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新华文轩出版传媒股份有限公司

Xinhua Winshare Publishing and Media Co.,Ltd.

2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Definitions

In this report, the following expressions shall have the meanings stated below unless the context otherwise requires:

A Share(s)	Renminbi-denominated ordinary share(s) of the Company with a nominal value of RMB 1.00 each, all of which are issued in China, subscribed in Renminbi and listed on the SSE
Articles of Association	the articles of association of the Company (as amended from time to time)
Audit Committee	the audit committee under the Board of the Company
Board	the board of directors of the Company
Company Law	the Company Law of the People's Republic of China
Company, Xinhua Winshare, or Listed Company	Xinhua Winshare Publishing and Media Co., Ltd.* (新華文軒出版傳媒股份有限公司)
Director(s)	the director(s) of the Company
ESG	Environmental, Social and Governance
ESG Report	the report prepared in accordance with the Listing Rules of the Shanghai Stock Exchange and the Stock Exchange of Hong Kong Limited, as well as other applicable regulations
ESG Reporting Code	the Environmental, Social and Governance Reporting Code set out in Appendix C2 to the Listing Rules
Group	the Company and its subsidiaries
H Share(s)	overseas listed foreign share(s) of the Company with a nominal value of RMB1.00 each, all of which are issued in Hong Kong, subscribed in Hong Kong dollars and listed on the Stock Exchange
Nomination Committee	the nomination committee under the Board of the Company
PRC or China	the People's Republic of China (for the purpose of this report, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan Province, China)
Remuneration and Review Committee	the remuneration and review committee under the Board of the Company
RMB	Renminbi, the lawful currency of the PRC
R&D	research and development
Sales value	the list price of books printed at the back of each book
Shareholder(s)	H shareholder(s) and A shareholder(s) of the Company
Sichuan Xinhua Printing	Sichuan Xinhua Printing Co., Ltd.
Sichuan Xinhua Publishing and Distribution Group	Sichuan Xinhua Publishing and Distribution Group Co., Ltd.
SSE	Shanghai Stock Exchange
Stock Exchange	The Stock Exchange of Hong Kong Limited
Strategy and Investment Planning Committee	the strategy and investment planning committee under the Board of the Company
Winshare September	the digital content reading service platform under Winshare Online
winxuan.com	the online sales platform of paper publications under Winshare Online
Xinhua Winshare Cloud Store	the Company's integrated online-offline mini-program platform
Year, Period or Reporting Period	the period from 1 January to 31 December 2025

Report Description

Reporting Entity

The Group, consistent with the annual report.

Time Period

The Reporting Period.

Basis for Preparation

This report is prepared in accordance with the Guidelines No. 1 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Standardized Operations and the Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial) issued by the SSE, the Content and Format Rules for Information Disclosure by Companies Offering Securities to the Public No. 2—Content and Format of Annual Reports issued by the China Securities Regulatory Commission, as well as Appendix C2 Environmental, Social and Governance Reporting Code to the Listing Rules of the Stock Exchange.

Reporting Principles

This report abides by the reporting principles of the ESG Reporting Code.

- Materiality: During the Reporting Period, the Group conducted a materiality assessment on ESG topics, based on which targeted disclosures are made in this report. The Board has acknowledged the results of the materiality assessment and approved this report.
- Quantitative: The Group adopts a standardized ESG performance indicator management mechanism to regularly track and calculate key ESG performance indicators, which are compiled and disclosed at the end of the year. Where practicable, the statistical standards and calculation methods for quantified key performance indicators in this report are explained in the Report Description.
- Consistency: The statistical methods used for data disclosed in this report remain consistent. To ensure comparability between this report and prior-year reports, there are no material adjustments to the disclosure scope, and the preparation approach is consistent with previous years.

Report Release

This report is publicly disclosed on the Company's official website (www.winshare.com.cn), the SSE website (www.sse.com.cn) and the Stock Exchange website (www.hkexnews.hk), and is available in both Chinese and English versions.

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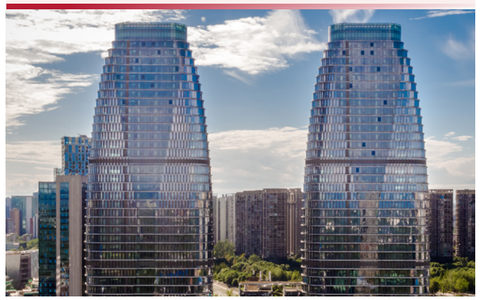
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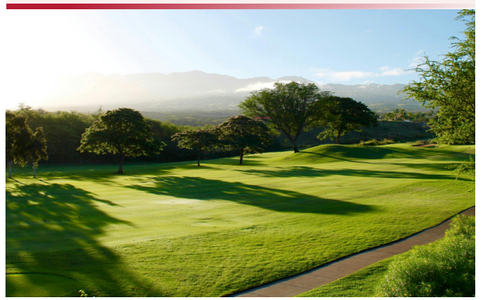


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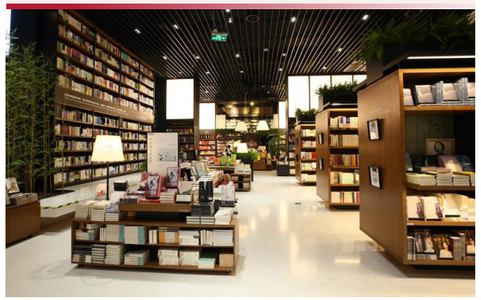
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About the Company

Company Introduction

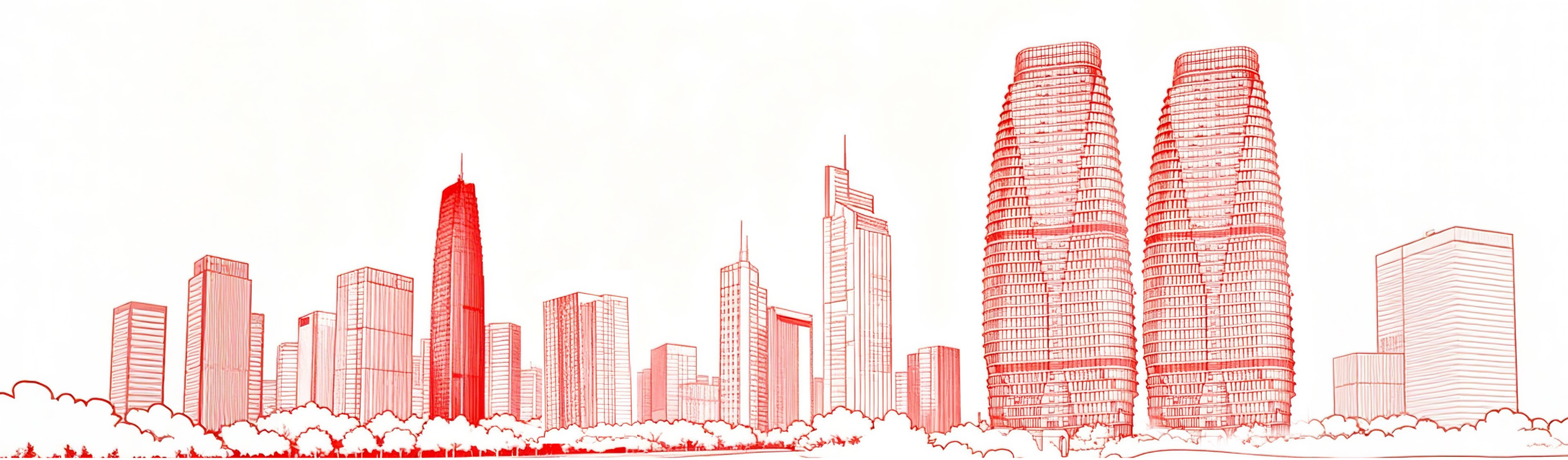
As one of the representative enterprises in China's cultural system transformation, the Company was established primarily by Sichuan Xinhua Publishing and Distribution Group. The Company was listed on the Main Board of the Stock Exchange in 2007 and successfully returned to the A-share market in 2016, becoming the first publishing and media enterprise in China to be listed on both the A-share and H-share markets.

The Group upholds the core value of "innovation + sharing", the mission of "inheriting excellent culture and leading industry development", and the vision of becoming "the most innovative and growing publishing and media enterprise in China" and "a comprehensive cultural service group with international influence". Guided by the "technology + capital" two-wheel driven strategy, promoting the upgrade of the publishing and media industry chain, and has built a first-rate system covering four major sectors namely content publishing, education services, cultural consumption services, and supply chain services, as well as a capital operation, investment and financing system. The Company operates 15 publishing and media entities, 179 physical bookstores, and online platforms including Xinhua Winshare Cloud Store, winxuan.com, and Winshare September, which has established an integrated online-offline cultural consumption service system, facilitating the transformation of brick-and-mortar bookstores from book retailers to providers of cultural consumption services. Building upon the consolidation of its core business, the Group actively promotes its digital transformation, leveraging e-commerce platforms to expand into digital publishing and integrated development, and empowers the overall efficiency improvement of the publishing industry by establishing a nationwide logistics network. The Group focuses on key educational stages, including pre-school education, compulsory education, general high school education, and vocational education, precisely meeting diverse teaching and learning needs to support the nation's high-quality education development. The Group actively explores ventures in areas such as gaming and capital operations, steadily advancing towards becoming a diversified cultural enterprise. The Group actively responds to the "going global" strategy for culture, continuously promoting the international dissemination of Chinese culture through copyright export and the export of physical books and periodicals. The Group consistently fulfills its social responsibilities by organizing the Tianfu Book Fair and conducting nationwide reading and public welfare activities, dedicated to advancing social culture and public welfare initiatives. The Group shares development achievements with investors, partners, consumers, and employees, gradually growing into a comprehensive cultural service enterprise with broad market influence and social recognition.

As of the end of the Reporting Period, the Company's subsidiaries included

15 publishing and media entities

179 physical bookstores



Awards and Honors

The Group consistently integrates the concept of sustainability deeply into its strategy and operations, making continuous investments and active explorations in the areas of environment, society, and governance. The related practices and achievements have also gained widespread recognition from various sectors of society and professional institutions.

2025 National Top 30 Cultural Enterprises

Guangming Daily, Economic Daily

Outstanding Contribution Award for the Promotion of Key Popular Theory Books (2024-2025)

Xuexi Press

Tax Credit Rating of Grade A for Ten Consecutive Years (2015-2024)

State Taxation Administration, Sichuan Provincial Tax Service, Chengdu Jinjiang District Tax Bureau

Information Disclosure Work Evaluation Grade A (2024-2025)

Shanghai Stock Exchange

The 16th China Listed Companies Investor Relations Management Tianma Awards - Investor Relations Management Outstanding Team Award

Securities Times

Best Board of Directors Award, Listed Company Reputation List

National Business Daily

"Practitioner" Title in the Inaugural "Media Industry Sustainability Index"

Center for Business Sustainability, The Chinese University of Hong Kong; Institute of State Governance, Communication University of China; Member Unit of the UNESCO Media and Information Literacy Alliance, "Media One Research"

Key Performance Overview

The Group remains committed to advancing ESG dimensions in a coordinated manner and actively fulfilling its corporate social responsibilities. During the Reporting Period, the Group implemented a series of practical measures and achieved positive progress. Key ESG-related performance indicators were as follows:

Comprehensive Reduction in Energy Consumption

Compared to 2024, consumption of electricity, gasoline, diesel, natural gas, liquefied petroleum gas (LPG), and heat decreased by **1.82%**, **25.93%**, **86.01%**, **13.14%**, **49.28%**, and **4.17%**, respectively.

Significant Reduction in Greenhouse Gas Emissions

Scope 1 (direct emissions) decreased by **25.43%** compared to 2024, Scope 2 (indirect emissions) decreased by **2.94%** compared to 2024, and total emissions decreased by **5.94%** compared to 2024.

Packaging Material Management

Packaging material usage decreased to **4,259.37** tons, a reduction of 18.55% compared to 2024

Packaging material recycling volume generated by the logistics department increased to **136.90** tons, a 49.36% increase compared to 2024

Employee Health and Safety

No work-related fatalities for three consecutive years, with an occupational disease incidence rate of **0**

Talent Development and Growth

Training expenditure reached RMB **7.1066** million in 2025, continuously supporting employee development.

Cultural Export and International Influence

The Company, along with five of its subsidiaries and one project, was selected as a **"2025–2026 National Key Cultural Export Enterprise and Project".**

14 projects were included in the **"Classics China International Publishing Project"** and the **"Silk Road Book Publishing Project"** for 2025, setting a new record for the number of selections.

Rural Revitalization

Total investment of RMB **23.3946** million

Public Welfare

Total investment of RMB **35.2559** million

Harnessing Momentum: New Chapter in ESG Governance

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Improving Governance Structure

Governance Structure

The Company has established a well-defined, standardized, and coordinated corporate governance structure consisting of the shareholders' meeting, the Board, and the management team, in accordance with laws and regulations such as the Company Law, the Securities Law, and the Corporate Governance Guidelines for Listed Companies. The Board has established the Strategy and Investment Planning Committee, the Nomination Committee, the Remuneration and Review Committee and the Audit Committee to assist the Board in fulfilling its decision-making and supervisory functions in key areas including strategic development, remuneration and review, internal control and audit, risk management, and ESG governance.

The Company places great emphasis on sustainable development. In accordance with the relevant provisions of the Listing Rules of the SSE and the Stock Exchange and the ESG Reporting Code, the Company has established an ESG governance framework tailored to its business operations. This governance framework comprises the "Board – Audit Committee – ESG Leading Group – Functional Departments", clearly defining the primary responsibilities and duties of each level from decision-making to execution in ESG management. The Board is responsible for the ESG strategy, management, and disclosure, and has authorized the Audit Committee to assist the Board in managing and making decisions on ESG matters, as well as in assessing and defining ESG governance strategies and risks. The Company's ESG Leading Group is responsible for organizing and implementing ESG management, and reports regularly to the Board and the Audit Committee on ESG-related work. Functional Departments collaborate to advance the specific implementation of ESG initiatives. The Company will continue to build upon this governance framework, enhancing its ESG governance standards through effective management mechanisms and promoting long-term sustainable development.

Institutional Development

The Company places great emphasis on the development of corporate governance framework and strictly adheres to laws, regulations, and regulatory requirements to continuously improve its governance framework. The Company has established a series of relevant policies, including the Articles of Association, the Rules of Procedure for the Shareholders' Meeting, the Rules of Procedure for Board Meeting, the Working System for Independent Directors, the Detailed Working Rules for the General Manager, the Working System for the Secretary to the Board, the Related Party Transactions System, the Administrative Measures for External Guarantees, the Investor Relations Management System, the Information Disclosure System, the Administrative Measures for the Use and Management of A-Share Proceeds, the Insider Registration and Management System, and the System of Accountability for Major Errors in Annual Report Information Disclosure, providing a robust institutional foundation for the standardized operation of the Company's corporate governance structure.

Board Independence and Diversity

At the end of the Reporting Period, the Board comprised eight directors, including three independent directors and five non-independent directors; one female director and seven male directors. The Board has formulated the Board Diversity Policy, which fully considers the diversity of the Board's members from multiple aspects and quantifiable criteria, including but not limited to gender, age, cultural and educational background, region, industry experience, professional expertise, and tenure of service. Based on the Company's business characteristics and needs, director appointments are ultimately determined according to candidates' expertise and their potential contributions to the Board's decision-making, enabling them to provide governance and development advice from diverse perspectives.

Deepening Communication Mechanisms

The Group fully integrates the concept of sustainable development into its management and business operations, strives to create long-term and shared value for its stakeholders, including readers, employees, shareholders, schools, government, and regulatory authorities. To this end, the Group has established and continuously improved its stakeholder engagement mechanisms, consistently identifies and responds to stakeholder concerns. This effectively safeguards their legitimate rights and interests and promotes the steady development of the Group.

Stakeholders	Expectation	Means of communication	Response
Customer and readers	• High quality products and services • Extensive cultural knowledge input • Reading experience enhancement • Ethical advertising practices	• Official website, official accounts and other media • Customer service hotline • Offline stores communication	• Strengthening the management and control of product quality • Support and explore outstanding works for publication • Establish people-friendly online and offline operating entities and efficient logistics network • Optimize customer compliant procedures, understand customers' views
Employees	• Diversified and equal employment practices • Ensure occupational health and safety • Statutory remuneration and benefits • Provide sound training and career development opportunities	• Employee representative meetings • Intranet, email, forum, internal publications and seminars • Online and offline training activities	• Optimize the internal management system including staff recruitment and promotion, respect employees' rights • Safeguard the occupational health and safety of employees • Provide sound remuneration and benefits • Provide diversified training on position skills
Shareholders	• Regulation of corporate governance • Steady performance growth • Corporate value enhancement	• Shareholders' general meetings • Regular reports and temporary announcements • Information releasing channels such as roadshows and results presentations	• Continuously improving internal control and risk management mechanisms • Formulate and implement development strategies • Ensure transparent and open information disclosure • Implement stable, sustainable dividend policy
Schools	• Enhancement of quality and stable supply of textbooks and supplementary materials • Empowering educational services	• Field research and interviews • Teaching seminars • Carrying out study tours	• Establish effective printing, logistics, and education service systems • Promote the development of educational informatization • Teacher training • Study tour and labor practice
Government and regulatory authorities	• Compliant operations • Flourish in the cultural industry • Support to education • Rural revitalization	• Information submission and disclosure • Investigation, inspection and supervision • Carrying out charitable activities	• Comply with national laws and regulations, improve internal systems, and enhance governance standards • Disclose information and submit various materials in a timely, accurate, and complete manner • Maintain communication with regulatory authorities regarding information disclosure and major matters • Comprehensively develop a diversified cultural industry • Support education in deprived regions • Assist in rural revitalization

Stakeholders	Expectation	Means of communication	Response
Suppliers and partners	• Facilitation of healthy industry development • Protection of intellectual property rights • Mutual benefits and joint development • Fair competitions • Stabilize the supply chain	• Peer and enterprise cooperation, exchange and research • Industry association • Book trade fairs • In-person visits and face-to-face meetings • Online video conference	• Strengthening supplier management and qualification evaluation • Strengthen the protection of intellectual property rights • Build a long-term stable cooperation mechanism • Collaborating on brand activities and information dissemination
Community and the public	• Practice public welfare • Cultural promotion	• Carrying out public welfare activities • Organizing community activities	• Charitable donations, participation in community service activities, etc. • Carry out diversified community cultural activities • Rural revitalization
Environmental	• Efficient use of energy and resources • Response to climate change • Promoting energy conservation and emission reduction • Use of raw materials	• Environmental inspection • Environmental information disclosure	• Collect and analyze environmental performance • Strengthen climate risk management • Enhance recycling resource and reduce waste • Practice green procurement • Promote environmental protection • Promote energy-efficient office and new energy transportation

Identifying Core Issues

In accordance with the Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial) and the ESG Reporting Code, the Group uses methods such as questionnaire collection, assesses whether its performance on various ESG topics has, or may have, a material actual or potential impact on the economy, society, and environment. It also assesses whether the Group's performance on such topics has a material impact on the Company's business model, operations, development strategy, financial condition, operating results, cash flow, financing methods and costs, and other aspects. The Group evaluates ESG topics of key interest to its stakeholders, determining materiality based on two dimensions, impact materiality and financial materiality, to establish a materiality matrix.

Materiality Analysis Process

Background analysis and issue identification

- Analyze the Group's activities and business relationships, external objective environment, and latest regulatory requirements to identify all potentially relevant issues.
- Screen the initially identified issues to determine key issues.

Issue assessment analysis

- Conduct impact materiality assessment and financial materiality assessment through questionnaire surveys and expert evaluations.
- Integrate the assessment results of the impact materiality assessment and the financial materiality assessment to form a materiality matrix.

Review and disclosure

- The Audit Committee reviews and confirms the analysis results, and specifies the key disclosures required in the report.

Materiality Matrix

In 2025, the Group identified a total of 27 issues, as follows:

Environmental

1. Response to climate change
2. Pollutant emission
3. Waste disposal
4. Environmental compliance management
5. Use of energy
6. Use of water resources
7. Circular economy and energy savings
8. Ecological system and biodiversity protection

Social

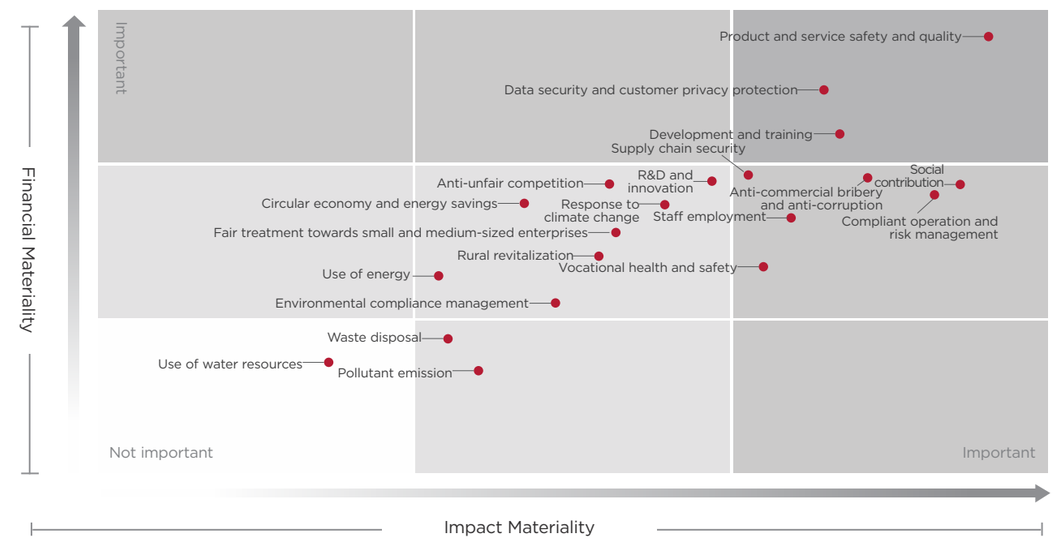
9. Rural revitalization
10. Social contribution
11. R&D and innovation
12. Technology ethics
13. Supply chain security
14. Staff employment
15. Development and training
16. Vocational health and safety
17. Fair treatment towards small and medium-sized enterprises
18. Product and service safety and quality
19. Data security and customer privacy protection

Governance

20. Due diligence
21. Stakeholder communication
22. Anti-unfair competition
23. Information disclosure transparency
24. Anti-commercial bribery and anti-corruption
25. Governance strategy and organizational structure
26. Compliant operation and risk management
27. Investor relations management and shareholders' interests

The Group evaluates issues from the perspectives of both impact materiality and financial materiality, and based on the assessment, selects 20 issues to form the materiality matrix.

2025 Xinhua Winshare Materiality Matrix



In 2025, based on the results of materiality analysis of ESG issues, the Group disclosed three financial material issues – "Product and service safety and quality", "Data security and customer privacy protection" and "Development and training" - using the four key aspects framework of "Governance—Strategy—Impacts, Risks and Opportunities Management—Indicators and Targets". For details on "Product and service safety and quality", please refer to "IV. Craftsmanship: Quality and Innovation Go Hand in Hand, (I) Pursuing Excellence in Products"; for "Data security and customer privacy protection" please refer to "V. Steady Progress: Cornerstone of Governance and Risk Control, (IV) Defending Data Privacy"; and for "Development and training", please refer to "III. Empowerment: Realizing Employee Value, (III) Empowering Career Development".



Embracing Sustainability: Eco-Friendly Operations

Addressing Climate Change



To address the risks and opportunities arising from climate change, the Company has established an ESG governance framework led by the Board and has integrated climate-related topics into the Company's governance and strategy. Based on scientific scenario analysis, the Company continuously identifies and assesses the impacts of physical and transition risks on its value chain and financial performance, advances greenhouse gas emissions reduction and resource efficiency improvement, and incorporates climate risk management into the Company's daily operations, ensuring that climate factors are fully integrated into major decision-making and the formulation of corporate strategy.

Governance

Relying on its existing ESG governance framework, the Company has integrated climate governance responsibilities into its accountability system at different levels, establishing a climate risk management mechanism aligned with its business operations and continuously advancing its green and low-carbon development. The Board is responsible for approving the Company's climate strategy, long-term goals, and major transformation initiatives, and reviews climate-related topics and oversees the formulation and implementation of targets through annual meetings. The Audit Committee regularly convenes meetings to assist in assessing climate-related risks and reviewing emission reduction pathways and management performance. The ESG Leading Group organizes and supervises the implementation of climate change response initiatives, reporting progress to the Board and the Audit Committee. The Functional Departments collaborate to execute ESG initiatives. Within this framework, the Legal and Risk Management Department is responsible for regularly updating the risk database, which contains information on climate-related environmental risks, emergency response risks for major incidents, and other relevant data. It develops the Annual Risk Assessment Questionnaire and prepares the Annual Risk Assessment Report based on evaluation results for submission to the Board, ensuring timely the Board awareness of these risk factors.

The Company has incorporated climate-related metrics, such as implementing green and innovative development initiatives for printing enterprises and actively promoting intelligent and green equipment upgrades, into its remuneration and review system. To enhance the professional capabilities of its governance bodies, the Company organizes climate-related training sessions and seminars for Board members and senior management. This continuously strengthens their competence in climate strategy, risk identification, and sustainable development, thereby ensuring the scientific rigor and effectiveness of its climate governance framework.

Strategy

The Group references the IPCC AR6 climate database and the NGFS climate scenario analysis model[1], using the high-emission SSP5-8.5 scenario, conducts physical risk analysis across 12 key regions in China where its business operations were carried out. The Company and its subsidiaries are primarily concentrated in Sichuan Province; therefore, the associated climate risks and opportunities are mainly focused on this region. The SSP5-8.5 scenario assumes that future global economic growth will remain highly dependent on fossil fuels, with carbon emissions continuing to rise and doubling by 2050, potentially leading to an increase in global average temperature of approximately 4.4℃ by the end of this century. Based on this climate scenario, the Group conducts a comprehensive analysis of its transition risks and potential opportunities across the entire value chain, integrating the risk database. It evaluates the impacts of relevant climate-related risks and opportunities on the Group's strategy and financial performance and provides a scientific basis for strategic adjustments and decision-making based on the assessment results.

The physical risks arising from extreme weather events such as heavy rainfall, strong winds, and flooding, as well as transition risks related to climate policies and markets—identified through scenario analysis by the Group—pose significant impacts on overall operations, including warehousing, printing workshops, logistics, and retail operations. To address operational disruption risks triggered by extreme weather events (e.g., heavy rainfall and strong winds), the Group has established emergency response plans such as the Comprehensive Emergency Response Plan for Production Safety Accidents and the Emergency Response Plan for Heavy Rainfall, Gale-Force Winds, and Flood Control. A tiered emergency response mechanism has been implemented, complemented by measures including warehouse reinforcement, stockpiling of flood prevention materials, and insurance coverage for inventory and fixed assets, thereby enhancing business continuity. To deal with policy-driven and market-driven green transition risks, the Group is actively advancing strategic adjustments to its business model, such as increasing the procurement and sales share of environmentally certified paper (e.g., FSC/PEFC) and low-VOCs inks, incorporating environmental criteria explicitly into procurement technical evaluations, promoting energy-saving and emission-reduction initiatives and process upgrades, and proactively offering low-carbon paper solutions to meet downstream customers' green demands. During the Reporting Period, the Group invested RMB 10.8283 million in climate-related goals, transition plans, and certain risk mitigation measures outlined above. Looking ahead, the Group plans to institutionalize climate risk management and continuously strengthen its capacity to address long-term climate risks. The Group will strengthen the resilience of its entire supply chain by deepening the development of its supply chain service system, advancing the construction of a digital and intelligent logistics system, and upgrading production equipment. The Group will also further integrate climate risk responses into supplier management and customer service standards, thereby enhancing its strategic capability to address climate risks while seizing low-carbon opportunities.

Time Horizon Classification

The Group categorizes climate-related risks and opportunities into three dimensions, short-term, medium-term, and long-term to align with the pace of its operational management and support strategic decision-making. The short-term is defined as 0-1 year, the medium-term as 1-5 years, and the long-term as 5 years and beyond.

[1]The Shared Socioeconomic Pathways (SSP) of the IPCC Sixth Assessment Report; the NGFS (Central Banks and Supervisors Network for Greening the Financial System), an international platform composed of multiple central banks and financial supervisory authorities, including the People's Bank of China, has jointly designed and launched NGFS climate scenarios and analytical models in collaboration with climate scientists and economists.

Climate Risks and Opportunities

Chronic physical risk	Risk description	Time frame	Response measures	Impact on financials
Rising temperature	• Climate change has led to a significant rise in temperatures across various regions with more frequent extreme heat, increasing the demand for cooling in printing workshops, thereby raising energy consumption and equipment maintenance costs. • Excessively high temperature in printing workshops affect the drying speed of printing ink and registration accuracy, thereby reducing product quality. • Raw materials such as paper in warehouses and printing houses may experience deformation, drying, and other issues in high-temperature environment, increasing the defect rate and raw material consumption.	✓ Medium-term ✓ Long-term	• Improve high-temperature and disaster emergency plans, promote automation and remote operations, and conduct regular safety training and drills to prevent operational disruptions and employee health risks. • Optimize production scheduling plan, adjusting high-energy-consuming processes to operate during off-peak electricity hours to reduce energy costs. • Implement thermal insulation and localized cooling retrofit to ensure precise temperature control and reduce no-load energy consumption. • Promote constant-humidity paper storage, seasonal optimization of ink formulations, and differentiated printing parameter management to enhance quality stability and reduce material and energy consumption.	Possible decrease in revenue, and increase in operating and production costs.
Frequent drought	• May lead to water resource shortages, resulting in untimely production, delayed deliveries, and reputational risks. • Drought may hinder river navigation, leading to increased transportation costs and extended lead times for paper raw materials that rely on waterway transport.	✓ Short-term ✓ Medium-term ✓ Long-term	• Invest in constructing water-saving facilities or adopt other water conservation measures. • Establish partnerships with suppliers across multiple regions to ensure production continuity and cost stability.	Possible decrease in revenue, and increase in operating and production costs.

Acute physical risks	Risk description	Time frame	Response measures	Impact on financials
Rainstorm, strong wind and flood risk	• May result in offline stores being affected, damage to books and equipment, and affect readers' travel and shopping intentions. • May hinder the normal passage of logistics and transport vehicles, affecting the inbound delivery of raw materials and the outbound delivery of finished goods. • May cause factory shutdown, moisture damage and mold in warehouse raw materials, and disruption or delay in paper supply. • May cause damage to the external decoration or structure of buildings, thereby affecting the safety of goods within the warehouse.	✓ Short-term	• Formulate flood emergency plans and organize drills to enhance disaster response capabilities, ensure effective emergency rescue operations, and minimize losses to personnel, property, and the environment. • Maintain communication with suppliers, establish safety stock, and ensure raw material supply. • Regularly inspect and reinforce outdoor facilities to prevent safety incidents.	Possible decrease in revenue, and increase in operating and production costs.

Transition risk		Risk description	Time frame	Response measures	Impact on financials
Policy and law	Policy change risk	The government is vigorously promoting the development of green supply chains, requiring the Group to implement stricter management and supervision over the environmental performance of its suppliers. Companies that fail to meet energy-saving, low-carbon policy requirements and market trends may face risks including reputational damage and penalties. The government, in response to climate change, will establish stringent emission standards for air pollutants such as volatile organic compounds (VOCs). If the printing process of the Sichuan Xinhua Printing fails to meet the latest emission standards, it may face the risk of rectification, fines, or even suspension of production.	✓ Short-term ✓ Medium-term	Promote the development of green supply chains, enhance supply chain transparency and sustainability, and increase market recognition. Use inks with low volatile organic compound (VOCs) emission and environmentally friendly printing technology.	Possible increase in cost.
Technology	Environmentally friendly technology risk	To reduce carbon emissions and environmental pollution in the publication supply chain, upstream and downstream enterprises need to adopt environmentally friendly technologies that require significant investment. If companies fail to promptly upgrade to low-carbon technologies, they may face competitive disadvantages due to outdated equipment, low production efficiency, and high carbon emissions, thereby missing market opportunities.	✓ Medium-term	Reduce the cost of environmentally friendly technologies through technological innovation and enhance enterprises' sustainable development capabilities.	Possible increase in cost.
Market	Fluctuations in raw material prices	Climate change may affect the supply of printing raw materials (such as paper and ink). For example, the reduction of forest resources due to disasters increases the cost of paper production; meanwhile, the enhancement of environmental protection requirements may also lead to increase in the cost of raw materials such as ink.	✓ Short-term ✓ Medium-term ✓ Long-term	Through optimizing procurement strategies and cost control measures, reduce raw material and operational costs, and enhance market competitiveness.	Possible increase in cost, and decrease in profit.
	Consumer preferences	As public awareness of environmental protection increases, consumers are paying more attention to the environmental attributes of printed materials. If the Group's printed products fail to meet consumer expectations regarding environmental protection, such as not using eco-friendly paper and ink or lacking relevant green printing certifications, it may lead to a decline in market demand.	✓ Short-term	Develop and promote eco-friendly printed materials to meet consumers' demand for eco-friendly products and expand market share.	Possible decrease in revenue, and increase in cost.
Reputation	Reputational risks associated with supply chain collaboration	Upstream and downstream companies collaborating with the Group may affect its reputation if negative events occur in climate change-related activities.	✓ Medium-term	Enhance collaboration with suppliers and partners to improve the environmental standard and sustainability of the entire supply chain.	Possible decrease in revenue.

Opportunities	Opportunity description	Time frame	Response measures	Impact on financials
Resource efficiency	With the development of technology, high-efficiency printing equipment is continuously emerging, and technologies are constantly evolving, potentially leading to improved resource efficiency.	Medium-term	Introduce new printing equipment, optimize production processes and workflows, and enhance printing efficiency and quality.	Possible decrease in cost.
Products and services	Extreme weather caused by climate change may affect the operations of offline stores, but it also prompts the enterprise to accelerate digital transformation.	Medium-term Long-term	Strengthen the construction and optimization of online platforms, enhance user experience, and increase the variety of digital contents such as e-books and audiobooks.	Possible increase in revenue.
Market	With the continuous enhancement of public environmental awareness, consumers are more inclined to choose environmentally friendly and low-carbon products and services.	Medium-term	In the course of production and operation, measures such as green printing and environmentally friendly packaging are adopted to respond to the environmental demands in the market, enhance the enterprise's environmental image, and strengthen brand influence.	Possible increase in revenue.
Resilience	With the increasing frequency of extreme weather events, stricter government regulations, and growing social environmental awareness, sustainable development has become an industry consensus. Enterprises can transform climate challenges into sustainable development opportunities through green development.	Long-term	The Group actively pursues climate transition opportunities by improving resource efficiency through green printing, low-carbon processes, and digital operations. It strengthens supply chain management, production operations, and cost control, continuously improving its capacity to respond to climate-related risks and achieving sustainable development.	Possible decrease in cost.

Impacts, Risks, and Opportunities Management

Under the comprehensive risk management framework, the Company has established a management mechanism covering climate-related risks and opportunities, aimed at identifying, assessing, and prioritizing various climate risks and opportunities. The Company regularly conducts scenario analyses based on historical data to identify climate-related risks and opportunities. It evaluates the impact on strategy and finances in terms of financial loss, operational disruption, market impact, and determines the likelihood of these risks occurring in the short-term, medium-term, and long-term. The Board and the Audit Committee develop response measures and regularly monitor implementation progress. Through this mechanism, the Company ensures that climate factors receive ongoing attention in strategic and operational decision-making.

The Company has incorporated climate-related risks (including environmental evolution, external policy adjustments, technological changes, and shifts in market supply and demand) into its corporate risk repository. This ensures the climate factors are fully considered in strategic planning, resource allocation, and business portfolio adjustments, providing decision-making support for the Company's medium- to long-term resilient growth and green transformation.

Indicators and Targets

The Group is committed to integrating ESG concept into its corporate management and business operations, fully responding to the national "carbon peaking and carbon neutrality" objectives. The Group plans to gradually reduce the greenhouse gas emissions per unit of revenue, comprehensive energy consumption per unit of revenue, and water consumption per unit of revenue from 2024 onwards. During the Reporting Period, the Group continued to strengthen emission management through facility upgrades and replacing vehicles with new-energy alternatives, resulting in a decrease in both greenhouse gas intensity and overall energy consumption intensity compared to the previous year. Total water consumption decreased year-on-year, while water consumption intensity increased, primarily since the decline in operating revenue for the year exceeded the decline in total water consumption. The Group will continuously review the alignment between its business structure and resource consumption based on operational realities, further optimize environmental targets, enhance resource utilization efficiency and steadily advance green and low-carbon development.

Promote the Green Transformation of Operating Vehicles

In terms of the green management of operating vehicles, the Group has continuously advanced vehicle structure optimization and energy efficiency improvements. All forklifts used by the Group are fully electric. During the Reporting Period, four outdated operating vehicles were retired and replaced with more energy-efficient hybrid models, and four old freight trucks were retired and replaced with higher-efficiency fully electric models. These initiatives reduced the use of high-emission vehicles at the source and effectively lowered greenhouse gas emissions from vehicle operations.

Green Commuting and Low-Carbon Office Practices

The Group actively promotes and practices low-carbon commuting by encouraging employees who live nearby to walk or cycle to work, and optimizes business travel management by guiding employees to prioritize public transportation. In addition, the Group enhances carbon absorption capacity and improves indoor air quality of the working environment by greening office premises and surrounding areas.

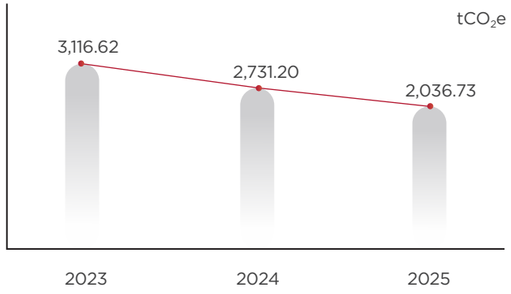




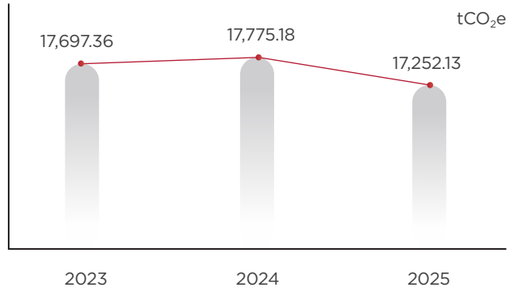
Greenhouse Gas Emissions

The Group has continuously strengthened its carbon emissions management, achieving regular disclosure of Scope 1 and Scope 2 emissions for several years, and will gradually advance the systematic collection and accounting of Scope 3 emissions data. During the Reporting Period, the Group's total greenhouse gas emissions, Scope 1 emissions, and Scope 2 emissions decreased compared to 2024. The specific emission data was as follows:

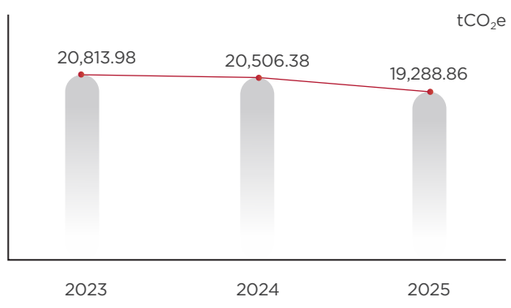
Scope 1. Direct Greenhouse Gas Emissions (Note 1)



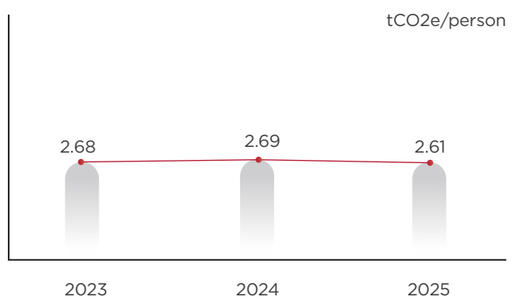
Scope 2. Indirect Greenhouse Gas Emissions (Note 1)



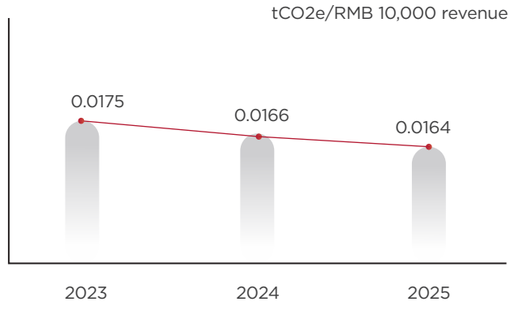
Total greenhouse gas emissions (Note 1)



Per capita greenhouse gas emissions (Note 2)



Greenhouse gas emission intensity



Note 1. The calculation method for greenhouse gas emissions is based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard issued by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), as well as the 2006 IPCC Guidelines for National Greenhouse Gas Inventories issued by the Intergovernmental Panel on Climate Change (IPCC). Scope 2 electricity emissions are calculated using the location-based method, with emission factors derived from the Announcement on the Release of 2023 Electricity Carbon Dioxide Emission Factors issued by the Ministry of Ecology and Environment.

Note 2: The calculation basis was average number of persons per year.

Controlling Environmental Emissions

To minimize the environmental impact of its operations and continuously improve environmental performance, the Group strictly complies with national and local environmental laws and regulations, and has established a comprehensive emissions management system covering decision-making, management, and operational levels. Through a well-defined organizational framework, clear strategic guidance, and specific implementation measures, the Group manages and optimizes all types of emissions generated during production and business operations throughout their entire lifecycle. Sichuan Xinhua Printing has established environmental management systems including the Environmental Protection System, the Environmental Responsibility System, the Environmental Training System, and the Environmental Information Disclosure Management System, to fulfill its environmental responsibilities and enhance employees' environmental awareness. It prepares an annual self-monitoring plan for the environment, conducts comprehensive monitoring regularly by engaging qualified third-party testing institutions, and reports the monitoring results to the local environmental protection authority. Sichuan Xinhua Printing continuously carries out environmental optimization and upgrades of its production facilities and equipment, ensuring that environmental impact assessments are legally completed prior to the implementation of any renovation project. During the Reporting Period, all emissions generated from the Group's operations met national standards and did not adversely affect the surrounding environment or communities. The environmental management systems of the Company's subsidiaries, Sichuan Xinhua Printing and Sichuan Xinhua Winshare Logistics Co., Ltd. have met the requirements of GB/T 24001-2016/ISO 14001:2015 and have obtained certification. Additionally, the Company protects ecosystems and biodiversity by requiring suppliers to hold sustainability certifications such as the Forest Stewardship Council (FSC).

On the basis of solidifying routine emissions management, the Group places significant emphasis on enhancing emergency response capabilities for environmental risks. Sichuan Xinhua Printing has developed the Emergency Response Plan for Sudden Environmental Incidents and conducted emergency drills during the Reporting Period to simulate a solvent leakage incident in the printing workshop. These drills comprehensively tested the feasibility and practical effectiveness of the emergency plan, with a focus on strengthening the rapid response and cross-departmental coordination capabilities of the emergency response teams. The drills also included verification of the readiness of emergency supplies and equipment, further improving the environmental emergency mechanism and enhancing employees' awareness of risk prevention as well as their capabilities for self-rescue and mutual-aid capabilities. During the Reporting Period, the Group experienced no environmental emergencies and received no major environmental penalties.



Environmental Management System Certification Certificate

Exhaust Gas

The Group's exhaust gas mainly comes from the production processes of Sichuan Xinhua Printing, including printing, adhesive binding and combustion in the commercial wheel oven, which produce emissions of volatile organic compounds (VOCs), NO_x, SO_2, and particulate matter. The exhaust gas is handled in strict compliance with the Atmospheric Pollution Prevention and Control Law of the People's Republic of China, the Emission Standard of Air Pollutants for Printing Industry, and the Sichuan Emission Control Standard for Volatile Organic Compounds and other relevant laws and regulations. Furthermore, the Company continuously upgrades environmental protection equipment, adopts green raw materials, and strengthens facility maintenance to minimize exhaust gas pollutant emissions as much as possible.

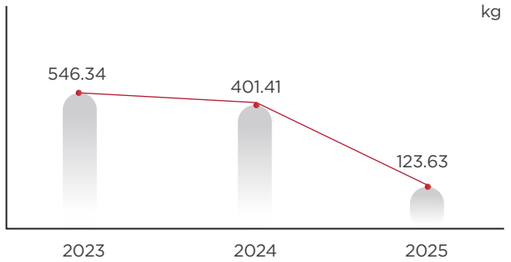
During the Reporting Period, Sichuan Xinhua Printing continued to promote clean production and pollution prevention and control by upgrading equipment, effectively reducing environmental impacts in the production process. The Company installed VOCs gas collection and treatment systems, high-efficiency dust removal equipment, and introduced a developer plate-rinsing water recycling purification system to control pollutant generation at the source; used environmentally friendly materials such as low-volatility inks, alcohol-free dampening solutions, semi-aqueous press washes, and EVA hot-melt adhesives were used to further reduce emissions of volatile organic compounds, dust, and wastewater; carried out specialized maintenance and optimization of existing environmental protection facilities, including conducting airtightness inspections of the VOCs treatment system's gas collection pipelines, implementing anti-corrosion and anti-rust treatments, and timely replacement of consumables such as activated carbon, filter cotton, and UV-ozone catalytic lamps; regularly replaced the filter cartridges of dust removal equipment to ensure the continuous and stable operation of the dust removal facilities.



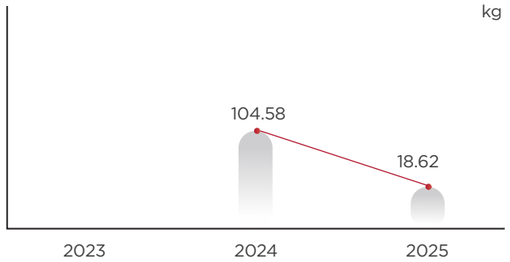
Waste Gas Emission Outlet

During the Reporting Period, the Group's exhaust gas was as follows:

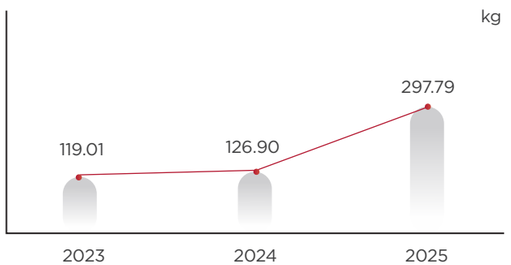
NO_x emissions



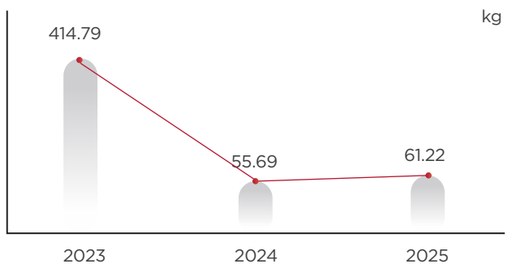
SO_2 emissions



Particulate matter emissions



VOCs emissions



Non-hazardous Waste

In the course of the Group's operations, the main non-hazardous wastes generated include waste paper from printing processes, packaging waste from logistics activities, and domestic waste and domestic sewage generated in office activities and activities of daily living. Centering on the goal of maximizing resource utilization, the Group has comprehensively promoted standardized recycling and diversified green disposal of non-hazardous waste, and strives to increase the recycling rate of resources and raw materials used in production and manufacturing. In the production process, in accordance with laws and regulations such as the Sichuan Province Regulations on the Prevention and Control of Solid Waste Pollution and the Chengdu City Regulations on the Management of Construction Waste Disposal, Sichuan Xinhua Printing has formulated corresponding management measures; all waste paper produced during the printing process is handed over to external professional recycling companies with national qualifications for disposal. In the logistics process, the packaging materials used mainly include packaging paper, packing tape, express mail bags, etc., the Group recycles these packaging materials to realize secondary utilization and thereby achieving the purpose of reducing waste emissions. During the Reporting Period, all paper used in the Group's production processes was sourced from renewable resources, with a total consumption of 20,279 tons. The Group recycled approximately 136.90 tons of logistics packaging materials, an increase of 49.36% over the same period last year. In addition, non-hazardous wastes such as domestic waste and domestic sewage generated in daily operations are centralized and handed over to relevant municipal departments for treatment.





Sichuan Xinhua Printing General Solid Waste Temporary Storage Room

During the Reporting Period

All paper used in the Group's production processes was sourced from renewable resources, with a total consumption of **20,279** tons

The Group recycled approximately **136.90** tons of logistics packaging materials

an increase of **49.36%** over the same period last year

During the Reporting Period, the Group's solid waste was as follows:

Indicator	Unit	2025	2024	2023
Total non-hazardous waste	tons	3,920.71	4,388.53	4,312.65
Including: Domestic waste produced	tons	583.60	601.97	615.65
Scrap packaging materials	tons	150.11	110.93	92.00
Waste paper produced from printing	tons	3,187.00	3,675.63	3,605.00
Domestic waste produced per capita (Note 1)	tons/person	0.0789	0.0789	0.0791
Intensity of non-hazardous waste	kg/RMB 10,000 revenue	3.3419	3.5597	3.6337

Note 1: The calculation basis was average number of persons per year.

Hazardous Waste

In the course of the Group's operations, the scrap printing boards, scrap ink barrels, printing consumables and other hazardous waste generated during the production process of Sichuan Xinhua Printing, and waste lead-acid batteries used in the electric forklifts in the Group's logistics business are hazardous wastes.

Sichuan Xinhua Printing has formulated the Hazardous Waste Management System to achieve unified and safe treatment of hazardous waste, and has set up a dedicated temporary storage room for hazardous waste, strictly classifies and stacks hazardous waste in accordance with environmental protection requirements, and entrusts companies with professional treatment qualifications to recycle hazardous waste such as waste cleaning agents, waste oil, waste ink, waste hot melt adhesive, etc., strengthening the whole process management of waste and effectively controlling the potential harm brought by hazardous waste.

In the course of the Group's daily logistics business, several electric forklifts are in operation, which generate waste lead-acid batteries of different specifications at different times and stages. In order to protect the environment and in response to relevant national policy requirements, waste storage batteries produced by the Group are recycled, registered and listed, and a dedicated temporary storage place is designated and guarded by special personnel. Waste batteries are recycled and disposed through bidding by professional recycling agencies with the relevant state qualifications. During the Reporting Period, a total of 23 lead-acid batteries were disposed of, weighing approximately 18.78 tons; 22 sets of lithium batteries and chargers were purchased at a total cost of RMB 726,000, effectively improving charge-discharge efficiency and adapting to clean energy.





Sichuan Xinhua Printing Hazardous Waste Storage Room

During the Reporting Period

A total of **23** lead-acid batteries were disposed of

Weighing approximately **18.78** tons

22 sets of lithium batteries and chargers were purchased at a total cost of RMB **726,000**

During the Reporting Period, the Group's hazardous waste was as follows:

Indicator	Unit	2025	2024	2023
Hazardous waste (Note 1)	tons	46.70	37.13	68.91
Intensity of hazardous waste	kg/RMB 10,000 revenue	0.0398	0.0301	0.0581

Note 1: The increase in hazardous waste is primarily due to a higher volume of waste lead-acid batteries generated this year compared to the same period last year, resulting from the end-of-life of forklift batteries used in the Group. The annual quantity of waste lead-acid batteries generated varies from year to year.

Efficient Resource Utilization

Adhering to the sustainability philosophy, the Group enhances energy efficiency and taps into energy-saving potential by actively implementing energy conservation and emission reduction measures. Through a comprehensive approach that includes technological upgrades, raising employee awareness of energy conservation, and strengthening data monitoring, the Group is committed to reducing energy consumption in operations and maximizing energy efficiency. The Company and its subsidiaries are primarily located in Sichuan Province, where hydropower serves as the main source of electricity for production and business operations. Among the categories of energy used by the Group, natural gas, as an important component of clean energy, is consumed at 512.40 tce, accounting for 10.03% of the Company's total energy consumption.

Energy Usage Policy and Energy-Saving Measures

The Group's energy consumption in the course of operation mainly includes electricity for office operation, gasoline for company vehicles, and natural gas used for employee canteen and printing business. Adhering to the sustainability philosophy, the Group continuously strengthens its internal system, vigorously promotes the concept of energy conservation and consumption reduction, and proactively implements energy management and other measures.

In terms of administrative and office work

The Group enhances the environmental protection awareness of employees by requiring them to save water and electricity, and to turn off water and electricity during festivals and holidays; reasonably controls the operation time of the fresh air system to improve indoor air quality through natural ventilation; sets indoor temperature control standards by advocating a cooling temperature of no less than 26℃ in summer and a heating temperature of no more than 20℃ in winter. During the Reporting Period, the Company continued to advance the green renovation of lighting systems. The Reading Services Department completed the replacement with LED lighting in 11 stores, while Liangshanzhou Xinhua Bookstore Co., Ltd. coordinated energy-saving lighting upgrades across its stores in 17 counties and cities in the prefecture. The Company reduced energy consumption in underground parking areas through the implementation of smart lighting renovation. To enhance employee engagement, the Company widely conducted energy-saving campaigns internally, promoting a culture of conservation through themed posters and signage.



Posted Energy-saving Promotional Posters

In terms of production

Sichuan Xinhua Printing has established the Energy Consumption Management Control Procedure, clearly defining energy consumption quotas and measures for saving water and electricity; installed graded metering instruments to establish an energy monitoring system, enabling real-time data collection and analysis; clarified the management responsibilities of various departments, appointed energy management specialists, and established an energy-saving reward and punishment mechanism that incorporates energy-saving performance into assessments; promoted scientific production scheduling and centralized production models, reasonably arranged equipment start-up and shutdown to avoid idling, and encouraged off-peak electricity consumption to reduce grid load and costs; continuously carried out energy-saving training to enhance employees' energy-saving awareness and operational standards.

In terms of logistics

Most self-owned vehicles for intra-city transportation and distribution are new energy vehicles. For long-distance trunk transportation, vehicles that meet national environmental standards are selected.

During the Reporting Period, the Group's main energy consumption was as follows:

Indicator	Unit	2025	2024	2023
Electricity consumption	10,000 kWh	3,190.57	3,249.75	3,057.06
Gasoline consumption	10,000 L	52.33	70.65	79.92
Diesel consumption	10,000 L	0.90	6.46	12.19
Natural gas consumption	10,000 m3	38.53	44.36	45.20
Liquefied petroleum gas consumption	kg	31.70	62.50	62.50
Purchased heat	GJ	2,936.24	3,064.06	2,390.46
Total comprehensive energy consumption	tce	5,106.96	5,423.70	5,451.10
Comprehensive energy consumption per capita (Note 1)	tce/person	0.69	0.71	0.70
Intensity of comprehensive energy consumption	kg/RMB 10,000 revenue	4.3530	4.3993	4.5929

Note 1: The calculation basis was average number of persons per year.

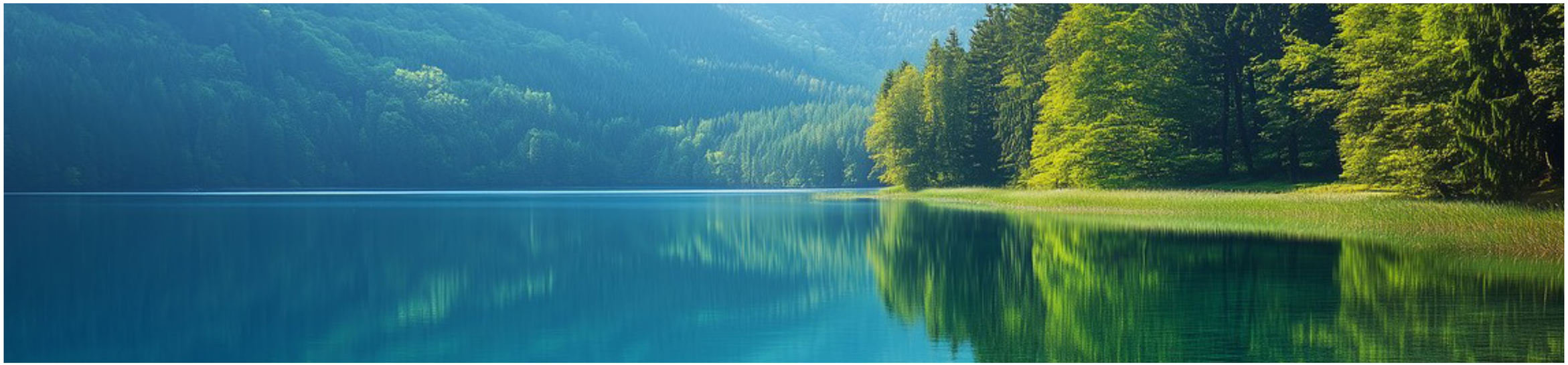
Water Resource Usage Policy and Water-Saving Measures

In daily operations, the Group actively promotes water conservation management through internal communications and reminders, the installation of sensor-activated faucets, and other measures to strengthen the water-saving awareness of all employees and foster a favorable atmosphere for water resource conservation. Sichuan Xinhua Printing has established a systematic water conservation management system to effectively manage water resources. By installing graded metering instruments, it achieves precise monitoring and zone-based statistics of water usage data at the main water inlet, production areas, and key equipment, thereby providing a data foundation for management decision-making. In terms of technology and equipment, Sichuan Xinhua Printing actively promotes water-efficient fixtures and recycling processes, prioritizing the procurement of sensor-activated faucets, water-saving cooling towers, and optimizing water-consuming production processes to improve water reuse rates. Additionally, through regular inspections of water supply pipelines and water-using equipment to identify leakage and seepage issues, establishing water consumption quotas and cultivating employee habits such as promptly turning off taps, it strengthens the refined management of water usage. Furthermore, Sichuan Xinhua Printing incorporates water conservation education into employee training and links water-saving performance to evaluation and incentive systems, thereby comprehensively enhancing water-saving awareness across the organization and driving continuous improvement in water use efficiency.

During the Reporting Period, the Group's water resource usage was as follows:

Indicator	Unit	2025	2024	2023
Total water discharge	10,000 tons	20.48	21.23	22.12
Total water discharge (Note 1)	tons/person	27.70	27.83	28.43
Total water consumption	10,000 tons	24.09	24.97	26.02
Per capita water consumption (Note 1)	tons/person	32.58	32.74	33.45
Water consumption density	tons/RMB 10,000 revenue	0.2054	0.2025	0.2192

Note 1: The calculation basis was average number of persons per year.





Empowerment: Realizing Employee Value

The Group adheres to a “people-oriented” human resources philosophy, continuously optimizing its human resource structure and striving to build a talent team with high professional competence and strong comprehensive capabilities. It is committed to creating an equal, respectful, and inclusive working environment, protecting employee rights from multiple perspectives, enriching employee life, and fostering the joint development of employees and the enterprise.

Safeguarding Employees' Rights and Interests

The Group has established a comprehensive system for protecting employees' rights and interests covering salary and welfare security, diversified team development and compliant employment management. Through improved institutional systems, standardized procedures and effective implementation of entitlements, the Group effectively protects the legitimate rights and interests of employees.

Salary, Welfare Policies and Rights Protection

The Group focuses on improving the incentive and restraint mechanism for management personnel and ensuring salary rights and interests for all employees, and continuously optimizes its salary and welfare management system; built a standardized salary system based on job salary, oriented by performance incentives and supplemented by diversified welfare benefits; makes full contributions to employees' five social insurances including pension, medical, unemployment, work-related injury and maternity, and provides supporting safeguards such as housing provident fund, corporate annuity and group supplementary medical insurance, laying a solid foundation for employees' career development and life stability.

The Company highly values employees' democratic rights, gives full play to the role of the employee representative meetings, establishes smooth and efficient channels for democratic decision-making and supervision, and incorporates matters closely related to employees' vital interests into democratic management to maximize the protection of employees' various rights and interests. During the Reporting Period, the Company held two employee representative meetings, at which all employee representatives reviewed systems closely related to employees' salary, welfare and rights, listened to reports on the Company's Social Security Provident Fund, Corporate Annuity and Employee Welfare Management Work, etc., and were as briefed on core contents such as the 2025 work report. Meanwhile, the trade union member representative meetings were convened to comprehensively summarize the annual performance of trade union work, effectively protecting the rights to information, participation and supervision of employees and union members, and promoting democratic management of the enterprise.

Building a Diversified Employee Team

Based on its strategic development needs, the Group is dedicated to building a robust talent pipeline. It integrates the principles of diverse employment and equitable empowerment into the entire human resources management process. Adhering to the management philosophies of "a horse race lies in a good horse" (賽馬識好馬) and "hard work makes talent" (實幹造就人才), the Company continuously improves the full-chain mechanism for talent selection, integration, cultivation, incentive, and exit, activating internal organizational vitality and laying a solid talent foundation for high-quality development.

The Group strictly complies with national labor laws and ESG principles, integrating equal employment and diversity and inclusion throughout the entire recruitment and hiring process. It proactively provides open, just, and transparent employment opportunities for talents from all backgrounds, conducting recruitment through diverse open channels based on position qualifications. The Company prohibits any discriminatory clauses related to gender, ethnicity, marital status, age, or other factors, and strictly forbids employment discrimination. Through the Employee Handbook, the Company clearly defines key information such as operational management standards and core value orientations, providing clear guidance for employees and helping new employees quickly integrate into teams and adapt to their roles. Meanwhile, the Group emphasizes fostering an inclusive and supportive working atmosphere, respecting individual differences, fully leveraging the unique strengths and potential of employees from diverse backgrounds, and promoting the symbiotic growth of personal value and corporate development.

As of the end of the Reporting Period

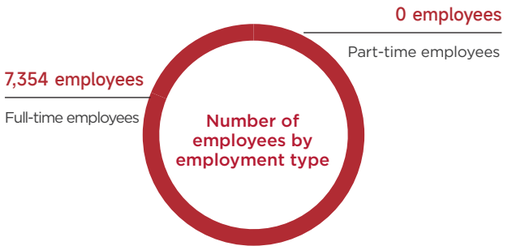
The Group had a total of **7,354** employees, with the average number of employees throughout the year of **7,394**

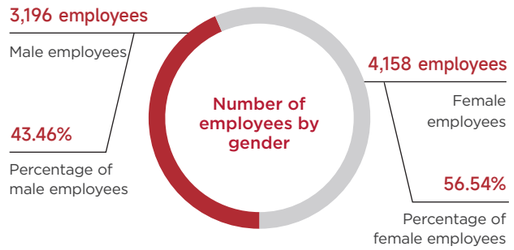
A total of **331** employees resigned, including **126** male employees and **205** female employees

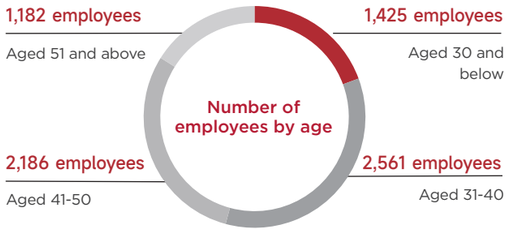
The annual employee turnover rate was **4.20%**, with the turnover rate for male employees at **3.72%** and for female employees at **4.56%**

The Group's personnel composition as of the end of 2025 was as follows:

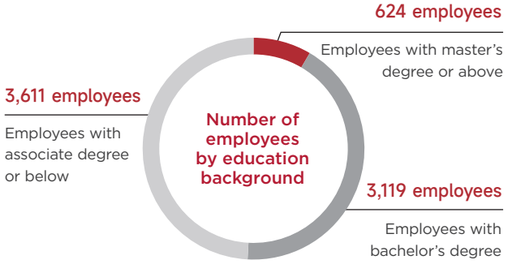
Number of employees



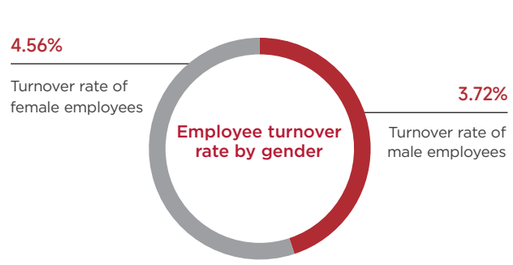


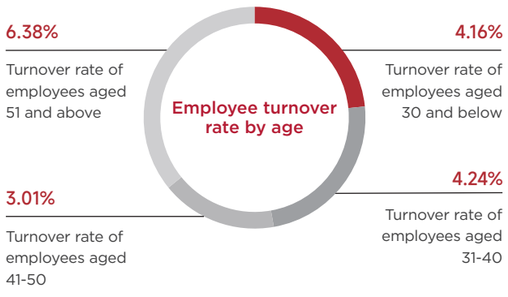


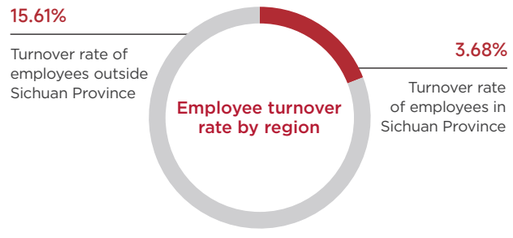




Employee turnover rate







Upholding Compliant Employment

The Group strictly abides by the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, the Social Insurance Law of the People's Republic of China, the Trade Union Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Minors, the Law of the People's Republic of China on the Protection of Women's Rights and Interests and other relevant laws and regulations, and fully integrates legal employment requirements into human resource management.

The Group continuously optimizes internal regulations such as the Employment Management Rules and the Employee Handbook, and standardizes employment, dismissal and working hours management. Recruitment and appointments are carried out under the principle of mutual voluntary selection between employees and employing departments. In accordance with the principles of equality, voluntariness and consensus through consultation, the Group signs formal written labor contracts with employees in accordance with the law, clearly defining the rights and obligations of both parties. Meanwhile, the Group strictly practices the concept of fair employment, resolutely eliminates all forms of employment discrimination and forced labor, and fully respects employees' personal wishes and personality rights. For overtime arrangements required for work, the Group conducts full communication in advance and implements them only after obtaining explicit consent from employees, and pays full overtime remuneration or arranges compensatory leave for overtime employees.

The Group strictly complies with the Provisions on the Prohibition of Child Labor and other relevant laws and regulations, and firmly prohibits the employment of child labor. A dual verification mechanism is established in the recruitment process to strictly check valid certificates such as identity cards of prospective employees and conduct necessary background investigations; when going through onboarding procedures for new employees, a second review of employees' identity, age and other information is conducted to ensure that all recruited employees meet the statutory working age standards.

During the Reporting Period

No forced labor incidents occurred in the Group

No instances of child labor utilization were reported within the Group



Safeguarding Health and Safety

The Group always regards employee safety and health as the foundation of enterprise's development, continuously advances the construction of its health and safety management systems, enhances its capabilities in hazard identification and emergency response, strengthens full-process occupational health protection, and comprehensively safeguards employees' life and health and workplace safety.

Ensuring Production Safety

The Group thoroughly implements the safety production philosophy of "everyone is concerned about safety and everyone knows how to respond to emergencies". It has established regulatory frameworks such as the Safety Production and Fire Safety Management System, the Identification, Evaluation, Monitoring and Management System of Major Hazard Sources, the Emergency Plan for Production Safety Accidents, and the Specialized Emergency Plan for Fire Accidents. By strengthening full-process control and improving emergency response mechanisms, the Company creates a stable and safe working environment for its employees.

During the Reporting Period

The Company organized three safety trainings and drills, covering fire safety training, safety production training, motor vehicle driving safety training, fire extinguishing drills, evacuation drills, and flood prevention emergency drills.

The Group strictly enforces safety production regulations and conducts routine safety inspections across key operational areas, including warehouses, stores, production workshops, office areas, and logistics centers. These inspections focus on core areas such as fire safety, equipment operation, occupational health, and logistics and warehousing safety, aiming to accurately identify potential safety hazards. Upon discovering any safety issues during inspections, the Company immediately provides corrective recommendations along with specified deadlines, resolutely preventing and mitigating the occurrence of major or particularly serious safety accidents. By organizing safety training and practical drills, the Company enhances employees' safety awareness and emergency response capabilities.

Case: Emergency Response Drills to Strengthen Safety Barriers

On December 9, 2025, the Nanchong Branch organized an emergency response drill for all employees. During the training session, a fire safety instructor was invited to provide on-site guidance and refine the drill procedures. The practical exercise simulated fire and flood prevention scenarios, clearly defining roles such as fire detection officer and evacuation officer. Employees carried out standardized procedures including power shutdown, evacuation under smoke conditions, drainage of accumulated water, and relocation of materials for flood prevention. After evacuation, personnel counts were promptly conducted, and the drill area was cordoned off. The drill effectively validated the feasibility of the emergency response plan.





Fire Extinguishing Drill Site



Occupational Health Management

The Group consistently emphasizes employee occupational health, adheres to the principle of "prevention first, combining prevention and treatment", and fully implements relevant occupational health management regulations such as the Law of the People's Republic of China on Prevention and Control of Occupational Diseases, the Regulations on Supervision and Administration of Occupational Health in the Workplace, and the Occupational Health Responsibility Management System, promotes standardized and routine occupational health management, controls occupational hazards at the source, and safeguards employees' health rights and interests.

The Group conducts thorough safety inspections across all production sites to identify potential occupational hazards. Upon discovering any issues, it immediately requires corrective action and follows up with continuous supervision. It makes full use of notice boards and workshop bulletin boards to post occupational hazard inspection reports, warning signs, and occupational health regulations, systematically promoting relevant laws, regulations, and professional knowledge on occupational disease prevention to effectively strengthen employees' awareness of occupational health and safety. The Group adopts multiple measures to prevent and control occupational hazards: first, hiring third-party professional agencies annually to monitor occupational hazard factors in the workplace; second, providing employees with personal protective equipment such as earplugs and acid-resistant plastic gloves based on the specific requirements of different job positions, thereby reducing occupational risks at the source; third, offering annual specialized occupational health checks for employees to ensure early detection, early prevention, and early treatment; fourth, organizing relevant employees to participate in external specialized training, with all participants successfully passing assessments and obtaining certification, thereby significantly enhancing the professional competence of the management team.

The Group strictly complies with the requirements of the ISO 45001 Occupational Health and Safety Management Systems. Its subsidiaries, Sichuan Xinhua Printing and Sichuan Xinhua Winshare Logistics Co., Ltd., have obtained ISO 45001 Occupational Health and Safety Management Systems certification. The systematic management standards cover publication printing, logistics, and related management activities. Over the past three years, the Group has recorded no work-related fatalities, and the incidence rate of occupational diseases is zero.

During the Reporting Period, the Group's relevant data on health and safety were as follows:

Total lost days due to work-related injury

204

Number of work-related fatalities

0

Lost days due to work-related injury (number of days lost per 200,000 man-hours)

2.80



Occupational Health and Safety Management Systems Certification

Empowering Career Development

Focusing on talent team building and enhancing employees' overall competencies, the Group continuously optimizes its training and empowerment model, maintains smooth two-way communication channels, and builds a comprehensive platform for employee growth and achievement. It fully stimulates organizational vitality and talent potential, fully demonstrates employee value and responsibility, consolidates development momentum through talent advantages, empowers the high-quality development of the enterprise through employee growth, and promotes the Company's steady and sustainable progress.

Governance

The Group, grounded in institutional development, has established a standardized and systematic career growth system. It has formulated regulations such as the Cadre Management System, the Position and Rank Management System (Trial), and the Training Management System to implement standardized management across managerial, professional, and operational positions, clarified job responsibilities and management boundaries, established a dual-track career growth pathway encompassing both job positions and ranks. On the basis of the management track, it has enhanced the growth pathways for professional and operational tracks, defined qualification standards for each track and rank, providing employees with clear standards and guidance for career growth. Furthermore, it has established principles for rank adjustments based on performance evaluations and implemented a dynamic review and adjustment mechanism.

Strategy

Aligned with the strategic goals of reform and development, the Group strengthens its talent support system by prioritizing talent discovery and selection as a prerequisite, effective selection and utilization as fundamental, and education and cultivation as a foundation, thereby facilitating the implementation of strategic objectives. The Group cares about employees' personal growth. It enhances employees' knowledge, professional skills, and overall competencies by conducting layered and categorized specialized and targeted training programs; establishes dual-track career pathway encompassing both job positions and rank to broaden employees' career development opportunities; promotes rotation and exchange of management personnel across different roles and multi-position training to strengthen cadres' comprehensive job performance capabilities; improves incentive and restraint mechanisms for cadres and employees, as well as talent evaluation systems, to further stimulate talent vitality. The Group places importance on standardized position and management personnel management. Additionally, it strengthens ideological guidance and two-way communication with employees, routinely conducting "face-to-face, heart-to-heart" conversations to understand employee sentiments, and utilizes forums such as discussion meetings to ensure open channels for feedback, fostering team consensus and creating a cohesive, collaborative force for development.

Impacts, Risks, and Opportunities Management

During the development of the employee growth system, the Group closely monitors potential risks:

Technology Change Risk

As emerging technologies such as big data, VR, AR, and AIGC are increasingly integrated into content production and product formats, if failure to align talent development with the pace of technological iteration may result in the Group missing key opportunities in technological innovation.

Human Resources Risk

In human resources management, if talent reserves fail to meet the Group's development needs, key positions are not clearly defined and lack an effective rotation mechanism, and the compensation and incentive system fails to function optimally, it may lead to talent gaps and the loss of core capabilities.

Market Competition Risk

Inadequate understanding of industry competition dynamics and a lack of versatile talent capable of navigating localized markets may lead to delayed responses and reduced competitiveness during market expansion.

At the same time, the Group actively embraces the multiple opportunities arising from talent development. Through systematic training programs, it continuously enhances employees' professional capabilities in content creation, editing, digital marketing, and other areas, equipping them with cutting-edge publishing technologies and innovative concepts. This helps create high-quality, market-attractive products and strengthens the enterprise's core competitiveness. Digital talent development provides momentum for business transformation and upgrading, supporting its evolution from a traditional content provider to a knowledge service ecosystem builder, opening up new business models such as knowledge monetization and intelligent content generation. At the same time, a robust career development mechanism and clear growth pathways reflect the Group's long-term investment in and recognition of talent, effectively enhancing employee engagement and organizational loyalty, thereby creating favorable conditions for building a stable and sustainable talent pipeline for the enterprise.

To effectively address the aforementioned risks and fully unlock development opportunities, the Group continuously improves its career growth system and strengthens talent development mechanisms. By clarifying qualification standards and optimizing the dynamic adjustment mechanisms for cadres' promotion and demotion as well as job levels, the optimization of talent structure is promoted. Through the establishment of dual-track career pathway encompassing both job positions and rank, employee's development opportunities is broadened and their internal motivation is stimulates. Aligned with industry trends and business upgrade requirements, a layered and categorized training model is implemented to enhance talent alignment. During the Reporting Period, approximately 293,500 training hours were conducted, involving around 39,300 employee participations, with an annual training expenditure of RMB 7.1066 million. Meanwhile, diversified communication platforms have been established, including six communication forums throughout the year for key talents, recent graduates, and other groups, reaching over 350 cadres and employees. These initiatives enable timely feedback collection and resolution of key team-building issues, strengthening team cohesion. Through these comprehensive measures, the Group achieves mutual empowerment and coordinated advancement between employee growth and enterprise development.

Indicators and Targets

Indicator		Unit	Figure	Training Percentage
Training attendance by employee category	Senior Management	Attendance Number of Participants	123	0.31%
		Attendance Number of Hours	4,466	
	Middle management	Attendance Number of Participants	1,843	4.69%
		Attendance Number of Hours	40,631	
	Grassroots employees	Attendance Number of Participants	37,343	95.00%
		Attendance Number of Hours	248,411	
Training attendance by gender	Male	Attendance Number of Participants	16,028	40.77%
		Attendance Number of Hours	110,145	
	Female	Attendance Number of Participants	23,281	59.23%
		Attendance Number of Hours	183,363	
Annual training expenditure amount		RMB million	7.1066	

In the future, the Group will further optimize its training system and career growth mechanisms to enhance the alignment between talent supply and business development. It will continuously expand training coverage and improve training effectiveness, steadily enhancing employees' professional capabilities and overall competencies. At the same time, it will maintain smooth, regular communication channels and responsive mechanisms for employee feedback, promoting deep integration and synchronized progress between employee career development and enterprise's high-quality growth, providing a solid talent foundation for the Group's sustainable development.



Conveying Organizational Care

The Group emphasizes a sound humanistic care system, consistently paying close attention to employees' work and leisure needs, strives to resolve practical difficulties for employees, conveying organizational warmth through targeted assistance, diverse benefits, and enriching activities, thereby genuinely enhancing employees' sense of happiness and belonging.

The Company continues to advance regular condolence and assistance programs, ensuring consistent daily care by promptly visiting employees who are hospitalized, and providing special condolences for bereavement of employees or their family members, as well as to retired employees and those on maternity leave; formulates the Assistance Management Measures for Employees in Need, establishes personal files for employees facing difficulties, and provides practical benefits for the public in areas such as living expenses, medical care, and education, offering tangible support to employees. The Company arranges Sichuan Provincial employee hospitalization medical insurance, employee supplementary medical insurance, and female employee critical illness mutual aid insurance, and provides guidance and assistance with claims procedures, ensuring employees receive timely financial support when facing health difficulties. In addition, the Company offers generous holiday and birthday benefits, as well as summer care services for employees' children, enabling every employee to genuinely feel the enterprise's care and support.

During the Reporting Period

The Company further raised the standards for trade union festival benefits; the Company's trade union visited **74** employees in need during the Spring Festival, distributing a total of RMB **223,000** in assistance funds; during hot weather, it conducted "deliver coolness" condolences for employees working without air conditioning.



The Company's Trade Union Conducted "Deliver Coolness" Consolation Activity for Frontline Employees

Case: "Winshare Children's Little World" Summer Camp Provides Warm-hearted Guardianship

In close alignment with the All-China Federation of Trade Unions' initiative to "promote childcare services and after-school care services for employees' children", and focusing on the summer childcare challenges faced by dual-income families, the "Winshare Children's Little World" summer camp was launched to address these difficulties. With the complementary goal of "empowering children's holistic development", the program served over 260 children of employees during six sessions, effectively alleviating concerns and enabling employees to focus on their work with peace of mind.



"Winshare Children's Little World" Summer Camp

The Group uses cultural and sports activities as a platform to enrich employees' leisure life, promote corporate culture, and foster a positive and harmonious working atmosphere. During the Reporting Period, the Group held the fourth Winshare Arts Festival, which included a variety of themed competitions such as calligraphy and painting, photography, essay writing, and singing contests. Additionally, movie-viewing events were organized, along with calligraphy lectures for calligraphy enthusiasts, special events for International Women's Day, and friendly badminton matches. The "Xinhua Winshare Badminton Interest Group" was also established to encourage employees to actively participate in physical exercise, enhance physical fitness and team cohesion, and improve employees' sense of happiness and belonging.



Theme Event Celebrating International Women's Day on March 8th



2025 Employee Badminton Friendship Tournament



Craftsmanship: Quality and Innovation Go Hand in Hand

Pursuing Excellence in Products

Governance

The Group has established a multi-level product quality governance system covering the entire organization and its publishing, media, and printing subsidiaries, with institutional development as the foundation. At the Company's level, it formulates and coordinates a series of core quality management systems applicable across the organization, such as the Implementation Measures for Publication Quality Management, clearly defining standards and requirements for key processes including topic review, content control, and printing and binding quality inspection. This establishes a unified quality governance framework.Based on this corporate-wide framework, each subsidiary develops tailored implementation rules according to its specific business characteristics, including the Three-Level Topic Evaluation System, Implementation Measures for the Three Reviews and Three Edits System and Related Incentive and Disciplinary Rules, the Detailed Rules for Topic Gatekeeping in Publications, the Measures for Quality Management of Printing, the Measures for Random Check of Quality of Textbooks and Supplementary Materials, and the Product Recall and Handling Procedures Due to Quality Issues. Together, these form a multi-tiered quality management systems that ensure vertical coordination and practical relevance. A dedicated quality management department has been established to promote and coordinate product quality efforts across the Company, clearly defining quality control responsibilities at each level and advancing the normalization and standardization of the quality management systems. This enables "full-chain control, whole-process supervision, digital empowerment, and strong performance linkage", comprehensively ensuring that publications meet requirements in editorial direction, editing and proofreading quality, and printing and binding standards. The Group actively promotes quality management systems certification; its subsidiary, Sichuan Xinhua Printing, has obtained ISO 9001 quality management systems certification, with the scope of certification covering the printing of publications.



Quality Management Systems Certification



Strategy

The Group remains committed to product quality, fulfilling its social responsibilities and enterprise mission. Focusing on three key areas—publication topic management, product quality assurance, and quality inspection of textbook and supplementary materials printing and binding—it has refined its institutional systems, detailed control strategies, and strengthened implementation to drive continuous improvement in product quality.

Publication topic management

The Group strictly maintains ideological integrity, strengthens topic oversight, and ensures compliance and order throughout the topic selection process. A three-tier review system is implemented to standardize procedures including topic proposal, argumentation, submission, approval, and execution. For topics posing ideological risks or misaligned with the publishing house's positioning, categorized measures are applied, ensuring no directional issues arose throughout the year.

Product quality assurance

The Group implements a quality management systems with designated personnel responsible for printing houses, ensuring full-process supervision and accountability; establishes a multi-level oversight mechanism combining semi-finished product inspections, batch random checks, and sample book inspections upon warehouse entry, forming a closed-loop quality control system; continuously organizes its publishing and media units to conduct routine content reviews, quality inspections, and annual book quality checks; forms a team of evaluation experts and held book assessment seminars to comprehensively enhance product quality.

Quality inspection of textbooks and supplementary materials printing and binding

The Group strictly adheres to national standards for quality assessment. It implements a points-based system for printing units' printing and binding quality, incorporating results from quality spot checks and production process inspections into the scoring system, thus establishing a merit-based selection and elimination mechanism to strengthen quality accountability among printing partners; rigorously controls every stage—from raw and auxiliary material procurement to pre-press, printing, and binding—enhancing process supervision and multi-level inspections. During extreme weather conditions, destructive testing frequency is increased to further ensure the quality of textbook and teaching material production.



"Arrival of Textbooks Before Class, One Copy for Every Student"

Impacts, Risks, and Opportunities Management

The Group consistently faces management challenges related to content security and printing and binding quality during its publishing operations:

Ideological Risk

If relevant policies are not fully understood, or if management requirements are not effectively implemented during stages such as topic selection and content planning or editorial review, and if there is a lack of accountability mechanisms, may lead to deviations in content orientation, thereby affecting industry reputation and enterprise image.

Product Quality Risk

If editing, proofreading, printing, or binding processes are not strictly controlled, errors such as typos, layout mistakes, or printing and binding defects may easily occur, negatively affecting reader experience and brand reputation.

Compliance Management Risk

Arising from inadequate implementation of regulations, process oversights, or insufficient compliance awareness, potentially triggering regulatory scrutiny or public opinion risks.

Despite the aforementioned challenges, the Group has also identified significant opportunities for sustainable development. By continuously enhancing the content quality and printing standards of its publications and strengthening quality control throughout the entire process, the Group can capitalize on opportunities to elevate its brand, further establishing public recognition of “Winshare Products, Quality Guaranteed”, enhancing reader loyalty, and attracting more high-quality authors and distribution partners. Meanwhile, on the basis of meeting diverse reading needs, the Group has opportunities to extend its knowledge service chain and expand into niche markets such as educational publishing and digital content, thereby injecting new momentum into sustainable growth.



To effectively address the relevant risks, the Group has established a comprehensive prevention and control mechanism covering the entire process:

Content management

The Group directed its publishing and media units to carry out multiple inspections and self-audit activities, focusing on key areas such as the implementation of the “Three Reviews and Three Edits” process, employee qualifications, operation of new media accounts, content of periodicals and newspapers, and business collaborations, to comprehensively identify potential quality and compliance risks. For issues and risks identified during inspections, publishing units are required to rectify each issue accordingly, strictly adhere to publishing procedures such as the “Three Reviews and Three Edits” system, and relevant entities are urged to complete corrective actions within specified timeframes, ensuring full-process compliance and control in publishing operations.

Print quality

A quality management organization and dedicated after-sales hotline have been established to ensure smooth feedback channels. A tiered and categorized handling mechanism has been implemented: issues prior to shipment are prevented from being released through process inspections and random inbound checks, while issues already in the market are strictly managed through book return procedures. This has led to a “standardized, closed-loop, and traceable” after-sales service and quality defect resolution process, advanced through five stages “Complaint receipt and preliminary analysis — on-site response and defective book recovery — responsibility confirmation and system closure — internal review and statistical analysis — post-event follow-up and continuous improvement”. Returned book data are incorporated into the Printing and Binding Quality Points System for Printing Units and the comprehensive evaluation framework, directly linked to printing units’ order allocation and economic incentives.

Complaint handling

For mass-market books published by the Group, a contact telephone number is provided on the copyright page of each book to collect various feedback from readers. For products with printing or binding quality issues, timely replacement or refund is guaranteed. Editorial issues reported by readers are promptly addressed and corrected in subsequent reprints or new editions. For textbooks and supplementary materials published by the Group, a dedicated contact number is indicated on the copyright page of each book to collect reader feedback, and a specialized quality management unit has been established to handle such matters. For products identified with quality issues, if they have not yet reached the end user, the printing houses are required to rectify the problem or scrap the batch based on specific circumstances; if the products have already reached users, they are processed according to the book return procedure, involving recovery, replacement, and registration. Additionally, proactive services such as “post-school-start quality follow-up visits” are conducted to actively collect market feedback. For customer complaints received through the Group’s online sales platforms, a formal complaint handling mechanism has been established. Special personnel reviews messages on Internet Platform and ensures proper coordination. Supervisors lead internal investigations to identify root causes of complaints, while dedicated personnel provide end-to-end customer support to properly resolve inquiries and dissatisfaction. The outcomes of complaint resolution are transformed into optimization measures for management and operations, continuously improving management effectiveness and proactively enhancing service quality and customer satisfaction.

Through the above measures, the Group has not only effectively mitigated potential risks related to ideology, product quality, and compliance management, but also transformed quality management achievements into opportunities to enhance brand value, thus laying a solid foundation for sustainable development.

Indicators and Targets

During the Reporting Period

The Group reviewed and approved a total of **119** batches comprising **7,832** titles of annual and supplementary publishing projects for books and electronic audiovisual publications, recommended the cancellation of **11** titles, arranged for the filing of **31** major topics requiring special filing, and arranged for the review of manuscripts on sensitive topics totaling **509** titles. Throughout the Year, it organized fourth-level editorial review processes for **385** book manuscripts and over **400** issues of periodicals, with a total word count exceeding **60** million words. It also conducted **4** quality inspections of newly published books, covering **226** titles totaling approximately **52.28** million words. A cumulative total of **2,900** batches of textbooks and supplementary materials underwent spot checks.

The Group received a total of **955** complaints regarding products and services, with a complaint resolution rate of **100%**.

Major liability incidents related to product and service safety and quality during the Reporting Period **0**

In the future, the Group will continue to deepen the construction of a full-chain publishing quality governance system, uphold the core principles of ideological security and product quality, continuously improve the integrated closed-loop management mechanism covering topic review, content evaluation, printing and binding control, and post-sales handling, strengthen quality supervision throughout the entire process of textbooks and supplementary materials, further streamline reader feedback channels, enhance complaint response efficiency and issue resolution quality, and effectively fulfill the social responsibility and cultural mission of a publishing and media enterprise.

Leading Digital Innovation

The Group continues to advance its digital transformation strategy, promoting the deep integration of new technologies with its core publishing and distribution business, and consistently meeting users' diverse needs. During the Reporting Period, the Group's R&D investment amounted to RMB 40.1277 million, accounting for 0.35% of its main business revenue.

Digital Intelligence Empowers Operational Upgrades

In alignment with its digital transformation strategy, the Group has established a dedicated task force and a specialized unit to systematically plan and implement digital intelligence initiatives, deeply integrating advanced technologies such as AI and big data to drive innovation across the entire business chain. The Group is advancing digital and refined upgrades across operations, products, and channels. In operations, the Group has launched an automated marketing image generation system, built a visualized performance attribution and dynamic pricing system, and leveraged data mining and AIGC technologies to enhance content planning and distribution efficiency. On the product side, the Group continues to refine its multi-SKU operational system and category-based tiered management mechanisms, utilizing digital tools to optimize product selection models and actively expanding into emerging categories such as digital content. In terms of channels, the Group has intensified its presence in new media e-commerce by establishing a diversified live-streaming matrix, improving its self-operated broadcasting system, and deepening collaboration with celebrities, effectively enhancing the promotional impact of key new products on new media platforms. This has driven over 25% year-on-year growth in new media e-commerce sales. Meanwhile, the Group is precisely expanding into vertical platforms and leveraging key marketing events and cultural welfare initiatives to achieve coordinated growth in both social and economic returns.

The Company's subsidiary, Sichuan Winshare Online E-Commerce Co., Ltd., was selected as one of the "Top 100 Digital Economy Enterprises in Sichuan Province 2025" (ranked 34th), and its "Organizational Publishing and Operation Platform Construction Planning" project won the third prize in the Commerce and Logistics track of the Sichuan regional competition of the "Data Elements X 2025" contest, further strengthening its competitive advantage in the market. According to the National Publishing Distribution Industry Development Report jointly released in June 2025 by the Printing and Distribution Bureau of the Publicity Department of the Communist Party of China and the China Institute of Press and Publication, the Company maintains its position among the top three online retailers of publications nationwide.



Collaborative Innovation in Integrated Publishing

The Group drives content planning and product design based on a comprehensive media ecosystem and a multi-scenario e-commerce cluster centered around "winxuan.com", developing diverse reading products that better meet readers' evolving needs and promoting integrated development between publishing and distribution channels. By combining technological innovation with resource integration, the Group organized the 2025 Promotion and Exchange Conference for Key Projects of the Publishing Integration Development Program, recommended eight outstanding projects selected for the National Press and Publication Administration's 2025 Publishing Integration Development Program, fully demonstrating their exemplary and leading role.



Building an Omnichannel Distribution System to Promote the Integrated Development of Publishing

Case: Sichuan Tiandi Publishing House Co., Ltd.'s Multi-Media Integrated Model

Sichuan Tiandi Publishing House Co., Ltd. has actively expanded into integrated publishing, establishing a multi-media collaborative model encompassing print books, audiobooks, e-books, short videos, and animated videos. Its audiobook brand "Tiandi Children's Voice" has accumulated 429,000 followers on the Ximalaya platform, with 45 works available.

Case: Sichuan Literature and Art Publishing House Co., Ltd.'s Dual-Core Integrated Publishing Project

Sichuan Literature and Art Publishing House Co., Ltd. has advanced its children's digital cultural industry promotion project. The core achievement, the "Ideological and Political Intelligence Hub" mini-program, has been successfully launched, attracting 19,756 visits. It integrates resources from multiple revolutionary heritage sites and professional institutions across Sichuan Province, producing over a hundred themed columns on revolutionary culture. A series of thematic activities have reached hundreds of schools within the Province, impacting nearly one million people and driving book sales value exceeding RMB one million. Meanwhile, the Company is advancing the "High-Quality Dataset for Literature and Art Publishing" project, consolidating high-quality publishing resources on the diverse arts and culture of the Bashu region. By utilizing structured data collection and intelligent association technologies, a digital resource database has been established, along with the development of knowledge graphs and scenario-based applications. This project has been selected as a key initiative in Sichuan Province's cultural digitization efforts and is supported by the "Cultural Big Data System Construction Project" of Sichuan Province. It was also recognized as a case of innovative application of next-generation information technology in the publishing industry by the China Academy of Press and Publication at the 6th China Publishing Knowledge Services Conference and the 2024–2025 Annual Report Release of the Chinese Digital Publishing Industry.

Diversified Digital Reading

The Group continues to enrich the supply of digital reading scenarios and optimize service experiences. It has developed "Winshare September", an integrated platform combining book purchasing, reading news, digital reading, and reading events to meet readers' needs. During the 2025 Tianfu Book Fair, the Group once again used the "Winshare September" WeChat mini-program as the main online exhibition venue, collaborating with multiple platforms including Tmall, JD.com, Pinduoduo, Douyin, Vipshop, and Xuexi Qiangguo to establish sub-venues. It coordinated numerous offline and online stores and suppliers to participate collectively, providing services covering 31 provinces, autonomous regions, and municipalities across the country. The Group curated high-quality resources such as physical books, audiobooks, and e-books, and organized distinctive events like "Hide in Books for Autumn". Through formats such as messages from authors and video showcases, it created immersive experiences encompassing "reading, listening, viewing, and interaction", enhancing the appeal of national reading initiatives.



"Winshare September" WeChat Mini-Program

Enhancing the Quality of Educational Digital Intelligence

Focusing on its digital intelligence transformation strategy, the Group is committed to promoting the deep integration of information technology with education and teaching, continuously expanding the application scenarios of big data and digital intelligence in the field of educational applications, and enhancing its overall capabilities as a smart education service provider. During the Reporting Period, the Group's "Winshare Youjiao" platform integrated an AI large model, developing 79 AI agent-based educational applications. The "Winshare Select" platform further advanced the integration of educational service scenarios with the public's reading needs, iteratively innovating teaching models and providing users with a more diverse and convenient one-stop book purchasing experience. The Group also launched the second series of "Digital Empowerment for High-Quality Development of Schools" activities—the "Masters' Lectures"—providing strong support for Sichuan Province's educational digital transformation.

By the end of the Reporting Period

the "Winshare Youjiao" platform had accumulated **3.0278** million visits

served **581,700** users

Building Resilient Supply Chain

The Group adheres to the development direction of environmental protection, resource conservation, and circular low-carbon practices, deeply integrating the concept of sustainability into its supply chain management system to build a green, efficient, and responsible end-to-end supply ecosystem. The Group actively promotes green procurement practices by prioritizing raw materials, products, and services that contribute to resource conservation and have minimal environmental impact, continuously strengthens environmental management across the supply chain to achieve more effective supplier evaluation, selection, and ongoing oversight, thereby driving the green transformation and sustainable development of the supply chain.

Green Procurement Policy

The Group has developed specialized supplier management measures for core supplier categories (including printing houses, book suppliers, and raw material suppliers for printing materials), aiming to ensure product and service quality and continuously enhancing ESG performance across the supply chain.

• Printing Houses

The Group has established a "full cycle, embedded, and refined" management policy for the selection and management of printing houses. By formulating and implementing systems such as the Measures for Printing Management of Printing Contractors and the Measures for Quality Management of Printing, the Group has clearly defined requirements for printing houses in terms of product quality, delivery timelines, environmental compliance, and social responsibility. The Group enforces a strict qualification review and rating mechanism. All printing contractors must meet basic access requirements, including possessing of the "three essential certificates" (Business License, Printing Operation License, and China Environmental Labeling Product Certification), and are subject to graded and categorized requirements based on product types to ensure effective control over the quality of printed products. The Printing and Binding Quality Points System for Printing Units and the Points Management Measures for Printing Cycle have been implemented to evaluate printing houses from multiple dimensions, forming an incentive and constraint mechanism that directly links point rankings to business volume. For printing houses with recurring quality issues, measures such as disqualification from printing for the following quarter up to complete withdrawal are taken. For those causing severe quality issues or significant social impact, the qualification revocation procedure is strictly enforced to ensure the manageability of supply chain risks.

• Book Suppliers

The Group has established a multi-dimensional, tiered access and management system for book suppliers, strictly adhering to the principles of high quality, contract integrity, and credibility. Differentiated evaluation criteria are set based on book suppliers' years of establishment, with comprehensive assessments conducted across key dimensions such as market scale, editorial capability, and brand strength. The Group has established a quality-centered, category-based evaluation and dynamic management mechanism, implementing whole-process management through information registration, contractual constraints, performance tracking, and regular communication. Book suppliers failing to meet requirements are subject to restrictions or withdrawal. Furthermore, for book suppliers providing educational books, the Group explicitly requires strict compliance with national environmental protection policies, prioritizing the use of eco-friendly raw materials (such as eco-friendly inks and paper) and green production processes, along with verification of key qualifications such as environmental labeling product certificates.

• Raw Material Suppliers for Printing Materials

The Group comprehensively implements the "green procurement principles" and has established the Supplier Management Policy and Procurement Management Policy. It requires that products submitted by all participating entities for selection must comply with relevant national quality standards and meet the various technical and environmental requirements stipulated in Environmental Management – Environmental Labels and Declarations – Self-declared Environmental Claims (Type II Environmental Labelling), Technical Requirement for Environmental Labeling Products – Printing – Part 1: Planographic Printing, and The Instruction and Testing Methods of EVA Hot-melt Adhesives for Bookbinding. Key materials such as paper, hot melt adhesives, inks, plates, and chemical auxiliary materials must obtain the national-level green "China Environmental Labelling" (Ten-Ring) certification. Furthermore, suppliers must accompanied by supporting documentation, including product-matching test reports or other authoritative certification materials, VOCs emission reports, and Material Safety Data Sheets (MSDS), as proof of their green credentials. This ensures that the products' environmental impact is minimized throughout production, use, and disposal.

Supply Chain Risk Management

In supply chain management, the Group continuously focuses on the coordination and standardization of the entire process, including procurement, acceptance, utilization, and inventory management. It aims to prevent issues such as cost overruns, delivery delays, product damage, or quality failures caused by poor process integration or management oversights, thereby safeguarding its economic interests and operational stability. The Group categorizes supply chain risks into dimensions of environment, quality, safety, and inventory to enhance overall supply chain quality, delivery reliability, and risk mitigation capabilities, fostering a continuously optimized and virtuous-cycle supply chain ecosystem.

Supply Chain Risk

Risk dimension	Risk description	Response measures
Environmental risk	• Risks arising from suppliers using raw and auxiliary materials that do not meet national environmental protection standards during production, leading to excessive hazardous substances in products, illegal emissions, and other issues. Such risks may result in environmental administrative penalties, and damage to the Group's brand reputation.	• Require suppliers to use raw materials that comply with national green printing standards. • Procure key materials from compliant suppliers to ensure environmental controllability. • Establish "China Environmental Labeling Certification" and similar credentials as mandatory conditions for supplier admission.
Quality risk	• Lack of supplier quality control led to serious quality issues, such as batch non-conformities, affecting product usability and potentially triggering significant public concern.	• Require suppliers to establish and implement a quality management systems and inspection records covering the entire production process. • Implement enterprise quality standards exceeding industry benchmarks, and enforce strict supervision through on-site inspections, sampling checks, and digital platforms. • Mandate suppliers to equip necessary online or offline quality inspection equipment.
Security risk	• Supply security risks: Supplier production interruptions or delivery delays may prevent products from being delivered on schedule. • Production safety risks: Production sites lacking adequate safety precautions or sound emergency response mechanisms.	• Implement the Points Management Measures for Printing Cycle to quantitatively monitor delivery performance, deduct points for breaches of contract, and link scoring to order allocation. • Include "capability to handle emergencies" as a supplier qualification criterion, and require them to establish a rapid after-sales response and inventory reserve mechanism.
Inventory risk	• Inadequate inventory management mechanisms may lead to inventory damage, deterioration, loss, or depreciation in value. If inventory levels are determined without market demand analysis and timely warning mechanisms, it may result in excess inventory, slow turnover, and capital occupation.	• Establish and implement a scientific inventory management system, including a forecasting and early warning mechanism based on market demand, as well as standardized storage management and inspection procedures tailored to the characteristics of the materials.

Supply Chain Risk Management Achievements

Through the implementation of the aforementioned risk management measures, the robustness and sustainability of the Group's supply chain have been significantly enhanced. In terms of quality, suppliers have demonstrated greater proactiveness in process control, leading to continuous improvement in product quality stability, with no batch non-conformities occurring during the Year. Regarding delivery performance, the cycle-based scoring management system has effectively strengthened supplier compliance discipline, ensuring the successful fulfillment of the "Arrival of Textbooks Before Class" mission. In risk control, strict admission screening, dynamic score monitoring, and a closed loop exit mechanism have effectively prevented major risks such as environmental violations, quality incidents, and severe delivery delays. Meanwhile, the dynamic evaluation system based on quantitative scoring has directed resources toward high-performing suppliers, not only optimizing the supply chain structure but also motivating partners to jointly improve their technical and management capabilities. This has fostered a virtuous cycle and continuously refined supply chain ecosystem, laying a solid foundation for the long-term and stable development of the Group's business.

Supplier Due Diligence

The Group strictly adheres to supplier management policies to evaluate suppliers, aiming to establish a unified and efficient management system. The Group carries out comprehensive quality evaluations of suppliers, covering aspects such as management level, environmental standards, quality specifications and standards, and inspection methods. During the Reporting Period, the Group's major suppliers provided third-party professional quality inspection reports for key products including printing plates, hot melt adhesives, rubber blankets, and pre-coated films. The test results all met the requirements for green printing.



Ink Product Certification Certificate



Hot Melt Adhesive Product Certification Certificate



Pre-coated Film Product Certification Certificate



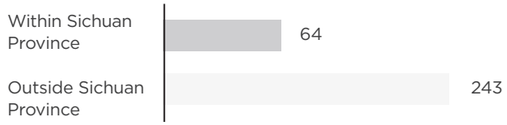
Plate Product Certification Certificate

As of the end of the Reporting Period, the Group's accounts payable (including notes payable) balance did not exceed RMB 30 billion, and its proportion of total assets did not exceed 50%. Furthermore, according to the National Enterprise Credit Information Publicity System, there was no information regarding overdue and unpaid amounts owed to small and medium-sized enterprises.

At the end of the Reporting Period, the number of the Group's main cooperative suppliers were as follows:

Number of raw material suppliers for printing materials

307



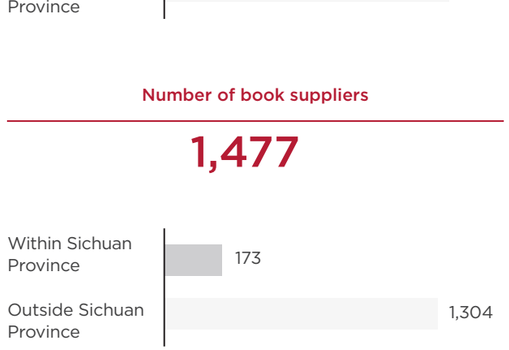
Number of printing houses

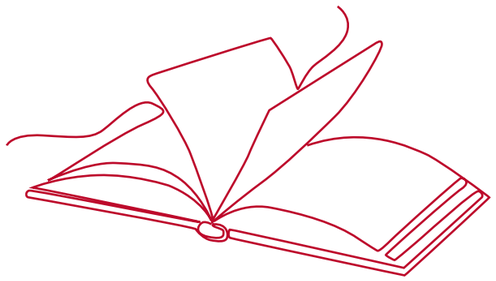
761



Number of book suppliers

1,477





Optimizing Logistics Network

The Group focuses on its main business of publishing and distribution, driven by the dual engines of logistics digital and intelligent transformation and enhanced service capabilities, achieving remarkable results in ensuring core operations, optimizing resource allocation, and deepening quality control. This has provided solid support for the efficient operation of the Group's supply chain. The Group launched the "Logistics Operation Platform" to advance the online integration of internal management processes. It completed the official commissioning of the "Parcel Intelligent Sorting Equipment" in the Southwest and East China regions, increasing express sorting efficiency by 30% and reducing the overall parcel pickup time by nearly two hours. The Group efficiently fulfilled logistics service commitments for major projects such as "Arrival of Textbooks Before Class", Tianfu Book Fair, and the distribution of current political publications. It continued to advance the construction of publishing front warehouses, assisting publishing houses in achieving off-site printing and nearby warehousing. By optimizing warehouse and distribution processes, it enhanced e-commerce delivery efficiency, achieving a single-warehouse daily shipment volume of 500,000 orders. By optimizing the processing warehouse workflow, it undertook 33.26 million copies of value-added processing operations such as lamination, kit assembly, and pre-packaging throughout the year, representing a 6.7% increase compared to the same period in 2024. The Group continues to refine its "999" quality management system, achieving 100% fulfillment of "super orders". Through the visualized order tracking system, GPS coverage of transportation orders increased to 43%, with an overall transportation timeliness fulfillment rate reaching 99.2%. Through measures such as warehouse relocation and consolidation, the Group released warehousing resources, relocating 1.2 million slowly moving items across four e-commerce warehouses and freeing up over a thousand pallet storage locations. This was done to optimize inventory structure and improving space utilization and operational coordination efficiency.



Steady Progress: Cornerstone of Governance and Risk Control

The Group regards integrity governance as a cornerstone of the enterprise, establishing a long-term anti-corruption mechanism through institutional improvements, strengthened education, and supervision with accountability. The comprehensive risk management system covers all areas of strategy, operations, and compliance, enabling systematic control over key risks. Intellectual property protection has formed a coordinated governance framework integrating online and offline efforts. Data security is advanced through a systematic approach, ensuring that information security evolves in tandem with business development through technology integration and continuous operations.

Upholding Integrity in Business Practices

The Group consistently maintains a "zero tolerance" stance against corruption, continuously improving anti-corruption systems. By strengthening awareness campaigns, education, and training, and enhancing routine oversight, it continuously improves its prevention and control capabilities against corruption risks. Through case handling, it promotes the simultaneous investigation and remediation of corruption and misconduct, adhering to the principles of investigating misconduct to uncover corruption and tracing corruption to address misconduct. It consistently sends a strong signal that failure to fulfill responsibilities will result in accountability, and that accountability will be strictly enforced, carrying the rigorous tone of accountability through to the end.

Improving the Anti-Corruption Institutional System

The Group consistently adheres to international anti-corruption norms. It strictly complies with national laws and regulations such as the Company Law, the Criminal Law of the People's Republic of China, and the Supervision Law of the People's Republic of China, as well as the relevant rules and regulations of the Communist Party of China and those related to party conduct and integrity construction. It unswervingly promotes the in-depth development of full and strict governance over the Party. The Group systematically identifies key points of integrity risks and formulate corresponding prevention and control measures, establishing a risk prevention and control framework characterized by collaborative management.

Through the establishment of a robust anti-corruption institutional system, the Group strictly implements the Rules for Handling Complaints and Reports by Discipline Inspection and Supervision Organs and its own Complaint and Reporting System. It patiently listens to issues raised by visitors, provides clarification and emotional guidance, and handles issues appropriately. For complaints and reports, it strictly implements a collective review system for leads on issues, adeptly exercises the "Four Forms of Supervision and Discipline" to investigate and address disciplinary violations in accordance with regulations and rules, and strictly implements confidentiality mechanisms to protect the legitimate rights and interests of reporters, maintain order in the reporting process, and prevent any action that could harm the Group's or its shareholders' interests. During the Reporting Period, the Group did not have any corruption-related litigation cases.

To ensure the effectiveness and security of reporting channels, the Group explicitly requires strict confidentiality of reporters' information. Relevant personnel must strictly abide by work discipline and are prohibited from improperly recording, storing, copying, or disclosing any reporting content, case materials, or sensitive information obtained during the course of their duties. All interactions with visitors and case handling must be conducted in a professional manner to uphold the organization's formal image. Upon departure from their positions, personnel must return all classified media and case-related materials in accordance with regulations, undergo a declassification period, and sign confidentiality commitment letters to fully implement the confidentiality responsibilities throughout the entire cycle.

To continuously improve corporate governance, the Group is advancing commercial ethics risk assessment and audit work, and is committed to gradually expanding the audit coverage to all core business processes in the future, aiming to enhance the Group's ethical governance standards through quantifiable metrics.

Strengthening Anti-Corruption Supervision and Training

The Group unswervingly strengthens political guidance, focusing on the "Two Responsibilities" to conduct political oversight, strictly implementing the "First Agenda" system. It conducts special research on comprehensively and strictly governing the Party, party conduct and integrity construction, and anti-corruption work once every six months, persistently advancing full and strict governance over the Party. It consistently implements the "One Position with Two Responsibilities" principle. At the beginning of the year, it signs integrity employment commitment letters with members of the leading team and the principal heads of various institutions. At the end of the year, it conducts work performance and integrity reporting as well as integrity employment evaluations, incorporating the results into the individual assessment of party conduct and integrity construction. These results serve as an important basis for cadre selection and appointment, evaluation of excellence, and assessment of the responsibility system for party conduct and integrity construction of the relevant units and departments. It ensures that party conduct and integrity construction is coordinated with production and operational work in terms of deployment, implementation, inspection, and assessment.

The Group consistently strengthens the high-pressure deterrence of "don't dare to corrupt", improves the institutional mechanism of "can't corrupt", and enhances the ideological consciousness of "don't want to corrupt", while emphasizing the promotion of party rules, party disciplines, and anti-corruption through extensive education and publicity. It conducts specialized training on party discipline and integrity education to reinforce awareness of discipline. It distributes educational materials and disciplinary education readers, and displays promotional posters to strengthen publicity and education. It organizes visits to integrity education bases, screens educational videos, and circulates typical cases to conduct regular anti-corruption warning education. It closely monitors the "key minority" and critical periods, emphasizing disciplinary requirements through telephone calls and integrity text messages. Through trade union-themed activities, internal magazine columns, and other formats, it fosters a strong atmosphere that upholds integrity and rejects corruption. During the Reporting Period, the Group provided integrity education to over 8,000 attendance number of participants through online learning, on-site training, and text message education, achieving comprehensive coverage from cadres to grassroots employees. The number of individuals receiving offline anti-commercial bribery and anti-corruption training was as follows:

As of the end of the Reporting Period

Number of directors who attended anti-commercial bribery and anti-corruption training	Number of management personnel who attended anti-commercial bribery and anti-corruption training	Number of employees who attended anti-commercial bribery and anti-corruption training
25 Attendance Number of Participants	186 Attendance Number of Participants	1,124 Attendance Number of Participants
Percentage of directors who attended anti-commercial bribery and anti-corruption training	Percentage of management personnel who attended anti-commercial bribery and anti-corruption training	Percentage of employees who attended anti-commercial bribery and anti-corruption training
100%	100%	16%

Case: Special Integrity Education and Training on "Study of Party Discipline and Laws and Integrity Risk Alerts"

From May to November 2025, the Company's Discipline Inspection Office conducted special integrity education and training for various institutions under the Group, focusing on the theme of "Study of Party Discipline and Laws and Integrity Risk Alerts".



Education Services Department Integrity Training



Reading Services Department Integrity Training



Sichuan Bashu Publishing House Co., Ltd. Integrity Training



Sichuan Youth and Children's Publishing House Co., Ltd. Integrity Training

The head of the Discipline Inspection Office provided an in-depth interpretation of the Regulations on Disciplinary Actions Against Managers and Staff of State-Owned Enterprises, the newly revised Regulations on Disciplinary Actions of the Communist Party of China, and the Company's Measures for the Implementation of Accountability Pursuant and Reward and Punishment System. The training focused on analyzing the red lines of party discipline and laws, typical manifestations of violations of the Central Eight-Point Regulation, norms for decision-making on major economic matters, and risk points in business activities. Using real-life cases to educate those in attendance, the training reinforced the ideological consciousness of "studying discipline, understanding discipline, clarifying discipline, and adhering to discipline". By internalizing disciplinary requirements and externalizing them in action, the training guided party members, cadres, and employees in key positions to fortify the line of defense for integrity in employment and enhance their awareness of compliant performance. This contributed to fostering a culture of integrity within the Group characterized by nipping problems in the bud, upholding principles, and maintaining clear boundaries. It provided a solid disciplinary guarantee and behavioral norm support for the sustainable development of the state-owned enterprise.

Managing Operational Risks

Improving the Compliance Management System

In accordance with the Company Law, the Administrative Measures for Compliance Management of Central Enterprises, the Guidelines for Compliance Management of Central Enterprises, and other relevant regulations, and considering the actual circumstances, the Company has formulated the Compliance Management Measures. This system establishes a top-down compliance management organizational structure, clearly defining the responsibilities of the Party Committee, the Board, the Audit Committee, the management, the Compliance Management Leading Group, the Compliance Management Office, and other bodies. The Company operates under a tiered compliance management mechanism, forming a three-line management framework in which business and functional departments bear direct responsibility, compliance management departments take the lead in coordination, and audit and disciplinary inspection departments provide supervision.

Strengthening Risk Management Construction

The Company has established a comprehensive risk management organizational system comprising the Board, the Audit Committee, the Risk Management Leading Group, and the Legal Affairs and Risk Management Department, and has formulated the Comprehensive Risk Management Measures. The Board is responsible for establishing and improving risk management and internal control mechanisms, as well as evaluating their effectiveness. It continuously reviews the effectiveness of the Company's risk management and internal control through the Audit Committee. The Risk Management Leading Group is responsible for organizing and implementing the Company's risk management activities, while the Legal Affairs and Risk Management Department specifically organizes and coordinates internal control and risk management work.

Through a combination of industry research, management interviews, and questionnaire surveys, the Group identifies and assesses current or potential risks. It classifies and prioritizes the identified risks from three dimensions—the likelihood of risk occurrence, the impact of risk occurrence, and the effectiveness of response measures—to develop a risk database tailored to the Group's actual circumstances. Through statistical analysis, it determines the annual risk ranking and prepares the Annual Risk Assessment Report. The Company has established both special and routine risk response mechanisms, defining specific measures and implementing plans for risk mitigation.

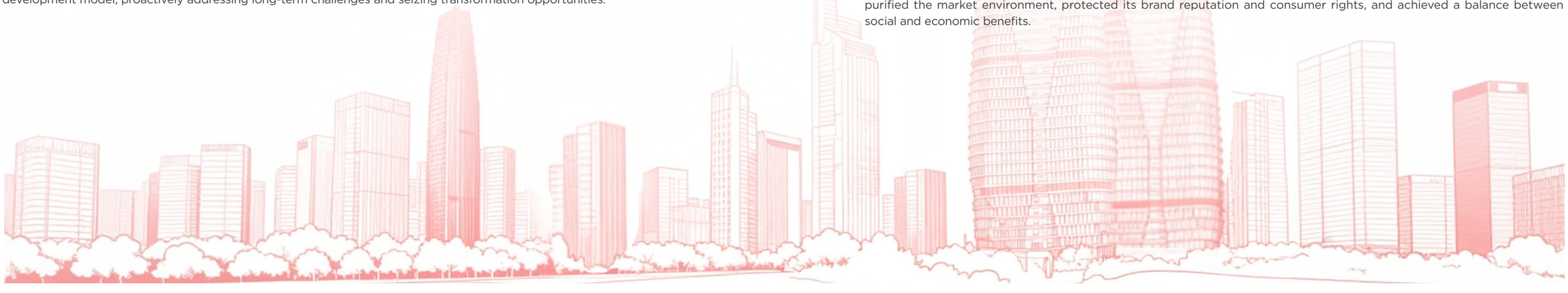
The Group places great importance on risk management in key ESG areas. In addition to continuously strengthening controls over traditional risks such as market, financial, corporate culture, and bidding risks, broader sustainability issues—including environmental risks, product quality, social responsibility, external policies, market competition, and corporate governance—are also incorporated into a systematic risk identification and assessment process. ESG-related risks are fully integrated into strategic decision-making and daily operations. The Group is committed to building a more resilient development model, proactively addressing long-term challenges and seizing transformation opportunities.

Protecting Intellectual Property

To regulate the use of brands and trademarks, and to consolidate the protection of brands and trademarks, the Company has consolidated and revised the Brand Use Management System and the Trademark Management Measures into the Brand Management System. This system provides detailed provisions regarding brand authorization, use, and supervision, as well as trademark use, transfer, and rights protection. The Company conducts comprehensive and coordinated management of its trademarks to ensure the accuracy and completeness of trademark information. It works with entrusted trademark agencies to fully protect trademark rights, effectively enhancing the value of its brands and trademarks, ensuring the effective protection of the Company's legitimate rights and interests, and providing a solid legal foundation for the Company's brand development. As of the end of the Reporting Period, the Company held 364 trademarks, successfully renewed 7 trademarks, filed no new trademark applications, and the Group held 16 valid patents.

The Group consistently prioritizes copyright protection as a core mission, strictly adhering to relevant regulations such as the Copyright Law of the People's Republic of China. Guided by the principle of "full-chain prevention and control, multi-dimensional rights protection, and deep-level empowerment", it has established a comprehensive protection system. This system covers copyright management, infringement mitigation, and ecosystem co-construction, safeguarding original creators' rights and market order while preventing unfair competition. The Group strengthens the compliance of its publishing business processes by obtaining copyright owner permissions and signing written authorization contracts in accordance with the law. In editorial processing, it strictly adheres to the provisions on fair use and legal licensing, regulating citation, excerpting, and adaptation practices to protect the legitimate rights and interests of copyright owners and market order at the source. The Company's subsidiary, Sichuan Digital Publishing & Media Co., Ltd., has built and operates the "Zhi Xin Lian" (知信鏈) copyright service platform based on blockchain technology. This platform has been registered with the Cyberspace Administration of China and has obtained a license for online publishing services, achieving data interoperability with the Sichuan Provincial Copyright Bureau and providing users with dual protection through technical evidence preservation and administrative rights confirmation. During the Reporting Period, the Group was not involved in any litigation or significant administrative penalties arising from unfair competition practices.

The Group strictly upholds market order and resolutely combats piracy, infringement, and unfair competition. In offline physical markets, the Company's publishing houses have conducted special campaigns against key infringements. In collaboration with professional intellectual property organizations, it has initiated multiple rounds of enforcement actions, filing lawsuits against infringing merchants and coordinating with law enforcement agencies to conduct investigations and crackdowns, thereby effectively maintaining market order. On online platforms, the Company's publishing houses have established a rapid response mechanism encompassing "purchase identification, evidence fixation, and platform complaints". Leveraging the intellectual property protection channels of e-commerce platforms, they have achieved the removal of infringing links within 24 hours, processing over a hundred such links throughout the year. Meanwhile, the Company's subsidiary, Sichuan Digital Publishing & Media Co., Ltd., utilizes monitoring technology to scan channels across the internet, employs blockchain technology to fix infringing evidence, and has assembled a professional team to conduct source tracing investigations. It collaborates with public security, cultural law enforcement, and other authorities to crack down on the sources of infringement, dismantling pirate operations and forming a closed-loop governance system that spans from online detection to offline enforcement. Through these rights protection measures, the Group has effectively purified the market environment, protected its brand reputation and consumer rights, and achieved a balance between social and economic benefits.



Defending Data Privacy

Governance

The Group strictly complies with the Law of the People's Republic of China on the Protection of Consumer Rights and Interests, adhering to the principles of legality, legitimacy, transparency, and necessity in the collection and use of personal information. The Company strengthens employees' awareness of information security and confidentiality, and strictly regulates authorization procedures. The Company has formulated the Guidelines on Security Management of Personal Information to further regulate the management of the handling of personal information and data within the Company. The Group has implemented management processes in accordance with regulations such as the Network Security Management System, Data Backup Management Guide, Winshare Online E-Commerce System Information Security. It has reinforced employee awareness of the confidentiality and security of customer information and to ensure the lawful and legitimate use of customers' personal information. The Company has established a Digital Transformation Leading Group, integrating security capability building into its overall technology development strategy, responding to the national deployment requirements regarding ideological and cyber security. While ensuring stable business operations, continuously enhances the enterprise's core technological capabilities and long-term competitiveness.

Strategy

The Group thoroughly implements the national guidelines on ideological and cyber security, integrating information security and privacy protection into the enterprise's overall security strategy. Guided by the core strategy of "systematic design, modular embedding, and phased advancement", it has built a security development system centered on three dimensions: security management, security technology, and security operations. It has formulated information system security management measures and handling plans to safeguard information security and data privacy. By improving protection mechanisms and upgrading security technologies, it fortify the cyber security barrier and comprehensively promote the in-depth management of ideological and cyber ideological security.

Security management	The Group fully implements cyber security policies, management systems, and operational specifications, establishing a standardized control mechanism covering the entire lifecycle of information systems, thereby enhancing its overall cyber security management capabilities.
Security technology	The Group adopts a modular design concept, deeply integrating security protection capabilities into all levels of technical architecture, commits to building an automated proactive security defense system, achieving deep coupling between security and business.
Security operations	The Group focuses on continuous monitoring and dynamic response, creating a closed-loop security management capability to ensure that security protection measures evolve in tandem with business development. The Group regularly conducts penetration testing, vulnerability scanning, baseline verification, application launch assessments, and safeguard for major events, while also establishing emergency response plans and organizing regular drills to continuously enhance its practical emergency response capabilities.

Impacts, Risks, and Opportunities Management

To ensure data privacy and information security, the Group has identified the relevant risks:

Confidentiality Management Risk	If various organizations lack sufficient awareness of protecting confidential information, fail to fully utilize technical measures such as document encryption for management, or inadequately implement confidentiality measures, it may lead to the unauthorized disclosure of the Group's confidential information.
Information Security Risk	In the absence of effective information security strategies and measures, or failure to effectively identify and protect against risks to network security, data security, personal information privacy security, etc., the information system may be subjected to external attacks, leading to data breaches, regulatory penalties, and reputational and operational damage to the Group.
Information Technology Risk	Inadequate information system planning, failure to adjust to business development, insufficient hardware or software to effectively support management needs, or improper operation and maintenance may result in the system's inability to meet business requirements, affecting operational stability.

Facing the above data and information security risks, the Group actively prevents them while simultaneously transforming them into strategic opportunities for enterprise development. Strengthening data security and customer privacy protection is key to enhancing brand reputation and capitalizing on market trust. The Group can participate in authoritative privacy and security certifications, promote these achievements as market highlights, and establish transparent, efficient mechanisms for customer privacy communication and complaint resolution, thereby reinforcing customer confidence and building differentiated competitive advantages. The need to address security challenges brings opportunities for technological innovation. The Group can systematically plan and upgrade data security technologies, provide cutting-edge cybersecurity training for professional and technical personnel, and encourage the application of new technologies in specific scenarios such as active defense, thereby driving continuous iteration and improvement of its overall technological capabilities.

To effectively address the relevant risks, the Group has established response measures including encryption and data anonymization, access control, and proactive defense:

To address risks arising from insufficient awareness of information protection and inadequate implementation of measures, the Group strengthens safeguards by de-identifying and encrypting sensitive data fields, establishing role-based minimum necessary access permissions, strictly reviewing bulk data exports, and conducting ongoing training for all employees while signing security agreements with partners. To address information security risks, the Group regularly upgrades firewalls and conducts penetration testing to build an active defense system, while implementing encryption for API communications and promoting HTTPS and VPN protocols to ensure transmission security, and has improved the data security management system. To address information technology risks, the Group ensures that information systems continuously adapt to the Company's development and security management needs by regularly conducting system security testing, patching vulnerabilities, and upgrading technology.

Indicators and Targets

During the Reporting Period, in accordance with the national cyber security classification protection system, the Group conducted two cybersecurity classification protection assessments for its official website and the "Winshare Youxue" system. A total of 68 vulnerability scanning tests and one penetration test were completed. The systems have been optimized and strengthened for security, ensuring comprehensive protection of information security throughout the online transaction process. As of the end of the Reporting Period, the Group had not experienced any data security incidents or customer privacy breaches.

In the future, the Group will continue to improve its data security and privacy protection management system and deepen the coordination between technical safeguards and process controls. By enhancing data governance capabilities and emergency response capabilities, the Group will build a more secure and trustworthy digital service environment, providing robust and long-term protection for customers' information and privacy rights.



Sustaining the Future: Creating Shared Social Value

Rooted in its core publishing and distribution business, the Group upholds a strong sense of cultural consciousness and mission to advance the preservation, inheritance, and innovative development of fine traditional Chinese culture. Focusing on “culture” and “education”, it actively responds to the spiritual and cultural needs of local communities. By carrying forward Chinese culture and supporting educational causes, the Group drives high-quality cultural resources to reach the grassroots and strengthens community cultural cohesion. Leveraging physical stores and online platforms including winxuan.com, and partnering with schools, communities, and public welfare organizations, it regularly hosts reading groups, cultural lectures, parent-child reading, and other public welfare activities, achieving an organic integration of economic and social benefits. During the Reporting Period, the Group’s total external donations reached approximately RMB 35.2559 million.

Inheriting Chinese Culture

Protecting Ancient Books and National Culture

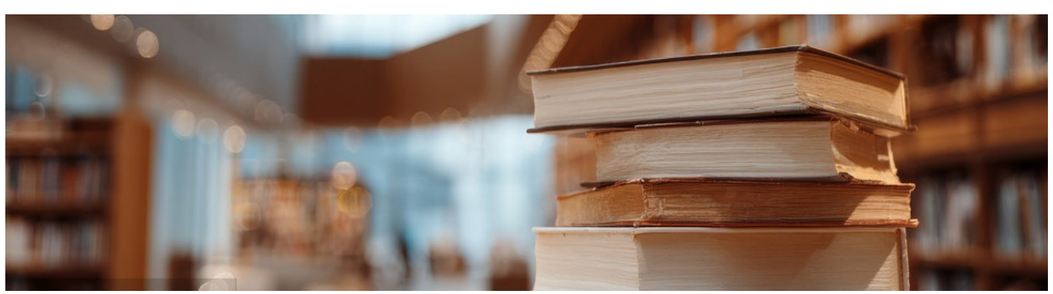
Drawing on its industry characteristics and professional strengths, the Group deeply integrates publishing planning with cultural inheritance, continuously advancing major cultural publishing projects such as the Three Su culture, Shu Road culture (including the Three Kingdoms culture), and Sanxingdui. It systematically promotes publishing programs for niche and endangered academic disciplines as well as Sichuan historical figures, comprehensively strengthening the systematic collation and revitalized communication of fine traditional Chinese culture.

This Year, the Group directed its affiliated publishing entities to focus on core Bashu civilization resources and accumulative total published 64 Sanxingdui-series publications covering academic research monographs, popular readings for the general public, original literature, children's popular science picture books, and other categories, responding promptly to public concerns and generating extensive social influence. Among them, the Three Su culture series has released 67 titles totaling 1,231 volumes, including In Search of Su Dongpo (《尋訪蘇東坡》) and Self-Love and Freedom: Su Dongpo's Life Philosophy (《自愛自在：蘇東坡的生活哲學》). The Three Su of Meizhou (《眉州三蘇》) supports the cultivation of family values and education in the new era. Ye Jiaying on Su Shi's Ci Poetry (《葉嘉瑩論蘇軾詞》) has been licensed for Mongolian and Spanish copyrights, and The Legend of Young Su Dongpo (《少年蘇東坡傳奇》) sold 23,000 sets within two months. For Shu Road culture, multiple titles have been published, including Ten Lectures on Shu Road (《蜀道十講》) and Compendium of Documents on Mountains, Rivers and Passes of Shu Road (《蜀道山水關隘文獻集成》). This Year, eight new titles were added, such as Deep Affection for the Serene Shu Road (《幽幽蜀道情》), with new works including Shu Road Heritage Series • Cultural Heritage (Second Series) (《蜀道遺產叢書・文化遺產（第二輯）》) planned for release, bringing fine traditional Chinese culture to new life in the contemporary era.

During the Reporting Period

Eight projects from the Company's publishing subsidiaries, including Ancient Shu Civilization Research Series (《古蜀文明研究叢書》), were selected for the projects of the National Publishing Fund.

Nine projects, including Collation and Annotation of Wang Shizhen's Travel Records on Shu Roads (《王士禛蜀道行紀文獻校注》), were included in the projects of the National Ancient Book Compilation and Publishing Funding. **Four** books, including Searching for Gan Yu (《尋找甘宇》) and The Age of Symbols: Faith and Early China (《符號時代：信仰與早期中國》), were selected (shortlisted) for the 2024 China Good Books Annual List (announced in 2025). A large number of themed books, including Dahan Village (《大漢寨》), Dreaming of the Heavenly Palace: Full Record of China's Space Station Construction (《尋夢天宮：中國空間站建設全紀實》), and Stone Chair Village Above the Clouds (《雲朵上的石椅村》), achieved outstanding social and economic performance and were included in Key Provincial Publishing Subsidy programs, Major Provincial Literary Support projects, and other important plans.



Promoting National Reading

The Group has always taken promoting cultural heritage and national progress as its responsibility, advocating a reading concept of participation by everyone and sharing with everyone. It deepens cultural service scenarios, innovates activity formats and communication channels, integrates reading into daily life, continuously injects cultural momentum into the building of a literate society, and demonstrates the mission of a state-owned cultural enterprise.

The Group delivers targeted reading services across diverse scenarios including campuses, universities, communities, rural areas, and families. During the Reporting Period, marking the 30th World Book Day, the Group centered on the theme of "fostering a national reading atmosphere and advancing the building of a literate society", collaborated with Party committees, governments, universities, cultural and tourism institutions at all levels to build a reading promotion matrix that "online-offline integration and full-scene coverage". Around World Book Day on April 23, the Group actively supported the launch of more than 30 "Tianfu Book Fair • National Reading" ceremonies across regions. Through themed book exhibitions, book donations, tech + AI experiences, and other diverse activities, it ignited public enthusiasm for reading and extended high-quality reading resources to the grassroots.



Tech + AI Experience Event



"Youth" Book Market



"Live Streaming Across 100 Stores" Grand Event



"World Book Day" Themed Flight



"Vivid Collection · Panda Reading" Event

Case: Sichuan Province's Third "Tianfu Book Fair • National Reading" Conference

On April 25, 2025, the third Sichuan Province's "Tianfu Book Fair • National Reading" Conference was inaugurated in Meishan. In the specially designated "Sichuan Good Books" exhibition area, 18 books published by the Group were showcased collectively, covering six major categories including thematic publications, literature and art, and youth reading materials, demonstrating the profound heritage and creative strength of Sichuan-published books. As a core participant in the "Sichuan Good Books" selection initiative, the Group has had 141 Sichuan-published titles honored since the program's launch in 2019. Each acclaimed book embodies the wisdom of authors and publishing professionals, providing high-quality content to promote national reading.



Enhancing Industry Exchanges

The Group actively builds cultural exchange platforms. By hosting and participating in various book fairs and industry events, it promotes the integration of publishing resources and the sharing of industry experience, enriches the connotation of reading, and enhances the influence of cultural communication.

During the Reporting Period, the Group took the Tianfu Book Fair as its core platform to build a high-level venue for industry exchange and cultural exhibition. It also actively organized participation in multiple international cultural exhibitions to showcase Sichuan's publishing achievements and cultural image. Using book fairs as a bond, it held industry seminars, copyright exchanges and other activities, building a solid bridge for peer cooperation and cultural communication.

Case: 2025 Tianfu Book Fair Builds a High Ground for Industry Exchange and Cultural Communication

The 2025 Tianfu Book Fair was held in Chengdu, Sichuan in October under the theme "Fragrant Books in Tianfu, Comfortable Reading in Sichuan". Adopting a model of "online-offline integration, combined exhibition and sales, and industry-public convergence", it attracted more than 30 publishing and media groups, over 600 publishing and distribution units, and more than 1,000 library supply agencies. More than 800,000 book titles were exhibited and sold, providing a high-quality platform for industry resource integration and experience sharing.

For the first time, the fair set up "Light of Truth — Exhibition of Achievements in Publishing the Party's Innovative Theories" in the core area of the main exhibition hall, displaying more than 750 important works by General Secretary Xi Jinping and related readings; launched a senior reading zone and a "Generation Z" featured reading zone to meet public reading needs while fulfilling industry exhibition functions; introduced international bookstores and world intangible cultural heritage products, with a Frankfurt Book Fair zone established for the first time to facilitate exchanges between Chinese and foreign publishing peers. During the fair, the Tianfu Book Fair Public Welfare Month was held continuously, offering public-benefit initiatives such as ticket linkage and book-film cross. The event attracted over 63 million visits online and offline, achieved sales value of RMB 109 million for books and cultural and creative products, and recorded sales value of RMB 305 million at the library procurement and construction fair. While deepening industry cooperation, the fair achieved dual gains in cultural communication and public benefits.

Case: Appearance at the 33rd National Book Expo

The 33rd National Book Expo was held in Chongqing from July 25 to 28, 2025, under the theme "A Bookish China: The Beauty of Reading", gathering more than 1,000 publishing and distribution units nationwide.

As a core exhibitor of the Sichuan Pavilion, the Company presented more than 3,000 high-quality books, highlighting premium works in themed publishing and the inheritance and innovation of Bashu culture from its publishing subsidiaries, systematically showcasing its high-quality development achievements in recent years. Centered on the theme "Splendid Tianfu • Comfortable Sichuan", it prominently displayed award-winning works honored with the "Five 'One' Project" Award by the Publicity Department of the Communist Party of China, the China Publishing Government Award, the China Excellent Publications Award, and the "China Good Books" annual list. It also launched key publications including Chengdu Biography (《成都傳》), reflecting the achievements of the Chengdu-Chongqing Economic Circle, and Child, You Will Eventually Grow Up: The Journey of Kangji the Panda (《孩子，你終將長大：熊貓康吉的遠行》), an ecological literature IP, fully demonstrates the Company's content depth and contemporary concerns. The Company ranked among the TOP 5 in the exhibitor popularity list; Pocket Super Tank (《口袋裡的超級坦克》) published by Sichuan Tiandi Publishing House Co., Ltd. ranked TOP 4 in overall single-title sales, with continuously improving market recognition.



Awarded "Advanced Unit for Public Welfare Donations"



Sichuan Exhibition Area



Reading Activity



"Panda Bookstores" Pop-up Store

Empowering International Communication

The Group actively responds to the "going global" strategy, strengthens the building of international communication capacity, continuously exports book copyrights, and establishes Sino-foreign joint editorial offices. With a professional and focused humanistic vision, it actively advances the mutual translation program of Asian classics, promotes international cultural exchanges and mutual learning, and helps Chinese culture go global.

This Year, the Group continued to drive high-quality Sichuan-published books "going global", systematically advancing copyright export and physical book exports, with a cumulative total of 508 book copyrights exported. All nine of its publishing houses were selected for the "2025 Influence of Overseas Collections of Chinese Books Top 100". The Company, together with five of its subsidiaries and one project, was selected as a "2025–2026 National Key Cultural Export Enterprise and Project". Fourteen projects were included in the 2025 "Classic China International Publishing Project" and "Silk Road Book Publishing Project", reaching a record high in the number of selections. It actively organized participation in multiple international cultural exhibitions, including the Italy Bologna Book Fair, the China-Themed Book Festival in Serbia, and the Beijing International Book Fair, systematically displaying Sichuan's publishing achievements and cultural image. It held key new book launch events such as "Singing to Build a Bridge of Hearts: China in the Eyes of German Students — Launch Ceremony of This Is What China Is Really Like (《原來中國長這樣》)" and "Launch of the Chinese and English Editions of Medical Human Experiments Conducted by Imperial Japanese Army for Biological Warfare in China, 1932–1945 (《1932—1945 年日本生物戰部隊在中國進行的醫學人體實驗》)", building an important bridge for Sino-foreign cultural exchanges.

During the Tianfu Book Fair, the Group successfully held events including the "Belt and Road" Publishing Cooperation Experience Exchange Meeting and Tianfu Literature Week — "Chinese Literature Going Global" Copyright Exchange and Promotion Conference, deepening dialogue among civilizations through books. It continued to advance the Chinese-Nepalese and Chinese-Cambodian classic works mutual translation programs, and was selected as the lead organizer of the Chinese-Malaysian and Chinese-Bruneian classic works mutual translation programs, promoting the institutionalized and in-depth development of Chinese-foreign publishing cooperation and continuously enhancing the international influence of Chinese culture.

During the Reporting Period

All **nine** of its publishing houses were selected for the "2025 Influence of Overseas Collections of Chinese Books Top 100".

The Company, together with **five** of its subsidiaries and one project, was selected as a "2025–2026 National Key Cultural Export Enterprise and Project".

Fourteen projects were included in the 2025 "Classic China International Publishing Project" and "Silk Road Book Publishing Project"



Supporting Educational Undertakings

The Group keenly observes industry development trends, actively integrates various high-quality resources, fully promotes integrated development, and proactively deploys in areas such as educational informatization, study tours and labor practice, and teacher training.

Practicing Collaborative Education

The Group deepens the construction of a collaborative education mechanism involving families, schools, and society. Relying on the "Winshare Youxue" platform to integrate high-quality educational resources, it focuses on educational equity and service accessibility, promoting the systematic integration of core scenarios such as supplementary materials selection, home-school communication, and family education guidance. Through channel sinking and technological optimization, it covers approximately 6,000 primary and secondary schools in Sichuan Province, serving more than 4.5 million student parents, among whom rural schools and students account for over 70%. This effectively alleviates the imbalance in the allocation of urban and rural educational resources and helps realize educational equity.

Relying on the "Winshare Parent School" platform, the Group, in conjunction with the Sichuan Provincial Education Association, Education Guide · Family Education Weekly (《教育導報・家教周刊》) and education departments of all regions, continuously carries out the "Family Education into Campus" public welfare lecture tour. A total of 30 online and offline lectures have been held, with nearly 10,000 offline participants and over 300,000 online live broadcast views. At the same time, it focuses on building a digital communication position and launches the short video column Mom and Dad's 'Home' Gas Station (《父母「家」油站》) focusing on growth issues, inviting experts and famous teachers to share scientific parenting concepts. In 2025, 70 episodes of short videos were produced and released, interviewing 35 experts and scholars, with a total playback volume exceeding 1 million times and an average of 15,000 times per issue, effectively improving the accessibility of family education resources.

In addition, the Group undertakes the third phase of the 2025 Tianfu Parents "Hui" public welfare publicity activity for family education, hosted by the Sichuan Provincial Department of Education and the Sichuan Provincial Women's Federation. It invites experts from inside and outside the province to share with the theme of "Sharing the Fragrance of Books and Growing Together", providing practical reading guidance for parents and children around "parent-child reading". Starting from September 2025, 4 offline lectures were held in Chengdu, Nanchong, Luzhou, and Xichang, focusing on themes such as "career planning", "physical and mental health", and "intergenerational parenting". The activities were simultaneously broadcast on platforms such as the "Sichuan Education Release" video account, "Winshare Youxue" video account, and Sichuan Radio and Television Science and Technology Education Channel, effectively expanding the scope of public welfare coverage. During this period, the Group selected 1,200 high-quality books suitable for parent-child reading and donated them to attending parents, helping to create a good atmosphere for family reading. A total of more than 1,000 parents participated on site, and the video playback volume of a single activity exceeded 60,000 times.



"Tianfu Parents 'Hui'" Event



"Winshare Parent School" Campus Public Welfare Lecture Tour

Deepening Study Tour

The Group has consistently been committed to promoting the all-around development of students in terms of morality, intelligence, physique, aesthetics, and labor skills, and to cultivating high-quality, innovative, interdisciplinary, and application-oriented talents. It has adopted the "five withs" study tour approach (with curriculum, with campsites, with teachers, with practices, with evaluations) as its core development path. During the Reporting Period, closely aligning with the national strategy of "building a strong education nation" and the decisions of the Sichuan Provincial Party Committee and Provincial Government to promote the deep integration of culture and tourism, the Company advanced model innovation and resource integration. It successively signed six government-enterprise cooperation agreements with local governments in Cangxi (Guangyuan), Wusheng (Guang'an), Jintang (Chengdu), and other regions, driving the "county-district coordination, Winshare operation" model to take root in more areas.



Study Tour Courses

The Group adheres to a curriculum-driven approach, continuously iterating and optimizing its existing general courses and local characteristic course systems. During the Year, it added or optimized a total of 28 sets of courses; it has completed the research and development of 552 sets of general courses and local characteristic courses, constantly improving its characteristic labor and practice education course system. Thematic course content, such as intangible cultural heritage and technology-based study tours, continues to be enriched and expanded. During the Reporting Period, the Group continuously strengthened the operation and construction of bases (campsites), achieving regular operations at the Suining Youth Comprehensive Practice Camp and the Lizhou District Primary and Secondary School Labor and Practice Education Camp in Guangyuan City. An evaluation system for cooperative bases was established, conducting comprehensive assessments of safety, service, and quality dimensions for 235 cooperative bases (campsites) across the province.

Advancing Teacher Training

The Group focuses on teacher development and progress, integrates high-quality educational resources, and provides comprehensive, in-depth, and warm teacher training services. It builds a professional training service platform for teachers continuing education, offering specialized training programs for rural educational management cadres and teachers. These initiatives aim to enhance teaching, education, and management capabilities, meet the needs of in-class and out-of-class teaching and education, fulfill the fundamental task of fostering virtue and cultivating talent, and support the high-quality development of national education.

Case: Targeted Empowerment of County-Level Educational Talent to Promote High-Quality Development of Grassroots Education

In August 2025, the Group organized a 5-day capacity-building training program in Chengdu for 30 vice principals and academic directors from primary and secondary schools in Rangtang County. The curriculum was systematically designed around four key dimensions "fostering the spirit of educators, enhancing management capabilities, integrating technology into teaching, and strengthening ideological and political education". Through a combination of specialized lectures, case study sharing, and on-site observations, the program comprehensively improved participants' professional competence and practical skills, broadened their educational perspectives, strengthened the modernization of school governance, and provided talent support for the high-quality development of local basic education.



Teacher Training

Engaging in Public Welfare Practices

Sun Star Public Welfare Action

The Group has been deeply committed to the field of rural education public welfare. Since 2013, it has continuously carried out the "Sun Star Public Welfare Action" for 13 consecutive years, focusing on the development of rural principals and teachers. It is dedicated to helping rural schools improve their daily management capabilities, cultural development, and teaching quality. Through organizing on-site and online guidance from experts, as well as promoting exemplary individuals and advanced stories emerging from the rural education revitalization action, stimulating schools' internal motivation, cultivating distinctive school characteristics, advancing classroom teaching reforms, the Group provides systematic support for alliance schools to achieve comprehensive and sustainable development.



"Sun Star Public Welfare Action" Principal Training

Case: Empowering Backbone Personnel in Rural Education Management to Promote the Dissemination of High-Quality Educational Resources to Grassroots Levels

In November 2025, the Group organized a specialized training program for rural education management cadres in Guangyuan, attracting nearly 80 participants including party secretaries, principals, and vice-principals from rural schools in Chengdu, Neijiang, Bazhong, Yibin, Mianyang, and Guangyuan. The three-day training focused on the theme of "Principals' Curriculum Leadership" and adopted various formats such as expert lectures, thematic discussions, case studies, and on-site observations to effectively enhance the theoretical and practical levels of the participants, thereby continuously promoting the extension of high-quality educational resources to the grassroots level.

Rural Revitalization Action

The Group thoroughly implements the national rural revitalization strategy, fully leveraging the resource advantages of a state-owned cultural enterprise. Focusing on the development needs of ethnic regions in Sichuan Province, particularly Rangtang County in the Aba Tibetan and Qiang Autonomous Prefecture as a key area for benefits for the public, it systematically advances cultural empowerment, industrial revitalization, educational support, and improvement of people's livelihoods.

Rangtang County

The Group has designated Sichuan Pictorial Co., Ltd. as the primary implementing unit for benefits for the public, carrying out systematic benefits for the public in areas such as industrial development, brand promotion, and livelihood improvement. By publishing a special Rangtang issue of Watch Panda (《看熊貓》) magazine, coordinating free public welfare publicity on the large screens at Tianfu Square, and organizing landmark cultural and tourism events such as the Rangtang Tibetan Wood Snake Year New Year (壤塘藏曆木蛇年新年), the Rangbala Festival (壤巴拉節), and the Aba Exhibition Area at the Tianfu Book Fair, intangible cultural heritage has been brought to public attention. By establishing Rangtang County's first comprehensive public cultural landmark integrating reading services, skills training, childcare services, and cultural product exhibitions, the gap in local integrated public cultural services has been filled. In collaboration with third-party e-commerce platforms, exclusive video production and live-streamed e-commerce were conducted to advance the marketization of the intangible cultural heritage product "Tibetan incense". Through the "purchase instead of donation" model, directly procurement of Rangtang agricultural specialty products totaling RMB 2.2262 million over the year.19 themed live-streaming events were conducted via Winshare Cloud Store, a "Rangtang Products Counter" was set up at the Chengdu Book Purchasing Center, and promotional displays were created in the Company canteen, integrating benefits for the public products into the employee welfare system and building a sustainable online-offline integrated sales network. Nine training and exchange sessions were organized for over 400 participants, including party and government officials, school administrators, and teachers, helping to enhance grassroots governance and educational management capabilities.



Rangbala Festival Event Site



Tibetan Wood Snake New Year Celebration



Aba Exhibition Area Intangible Cultural Heritage Activities



Rangtang County Vice Principal and Academic Director Training



Rangtang County Cultural Tourism Talent Exchange and Learning

Other Benefits for the Public

The Group always keeps its social responsibilities in mind and actively participates in rural revitalization initiatives promoted by various counties and cities in Sichuan Province. The Group carries out targeted one-on-one benefits for the public in areas such as industry, infrastructure, education, and cultural benefits for the public, benefiting more than ten villages in Sichuan Province, including Xinxing Village in Leizu Town, Yanting County, Mianyang City; Hongxin Village and Sizu Village in Longtan Township, Lizhou District, Guangyuan City; Haitangjing Village in Heba Town, Nanbu County, Nanchong City; and Qujiwatuo Village in Equgu Township, Meigu County in Liangshanzhou. Based on the specific conditions of each village, work responsibilities, goals, and tasks are clarified, monthly home visits are conducted to care for benefits for the public recipients, preventing relapse into poverty and contributing to rural revitalization.

In addition, the Group has published a series of thematic books, including Research on the Linkage Mechanism between Geographical Indication Protection and Utilization (《地理標誌保護運用與鄉村振興銜接機制研究》) and Rural Revitalization and Research Series on Rural Revitalization Theory and Sichuan Practices (《鄉村振興理論與四川實踐研究叢書》), summarizing the development pathways of urban-rural integration and shared prosperity at the county level in Sichuan, thereby providing theoretical support and practical references for rural revitalization. Closely aligned with national strategies and local development practices, this series of book fully reflects the Group's role as a state-owned cultural enterprise in supporting public policy research and grassroots governance innovation. It will further enhance the Group's influence and brand recognition within government, industry, academia, and research circles, strengthening its professional advantages in the cultural services sector.

Public Welfare Donations

The Group adheres to the social responsibilities of a cultural enterprise, carrying out diverse public welfare initiatives focused on education support, cultural benefits for the public, and rural revitalization, giving back to society through cultural resources and professional expertise. The Group continuously provides charitable donations and cultural services to grassroots communities and the education sector, donating high-quality books and learning materials to local libraries, grassroots Party organizations, rural Party members, schools, and public cultural spaces; actively participates in grassroots cultural programs such as the "Three Rural Campaigns" to enrich the public's spiritual and cultural life. Meanwhile, focusing on educational equity and talent development, the Group offers philanthropic support to universities and educational foundations to assist students in need and improve educational facilities, thus promoting the high-quality development of education.

Case: "Books Warm the Nation" Book Donation Campaign

At the 2025 4th National Reading Conference's "Books Warm the Nation" book donation event, the Group donated a total of 10,736 books, sales value at approximately RMB 380,000, to seven schools and eight rural reading rooms in remote areas. In coordination with provincial authorities, 1,559 books were donated to primary and secondary schools in Kangding City, Ganzi Prefecture with the sales value at approximately RMB 60,000; 520 books were donated to elderly groups during senior education activities with the sales value at approximately RMB 30,000.



"Books Warm the Nation" Book Donation Campaign

RMB million

Indicator	Amount
Total investment in rural revitalization	23.3946
Total investment in public welfare	35.2559

Appendix

Table of Contents of the SSE's Guidelines of Shanghai Stock Exchange for Self-Regulation of Listed Companies

Dimension	Number	Topic	Corresponding position
Environment	1	Climate change tackling	II. (I) Addressing Climate Change
	2	Pollutant discharge	II. (II) Controlling Environmental Emissions
	3	Waste disposal	II. (II) Controlling Environmental Emissions
	4	Ecosystem and biodiversity protection	II. (II) Controlling Environmental Emissions
	5	Environmental compliance management	II. (II) Controlling Environmental Emissions
	6	Energy usage	II. (II) Controlling Environmental Emissions
	7	Usage of water resources	II. (III) Efficient Resource Utilization
	8	Circular economy	II. (II) Controlling Environmental Emissions II. (III) Efficient Resource Utilization
Society	9	Rural revitalization	VI. (III) Engaging in Public Welfare Practices
	10	Contributions to the society	VI. (I) Inheriting Chinese Culture VI. (II) Supporting Educational Undertakings
	11	Innovation-driven	IV. (II) Leading Digital Innovation
	12	Ethics of science and technology	IV. (I) Pursuing Excellence in Products
	13	Supply chain security	IV. (III) Building Resilient Supply Chain IV. (IV) Optimizing Logistics Network
	14	Equal treatment to small and medium-sized enterprises	IV. (III) Building Resilient Supply Chain
	15	Safety and quality of products and services	IV. (I) Pursuing Excellence in Products
	16	Data security and customer privacy protection	V. (IV) Defending Data Privacy
	17	Employees	III. (I) Safeguarding Employees' Rights and Interests III. (II) Safeguarding Health and Safety III. (III) Empowering Career Development III. (IV) Conveying Organizational Care
Sustainable Development-Related Governance	18	Due diligence	V. (II) Managing Operational Risks
	19	Communications with stakeholders	I. (II) Deepening Communication Mechanisms
	20	Anti-commercial bribery and anti-corruption	V. (I) Upholding Integrity in Business Practices
	21	Anti- unfair competition	V. (III) Protecting Intellectual Property

Table of Contents of the Stock Exchange's ESG Reporting Code

Aspect	General Disclosure and Key Performance Indicators		Corresponding position
A. Environmental			
A1: Emissions	General disclosure: information on (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer Note: Air emissions include NO_x, SO_x, and other pollutants regulated under national laws and regulations. Hazardous wastes are those defined by national regulations.		II. (II) Controlling Environmental Emissions
	A1.1	The types of emissions and respective emissions data.	II. (II) Controlling Environmental Emissions
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	II. (II) Controlling Environmental Emissions
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	II. (II) Controlling Environmental Emissions
	A1.5	Description of emission target(s) set and steps taken to achieve them.	II. (II) Controlling Environmental Emissions
	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.	II. (II) Controlling Environmental Emissions
A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.		II. (III) Efficient Resource Utilization
	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).	II. (III) Efficient Resource Utilization
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	II. (III) Efficient Resource Utilization
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	II. (III) Efficient Resource Utilization
	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.	II. (III) Efficient Resource Utilization
	A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	II. (III) Efficient Resource Utilization
A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.		II. (II) Controlling Environmental Emissions II. (III) Efficient Resource Utilization
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	II. (II) Controlling Environmental Emissions II. (III) Efficient Resource Utilization

Aspect	General Disclosure and Key Performance Indicators		Corresponding position
B. Social			
Employment and Labor Practices			
B1: Employment	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.		III. (I) Safeguarding Employees' Rights and Interests III. (III) Empowering Career Development III. (IV) Conveying Organizational Care
	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	III. (I) Safeguarding Employees' Rights and Interests
	B1.2	Employee turnover rate by gender, age group and geographical region.	III. (I) Safeguarding Employees' Rights and Interests
B2: Health and Safety	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.		III. (II) Safeguarding Health and Safety
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	III. (II) Safeguarding Health and Safety
	B2.2	Lost days due to work injury.	III. (II) Safeguarding Health and Safety
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	III. (II) Safeguarding Health and Safety
B3: Development and Training	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.		III. (III) Empowering Career Development
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	III. (III) Empowering Career Development
	B3.2	The average training hours completed per employee by gender and employee category.	III. (III) Empowering Career Development
B4: Labor Standards	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.		III. (I) Safeguarding Employees' Rights and Interests
	B4.1	Description of measures to review employment practices to avoid child and forced labor.	III. (I) Safeguarding Employees' Rights and Interests
	B4.2	Description of steps taken to eliminate such practices when discovered.	III. (I) Safeguarding Employees' Rights and Interests
Operating Practices			
B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain		IV. (III) Building Resilient Supply Chain
	B5.1	Number of suppliers by geographical region.	IV. (III) Building Resilient Supply Chain
	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.	IV. (III) Building Resilient Supply Chain

Aspect	General Disclosure and Key Performance Indicators		Corresponding position
Operating Practices			
B5: Supply Chain Management	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	IV. (III) Building Resilient Supply Chain
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	IV. (III) Building Resilient Supply Chain
B6: Product Responsibility	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.		IV. (I) Pursuing Excellence in Products
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	IV. (I) Pursuing Excellence in Products
	B6.2	Number of products and service related complaints received and how they are dealt with.	IV. (I) Pursuing Excellence in Products
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	V. (III) Protecting Intellectual Property
	B6.4	Description of quality assurance process and recall procedures.	IV. (I) Pursuing Excellence in Products
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	V. (IV) Defending Data Privacy
B7: Anti-corruption	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.		V. (I) Upholding Integrity in Business Practices
	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.	V. (I) Upholding Integrity in Business Practices
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	V. (I) Upholding Integrity in Business Practices
	B7.3	Description of anti-corruption training provided to directors and staff.	V. (I) Upholding Integrity in Business Practices
Community			
B8: Community Investment	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.		VI. (I) Inheriting Chinese Culture VI. (II) Supporting Educational Undertakings VI. (III) Engaging in Public Welfare Practices
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	VI. (I) Inheriting Chinese Culture VI. (II) Supporting Educational Undertakings VI. (III) Engaging in Public Welfare Practices
	B8.2	Resources contributed (e.g. money or time) to the focus area.	VI. (I) Inheriting Chinese Culture VI. (II) Supporting Educational Undertakings VI. (III) Engaging in Public Welfare Practices

Aspect	General Disclosure and Key Performance Indicators		Corresponding position
Climate-related Disclosures			
D: Climate-related Disclosures	(I) Governance	Governance	II. (I) Addressing Climate Change
	(II) Strategy	Climate-related risks and opportunities	II. (I) Addressing Climate Change
		Business model and value chain	II. (I) Addressing Climate Change
		Strategy and decision-making	II. (I) Addressing Climate Change
		Financial position, financial performance and cash flows	II. (I) Addressing Climate Change
		Climate resilience	II. (I) Addressing Climate Change
	(III) Risk Management	Risk management	II. (I) Addressing Climate Change
	(IV) Metrics and Targets	Greenhouse gas emissions	II. (I) Addressing Climate Change
		Climate-related transition risks	II. (I) Addressing Climate Change
		Climate-related physical risks	II. (I) Addressing Climate Change
		Climate-related opportunities	II. (I) Addressing Climate Change
		Capital deployment	II. (I) Addressing Climate Change
		Internal carbon prices	N/A
		Remuneration	II. (I) Addressing Climate Change
		Industry-based metrics	II. (I) Addressing Climate Change
		Climate-related targets	II. (I) Addressing Climate Change
		Applicability of cross-industry metrics and industry-based metrics	II. (I) Addressing Climate Change

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