promotion mechanisms • Conduct employee activities
<p>Government and regulatory agencies</p> 	<ul style="list-style-type: none"> • Compliant with national laws and regulations • Compliant operation and tax payment according to law • Employment promotion 	<ul style="list-style-type: none"> • Operate in compliance with laws and regulations • Accept supervision and assessment • Actively participate in employment stabilization activities
<p>Suppliers and partners</p> 	<ul style="list-style-type: none"> • Code of business conduct • Sustainable supply chain • Mutual benefit and reciprocity 	<ul style="list-style-type: none"> • Conduct strict review and management • Conduct responsible procurement • Conduct regular communication and exchange
<p>Non-profit authorities/ organizations</p> 	<ul style="list-style-type: none"> • Community development • Charity 	<ul style="list-style-type: none"> • Promote community building and development • Carry out public welfare initiatives

CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

2.2.2 MATERIALITY ASSESSMENT OF ESG ISSUES

Yeahka continuously conducts stakeholder research and incorporates annual material issues into its risk management process. During the Reporting Period, we identified, solicited, and assessed stakeholder opinions and suggestions based on market dynamics, industry developments, regulatory disclosure requirements, as well as our business characteristics, strategic positioning, and best practices in the industry. Through this process, we conducted a materiality assessment of ESG topics for the year and provided focused responses in this report. The assessment results help define the strategic direction of our ESG goals and determine key disclosure areas in this report.

Yeahka's ESG issue materiality assessment process:

01 Issue Identification

Combining the United Nations SDGs, Environmental, Social and Governance Reporting Guide of the Stock Exchange, industry benchmarking, stakeholder analysis, and the Company's ESG strategies, the Company's ESG issue library is established and organized

02 Survey on the Issues

Launch surveys for internal and external stakeholders to identify stakeholder concerns. The surveys shall cover users, merchants, investors and shareholders, employees, government and regulatory agencies, suppliers and partners, and nonprofit authorities/organizations

03 Issues Ranking

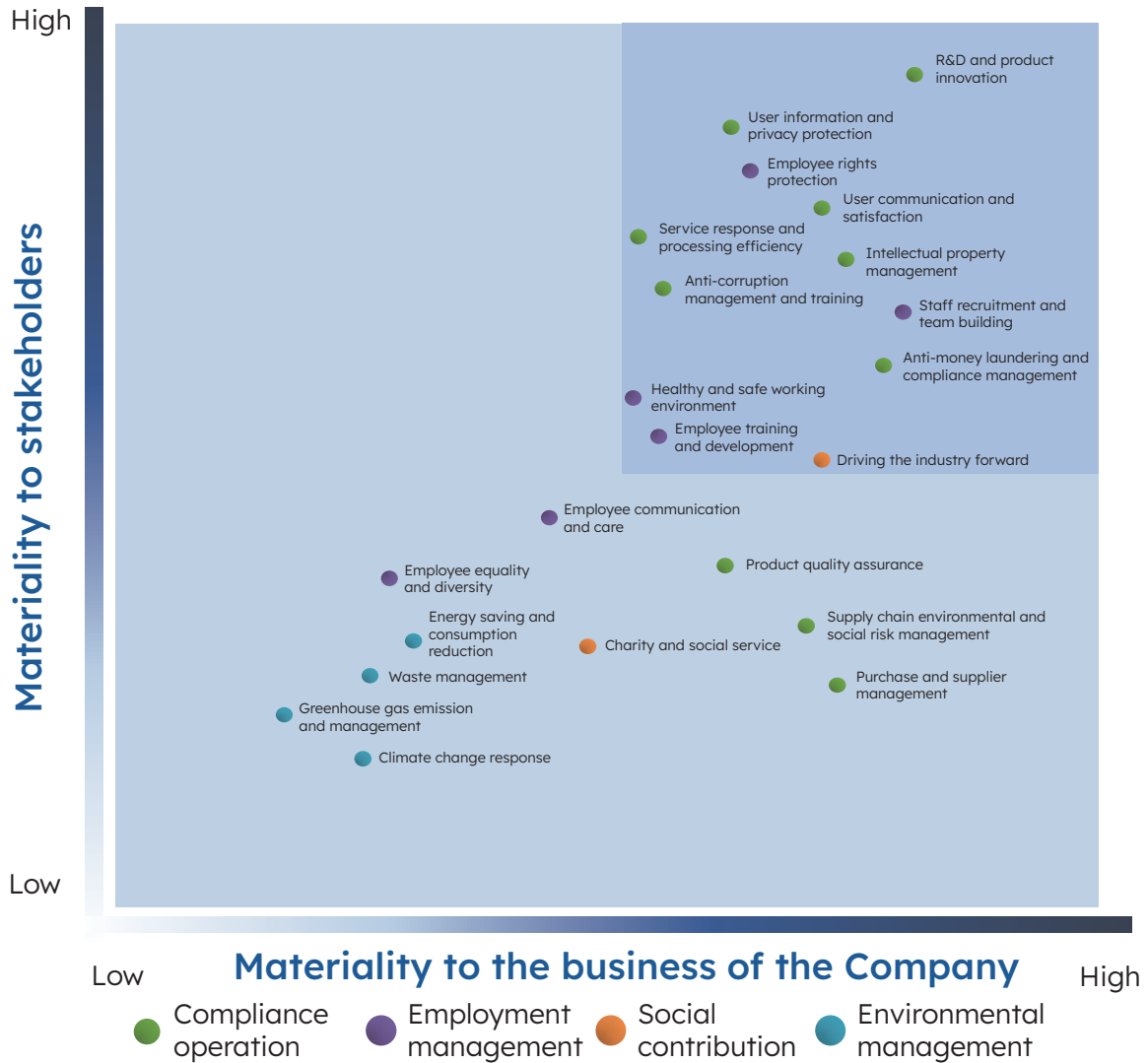
Based on the survey results, along with their importance to the stakeholders and the company's business, the ESG issues are ranked according to two dimensions: their importance to stakeholders and their relevance to the company's business

04 Issues Disclosure

Based on the materiality assessment results of ESG issues, the Company's ESG Committee and experts shall verify and review the results, determine the key issues to be disclosed in the Report, and compile the matrix of materiality issues for the year

CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

The matrix and ranking of Yeahka's ESG materiality issues for 2024 are as follows:



CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

Very important	Product liability	R&D and product innovation
	Product liability	User information and privacy protection
	Product liability	User communication and satisfaction
	Product liability	Intellectual property management
	Anti-corruption	Anti-money laundering and compliance management
	Employment	Staff recruitment and team building
	Community investment	Driving the industry forward
	Employment	Employee rights protection
	Product liability	Service response and processing efficiency
	Anti-corruption	Anti-corruption management and training
	Health and safety	Healthy and safe working environment
	Employment	Employee training and development
Important	Employment	Employee communication and care
	Product liability	Product quality assurance
	Supply chain management	Supply chain environmental and social risk management
	Community investment	Purchase and supplier management
	Community investment	Charity and social service
	Employment	Employee equality and diversity
Less important	Resource usage	Energy saving and consumption reduction
	Emission	Waste management
	Emission	Greenhouse gas emission and management
	Climate change	Climate change response

CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

Through research of stakeholders and the process of determining the materiality issues, the Company summarized 22 ESG issues from four related categories, namely, compliance operations, employment management, social contribution and environmental management, including 12 very important issues. Compared with 2023, the Company's internal and external stakeholders regard product responsibility as the most important area, including R&D and product innovation, user information and privacy protection, and user communication and satisfaction. We disclose relevant issues in this Report and continue to pay attention to relevant issues in the future ESG management work, so as to respond to the concerns of stakeholders.

2.3 CORPORATE GOVERNANCE

Yeahka has established a comprehensive governance mechanism, formulating and implementing codes of conduct in key areas such as corporate governance, compliance management, risk management, and anti-corruption. We continuously improve internal business ethics and compliance, enhance the Company's risk management capabilities, and create a transparent and ethical corporate environment by conducting training on anti-money laundering, anti-fraud, and anti-corruption. This helps foster a transparent and ethical corporate culture, ensure compliance in operations and lay a solid foundation for the Company's steady development.

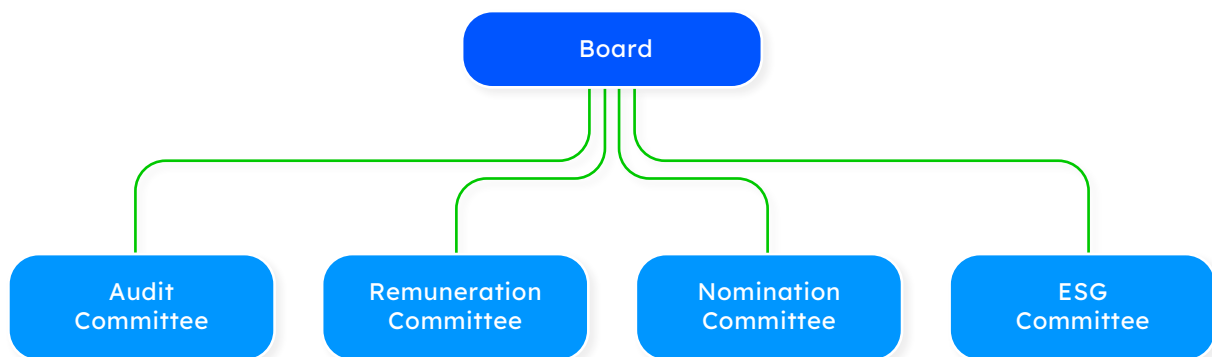
2.3.1 CORPORATE GOVERNANCE

Yeahka has established a transparent and efficient corporate governance system. In 2024, independent non-executive directors account for more than 40% of the Company's Board of Directors (currently, out of 7 board members, 3 are independent non-executive directors and 4 are executive directors). The Board of Directors has established four committees: the Audit Committee, the Remuneration Committee, the Nomination Committee, and the ESG Committee, to oversee specific areas of the Company's affairs¹. In 2022, the Company established the ESG Committee and ESG Working Group, which are responsible for overseeing and implementing the Company's ESG initiatives.

¹ For more information on corporate governance, please see the "Corporate Governance Report" section in Yeahka Co., Ltd.'s "2024 Annual Report,".

CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

We incorporate elements such as professional experience, skills, gender, age, cultural, and educational backgrounds into the Company's governance diversity considerations. Our Board members have extensive industry experience and diverse backgrounds in fields such as computer science, economics, business administration, chemistry and civil engineering, possessing professional abilities in multiple areas. Currently, we are actively seeking female candidate(s) to join the Board, with a view to promoting a more diverse governance structure and enhancing our corporate governance level.



- There are 4 executive directors on the Board and the remaining 3 are independent non-executive directors who are not involved in the management of the Company;
- The chairman and members of the Audit Committee are served by independent non-executive directors.

CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

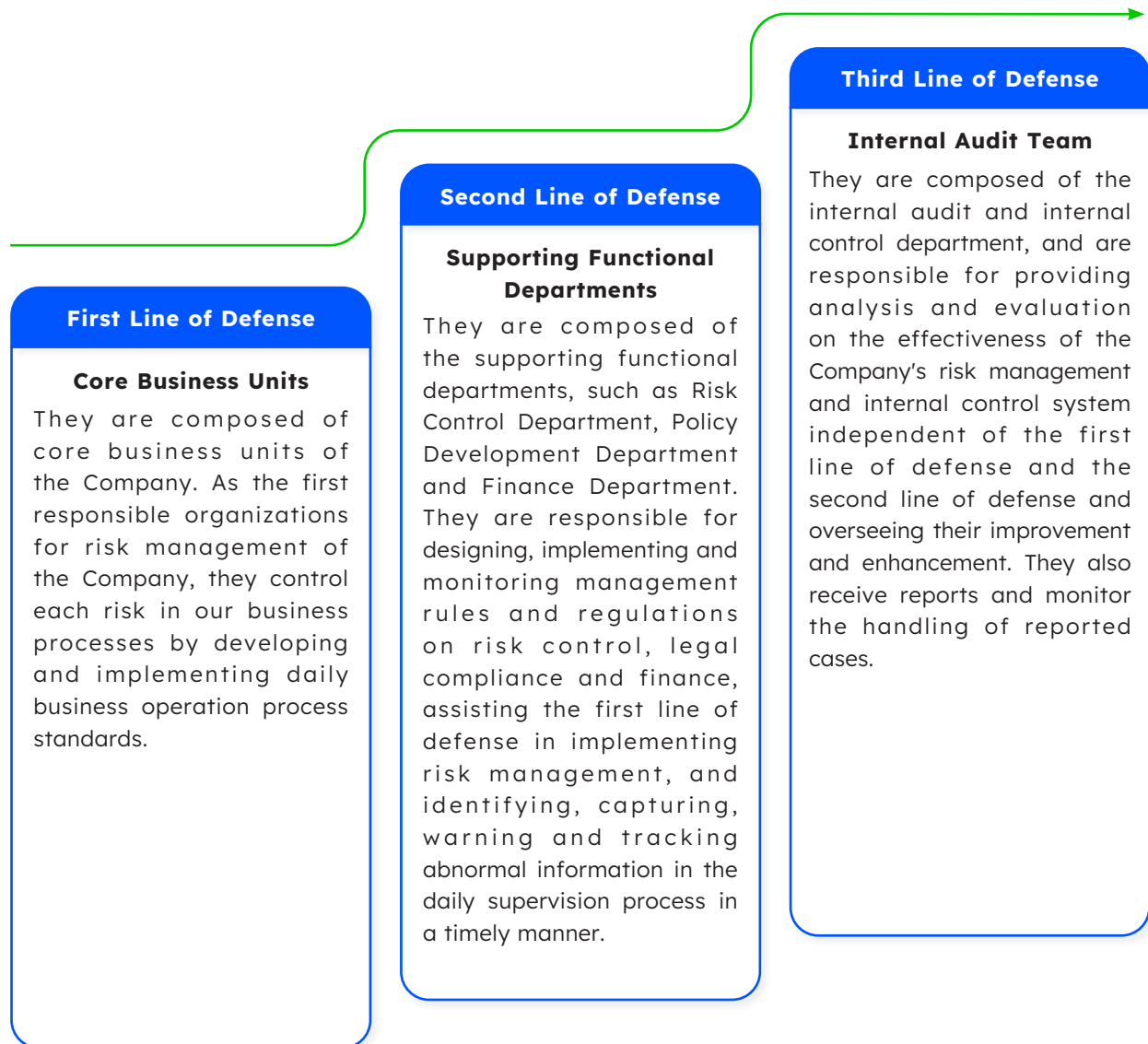
2.3.2 COMPLIANCE AND RISK MANAGEMENT

Yeahka strictly complies with the laws and regulations of its operating locations and places great emphasis on compliance and risk management. We have established the Risk Management Committee as the highest decision-making body of the Company's risk management, which is responsible for formulating and implementing risk management regulations such as the "Risk Management Internal Control System" and the "Internal Audit System" to standardize the risk management process, effectively identify, assess, monitor and respond to various risks faced by the Company in operations, strengthen the management and supervision of major risks, and enhance the risk management capabilities of the Company.

The Risk Management Committee regularly reports work to the Board and the Audit Committee to ensure the scientific and transparent decision-making. The Board reviews the effectiveness of the Company's risk management and internal control systems at least once a year. Such review covers all the material aspects of control, including material risks and the Company's ability to respond, the scope and quality of management's ongoing monitoring of the risk and internal control systems, the internal audit effectiveness, and whether there are any material control failures or weaknesses in control and their impact.

The Company has established three lines of defense for risk management and internal monitoring system to guarantee its compliance and governance capabilities through daily supervision and special supervision and inspection on the implementation of risk management and internal control. We also encourage employees to proactively identify and report potential risks, and conduct risk management and compliance-related training for all employees to raise their awareness of risks and foster a strong culture of compliance and risk management.

CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024



Three lines of defense for risk management and internal control system

2.3.3 ANTI-MONEY LAUNDERING AND ANTI-FRAUD

Yeahka strictly complies with the laws, regulations and regulatory requirements such as the “Anti-Money Laundering Law of the People’s Republic of China”, the “Measures for the Administration of Anti-Money Laundering and Anti-Terrorist Financing of Payment Institutions”, and the “Notice of the People’s Bank of China on Strengthening the Identification of Anti-Money Laundering Customers”, and establishes the anti-money management system. We have developed the “Yeahka Anti-Money Laundering Policy Statement” and continuously improved the “Anti-Money Laundering and Anti-Terrorist Financing Internal Control System” and the “Anti-Money Laundering Internal Reporting System” according to our business development and regulatory requirements.

CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

Executive Director

- Oversee the development of the anti-money laundering internal control system
- Review reports on significant anti-money laundering issues

Anti-Money Laundering Working Group

- Consist of different business units and functional departments
- Oversee, direct and coordinate the Company's anti-money laundering work

Anti-Money Laundering Team

- Under the Financial Policy Development
- Perform daily anti-money laundering activities to ensure compliance with various anti-money laundering requirements

Organizational Structure for Anti-Money Laundering

We have established an anti-money laundering structure to comprehensively advance both anti-money laundering and anti-fraud initiatives. We have created specialized analytical roles to examine fraudulent and falsified transactions. By integrating merchant onboarding information, underlying transaction data, and other relevant data, we combine professional expertise with data models to develop effective prevention strategies and build a robust anti-fraud defense network, thereby ensuring healthy business operations. In 2024, we integrated a financial anti-fraud platform, significantly reducing the Company's money laundering and compliance risks.

During the Year, Yeahka did not experience any violations of laws and regulations or cases related to money laundering, conflict of interest or insider trading.

CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

In 2024

The Company's risk control system has made **17 billion+** risk decisions

19 million+ risky transactions have been handled to ensure transaction security

1

Entry verification

Whitelist invitation:

Each channel project adopts the application method of filing a whitelist invitation or opening the entrance to customers that meet the threshold conditions. In case of abnormal fluctuations in channel application for entries or cross validation of a group of network customers, the system dynamically monitors and alerts in real time and automatically generates case investigation and disposal tasks, effectively intercepting fraudulent application attacks before lending.

Intelligent identity verification:

By comprehensively employing diverse technological methods – including network-based identity verification, business authentication, facial recognition, and OCR image recognition – we effectively verify the authenticity and legality of merchant information and their business activities.

Risk related monitoring:

Through the association mapping platform, the Company monitors the correlation of the merchant access information, such as ID card, settlement card and business license number, which provides a visual representation of merchant risk associations. By associating with the risk information sharing systems of the Payment & Clearing Association of China, UnionPay, and NetsUnion, the Company identifies, assesses, and intercepts merchants with potential risks related to gambling and fraud during the access process, thereby strengthening merchant risk assessment.

CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

2

Risk monitoring

Big data risk control label analysis:

Using big data user profiles, we conduct risk control label analysis. By integrating multi-functional monitoring report modules and an automated risk control rules engine, we efficiently identify and handle high-risk merchants, precisely targeting money laundering and fraud risks to enhance risk management effectiveness.

Operational authenticity risk verification:

We implement stringent controls on business authenticity risks. By analyzing industry characteristics and underlying transaction data, we develop fraud detection models and manual review strategies to continuously refine the accuracy of business authenticity assessments, ensuring that credit is granted only to legitimate businesses and eliminating the risk of fraudulent operations.

Rule engine monitoring and interception:

Using a risk control rule engine, we intercept high-risk merchant transactions in real time. By applying algorithms such as centrality analysis and decision trees, we build data models that address the limitations of traditional risk control approaches, including restricted data dimensions and easily exploitable rule thresholds.

3

Behavior analysis

Consumer behavior analysis:

By analyzing merchant transaction data, we track consumer behavior and assess risk indicators such as the concentration of high-risk merchants and the handling rate of newly onboarded merchants. This enables us to issue risk warnings and corrective measures for expansion agents and personnel. Additionally, we identify potential connections within or across merchants in transaction processes, monitor abnormal relationship clusters, and effectively trace and flag consumers involved in gambling-related activities. These measures enhance our ability to prevent and mitigate gambling-related risks, strengthening overall risk interception and prevention capabilities.

CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

2.3.4 ANTI-CORRUPTION GOVERNANCE

Yeahka has always been adhering to the basic principle of integrity and compliance to continuously optimize the anti-fraud and anti-corruption management system. Yeahka develops the “Sunshine Code of Conduct”, “Anti-Fraud System” and other related systems, and holds a zero tolerance attitude towards corruption, bribery, fraud, and other acts. The Company has set up a comprehensive anti-fraud governance structure and internal control system, regularly reviewing their effectiveness to foster a transparent and ethical business environment.

We have set the Yeahka public reporting email for reporting illegal and disciplinary violations in the workplace, allowing the whistleblowers to reflect and report any violations of laws and regulations by the Company and its employees via email. In 2024, we introduced an internal audit department WeChat public account and published the whistleblowing procedure on our Company website to enhance awareness among employees.

In order to effectively safeguard the legitimate rights and interests of whistleblowers, we have developed the “Whistleblower Protection System”. The Internal Audit and Control Department strictly maintains confidentiality in all the key processes such as acceptance, investigation and rewards, and adopts “one-on-one single line contact” to prevent the leakage of the whistleblower’s information. Those who intentionally leak the reported information or disclose any confidential information will be treated as a disciplinary offense, and those with serious circumstances will be dismissed for punishment. For whistleblowers who report truthfully, we will provide rewards based on their different performances and contributions, and offer organizational care and protection on the premise of confidentiality.

In 2024, we continued conducting anti-corruption training and awareness programs for both new and existing employees, emphasizing key points in the “Sunshine Code of Conduct” and compliance red lines of Yeahka. Anti-corruption training has also been incorporated as a mandatory course in new employee entry to strengthen their integrity and compliance awareness. During the Year, our anti-corruption training coverage reached 100%, and no concluded legal cases regarding corrupt practices brought against the Company or its employees were recorded.

CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

Special training on anti-corruption and anti-money laundering

Case

In 2024, Yeahka conducted quarterly anti-corruption and anti-money laundering training sessions for new employees. During these sessions, we provided an in-depth analysis of the "Sunshine Code of Conduct", emphasized the Company's red-line policies, and reinforced our zero-tolerance stance on corruption, bribery, and fraud. These trainings aim to enhance new employees' awareness of anti-corruption and anti-money laundering practices while strengthening their understanding and compliance mindset.



Training on Anti-Corruption and Anti-Money Laundering Rules for New Employees

In the future, the Company will continue to carry out publicity and education activities on business ethics and anti-corruption, and strengthen various types of compliance training to embed a culture of integrity into daily work of every employee and reinforce a strong ethical foundation.

CHAPTER II ENHANCED CORPORATE RESPONSIBILITY IN 2024

2.3.5 PREVENTION OF EMERGING RISKS

In today's rapidly evolving landscape, new products, services, and technologies relevant to the industry continue to emerge and transform. We anticipate that the uncertainty surrounding the development of one-stop payment solutions and technology-driven commercial services to adapt to a rapidly changing market will pose potential emerging risks. Rapid and significant technological advancements are constantly reshaping e-commerce, mobile commerce, and proximity payment devices. Meanwhile, products and services that facilitate business operations are evolving at an accelerated pace, with new innovations potentially surpassing, undermining, or rendering obsolete our existing offerings and the technologies we currently employ.

The rise of big data analytics and AI is already evident, with AI's rapid advancement profoundly reshaping industries. However, its associated risks cannot be overlooked. Among them, the "potential harm of AI technologies" and the "spread of false or misleading information" have been identified as the most pressing short-term risks. Failure to implement effective preventive measures could threaten business stability and erode public trust in digital services.

To address the emerging challenges posed by new products and technologies, Yeahka is advancing its response strategy through two key approaches: technological optimization and strict regulatory control. On the technological front, we focus on enhancing the security of algorithms and data models, leveraging interdisciplinary research to strengthen protective mechanisms and mitigate system vulnerabilities and misuse risks. In data collection, we adhere to the principle of fairness, ensuring data reliability to prevent model distortion or misuse caused by data bias. Additionally, we have established a real-time monitoring system to continuously track AI-generated content, allowing us to detect and address anomalies promptly.

In compliance management, we strictly adhere to national laws and regulations, including the "Regulations on the Administration of Network Audio and Video Information Services", the "Regulations on the Ecological Governance of Network Information Content", and the "Regulations on the Administration of Algorithmic Recommendation of Internet Information Services". These regulations define the scope, labeling, and management requirements for AI usage, ensuring that our AI applications comply with regulatory standards. We enhance data traceability through technologies such as digital watermarking and enforce rigorous review and oversight in high-risk scenarios. At the same time, we actively promote industry self-regulation, strengthening the standardized application of AI technologies to support the industry's healthy and sustainable development.

CHAPTER III TECHNOLOGY DRIVING TO ADVANCE BUSINESS INNOVATION

Technology Driving to Advance Business Innovation

Yeahka remains committed to addressing the needs of merchants and consumers by leveraging its independent digital business ecosystem, continuous technological innovation, and leading payment technology platform. We provide a diverse range of high-quality products and exceptional services, empowering merchants to optimize their operations and enhancing consumers' quality of life, while consistently creating value for our customers.



3.1 R&D OF INNOVATIVE PRODUCTS

3.2 PROVISION OF QUALITY SERVICES

3.3 GUARANTEE DATA SECURITY

Key Points of the Chapter:

- Leverage the extensive nationwide network and resource to actively expand business in lower-tier regions.
- Collaborate with Shenzhen Tong to launch innovative payment products, driving the integration of transportation in the Greater Bay Area.
- Launch the first AI Agent industry solution for merchants in Southeast Asia, which uses artificial intelligence technology to enhance merchants' business and services.
- Fully upgrade the Company's overseas website to showcase a high-quality brand image to global customers.

The United Nations Sustainable Development Goals (SDGs) Responed by this Chapter



CHAPTER III TECHNOLOGY DRIVING TO ADVANCE BUSINESS INNOVATION

3.1 R&D OF INNOVATIVE PRODUCTS

As a leading payment-based technology platform, Yeahka is committed to building an independent and scalable commercial digitalized ecosystem based on user demand. Leveraging our robust payment services, extensive geographic coverage, and diverse sales channels, we enable seamless, convenient, and reliable payment transactions between merchants and consumers. Our merchant solutions are deeply integrated into business operations, empowering merchants to digitize their offline businesses and deliver a seamless, one-stop experience. Through in-store e-commerce services, we enhance consumers' local lifestyle experiences with valuable and engaging offerings, fostering two-way engagement. At the same time, we place great emphasis on technological innovation, continuously increasing our investment in AI technology. With a diverse product portfolio and a well-structured product ecosystem, we swiftly respond to industry changes and meet the diverse needs of our customers.

3.1.1 SMART PRODUCTS AND SERVICES

Amid the rapid growth of the digital economy, we are proactively expanding our presence. Through a diverse range of payment services, we seamlessly connect merchants and consumers, enabling secure, reliable, and convenient transactions. With payments at the core, we create a one-stop experience that extends to smart operations and financial services, providing merchants with comprehensive digital solutions to enhance marketing efficiency. At the same time, we cater to diverse consumer needs, optimizing user experience and driving mutual empowerment to create shared value.

CHAPTER III TECHNOLOGY DRIVING TO ADVANCE BUSINESS INNOVATION

One-Stop Payment Services

One-stop payment services are the basis for Yeahka to build a commercial digitalized ecosystem. We closely track diversified and personalized consumption hotspots and use payment as an entry point to integrate customer solutions, local lifestyle, precision marketing and financial technology. Thus, we comprehensively enhance the level of digital services in the whole transaction process, strengthen digital marketing and operational empowerment, and create seamless, convenient and reliable payment services for merchants and consumers.



In 2024

We increased our banking partner network for joint merchant acquiring to nearly **160**

We scaled market coverage through **17,000** independent sales organizations

CHAPTER III TECHNOLOGY DRIVING TO ADVANCE BUSINESS INNOVATION

This year, we fully leveraged our extensive nationwide network and resource to actively expand our business in lower-tier regions. We took the lead in establishing a presence in underserved regions such as North China and Southwest China, enhancing access to services by deepening partnerships and successfully reaching and serving customers across various industries. At the same time, we continuously explored diversified vertical markets, such as sports and fitness, healthcare, energy, and services, to meet the distinct payment needs of different industries. In terms of customer acquisition channels, we connected with over 6,000 SaaS partners, allowing us to offer one-stop payment services to more customers. We also established group-level strategic partnerships with major joint-stock commercial banks, providing a wide range of banking services to merchants who face challenges in directly accessing to banks. This has effectively supported their business development, facilitated smooth transactions, and enhanced the overall customer experience.

Based on our international strategy, our overseas payment business continued to grow rapidly in 2024. We successfully won numerous international high-profile customers, achieving breakthrough progress in local customer acquisition. In terms of product and service offerings, we have significantly expanded our services, including local wallets, overseas wallets, credit card payments, joint acquiring services, foreign exchange, and cross-border remittance, to meet the diverse needs of customers in different regions. At the same time, we closely adapted to the local business environment, actively collaborating with chain stores, large shopping malls, and food courts to diversify customer acquisition channels. This has efficiently helped customers complete payment transactions and provided high-quality services to overseas customers.

Yeahka collaborated with Shenzhen Tong to launch innovative payment products, driving the integration of transportation in the Greater Bay Area



To promote integration within the Greater Bay Area and enhance transportation convenience, Yeahka, in collaboration with Shenzhen Tong Co., Ltd., launched an innovative payment product in June 2024. The product was implemented in the Shenzhen-Zhongshan Link service scenarios, supporting multiple payment methods, including Shenzhen Tong transit cards, bank cards, QR codes, digital wallets, and American Express cards. This upgrade has established a multi-tiered and diversified payment service system, significantly improving the payment experience for both domestic and international consumers.



Passengers booking tickets

CHAPTER III TECHNOLOGY DRIVING TO ADVANCE BUSINESS INNOVATION

In-Store E-Commerce Services

With the goal of building a dynamic commercial community, our Company continuously expands and enhances in-store e-commerce services based on our existing commercial digitalized ecosystem, creating significant value for both merchants and consumers.

For merchants, we leverage deep insights into market trends and consumer behavior to help them strengthen their commercial infrastructure and expand service coverage. Through various operational strategies – such as KOL matchmaking, advertising placement, and live streaming – we distribute marketing content on our proprietary app as well as high-traffic platforms like Douyin and WeChat. This effectively increases merchant visibility and engagement while reducing their customer acquisition costs. Meanwhile, by leveraging AI-generated content (AIGC) products such as content generation, cloud-based editing, and interactive virtual hosts, we have significantly reduced content production costs, enhanced operational efficiency, and empowered merchants to manage multi-platform online traffic through one-stop digital operations, enabling precise targeting of consumer demographics.

On the consumer side, we conduct in-depth analysis of consumer preferences and competitive landscapes to accurately identify consumer tags. Leveraging our payment infrastructure platform, we deliver local merchant benefits to efficiently convert and retain consumer traffic. We actively explore collaborative delivery business solutions by utilizing merchant supply chain resources, providing consumers with high-quality local lifestyle packages and offers across multiple platforms. Our commitment lies in creating exclusive, engaging, and cost-effective local living experiences for consumers, thereby stimulating consumption demand and unlocking potential.

In 2024, we partnered with Meituan and JD.com’s food delivery services to build a comprehensive “in-store + at-home” full-use-case service platform, further enriching our local lifestyle services. In addition, synergies with our overseas business increased, as we successfully launched local lifestyle services for merchants in Japan, Singapore and Hong Kong SAR. These services assist merchants in industries such as food and beverage, tourism, hotel and hospitality in promoting their brands on platforms like Xiaohongshu (RedNote)’s and Dianping’s international versions, accelerating progress in our global expansion strategy.



CHAPTER III TECHNOLOGY DRIVING TO ADVANCE BUSINESS INNOVATION

Merchant Solutions

The Company provides small and medium-sized merchants with merchant solutions encompassing smart operations, marketing services, and fintech services, actively assisting them in advancing the digitalization of offline business operations. We have launched digital solutions tailored to diverse merchant needs, such as “Handheld Store,” “QR Restaurant Marketing Center,” and “Mini Program Storefront.” During the Year, we synergized domestic and international markets to create multifaceted value for merchants and consumers. In China, we focused on expanding the functionality and version compatibility of the “QR Restaurant” product series, including enhancing all-in-one terminal versions, providing software-only versions, and launching Windows versions. Through multi-channel and multi-version strategies, we precisely addressed the needs of merchants with diverse profiles. Internationally, we are committed to building a one-stop digital marketing SaaS platform, offering overseas merchants SaaS solutions with end-to-end, full-scenario coverage. Our app integrates AI-driven technological innovations and visual interactions, equipping merchants with precise marketing tools to enhance target audience engagement while delivering smarter, more convenient service experiences for consumers. Additionally, we actively explore the integration of commercial digital ecosystems with AR (Augmented Reality) and blockchain technologies, adopting a “gaming experiences + brand equity + creative marketing” approach to help merchants create interactive marketing spaces with consumers.

In 2024, we launched the innovative product “Salewell POS System”. Developed by Yeahka, “Salewell POS System” is a comprehensive cashier management solution tailored for retail merchants. It integrates PC, mobile app, and POS terminal operations, enabling synchronized management of checkout, orders, marketing, and inventory across all three platforms. This allows merchants to flexibly oversee store operations anytime, anywhere. The system equips merchants with diverse marketing tools to enhance sales performance and customer retention. From the consumer perspective, its intelligent checkout functionality supports multiple payment methods including QR code payments, streamlining transaction processes and elevating the shopping experience.



Salewell.com

CHAPTER III TECHNOLOGY DRIVING TO ADVANCE BUSINESS INNOVATION

In fintech services, we integrate AI applications, credit assessment, and risk control models to provide clients with safer and more efficient financial services and products. This year, our product portfolio has expanded from a single offering to three distinct lines: Shang e-Jie, Wei e-Jie, and Hao e-Jie, delivering tailored financial solutions for diverse small and medium-sized merchant segments.

3.1.2 TECHNOLOGICAL DEVELOPMENT

Yeahka prioritizes technological development by systematically enhancing its technical infrastructure. We continuously increase investments in R&D innovation and technical talent cultivation while fostering a progressive technological culture to proactively identify emerging industry trends. We empower commercial digital ecosystems through innovative technologies, deeply integrating cutting-edge digital solutions with financial technology to facilitate clients' digital upgrades and transformation. By continuously optimizing core technological frameworks, including transaction settlement, AI, large model, private cloud, big data, and IT management, we drive systematic enhancements to products and services while accelerating the implementation of digital applications. These initiatives significantly enhance user experience and solidify the foundation for high-quality, sustainable business growth.

In 2024, we made significant progress in our key research and development efforts:

Transaction Settlement

- Optimized the front-end application performance monitoring platform by leveraging data storage optimization, a microservices-based backend architecture, flexible deployment of multi-node high-concurrency reporting, and code decoupling. These enhancements provide accurate data support for service quality evaluation in projects such as overseas merchant acquiring.
- Designed and developed a large front-end R&D management platform, implementing workflow controls to standardize the R&D process and ensure traceability across all R&D and delivery stages.
- Strengthened automation coverage depth across all core business scenarios, achieving end-to-end automated testing for overseas projects, from settlement to onboarding, to safeguard core functionality quality.

AI

- Leveraged AI to develop plugins and tools that enhance development efficiency, while exploring AI applications in intelligent customer service and marketing solutions.
- Provided merchants with AI-powered business analytics tools to interpret marketing campaign data.
- Developed over 10 functions based on AI-generated content (AIGC) product applications, including AI content creation tools, AI cloud editing tools, and AI short video generation.

CHAPTER III TECHNOLOGY DRIVING TO ADVANCE BUSINESS INNOVATION

Large Model

- Established an independent large model application platform to support coding assistants, automated test case generation, the internal “Xiaoka Assistant”, and other large model implementations, significantly enhancing operational efficiency.
- Integrated large models into the intelligent customer service system, syncing transaction and business data to expand system coverage, achieving an 85% overall self-service rate.

Private Cloud

- Developed a private cloud system and implemented a “hybrid cloud-physical” deployment strategy.
- Achieved compute-storage separation in cloud databases, pooling device resources to further improve resource utilization.

IT Management

- Ensured high system availability and disaster recovery through multi-instance load balancing, circuit breaking and degradation, and multi-data center deployment.
- Built redundant network lines to enhance IDC network architecture resilience and reliability.

AI Technology In-Depth Applications

During the Year, Yeahka focused on the extensive and in-depth application of AI technologies across domestic and international business scenarios, applying artificial intelligence onto our product suites and deliver value-added services to our customers. Our artificial intelligence laboratory (AI Lab) and the Shenzhen Development and Science Center (DSC) coordinated and focused on our AI-related initiatives across large model, algorithm creation and content generation for different businesses. We also launched a series of AI-driven products and services designed to assist merchants in precision marketing, workforce efficiency enhancement, and operational cost reduction.

Our proprietarily developed Winsfor in-store business intelligence platform connects customers to a comprehensive set of external platforms such as JD, Douyin, Meituan, WeChat and Xiaohongshu (RedNote), and enhances their sales conversion by providing automatic build-up of e-stores, AI content creation, live broadcast planning, and traffic distribution services based on data from large models. We launched the first AI Agent industry solution for merchants in Southeast Asia, which uses artificial intelligence technology to enhance merchants’ business and services, including intelligent transaction data analysis, intelligent creative generation and precision marketing, and intelligent ordering and humanized recommendations. In the future, we will also launch multi-modal digital employees that support multiple languages to provide intelligent ordering, pre-sales consultation and after-sales service processing.

CHAPTER III TECHNOLOGY DRIVING TO ADVANCE BUSINESS INNOVATION

Internally, we have built a general intelligent platform, incorporated AI into every aspect of our business process, and improved the execution efficiency of personnel and information coordination. Our “Xiaoka Assistant” provides content production, intelligent customer service, programming, copywriting and video generation functions to empower our Company’s internal operations and external customer service. Our “Y-Copilot” coding assistant uses large models, increasing our Company’s internal code adoption rate to more than 30%, and help various projects to be implemented more quickly, improving production and research efficiency. Additionally, aiming to ensure transition security, AI technology is used to optimize the efficiency of customer KYC, liveness and document verification, and to improve risk control such as risk relationship detection and abnormal transactions.

3.1.3 PRODUCT QUALITY ASSURANCE

Yeahka is committed to delivering high-quality products and services to our clients. We have established granular quality management systems tailored to distinct business characteristics, continuously refining management processes across product design, development, quality inspection, and release phases to optimize product quality under stringent standards. In 2024, we updated the “R&D Project and Quality Management Standards” for our payment services, introducing new specifications for project quality and production quality management, with clearly defined approaches for process quality control and issue resolution workflows. We comprehensively streamlined and optimized product development workflows, eliminating redundant steps to enhance efficiency. A quality data statistical analysis system was established to conduct regular retrospective analyses of development-stage issues, enabling prompt resolution and further elevating product quality. Additionally, we strengthened training and team-building initiatives by conducting multiple project management training sessions. These efforts enhanced employee awareness of quality standards, enabling better understanding and implementation of quality requirements throughout product development cycles, thereby providing robust support for the Company’s product quality control.

3.1.4 INTELLECTUAL PROPERTY PROTECTION

Yeahka places high priority on intellectual property protection, strictly adhering to laws and regulations such as the “Patent Law of the People’s Republic of China”, the “Trademark Law of the People’s Republic of China”, and the “Copyright Law of the People’s Republic of China”. We have established a robust IP protection mechanism and implementation approach, continuously strengthening the safeguarding of trade secrets, trademarks, patents, and copyrights. We are committed to improving the conversion efficiency of intellectual property by promptly registering or filing potential IP assets, including innovative achievements, core technologies, and high-quality products, from various departments. Prior to the launch of new products, we conduct comprehensive analyses of their associated IP to protect our rights while avoiding infringement of others’. Through enhanced IP protection awareness campaigns, we consistently elevate employees’ understanding and capabilities in IP safeguarding. By signing confidentiality agreements with employees and partners, we mitigate risks of trade secret leakage. Additionally, we actively encourage technological innovation and professional talent cultivation. By refining our internal innovation mechanisms and organizing independent R&D initiatives, we fully leverage experts’ pivotal roles in driving IP strategies. As of December 31, 2024, Yeahka has secured 49 software copyrights, 2 design patents, and 75 registered trademarks.

CHAPTER III TECHNOLOGY DRIVING TO ADVANCE BUSINESS INNOVATION

3.2 PROVISION OF QUALITY SERVICES

Yeahka prioritizes customer satisfaction as a key driver for corporate growth, continuously refining customer service systems and enhancing service quality. We gather user feedback through multiple channels to promptly optimize and innovate our products and services based on user experience insights. By safeguarding legitimate rights and interests and meeting diverse customer needs, we strive to deliver safer, more reliable, and higher-quality products and services.

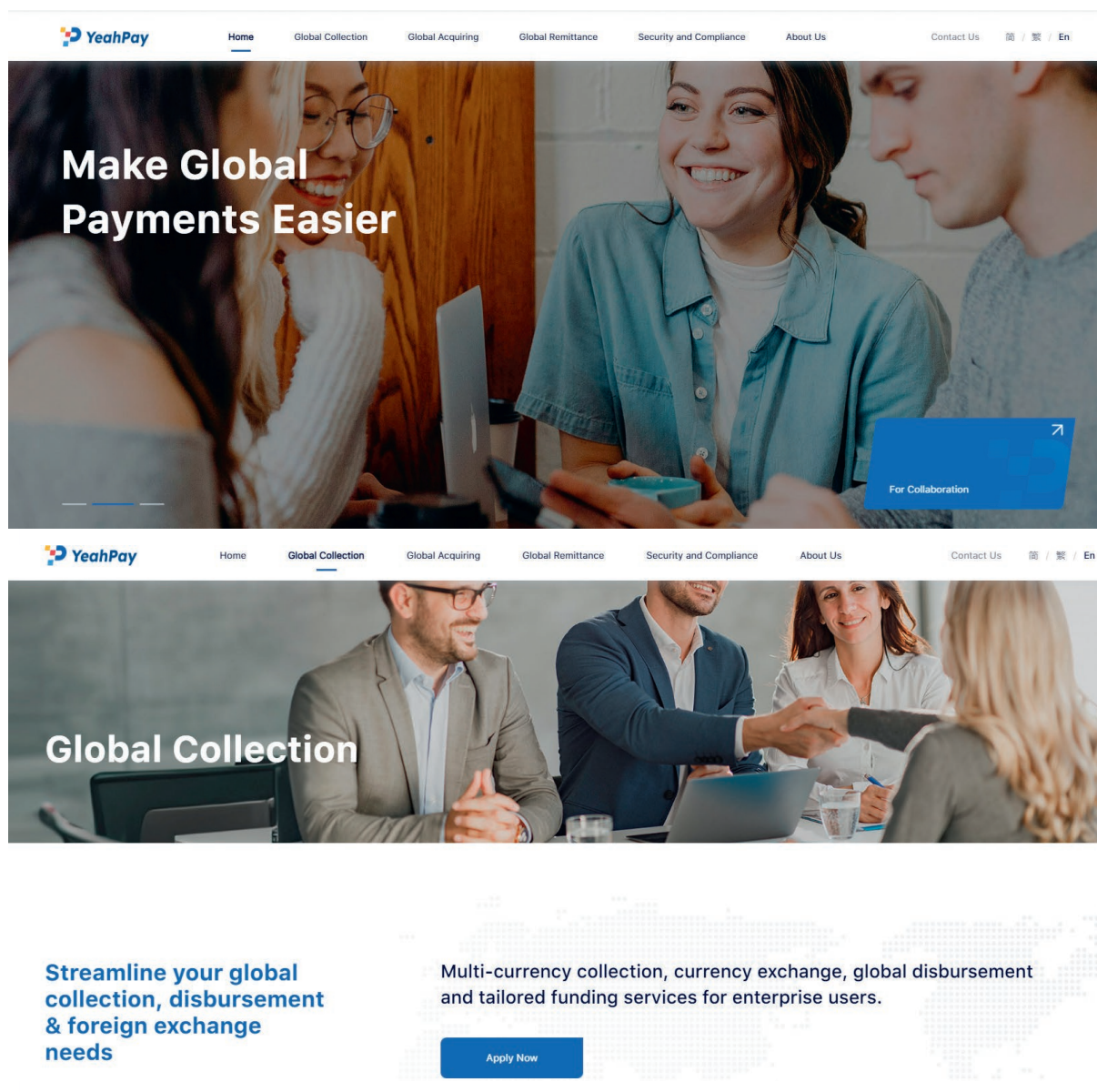
3.2.1 ENHANCING USER EXPERIENCE

We continue to optimize and improve our service procedures and standards, implement full-life cycle management of our products and services, and enhance customer satisfaction from multiple aspects such as demand collection, product design and customer feedback handling.

As for user demand collection, Yeahka established a dedicated user research team to systematically gather authentic needs through social media interactions, community feedback, user interviews, and surveys, continuously optimizing product experience to enhance value and competitiveness. Beyond this core team, all business units proactively collected user insights via online/offline surveys, providing critical support for product design and refinement. In 2024, we conducted three in-depth research initiatives, comprehensively gathering user feedback from multiple dimensions. One of the initiatives focused on system alignment with daily operational needs, issues like order processing delays or data inaccuracies, and overall product satisfaction, targeting agents, restaurant managers, wait staff, and cashiers. We also distributed surveys to user representatives pre/post-exhibitions to identify core demands. The front-line feedback revealed merchant priorities centered on digital operational efficiency enhancement, precision marketing empowerment, and transaction process optimization. During the Year, the annual customer satisfaction rate reached 95%.

Product design is a critical factor influencing user experience and brand perception. To steadily elevate design quality, Yeahka has implemented efficient feedback mechanisms, established a cross-departmental collaboration platform, optimized internal review processes, conducted regular design quality checks, and organized post-project review meetings to document best design practices. Additionally, we actively explore novel design concepts and tools and set up an innovative AI task force, leveraging AI capabilities to infuse fresh perspectives into product design. Meanwhile, we engage users directly in the design process, refining solutions based on their feedback to ensure alignment with user needs. In 2024, we prioritized overseas payment products, comprehensively upgrading our global website to enhance visual experience, brand awareness, emotional brand communication, and diverse scenario representation. This overhaul underscores Yeahka's global vision and commitment to delivering a premium brand image worldwide.

CHAPTER III TECHNOLOGY DRIVING TO ADVANCE BUSINESS INNOVATION

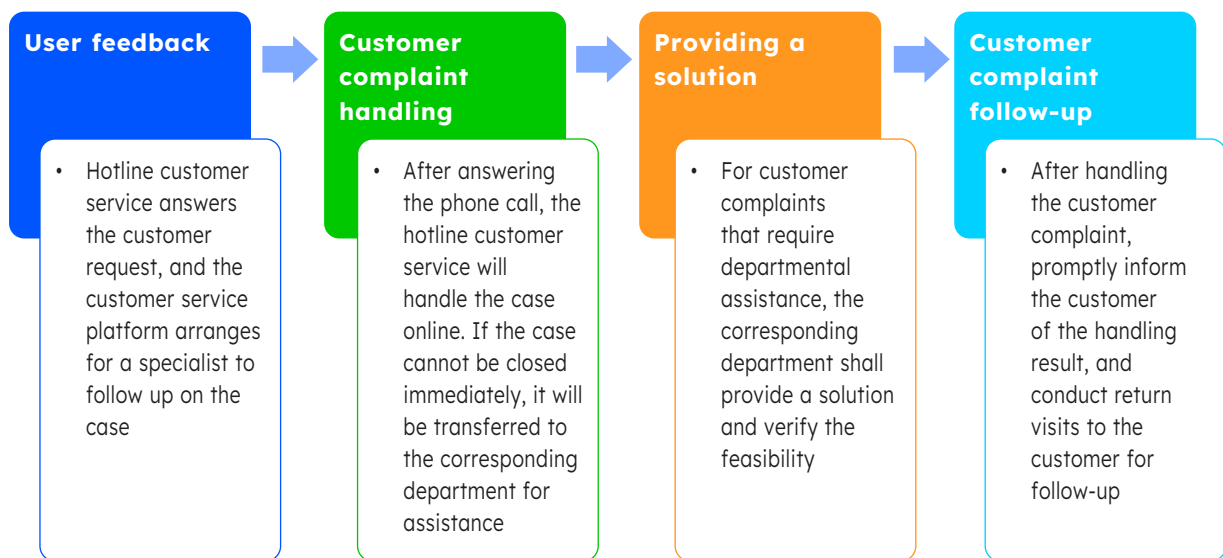


Upgraded Version of Yeahka's Overseas Official Website

CHAPTER III TECHNOLOGY DRIVING TO ADVANCE BUSINESS INNOVATION

3.2.2 CUSTOMER SERVICE AND COMPLAINT HANDLING

Yeahka attentively listens to every customer's feedback. We have continuously refined our customer complaint management system, implementing internal regulations such as the "Customer Complaint Handling Process Guidelines" and "Customer Service Daily Work Standards" to clarify responsibilities, principles, and standardized workflows for timely response. In 2024, we renewed our ISO 10002 Customer Complaint Management System Certification, reaffirming recognition for our complaint management performance by the industry and regulatory authorities. To resolve issues efficiently, complaints are categorized into four types: general complaints, complex complaints, major complaints, and special complaints. Each category has tailored handling procedures and timeframe requirements to maximize customer satisfaction.



Customer Complaint Handling Process

In 2024, Yeahka aimed to deliver higher-quality services to customers. Internally, we optimized the data reporting and monitoring system to achieve self-service visualized reporting, enabling relevant departments to access customer requests more promptly. Externally, we launched AI-powered services on online platforms and IVR self-service navigation for telephone support, allowing customers to swiftly obtain solutions while streamlining customer experience and service efficiency.

In 2024

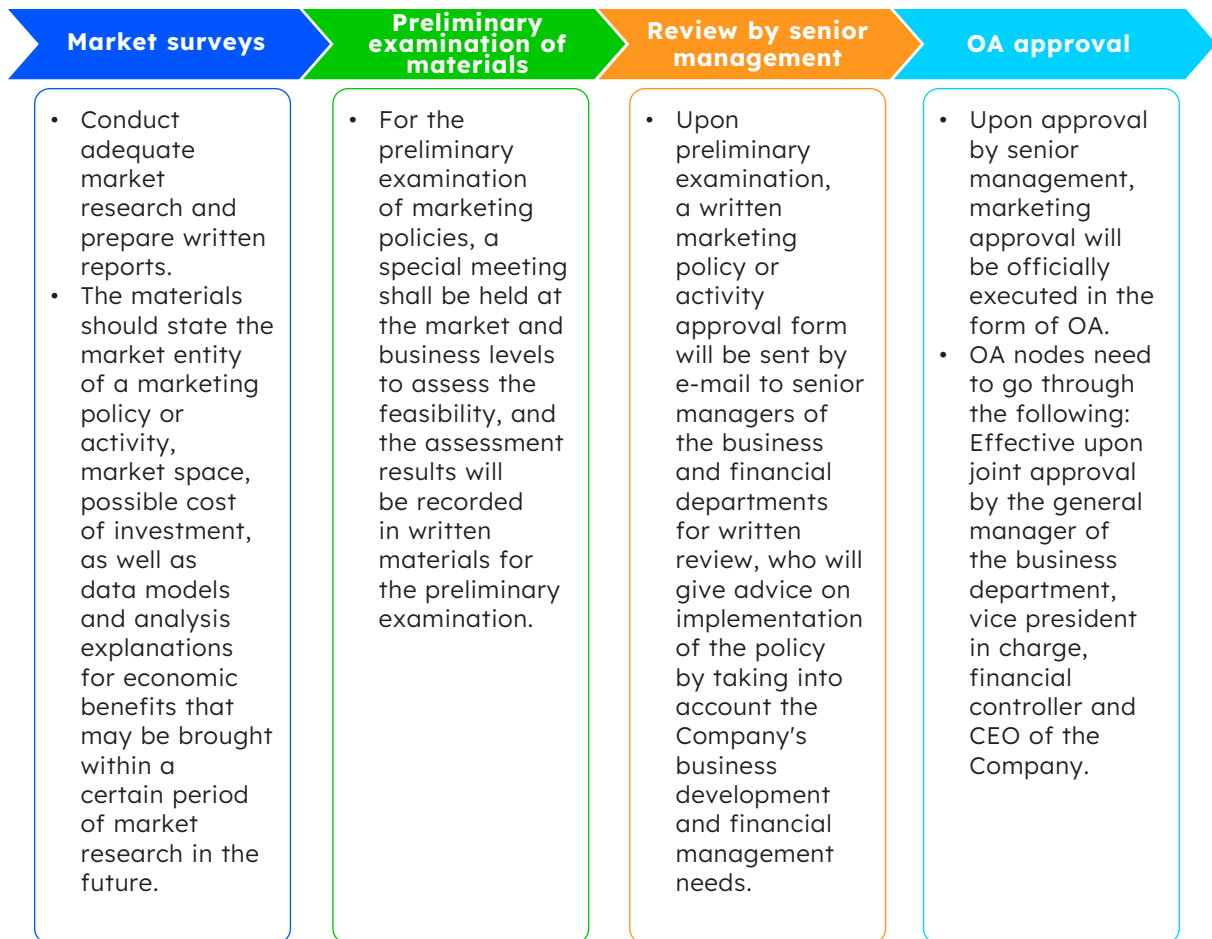
We served nearly **880,000** person-times through customer service hotlines and provided online services to over **1.08 million** person-times

We implemented post-sales tracking services with one-on-one guidance, conducting over **26,000** customer follow-ups

CHAPTER III TECHNOLOGY DRIVING TO ADVANCE BUSINESS INNOVATION

3.2.2 COMPLIANCE IN MARKETING AND PROMOTION

Yeahka consistently adheres to lawful and compliant operations, ensuring all marketing and promotional activities strictly comply with regulations such as the “Advertising Law of the People’s Republic of China” and the “Consumer Rights Protection Law of the People’s Republic of China”. We have established a systematic marketing policy approval mechanism and implemented a policy verification platform to guarantee the authenticity, legality, and compliance of collaborating institutions, products, and related marketing materials. Marketing proposals undergo pre-approval processes, supported by stringent approval workflows. Approval criteria and key checkpoints that align with the latest legal frameworks and regulatory requirements are explicitly defined to ensure no false, exaggerated, or misleading claims in promotional content. All campaigns are designed to be fair and equitable, free from discriminatory terms or unfair competition practices.



Marketing Policy Approval Process

CHAPTER III TECHNOLOGY DRIVING TO ADVANCE BUSINESS INNOVATION

Yeahka has established a mutual supervision mechanism between sales personnel and partners to ensure standardized marketing practices, alongside robust reporting procedures guaranteeing all strategies comply with regulatory requirements and protect client legal rights. A dedicated oversight department conducts regular inspections and evaluations of marketing activities. We maintain transparent reporting channels (such as email, hotline) accessible to both employees and clients for lodging complaints. During advertising campaigns, we perform irregular audits of online ad content, immediately halting non-compliant materials. For violations identified through inspections or reports, internal personnel face disciplinary actions proportionate to violation severity. Consequences are assessed and rectified through systems and process refinements to prevent recurrence.

In addition, Yeahka provides regular training for sales personnel and partners, covering policy dissemination on compliant marketing, analysis of current marketing plan, case studies on regulatory adherence, and best practice exchanges for effective marketing. These programs deepen trainees' practical understanding of compliance through diversified training formats.

3.3 GUARANTEE DATA SECURITY

Yeahka strictly complies with national laws and regulations, including the "Cybersecurity Law of the People's Republic of China", the "Data Security Law of the People's Republic of China", and the "Personal Information Protection Law of the People's Republic of China". We have established and implemented internal policies such as the "Information Security Management Measures" to comprehensively protect the privacy and information security of both our operations and clients.

The Company continuously enhances its information security management system and innovates security technologies. We have strengthened full life cycle process management for data collection, transmission, usage, storage, sharing, and destruction. Regular system security scans and penetration testing are conducted, alongside third-party audits and certifications to ensure a stable and reliable transaction environment for merchants and consumers. A dedicated data security oversight team monitors and inspects data processing activities in real time, ensuring compliance with updated regulations and internal protocols. Technically, we developed an independently developed the app privacy security automated detection platform and security protection plugins, while integrating external data encryption/decryption systems to reinforce data safeguards.

Employee awareness of information security remains a priority. In 2024, we completed two rounds of information security awareness training and phishing email drills, achieving a training coverage rate exceeding 98%. Business departments also organized specialized sessions led by experts to deepen staff understanding of evolving data security and privacy regulations through policy interpretation and case studies.

CHAPTER III TECHNOLOGY DRIVING TO ADVANCE BUSINESS INNOVATION

Data Collection

Yeahka has established a comprehensive data collection process to legally safeguard user information security. Adhering to the “principle of minimum availability”, we rigorously avoid collecting personal privacy data, limiting acquisition to business-essential information while excluding sensitive details such as location or biometric data. Unnecessary data undergoes secure deletion or anonymization. If necessary, we collect information only with the customer’s signature and consent, and strictly protect the information from being transmitted, reused, or disclosed. We uphold user-informed consent principles. No data is collected without authorization. Displayed sensitive information is masked or desensitized.

Data Transmission and Storage

The Company constantly optimizes the data storage technology to ensure data security and reliability. Technically, we adopt encrypted transmission of collected data and change the transmission algorithm of sensitive data such as cell phone number and ID card stored in the database from international encryption algorithm to the SM4 algorithm issued by the State Cryptography Administration, stored as cipher text to prevent theft or tampering. In 2024, we obtained third-party certifications Grade 3 Certification under China’s Multi-Level Protection Scheme (MLPS), Payment Card Industry Data Security Standard (PCI-DSS), and UnionPay Data Security Standard (UPDSS). These validate our capability to provide robust safeguards for client information security and privacy.

Data Permission Management

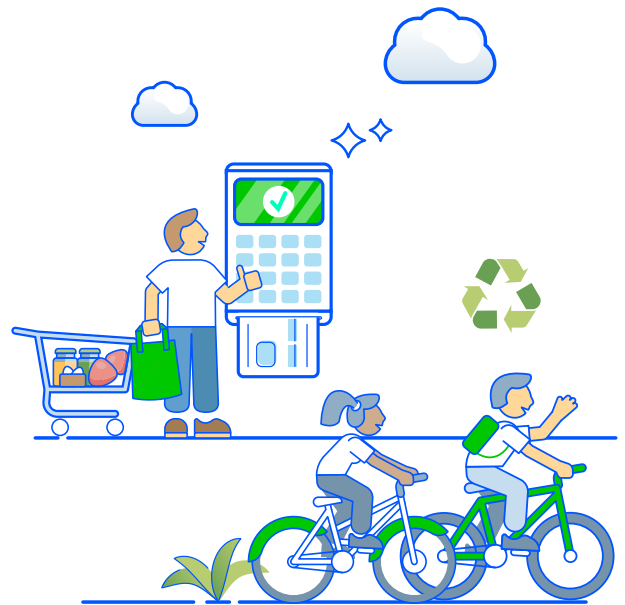
Yeahka implements granular and rigorous data access management based on the “principle of least privilege”, ensuring data confidentiality and integrity. We constantly improve the data access control mechanism, check the account permissions in each system on a weekly basis, strictly limit the access to IP addresses, and restrict the access to specific data to only those responsible for specific job positions, thus ensuring that the position matches the permissions. In the meantime, the Company focuses on strengthening the propaganda on the employees’ awareness of confidentiality, desensitizing the display of sensitive customer information, and strictly prohibiting research and development personnel from printing personal sensitive information in system server logs. Any abnormal decryption operation of customer information shall be reasonably explained and reported, and any violation shall be dealt with seriously. In 2024, the Company did not have any complaints related to the violation or disclosure of customer privacy and was not involved in any legal proceedings against the Company or its employees regarding privacy and data security. All of our apps and mini programs have been filed and registered with the Ministry of Industry and Information Technology on schedule.

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

Technology Sharing to Implement Collaborative Development

Yeahka continuously empowers team building through technological innovation, collaborates with employees for mutual growth, systematically advances responsible supply chain development, and actively engages in public welfare initiatives to achieve collaborative progress with all stakeholders.

- 4.1 GROWING TOGETHER WITH EMPLOYEES**
- 4.2 COLLABORATION WITH BUSINESS PARTNERS TO SHAPE THE FUTURE**
- 4.3 PUBLIC WELFARE IN ACTION**



Key Points of the Chapter:

- Established a dedicated workplace conduct whistleblowing email under the HR department to promptly address complaints and reports
- Enhanced the Yeahka Y Academy with enriched functionalities including resource optimization, online learning, and visualization features
- Launched the LinkTime online cultural communication platform to broaden corporate culture communication channels
- Provided eligible small and micro merchants with financial support for inventory procurement, customer acquisition investments, and operational management

The United Nations Sustainable Development Goals (SDGs) Responeded by this Chapter



CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

4.1 GROWING TOGETHER WITH EMPLOYEES

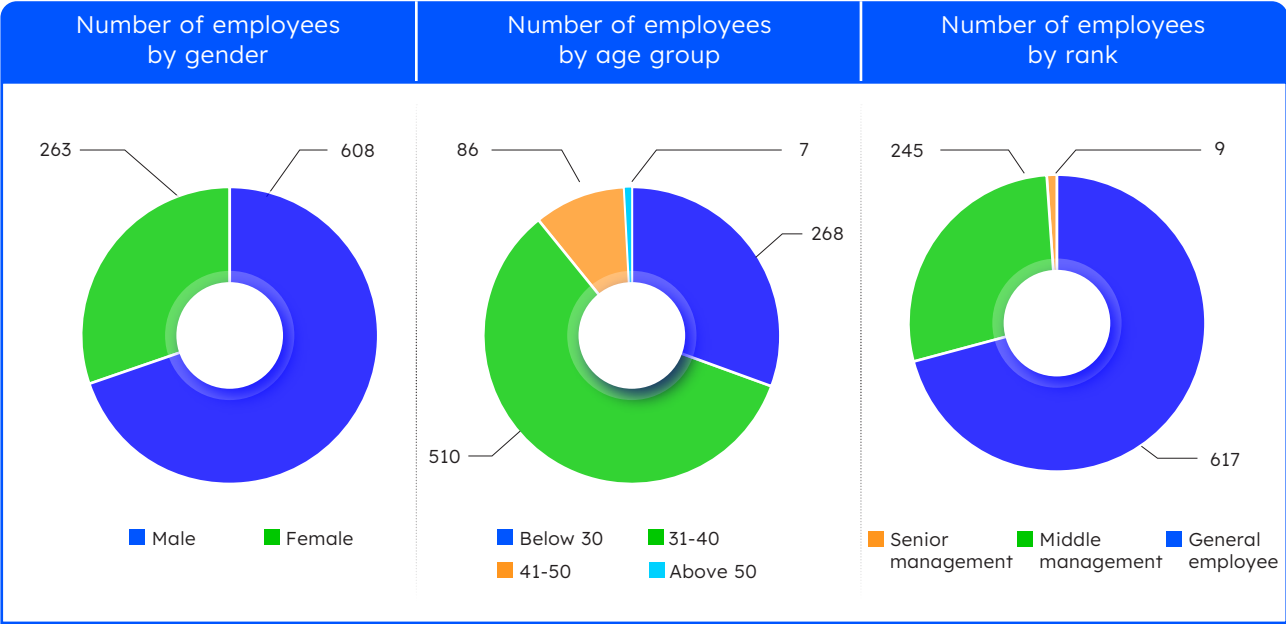
Yeahka consistently regards employees as invaluable assets for sustainable development. Upholding the “people-oriented” human capital philosophy, we systematically implement compliant employment practices, eliminate all forms of discrimination and harassment, and vigorously support employee growth through comprehensive training programs and continuous optimization of the performance evaluation system. Concurrently, we prioritize employee care initiatives to foster an equal, inclusive, diverse, and harmonious workplace environment.

4.1.1 DIVERSITY AND EQUAL EMPLOYMENT

Yeahka strictly adheres to employment-related laws and regulations, including the “Labor Law of the People’s Republic of China”, the “Social Insurance Law of the People’s Republic of China”, and the “Provisions on Special Protection of Juvenile Workers”. We have established and enforced internal HR management systems such as the “Yeahka Group Employee Handbook” and the “Position and Rank Management Manual of Yeahka Group” to resolutely safeguard employees’ legal rights and interests.

Employee Recruitment

We implement the requirements of the “Recruitment Management System of Yeahka Group”, adopting a combined approach of campus recruitment and social recruitment. Recruitment information is published through platforms including Liepin (m.liepin.com), Boss Zhipin (www.zhipin.com), and LinkedIn to attract top talent via multiple channels. We adhere to the principles of open recruitment processes and transparent outcomes, conducting comprehensive evaluations based on candidates’ qualifications, professional experience, and interview performance to select the best candidates. As of December 31, 2024, the Company had a total of 871 employees, categorized by gender, job grade, and age group as follows:



CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

Yeahka rigorously verifies candidates' identity information during recruitment to eliminate the use of false identities or concealment of actual age, strictly prohibiting the employment of child labor. Additionally, employment contracts explicitly specify work responsibilities, compensation, working hours, and location to prevent any form of forced labor. In 2024, the Company identified no violations related to child labor or forced labor.

Yeahka Multi-Channel Employee Recruitment Plan



In 2024, Yeahka released job opportunities through campus roadshows, online recruitment, internal job postings, and other channels, adopting a fully digitalized process to offer flexible and diverse hiring options. This year, we conducted six campus recruitment sessions across universities in Zhejiang, Hunan, and Wuhan.



Campus Recruitment Page

Equality and Diversity

We consistently respect employee diversity and uphold the principle of equality, prohibiting discrimination or bias based on age, ethnicity, gender, region, religious belief, family status, or other factors. To strengthen accountability, we optimized complaint reporting mechanisms by establishing a dedicated HR-managed workplace conduct whistleblowing email. All reports of discrimination or harassment are promptly addressed in compliance with national laws and internal policies. No incidents of discrimination or harassment-related violations occurred in 2024.

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

Anti-workplace Discrimination and Harassment



Yeahka implements the Sunshine Code of Conduct and has conducted training on preventing workplace discrimination and harassment for all employees, enhancing their awareness and clarifying response procedures for such incidents.



Training Content on Anti-workplace Discrimination and Harassment

We uphold gender equality by safeguarding female employees' rights to equal career development. No distinctions are made in career advancement based on pregnancy or maternity status, and all forms of workplace gender discrimination are strictly prohibited to ensure equal opportunities for female and male employees. We continuously improve female employee benefits, including providing pregnancy leave, maternity leave, breastfeeding leave, and half-day leave on International Women's Day, and launching care initiatives such as gift distributions and themed events to convey care and warmth.

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

“Her Power” Women’s Day Themed Event

Case

On the occasion of International Women’s Day on March 8, 2024, Yeahka granted all female employees a half-day leave and organized a message card-writing activity under the theme “Her Power”, where they penned positive outlooks and messages for future work. Gifts were distributed to female employees, fully reflecting Yeahka’s care and recognition for their contributions.



“Her Power” Women’s Day Event

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

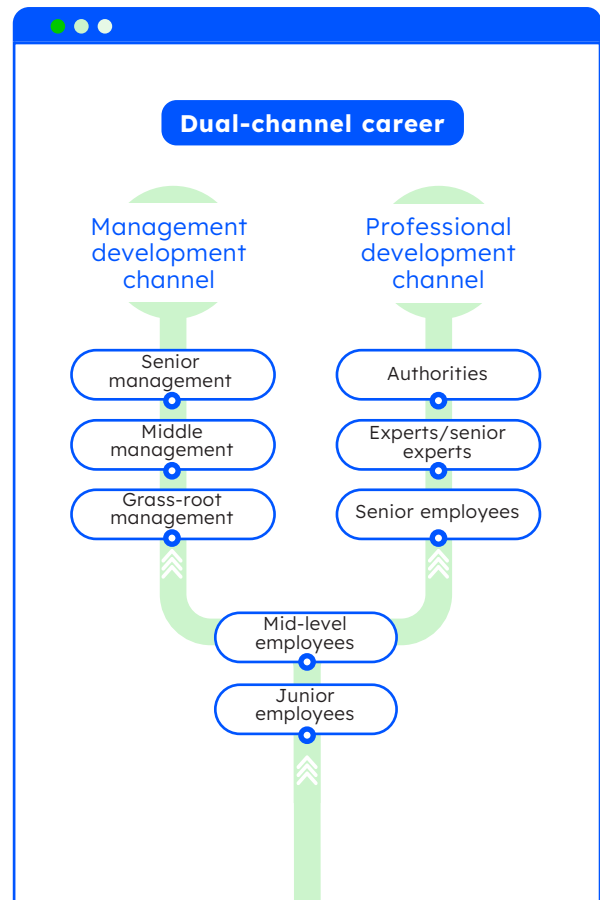
4.1.2 EMPLOYEE GROWTH

Yeahka views talent as the driving force for sustainable development, continuously refining assessment and promotion mechanisms to chart tailored career paths for employees. Recognizing the need for lifelong learning, we provide diversified training programs across roles and levels to empower professional growth.

Performance and Promotion

Yeahka has established a dual-channel career development system for “management” and “professional” roles, tailored to individual expertise, role, and career experience to maximize personal strengths and achieve optimal talent utilization.

Yeahka has implemented diversified performance evaluation and assessment measures, setting strategic Objectives and Key Results (OKRs) and Key Performance Indicators (KPIs) at the company level, while conducting monthly evaluations of OKRs, business indicators, and budget targets at the department level. For employees at different job grades, we adopt targeted evaluation approaches: department-level assessments and 360-degree evaluation feedback for management employees, and performance reviews integrated with coaching sessions for general employees. Leveraging the Electronic Human Resource (EHR) system, we ensure clear performance rules, science-based methodologies, transparent processes, and open outcomes across all evaluations.



We continuously implement a diversified incentive mechanism, combining annual and quarterly salary adjustments to rationally incentivize employee growth and development. Additionally, we have established internal awards including the “monthly stars”, “quarterly stars”, “value guardian stars”, “innovation stars”, and “OKR star teams”, which recognize outstanding employees and project teams across departments such as technical, product operations, and marketing through regular evaluations.

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

Training and Growth

In 2024, guided by the principles of “Strengthening the enterprise through talent development, growing together” and “approaching the business, serving the business”, Yeahka continued to refine its employee training system. Key initiatives focused on enhancing technical competencies, facilitating new employees’ adaptation to the workplace, and elevating professional ethics through the “Sunshine Conduct” program, aiming to improve the comprehensive capabilities of new employees, managers, and technical staff in professional ethics, corporate culture, product expertise, and technical skills. These efforts advance the dual growth of the enterprise and its talents. This year, our annual training outcomes are outlined below:

Average training hours completed per employee by gender



Average training hours completed per male employee **89.98**



Average training hours completed per female employee **112.99**

Online training platform

Yeahka Y Academy

In 2024, Yeahka strengthened the development of Yeahka Y Academy, continuously improving functionalities including internal course management, resource optimization, online learning, and visualization features. Over 60 internal courses and 130+ instructor profiles were uploaded, alongside synchronized learning events like the online instructor festival and quality course sharing, significantly boosting employee satisfaction.

Average training hours completed per employee by rank



Average training hours completed per senior management **49.00**

Average training hours completed per middle management **73.78**

Average training hours completed per general employee **106.82**

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

New Employee Onboarding Bootcamp



We conducted two induction training camps in 2024, delivered online to cover corporate culture, business skills, and professional ethics. New hires must complete designated training courses before they can be confirmed as formal employees. Senior employees serve as onboarding mentors, guiding new hires to rapidly understand the company, get familiar with business operations and integrate into the Company.

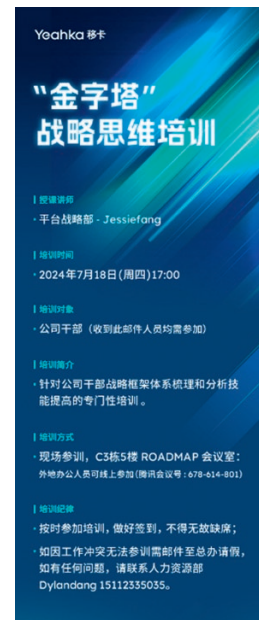


New Employee Onboarding Training

Management Training



In 2024, Yeahka conducted management training for 172 mid-level managers, tailored to the operational actual situations of each department. The program covered leadership development, organizational behavior, corporate culture, and other managerial professional knowledge, while incorporating domestic and international case studies to broaden perspectives and enable the participants to apply what they have learned in practice.



Management Training

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

Technical Staff Professional Competency Development Program — Yeahka Lecture



Yeahka continued its Yeahka Lecture, offering technical and product operations training to all employees to enhance professional skills and drive sustainable growth. In 2024, Yeahka Lecture held 13 technical seminars with over 900 employees participating in it, facilitating exchanges with experts on cutting-edge technologies and global best practices to elevate the company's technological capabilities.



Yeahka Lecture

AI Specialized Training



In 2024, keeping up with the wave of artificial intelligence, we launched the "AI Empowerment Workshops", covering AI technologies, product operations, and user case studies, while optimizing and iterating proprietary AI models. The program attracted over 170 R&D employees, effectively improving their AI theoretical knowledge and practical skills.



AI Empowerment Workshops

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

4.1.3 EMPLOYEE CARE AND CORPORATE CULTURE

Yeahka prioritizes employee care by providing comprehensive welfare benefits, distributing gifts to all staff during major traditional festivals, and organizing diverse activities to encourage work-life balance. We are committed to fostering a corporate culture that enhances employee happiness and belonging. Regular employee satisfaction surveys are conducted, with continuous improvements made based on survey results.

Comprehensive Benefits and Welfare

Yeahka remains committed to building a comprehensive welfare system for employees. We strictly comply with laws and regulations to fully contribute to five social insurances and one housing fund and ensure statutory holidays. We additionally provide commercial insurance to proportionally reimburse medical expenses beyond public coverage, alongside benefits like paid parental leave, overtime subsidies, and flexible working hours to enhance work-life balance. Care initiatives include birthday gifts, festival packages, red envelope incentives upon work resumption, holiday events, and afternoon tea sessions to boost happiness and belonging. We also organize sports clubs for employees (badminton, basketball, football, swimming) to encourage employees to cultivate personal hobbies, actively participate in physical exercises, promote physical and mental health, and relieve work stress.

Key employee care initiatives in 2024:



Flexible working hours for technical and R&D staff to improve work-life balance



Parental leave policy, allowing all Yeahka employees to enjoy 10 days of paid parental leave per calendar year within three years of their child's birth, ensuring employee rights and well-being

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

Yeahka Summer Sports Festival



Yeahka organized the Summer Sports Festival in July 2024, coinciding with the Paris Olympic Games, leveraging the enthusiasm for mass sports. The event included competitions such as table tennis, basketball, tennis, and badminton, attracting over 160 employees to enhance physical fitness, foster communication among colleagues, and strengthen team cohesion after work.



Yeahka Summer Sports Festival

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

Yeahka Festival Activities



In 2024, Yeahka hosted traditional festival events during the Spring Festival and Thanksgiving, featuring employee performances, charity bazaars, fundraising campaigns, mini game and lucky draws, and other activities, which drew over 200 participants to enrich employee life and promote work-life balance amid year-end workloads.



Yeahka Festival Activities

Yeahka Festival Gift Boxes



In 2024, Yeahka distributed festival gift boxes during the Dragon Boat Festival, Mid-Autumn Festival, and other key traditional holidays, promoting cultural heritage while expressing care for employees.

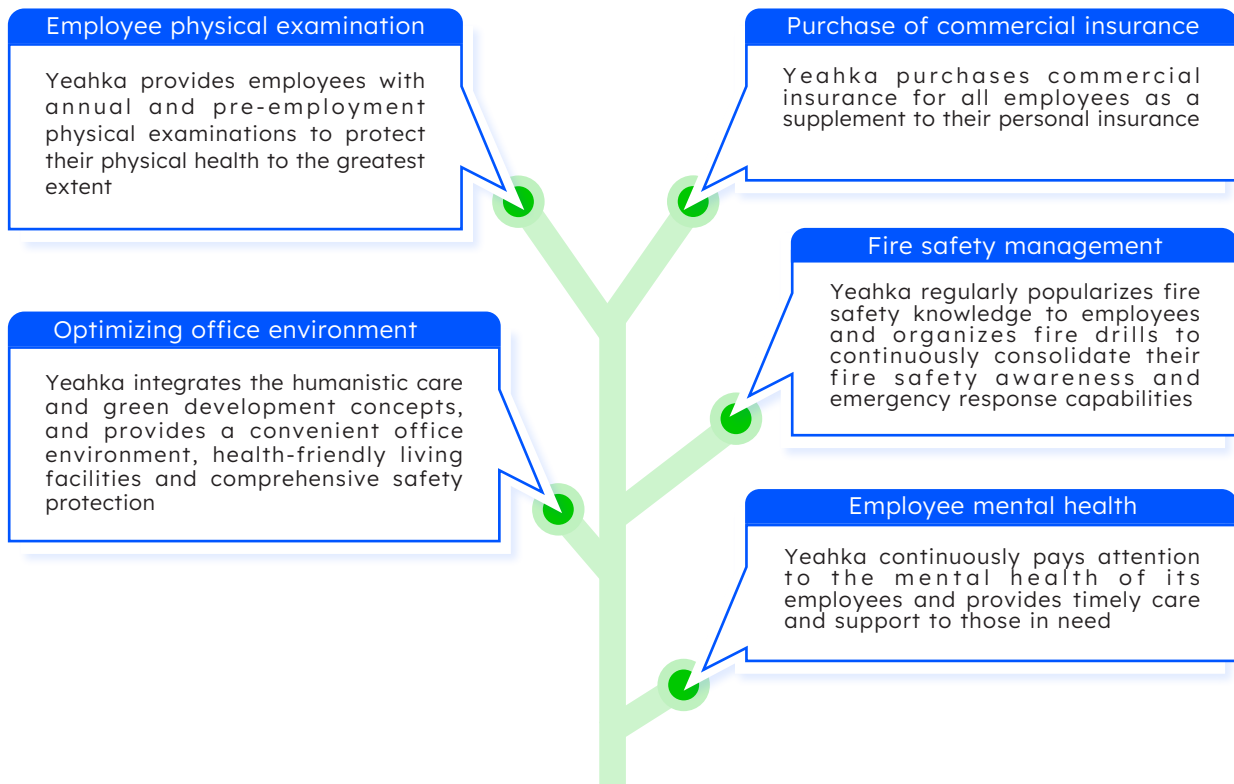


Yeahka Festival Gift Boxes

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

Employee Health and Safety

Yeahka prioritizes employee health and safety as a cornerstone of corporate management, annually providing free health check-ups for employees while continuously optimizing the office environment. The Company conducts regular fire safety and evacuation drills to enhance employees' emergency response abilities, ensuring the safe operation of the company.



This year, Yeahka is committed to creating a comfortable office environment by placing more green plants in the office and installing air purifiers to enhance air quality. We continuously upgrade office equipment with ergonomic chairs and height-adjustable desks to alleviate physical fatigue from prolonged sitting, and improve facilities by setting up multifunctional lounges and pantries on each floor to provide relaxation spaces. Additionally, we offer convenience items such as first-aid kits, shared umbrellas, and hair dryers to meet occasional needs, meticulously caring for employees.

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT



Office Space Features and Facilities

Corporate Culture Development

Yeahka upholds the values of “Innovation, Integrity, Proactivity and Responsibility”, placing high importance on corporate culture development. We consistently implement employee care initiatives and promotional campaigns, systematically advancing the cultivation and dissemination of corporate culture. By thoughtfully sharing Yeahka’s stories and treating every employee as both a communicator and practitioner of this culture, we enable employees to internalize the corporate culture in their hearts and externalize it in their behaviors, which strengthens employee cohesion and centripetal force while enhancing their sense of fulfillment and well-being.

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

Yeahka · Clubs

Case

We have established diverse employee clubs such as vocal music and board game groups, organizing varied club activities to encourage employees to join based on personal interests, enriching their lives after work.



Yeahka Clubs Events

LinkTime Online Cultural Communication Platform

Case

This year, we launched the LinkTime online cultural communication platform. It serves as a hub for releasing company strategies, sharing employee activities, posting announcements, and other communication activities of our corporate culture. Accessible via both mobile apps and personal computers, this platform offers diverse and convenient channels for communication, ultimately enhancing employees' sense of gain and ownership.



LinkTime Online Cultural Communication Platform

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

4.2 COLLABORATION WITH BUSINESS PARTNERS TO SHAPE THE FUTURE

Yeahka is committed to fostering sustainable partnerships by focusing on the social responsibility performance of suppliers. We consistently work to optimize our supplier management systems and standardize processes such as bidding and procurement. Our goal is to ensure the quality and safety of our supply chain while avoiding management risks associated with suppliers. We are also committed to expanding our external collaboration opportunities, building long-term partnerships with trusted suppliers, and working alongside our partners to create a responsible and sustainable supply chain that fosters an open, transparent, and honest business environment.

4.2.1 SUPPLIER MANAGEMENT

We fully comply with the “Company Law of the People’s Republic of China”, the “Contract Law of the People’s Republic of China”, and other laws and regulations. We continuously optimize and implement internal policies and rules, including “Procurement Management System of Yeahka Technology Limited” and the “Supplier Performance Management System”. We maintain a strict “zero tolerance” policy for supplier violations and ensure that our supplier management measures are enforced in accordance with laws and regulations.

We are continuously refining our procurement processes by thoroughly conducting due diligence on suppliers and considering their qualifications, scale, and other relevant background information as key factors for access assessment. We conduct performance assessments on suppliers and incorporate environmental and social responsibility indicators into our performance assessments. The results of these assessments play a crucial role in our supplier selection and share allocation decisions. Additionally, we regularly review suppliers’ environmental and social responsibility performance to enhance their overall performance in these areas. We also enhance our assessment of supplier financial data to better understand their financial health, ensure their delivery capacity, and strengthen our company’s business stability.

4.2.2 RESPONSIBLE SUPPLY CHAIN

We consistently optimize our bidding process to ensure fairness in procedure, transparency in process, and justice in outcomes. We require our suppliers to strictly comply with the “Criminal Law of the People’s Republic of China”, the “Opinions on Several Issues concerning the Application of Law in the Handling of Criminal Cases of Commercial Bribery”, and other laws and regulations prohibiting commercial bribery. We also include integrity clauses in all contracts with suppliers. For transactions with a procurement amount greater than RMB200,000, we sign an “Anti-Commercial Bribery Confirmation Letter” with suppliers to eliminate any form of fraud, bribery or corruption. In 2024, the suppliers we cooperate with are primarily data and professional services suppliers, all of which are located in China.

We incorporate sustainable development into our entire supply chain management process by adopting low-carbon procurement practices. We prioritize environmentally friendly and energy-efficient office supplies and electrical appliances when purchasing office equipment. Additionally, we encourage localized sourcing and promote environmental protection principles among our suppliers to raise their awareness of environmental protection. We also regularly organize supplier exchange and training meetings, where we invite suppliers to provide professional training on emerging technologies. This collaboration aims to enhance the quality of our business operations and support sustainable development.

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

4.3 PUBLIC WELFARE IN ACTION

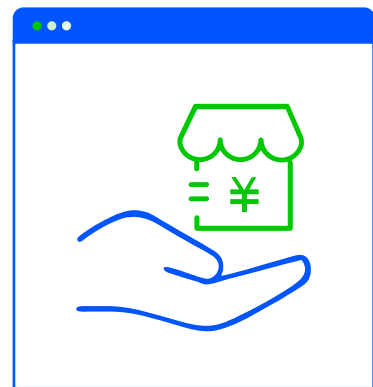
Technology serves the greater good, with the well-being of the people as its foundation. Yeahka has consistently upheld its original aspiration of using innovative technology to serve small and micro entities, while closely integrating the application of technology with social responsibility. In 2024, we further enhanced the “payment + public welfare” service model by leveraging smart payment solutions to address the challenges faced by small and micro merchants. We harnessed the power of digital communication to support inclusive social welfare initiatives, aiming for a mutual empowerment of the innovation of settlement tools and humanistic care. From the pain points of cross-border card usage to the shortcomings of rural education, from the support for the growth of children with special needs to the full-cycle care for merchants, Yeahka is leveraging technology to create a social value ecosystem that involves multiple participants.

4.3.1 ASSISTING SMALL AND MICRO MERCHANTS

Yeahka has been continuously leveraging its technological strengths to support social development and is dedicated to using digital innovations to breathe new life into public welfare initiatives. Based on our technical capabilities and business accumulation, we always prioritize the high-quality development of small and micro businesses. By creating a comprehensive system that combines digital tools, financial support, and brand enhancement, we continuously iterate our industry-specific public welfare model.

In 2024, we further enhanced the “Small and Micro Business Assistance Policy” to offer comprehensive support and services for small and micro businesses. In our financial services, we adopt a prudent strategy to offer qualified merchants financial support for inventory purchases, investment acquisitions, operational management, and more. In 2024, the number of newly registered users reached 1,350,800, and the number of merchants receiving loans increased by 15%, and the total loan amount rose by 10%. We have also improved the risk management system for small and micro merchants. This includes optimizing our credit assessment model and strengthening the application of data and information mining, the risk prompt during the approval process, and other functions. These improvements help us effectively verify the legitimacy of operations and minimize the risk of fraud.

In the realm of non-financial services, we offer merchants open-class training, technical support, and additional services. In 2024, we kept offering in-person training for new merchants, covering topics like using ticket machines, operating the merchant app, and verifying bills. We also integrated cross-marketing strategies, automatic SMS, coordination of telemarketing, and private domain operations to leverage media channels for promoting merchant brands, assisting small and micro merchants in achieving more efficient operations while reducing costs.



CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

“Ordinary Yet Extraordinary, Everyone is Their Own Champion” – Cheering for Small and Micro Merchants

Case

In July 2024, Yeahka seized the opportunity of the Paris Olympics to plan a themed publicity event titled “Ordinary Yet Extraordinary, Everyone is Their Own Champion”. Through online media dissemination, we not only cheered for the Chinese Olympic athletes competing in the games but also highlighted the hardworking and enterprising spirit of China’s small, medium, and micro-sized merchants in the “arena of life”, thereby aiding in the promotion of their image.



Cheering for Small and Micro Businesses

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

“Supporting Foreigners’ Payment in China” – Enjoying a New Experience of Borderless Payment

Case

In August 2024, to solve payment issues faced by foreign tourists, Yeahka’s payment brand organized a public welfare campaign with partner merchants to support payments made by foreigners in China. We showcased scenes of cooperative merchants welcoming foreign tourists from various business sectors, highlighting how Yeahka effectively addressed the payment challenges faced by these tourists, promoting the facilitation of cross-border payments while promoting our partner merchants.



“Supporting Foreigners’ Payment in China” Public Welfare Campaign

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

“Bringing Warmth to the Hearts on Winter Solstice, and Spreading Compassion Far and Wide” – Nationwide Collaboration to Spread Care



On the winter solstice in 2024, Yeahka and SF City Express partnered again to organize the warmth-giving event for merchants on winter solstice, which was the third year in a row. The event spanned 15 cities nationwide, including Shenzhen, Xiamen, Jinan, and Changchun, delivering dumplings and tangyuan (sweet rice balls) warm wishes on the occasion of this solar term to small, medium and micro-sized businesses in these areas. The event was promoted through channels such as the official accounts of Yeahka, various payment businesses, and the SF City Express Rider official account. This not only strengthened merchants' recognition of the brand but also demonstrated Yeahka's considerate care for them.



Small and Micro Business Owners Receiving Warm Greetings on the Winter Solstice

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

“Bidding Farewell to the Old and Welcoming the New, Wishing You Blessings Right at Your Fingertips” – Spreading Warmth and Genuine Affection for the Spring Festival.



In January 2025, ahead of the Spring Festival, Yeahka's payment brand launched a public welfare initiative titled “Bidding Farewell to the Old and Welcoming the New, Wishing You Blessings Right at Your Fingertips” aimed at its partner merchants. This campaign delivered carefully curated New Year gift packages to those merchants who had not yet returned to their hometowns. The New Year gift packages contained items adorned with auspicious design elements such as red envelope covers, desk calendars, and merchant payment code placards, all intended to wish the merchants a prosperous new year in their business endeavors. Accompanying these gifts was a commitment with superior products and services to support the growth of their businesses.



“Bidding Farewell to the Old and Welcoming the New, Wishing You Blessings Right at Your Fingertips” Public Welfare Initiative

4.3.2 BUILDING A BRIGHT FUTURE TOGETHER

Yeahka consistently upholds the public welfare concept of “Technology serves the greater good” and actively fulfills its corporate social responsibilities. In 2024, we continued to focus on the elderly and children with special needs, supported the development of educational initiatives, and contributed to the revitalization of rural areas. Together with various partners, we worked to advance the cause of public welfare. We believe that every act of kindness can bring about a warm transformation in society, allowing love and hope to be continuously passed on within the community.

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

“Boundless Fatherly Love, Digital Companionship” – Assisting the Elderly in Embracing the Digital Lifestyle

Case

In June 2024, Yeahka planned a public welfare campaign for Father’s Day, utilizing engaging long-form comics to illustrate topics such as the digital silver economy, digital payments, local living, and anti-fraud measures. The initiative aimed to appeal to the younger generation to pay attention to the digital challenges faced by the elderly, encouraging them to assist older adults in bridging the digital divide and better enjoying the conveniences brought about by digitalization.



Public Welfare Campaign on Father’s Day

“Spring Blossoms, Yeahka’s Love in Action” – A Caring Initiative for Children with Special Needs

Case

On July 4, 2024, Yeahka visited the Nanshan District Care Center for Special Children in Shenzhen to carry out a public welfare activity themed “Spring Blossoms, Yeahka’s Love in Action”. The charitable funds raised during the 2023 Thanksgiving campaign were fully utilized to purchase teaching equipment such as all-in-one TVs, touch screen electronic whiteboards and tablet computers. This initiative aimed to enhance the teaching foundation of the care center and assist special children in adapting better to structured school education.



Charity Donation Ceremony

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

"Grateful Hearts, Journeying Together with Yeahka" – Thanksgiving Love Relay Event

Case

During the Thanksgiving in November 2024, Yeahka hosted the "Grateful Hearts, Journeying Together with Yeahka" public welfare event, which attracted the enthusiastic participation of over 200 employees. The event, through charity sales and fundraising activities, brought together the power of love and compassion, showcasing Yeahka's commitment to giving back to society. It allowed the warmth of public welfare to spread on in the hearts of every Yeahka employee.



Thanksgiving Charity Sale and Fundraising

CHAPTER IV TECHNOLOGY SHARING FOR COLLABORATIVE DEVELOPMENT

Donate Educational Facilities to Help Revitalize Rural Education



In December 2024, Yeahka responded to the “High-Quality Development Projects for Rural Revitalisation” initiated by the Guangzhou Local Financial Bureau. It donated 100 teaching computers, desks and chairs for the computer room, all-in-one printing and scanning machines, stationery supplies, etc. to Dazhe Town Central Primary School in Meizhou. These donations aimed to improve the school’s teaching conditions, promote the in-depth integration of information technology and classroom teaching, and contribute to the rural revitalization and the development of education for rural students.

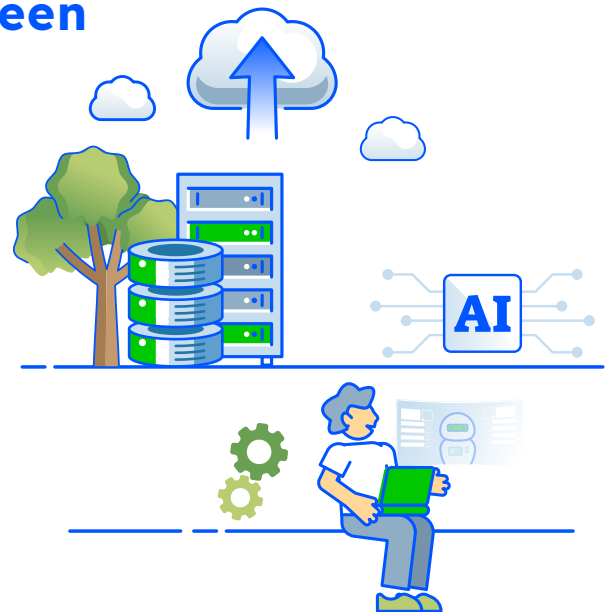


Donate Educational Facilities

CHAPTER V TECHNOLOGY FOR EMISSION REDUCTION TO EMBRACE A GREEN FUTURE

Technology for Emission Reduction to Embrace a Green Future

Yeahka consistently adheres to the concept of sustainable development, integrating green and low-carbon thinking into every aspect of its operations and management. We take strict compliance with environmental regulations as our fundamental principle, promoting low-carbon operations, efficiently conserving resource usage, and effectively reducing waste emissions. We also actively address climate change, contributing to the harmonious coexistence of humans and nature.



5.1 STRATEGY AND PROGRESS

5.2 RESPONSE TO CLIMATE CHANGE

5.3 PRACTICING GREEN OPERATION

Key Points of the Chapter:

- Manage and disclose climate-related matters from four dimensions: Governance, Strategy, Risk Management, and Metrics and Targets
- By constructing a private cloud system and promoting the implementation of a "half-cloud, half-physical" deployment approach, we achieved energy savings of 810,000 kWh, equivalent to the energy consumption of 150 physical servers

The United Nations Sustainable Development Goals (SDGs) Responded by this Chapter

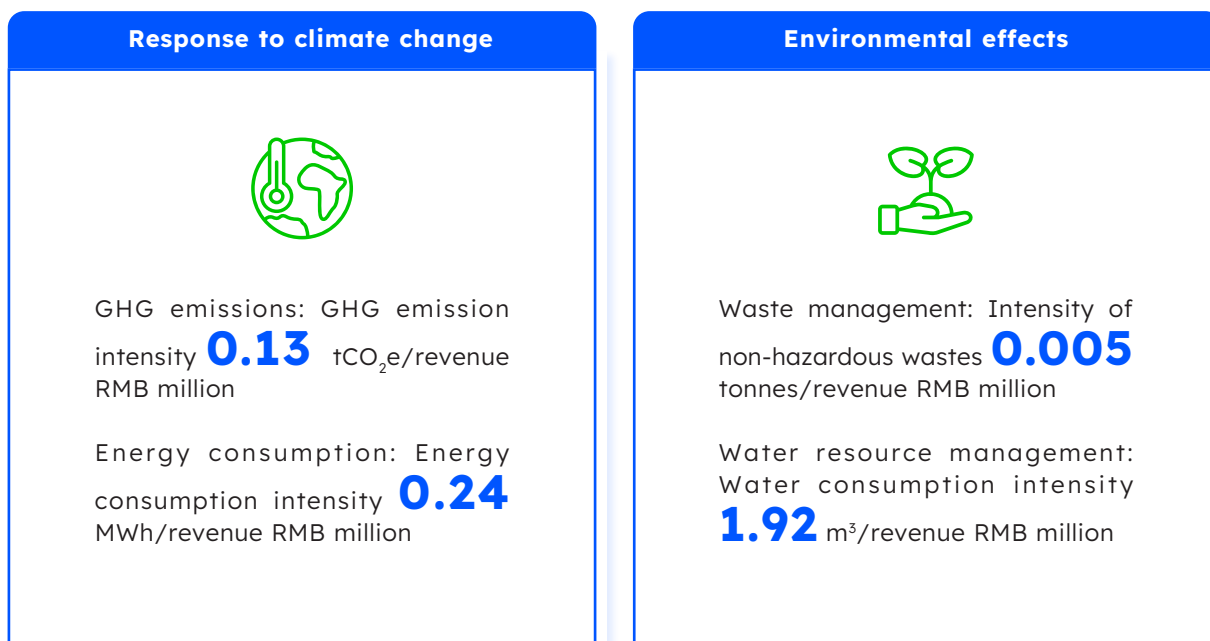


CHAPTER V TECHNOLOGY FOR EMISSION REDUCTION TO EMBRACE A GREEN FUTURE

5.1 STRATEGY AND PROGRESS

Yeahka is committed to continuously reducing its reliance on and impact on the environment. We integrate green principles into our daily management and operations, balancing risk control with opportunity capture, and contributing to the green transition of society.

2024 Progress:



5.2 RESPONSE TO CLIMATE CHANGE

Climate change is a severe challenge faced by all of humanity. In recent years, the warming trend of the climate system has persisted, with increasingly prominent issues such as frequent extreme weather events and rising sea levels. Addressing climate change is urgent. Yeahka actively responds to international trends, striving to mitigate the impact of climate change on human health and business operations. While strengthening climate risk management and response, we seek to seize the green development opportunities brought by climate change, contributing to the achievement of China's "carbon peak" and "carbon neutrality" goals. We refer to the recommendations of "International Financial Reporting Standard S2 - Climate-related Disclosures" (IFRS S2) to manage and disclose climate-related matters across four dimensions: governance, strategy, risk management, and metrics and targets.

5.2.1 GOVERNANCE

Yeahka establishes complete ESG governance system with clear division of labor, clear responsibilities and sound operation. The Company's Board is responsible for formulating sustainable development strategies and goals, incorporating climate change risks into strategic considerations, and continuously supervising climate change risk management to ensure the

CHAPTER V TECHNOLOGY FOR EMISSION REDUCTION TO EMBRACE A GREEN FUTURE

effectiveness of the Company's climate change risk management. As authorized by the Board, the ESG Committee is responsible for analyzing the sustainable development trend of the industry, helping the Company to identify climate-related risks and opportunities, and reporting to the Board on climate change related matters every year. The senior management of the Company formulates corresponding work plans and implementation programs, and the ESG Working Group assists in the implementation and realization thereof to ensure their effective implementation, thus strengthening the Company's climate change management capability.

5.2.2 STRATEGY

We consistently integrate ESG development with our corporate strategy, identifying the potential impacts of climate-related risks and opportunities on the Company and formulating targeted response measures to actively address climate change. In addition, based on actual operational performance, we regularly conduct comprehensive reviews and scientific assessments of climate risk management by collecting and analyzing indicators such as greenhouse gas emissions. This enables us to deeply explore key areas for improvement and enhancement, thereby strengthening our capability to respond to climate risks.

Type of Risks	Characteristics of Risks	Specific Risks	Description of Risks	Impact Time Frame
Physical risks	Acute	Extreme precipitation	With the increased severity of extreme weather events such as typhoons and floods within a short period of time, extreme precipitation leads to a sharp rise in air humidity and even a rapid rise in water bodies, posing a flooding risk that could result in depreciation of fixed assets, loss of labor, or disruption of the supply chain	Short - Medium
		Flood	Strong rainfall, iceberg melting, storm tide, etc., will lead to floods. Sudden floods may flood and affect the normal operation of server rooms, resulting in damage to data center equipment and loss of data	Short - Medium
		Typhoon	The occurrence of high-intensity typhoons, with its continuous strong wind and heavy rain, may damage or destroy the Company's facilities and buildings, and reduce the stability of the buildings where our server rooms are located	Short - Medium
	Chronic	Continuous heat wave	The continuous increase in air temperature will increase the power consumption of server rooms and the energy consumption of cooling systems, which will, in turn, increase the energy consumption of data center operations and increase operating costs	Medium - Long

CHAPTER V TECHNOLOGY FOR EMISSION REDUCTION TO EMBRACE A GREEN FUTURE

Type of Risks	Characteristics of Risks	Specific Risks	Description of Risks	Impact Time Frame
Transition risks	Policies and compliance	“Dual carbon” goal requirements	Under the policy background of China’s “carbon peak” and “carbon neutrality” goals, it has gradually become a compliance trend for enterprises to change their business models and realize low-carbon transformation. If they cannot achieve a low-carbon transition as soon as possible, they may face the risk of operational violations in the future	Medium - Long
	Corporate reputation	Stakeholders’ concern	The “dual carbon” goal has attracted extensive social attention. Stakeholders are paying increasing attention to environmental performance of the Company. Failure to meet the expectations of stakeholders may damage the Company’s reputation and lead to loss of customers	Short - Medium

Under the guidance of the “carbon peak” and “carbon neutrality” goals, China is accelerating its green transformation. We keenly capture the numerous business expansion opportunities arising from climate change. We actively engage in exploration and innovation in areas such as the circular economy and low-carbon products and services, striving to unlock the development potential they hold.

CHAPTER V TECHNOLOGY FOR EMISSION REDUCTION TO EMBRACE A GREEN FUTURE

Type of Opportunities	Characteristics of Opportunities	Specific Opportunities	Description of Opportunities	Impact Time Frame
Opportunities	Market	Circular economic development	China's "14th Five-Year Plan" proposes to empower sustainable economic development with the digital economy and green development as its two wings, meaning that it may usher in favorable policies for Yeahka. With the increasing demand for green and low-carbon products and services, the digital transformation of the payment industry will continue to accelerate, transforming from multi-scenario single service to full-scenario digital operation, resulting in a continued increase in the market demand for integrated service	Long
		Customer preference	Under the background of low-carbon economic transformation, the development of circular economy requires market players to change their business model and adopt green and low-carbon operation methods so that the online demand from customers of small and medium-sized enterprises in business scenarios such as payment and settlement as well as marketing will continue to increase. Yeahka may take this opportunity to increase online business income, market share and penetration rate	Long

Based on the assessment of climate-related risks and opportunities, we actively implement a series of measures aimed at effectively addressing and mitigating climate change risks. We actively participate in energy-saving and emission-reduction initiatives, aligning with the trends of green and low-carbon economic development, and deepening exploration and innovation in key areas such as artificial intelligence and big data analytics. By continuously enhancing our product innovation capabilities, we strive to more accurately grasp market dynamics and meet the diverse needs of our customers, thereby injecting sustained momentum into the company's business growth.

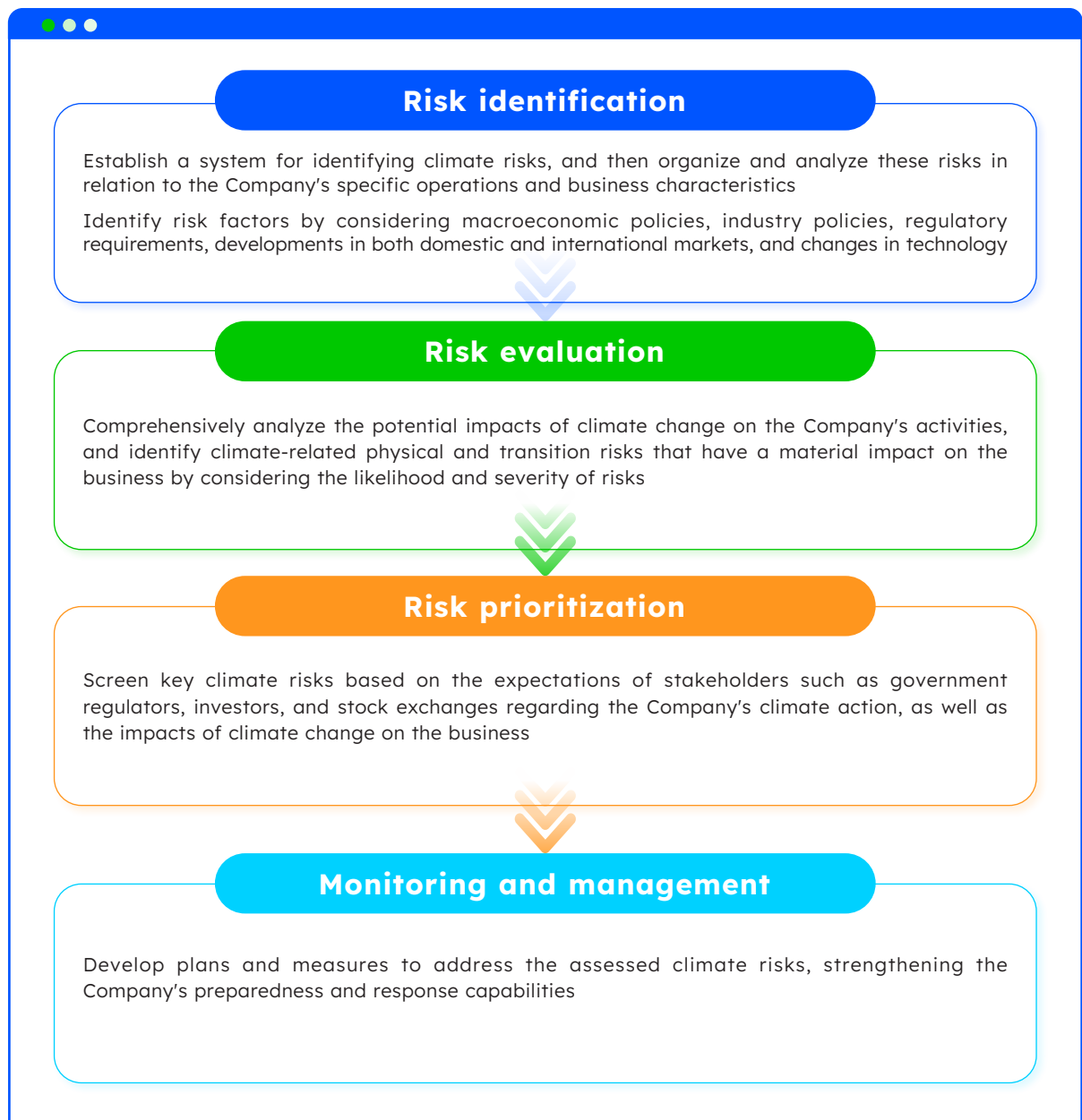
CHAPTER V TECHNOLOGY FOR EMISSION REDUCTION TO EMBRACE A GREEN FUTURE

Type of Risks	Solutions
Acute physical risks	<ul style="list-style-type: none"> Take “one main line, two auxiliary facilities and three centers” as the direction of construction, continuously strengthen the disaster recovery capabilities of our data centers, and enhance support capacity to address extreme weather conditions to ensure the continuity of our business operations Test and strengthen the system’s fault tolerance and disaster recovery capacity through continuous failure drills throughout the year. In 2024, we regularly organized over 20 drills for module failures
Chronic physical risks	<ul style="list-style-type: none"> Gradually replace high-energy-consuming modem rooms, prioritize energy-efficient and environmentally friendly equipment, and promote the use of clean energy to build low-energy-consumption green data centers Improve the effective utilization rate of computing resources by constructing a private cloud system and promoting the implementation of a “half-cloud, half-physical” deployment approach. This centralizes resource management and unifies allocation, increasing the overall effective utilization rate of computing resources by over 8%. This initiative saves 810,000 kWh of energy, equivalent to the energy consumption of 150 physical servers Fully utilize natural cooling sources for cooling, employing equipment such as variable-frequency-controlled chilled water pumps and cooling towers to enhance the energy-saving efficiency of the cooling system Implement “smart cooling” equipment in the data center to dynamically adjust the water temperature of the cooling station. Optimize energy use efficiency through intelligent management of cooling equipment
Transition risks	<ul style="list-style-type: none"> Explore and promote green and clean technologies, leveraging our technical expertise to integrate green principles into every stage of our operations, committed to providing customers with low-carbon products and services Promote the concept of green office practices, continuously optimize resource allocation in office spaces, and implement more energy-efficient office measures to reduce the environmental impact of our operations

CHAPTER V TECHNOLOGY FOR EMISSION REDUCTION TO EMBRACE A GREEN FUTURE

5.2.3 RISK MANAGEMENT

In terms of climate risk management, the ESG working group collaborates with relevant departments and professional institutions to identify and assess climate risks. We are gradually integrating climate risks into the company's overall risk management framework and developing corresponding risk management strategies. Through regular data collection and analysis, we track climate-related impacts and periodically review and evaluate the effectiveness of risk management. The Company will continue to refine its risk management processes, ultimately achieving the goal of identifying and assessing risks related to climate change.



CHAPTER V TECHNOLOGY FOR EMISSION REDUCTION TO EMBRACE A GREEN FUTURE

5.2.4 METRICS AND TARGETS

In response to national goals, the Company has set the overarching direction of “achieving carbon peak by 2030 and carbon neutrality by 2060.” We continuously improve the collection and tracking of relevant indicators, actively explore scientifically sound and feasible phased sustainable development targets, and consistently strengthen the disclosure of indicators such as greenhouse gas emissions. For details on the key indicators related to climate change response, please see “APPENDIX I TABLE OF 2024 ESG KEY PERFORMANCE DATA”.

5.3 PRACTICING GREEN OPERATION

Yeahka complies with relevant requirements of laws and regulations such as the “Environmental Protection Law of the People’s Republic of China” and the “Energy Conservation Law of the People’s Republic of China”, adhering to compliance as the baseline and practicing green operations and development.

We have developed the “Yeahka Green Office Manual”, guiding employees to cultivate good green office habits in areas such as office water and electricity usage, emissions management, waste management, and business travel. We identify resource consumptions and emissions highly relevant to daily operations. The company primarily consumes resources such as printing paper, water, electricity, and official vehicle fuel. Emissions include domestic sewage, greenhouse gases, and air pollutants generated from purchased electricity and official vehicle usage. Domestic sewage is collected and discharged into municipal sewage pipelines for treatment, with no instances of direct sewage discharge. In 2024, the Company did not have any major violations regarding environmental management.

Water resource management

Objective: To reduce the average monthly water consumption per person

Water conservation measures:

Publicity on water-saving awareness	Water saving at facilities
Post water-saving signs at water usage points to promote water conservation and remind employees to turn off water immediately after use.	Strengthen the daily maintenance of water fixtures (faucets, water connectors) and water pipelines to prevent unnecessary waste of water resources.

CHAPTER V TECHNOLOGY FOR EMISSION REDUCTION TO EMBRACE A GREEN FUTURE

Energy management

Objective: To achieve a decreasing trend in the overall electricity consumption at offices

Energy conservation measures:

Energy-saving design

The office area incorporates a significant amount of high-transparency glass as partitions for meeting rooms and other spaces, increasing natural lighting and reducing the use of artificial lighting.

Energy-saving devices

Prioritize the purchase and use of high-efficiency office equipment and energy-saving lighting to reduce electricity consumption. Install time or illumination controllers to manage lighting in public office areas, minimizing energy waste.

Power saving management

Conduct round-the-clock patrol inspections in office spaces. Enable energy-saving modes for office equipment and ensure timely shutdown during non-working hours, achieving “lights off when people leave” to lower electricity usage.

Green travel

For commuting, encourage employees to replace driving with walking, cycling, public transportation, or carpooling for their daily commute. For official vehicle use, strengthen the management and supervision of official vehicle usage, prevent personal use of company vehicles, and reduce unnecessary fuel emissions by improving the rational utilization of official vehicles. For business travel, encourage prioritizing transportation with lower greenhouse gas emissions for business trips, while advocating for online communication as an alternative to non-essential travel.

CHAPTER V TECHNOLOGY FOR EMISSION REDUCTION TO EMBRACE A GREEN FUTURE

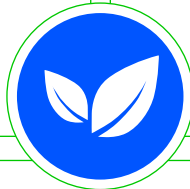
Waste management and resource utilization

Objective: To minimize wastes

Waste reduction measures:

Save paper: Promote paperless office practices to reduce the circulation or printing of paper documents. Advocate for double-sided printing and encourage the recycling of paper. Strengthen the management process for printing permissions to minimize unnecessary access. Reduce or avoid excessive decorations during festive occasions to prevent the wasteful use of paper materials.

Reduce the use of disposable products: Encourage employees to reduce the use of disposable stationery and utensils. When traveling, avoid using hotel-provided disposable items and instead use personal items such as water bottles and utensils to minimize waste generation.



Save office supplies: Review and approve the application for office supplies through the “Administrative Supplies Management” platform. Establish an approval mechanism for mouse and keyboard assessment, repair, replacement, reuse, and procurement to ensure on-demand usage and reduce waste. Reasonably allocate resources for new employees according to the principle of hierarchical application for office supplies for different positions, reducing the distribution of non-essential office supplies.

Waste-reduction publicity: Add a food-saving publicity slogan on the home page of Leshangquan to promote a scientific and civilized catering consumption model, and advocate the concept of conservation to consumers so as to further reduce waste emissions. Carry out publicity activities such as the World Forest Day to advocate environmental protection and popularize environmental knowledge to consumers. Advocate online payment collection among merchants to save 3,013 tons of paper each year and protect 50,224 trees in the world.

CHAPTER V TECHNOLOGY FOR EMISSION REDUCTION TO EMBRACE A GREEN FUTURE

Recycling measures:

Material reusing: Simplify holiday decorations by selecting reusable items and installations. Incorporate sustainable and eco-friendly concepts into gifts for occasions such as Thanksgiving, Qixi Festival, Dragon Boat Festival, and Mid-Autumn Festival. Choose durable materials for events to facilitate future reuse.

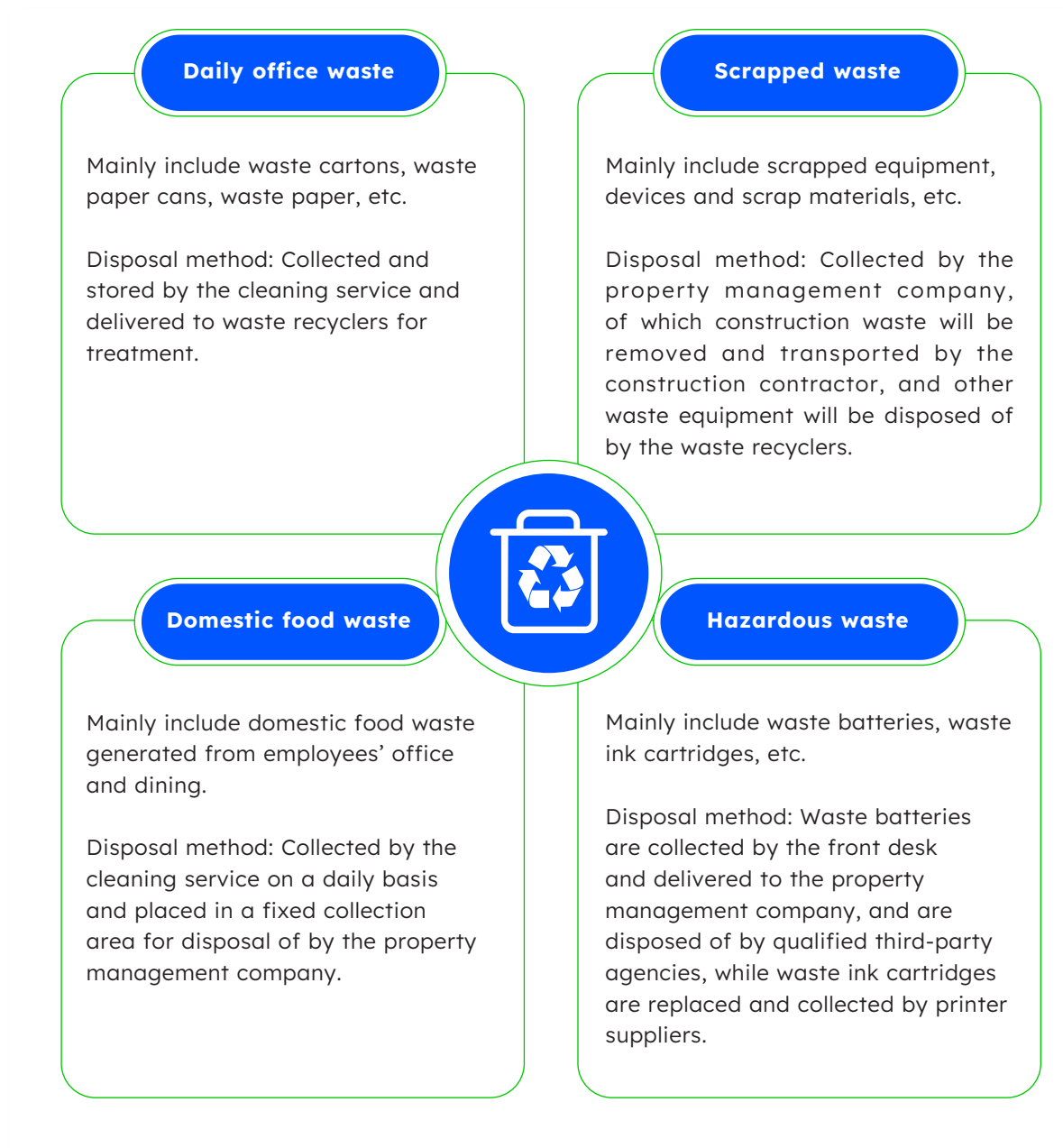
Waste classification: Set up unified categorized waste bins in the office area to effectively coordinate with recycling companies, enabling resource-based treatment of waste and ensuring proper recycling and reuse.

Harmless treatment measures:

Disposal of hazardous wastes: Hand over hazardous wastes (such as waste batteries and waste ink cartridges) to qualified third-party agencies to ensure proper disposal of hazardous wastes.

With the goal of reducing waste, we actively respond to national waste classification requirements, adhere to the principles of reduction, recycling, and harmless treatment, and strengthen waste management by focusing on the details of daily operations to enhance employees' waste reduction awareness. In 2024, Yeahka primarily dealt with four categories of waste. For each category, we strictly complied with relevant laws and regulations to ensure proper disposal.

CHAPTER V TECHNOLOGY FOR EMISSION REDUCTION TO EMBRACE A GREEN FUTURE



APPENDIX I TABLE OF 2024 ESG KEY PERFORMANCE DATA

ENVIRONMENTAL SUBJECT AREA

KPIs		Unit	2024
Emissions	SO ₂ emissions	kg	0
	NO _x emissions	kg	0
	PM emissions	kg	0
GHG emissions	GHG emissions (Scope 1) ²	tCO ₂ e	0
	GHG emissions (Scope 2) ³	tCO ₂ e	399.56
	Total GHG emissions	tCO ₂ e	399.56
	GHG emission intensity	tCO ₂ e/revenue RMB million	0.13
Hazardous wastes	Total hazardous wastes	tonnes	0.47
	Intensity of hazardous wastes	tonnes/revenue RMB million	0.00015
Non-hazardous wastes	Total non-hazardous wastes	tonnes	14.28
	Intensity of non-hazardous wastes	tonnes/revenue RMB million	0.005
Energy consumption	Total energy consumption	MWh	744.61
	Direct energy consumption	MWh	0
	Indirect energy consumption	MWh	744.61
	Energy consumption intensity	MWh/revenue RMB million	0.24
	Total electricity consumption	MWh	744.61
	Gasoline consumption	Liters	0

² Scope 1 greenhouse gas emissions mainly come from direct greenhouse gas emissions generated by fossil fuel consumption (such as gasoline, diesel, natural gas, etc.) in the Company's operation/production process.

³ Scope 2 greenhouse gas emissions mainly come from indirect greenhouse gas emissions generated by purchased electricity and steam consumption in the Company's operation/production process.

APPENDIX I TABLE OF 2024 ESG KEY PERFORMANCE DATA

KPIs		Unit	2024
Water consumption	Water consumption	m ³	5,925.25
	Water consumption intensity	m ³ /revenue RMB million	1.92

NOTES ON ENVIRONMENTAL DATA AND FACTORS

1. The scope of data collection covers the Company's three office premises in Shenzhen, and the time span is from January 1, 2024 to December 31, 2024.
2. The Company's energy consumption mainly comes from the use of purchased electricity, and the data statistics are based on the payment bills of related expenses and administrative ledgers; as for the emission factors of electricity in China refer to the national electricity carbon dioxide emission factor in the *Announcement on Releasing the 2022 Electricity Carbon Dioxide Emission Factors* issued in December 2024.
3. The water supply of the Company comes from the municipal water supply network, and there is no problem in obtaining an appropriate water source, with the data sources from financial records and administrative ledgers.

APPENDIX I TABLE OF 2024 ESG KEY PERFORMANCE DATA

SOCIAL SUBJECT AREA

KPIs		2024	
Total workforce by gender, employment type, age group and geographical region			
		Number of employees (Persons)	Percentage (%)
By gender	Male	608	69.80%
	Female	263	30.20%
By employment type	Full-time	871	100.00%
By age group	Below 30	268	30.77%
	Aged 31-40	510	58.55%
	Aged 41-50	86	9.88%
	Above 50	7	0.80%
By geographical region	Chinese mainland	856	98.28%
	Overseas, Hong Kong, Macao and Taiwan	15	1.72%
Total workforce		871	
Employee turnover rate by gender, age group and geographical region			
		Number of turnover employees (Persons)	Turnover rate (%)
By gender	Male	68	10.06%
	Female	59	18.32%
By age group	Below 30	85	24.08%
	Aged 31-40	39	7.10%
	Aged 41-50	3	3.37%
	Above 50	0	0.00%
By geographical region	Chinese mainland	125	12.74%
	Overseas, Hong Kong, Macao and Taiwan	2	11.76%

APPENDIX I TABLE OF 2024 ESG KEY PERFORMANCE DATA

Health and safety			
Number of work-related fatalities		0 (no work-related fatalities occurred in the past three years)	
Lost days due to work injury		0	
Percentage of employees trained and average training hours completed per employee by gender and rank			
		Percentage of employees trained	Average training hours completed per employee
By gender	Male	98.68%	89.98
	Female	94.30%	112.99
By rank	Senior management	100.00%	49.00
	Middle management	100.00%	73.78
	General employee	96.27%	106.82
Number of suppliers			
Number of suppliers	Number of suppliers who have signed the “Letter of Commitment for Anti-commercial Bribery”	68	
	Number of suppliers who have implemented relevant policies (especially environmental protection and social policies)	28	
Customer service data			
Number of customer complaints (Cases)		91,414	
Number of follow-up visits (Cases)		26,576	

APPENDIX II ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE INDEX

	ESG Indicators	Disclosure	Corresponding chapter
A1 General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p> <p>Note: Air emissions include NO_x, SO_x, and other pollutants regulated under national laws and regulations.</p> <p>Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.</p> <p>Hazardous wastes are those defined by national regulations.</p>	Disclosed	Technology for Emission Reduction to Embrace a Green Future
A1.1	The types of emissions and respective emissions data.	Disclosed	Appendix I
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	Appendix I
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	Appendix I
A1.5	Description of emissions target(s) set and steps taken to achieve them.	Disclosed	Technology for Emission Reduction to Embrace a Green Future

APPENDIX II ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE INDEX

ESG Indicators		Disclosure	Corresponding chapter
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.	Disclosed	Technology for Emission Reduction to Embrace a Green Future
A2 General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Disclosed	Technology for Emission Reduction to Embrace a Green Future
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).	Disclosed	Appendix I
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Disclosed	Appendix I
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Disclosed	Technology for Emission Reduction to Embrace a Green Future
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.	Disclosed	Technology for Emission Reduction to Embrace a Green Future
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable. Our primary businesses do not involve the use of packaging materials.	—

APPENDIX II ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE INDEX

	ESG Indicators	Disclosure	Corresponding chapter
A3 General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Disclosed	Technology for Emission Reduction to Embrace a Green Future
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed	Technology for Emission Reduction to Embrace a Green Future
B1 General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Disclosed	Technology Sharing to Implement Collaborative Development
B1.1	Total workforce by gender, employment type (for example, full- or parttime), age group and geographical region.	Disclosed	Appendix I
B1.2	Employee turnover rate by gender, age group and geographical region.	Disclosed	Appendix I

APPENDIX II ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE INDEX

	ESG Indicators	Disclosure	Corresponding chapter
B2 General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Disclosed	Technology Sharing to Implement Collaborative Development
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Disclosed	Technology Sharing to Implement Collaborative Development
B2.2	Lost days due to work injury.	Disclosed	Appendix I
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Disclosed	Technology Sharing to Implement Collaborative Development
B3 General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	Disclosed	Technology Sharing to Implement Collaborative Development

APPENDIX II ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE INDEX

ESG Indicators		Disclosure	Corresponding chapter
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Disclosed	Appendix I
B3.2	The average training hours completed per employee by gender and employee category.	Disclosed	Appendix I
B4 General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Disclosed	Technology Sharing to Implement Collaborative Development
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Disclosed	Technology Sharing to Implement Collaborative Development
B4.2	Description of steps taken to eliminate such practices when discovered.	Not applicable. No illegal acts related to child or forced labor were recorded during the Year.	—

APPENDIX II ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE INDEX

	ESG Indicators	Disclosure	Corresponding chapter
B5 General Disclosure	Policies on managing environmental and social risks of the supply chain.	Disclosed	Technology Sharing to Implement Collaborative Development
B5.1	Number of suppliers by geographical region.	Based on the current actual needs of business management, supplier statistics have not been compiled from this dimension for the time being.	—
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.	Disclosed	Technology Sharing to Implement Collaborative Development
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Disclosed	Technology Sharing to Implement Collaborative Development
B5.4	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Disclosed	Technology Sharing to Implement Collaborative Development

APPENDIX II ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE INDEX

	ESG Indicators	Disclosure	Corresponding chapter
B6 General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Disclosed	Technology Driving to Advance Business Innovation
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable. Our core products and services do not involve safety and health risks.	—
B6.2	Number of products and service related complaints received and how they are dealt with.	Disclosed	Appendix I and Technology Driving to Advance Business Innovation
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Disclosed	Technology Driving to Advance Business Innovation
B6.4	Description of quality assurance process and recall procedures.	Disclosed	Technology Driving to Advance Business Innovation
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Disclosed	Technology Driving to Advance Business Innovation

APPENDIX II ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE INDEX

	ESG Indicators	Disclosure	Corresponding chapter
B7 General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Disclosed	Corporate Governance
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.	Disclosed	Corporate Governance
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Disclosed	Corporate Governance
B7.3	Description of anti-corruption training provided to directors and staff.	Disclosed	Corporate Governance
B8 General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Disclosed	Technology Sharing to Implement Collaborative Development
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Disclosed	Technology Sharing to Implement Collaborative Development
B8.2	Resources contributed (e.g. money or time) to the focus areas.	Disclosed	Technology Sharing to Implement Collaborative Development

APPENDIX II ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE INDEX

ESG Indicators		Disclosure	Corresponding chapter
Climate-related Disclosures	Governance, Strategy, Risk Management, Metrics and Targets	Disclosed	Technology for Emission Reduction to Embrace a Green Future Appendix I

Contact us

We firmly believe that the valuable feedback from stakeholders contributes to our continuous improvement. If you have any suggestions or questions regarding the content of this report or our sustainability efforts, please feel free to contact us through the following channels:

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(To Yeahka Limited)

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