DEVGREAT GROUP LIMITED
大方廣瑞德集團有限公司

(incorporated in Bermuda with limited liability)

Stock Code:00755

2025

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2025

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I. PREAMBLE

In 2025, global climate governance entered a new phase, as China continued to advance its "dual carbon" goals. During the year, the national carbon market significantly expanded its coverage, formally incorporating three high-emission sectors—steel, cement, and aluminum smelting—which together account for over 60% of the country's total carbon dioxide emissions. The market mechanism grew increasingly mature. In September, the General Office of the Communist Party of China Central Committee and the General Office of the State Council issued the Opinions on Promoting Green and Low-Carbon Transition and Strengthening the Construction of the National Carbon Market, establishing a clear pathway for the further development of the carbon market. Mainland regulators also simultaneously strengthened sustainability disclosure requirements for listed companies. Starting in 2026, certain key companies will be required to mandatorily disclose sustainability reports, promoting the transparency and standardization of ESG information.

In Hong Kong, significant progress was made in the development of the green finance framework. In 2025, the Hong Kong Monetary Authority (HKMA) officially released Phase 2A of the Sustainable Finance Taxonomy, expanding coverage from four to six sectors—adding manufacturing and information and communications technology (ICT)—and increasing the number of eligible economic activities from 12 to 25. It also introduced the "transition activities" category for the first time, along with an "climate change adaptation" objective. In January 2026, the Green and Sustainable Finance Cross-Agency Steering Group announced its strategic focus for 2026-2028, concentrating on strengthening the disclosure ecosystem, scaling up transition finance, and promoting cross-border carbon market cooperation, thereby further enhancing Hong Kong's competitiveness as an international sustainable finance hub. Concurrently, following the roadmap laid out in the Sustainable Disclosure Roadmap, the Hong Kong Exchanges and Clearing Limited (HKEX) steadily advanced efforts to fully adopt the ISSB standards for listed companies.

DevGreat Group Limited (hereinafter referred to as "DevGreat") has actively responded to the above regulatory trends and market changes, deeply integrating ESG governance into its corporate strategic development. The Group is primarily engaged in the operation of commercial complexes, property management, and property development in Mainland China. Leveraging the resource advantages and professional teams in Shanghai and the Yangtze River Delta region, it has formed an end-to-end service capability covering project planning, investment promotion, operations, and management.

During the year, the Group continued to improve its ESG management framework, strengthened its mechanisms for identifying and assessing climate-related risks and opportunities, and advanced the calculation and tracking of greenhouse gas emissions data. In light of the financing opportunities presented by transition finance, the Group actively explored pathways for green projects that align with the standards of the Hong Kong Taxonomy, and is committed to integrating climate adaptation concepts into project planning and operational practices. Concurrently, the Group closely monitored the implementation progress of mandatory disclosure policies in Mainland China, proactively deploying data management and reporting systems to meet regulatory requirements.

Looking ahead, DevGreat will continue to promote the organic integration of ESG governance and business operations, focusing on continuously enhancing product and service capabilities, consolidating quality resources, driving green upgrades in project development and operational management, and fulfilling its long-term commitments to environmental protection and social responsibility.

II. ABOUT THIS REPORT

The Group is pleased to present its Environmental, Social, and Governance (ESG) Report for the fiscal year 2025 (the "ESG Report"), prepared in accordance with the requirements and disclosure recommendations of Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the "Environmental, Social, and Governance Reporting Guide." This ESG Report demonstrates the Group's policies and performance in ESG management and corporate sustainability for the twelve months ended December 31, 2025 (the "2025 Fiscal Year"). The information disclosed in this ESG Report has been collected and compiled through various channels, including the Group's internal policy documents and data, feedback on the implementation of ESG practices, stakeholder surveys, and relevant information gathered from online questionnaires regarding the Group's sustainability initiatives. The complete content index is provided at the end of this ESG report for reference regarding the report's integrity. This report is prepared in both Chinese and English (in case of any discrepancies between the Chinese and English versions, the Chinese version shall prevail) and is published together with the annual report on our Group's website at www.devgreatgroup.com or on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk..

Reporting Scope

Adhering to the principle of materiality, the Group has defined the disclosure scope of this ESG report through the operational control approach. This is intended to help stakeholders gain a deeper understanding of the impacts of the Group's various operational activities on the economic, environmental, and social fronts, while striving to ensure that the report content is complete, substantive, authentic, and balanced. The information contained in this ESG report covers the Group's core business areas, including commercial operations, property management services, property development services within Mainland China, as well as the daily operations of the Hong Kong office. The entities covered by this report are DevGreat Group Limited and its subsidiaries, consistent with the scope adopted in the annual report.

Reporting Period

This report reflects the facts and circumstances of the Group for the financial year ended 31 December 2025. We are not obligated to consider subsequent events and therefore will not update this report as a result of changes in subsequent events or status.

Reporting Principles

Following the latest guidance of the Stock Exchange, the ESG Report identifies, prepares and presents the information to be disclosed and the disclosure method on the basis of four principles of “materiality” , “quantification” , “balance” and “consistency”.

Materiality

The Group recognises that the principle of materiality is critical to the effectiveness of ESG management and information disclosure. Therefore, in light of multiple uncertainties in the operation environment particularly, the Group, considering the adjustments adopted in the short-term development strategies, regularly conducts materiality assessments and communicates with stakeholders to identify sustainability issues that are vital to the Group for more targeted deployment and management in the future. Please refer to the “Materiality Assessment” section for more details.

Quantification

The ESG report applies the principle of “quantification” in various aspects and conducts objective, authentic and accurate analyses upon the data, including the calculation and disclosure of key performance indicators in the environmental and social areas . The corresponding data calculation tools, methods and sources of conversion coefficients have also been marked under each performance table.

Balance

Adhering to the principle of balance, the Group presents its performance in both positive and negative aspects in a transparent and comprehensive manner. With a responsible approach, it discloses relevant issues encountered during operations, as well as ongoing or potential improvement measures, to enable readers to assess the Group's overall ESG performance rationally and objectively. To uphold this "balance" principle, the Group not only identifies, analyzes, and effectively discloses ESG-related risks and opportunities, but also provides an objective evaluation and analysis of the progress made toward various targets during the reporting year, as well as the effectiveness of policies implemented across all ESG aspects. Through this approach, the Group faithfully reflects its sustainable development performance for the 2025 fiscal year to its readers.

Consistency

To facilitate long-term assessment and ensure greater consistency and comparability of the information and data presented in this report, while maximising reference value for stakeholders, this ESG report continues to adopt the same scope definition principles, data collection processes, calculation methodologies, and reporting framework as used in previous disclosures. Where significant changes have occurred in policy implementation or disclosure priorities, the Group has provided detailed explanations and clarifications to ensure that stakeholders receive meaningful ESG information.

III. SUSTAINABILITY MANAGEMENT STRATEGY

The Group's core strategy focuses on creating high-quality urban living spaces and commercial operation services, while continuously enhancing its commercial operation capabilities and brand value in the evolving consumer environment. In this process, we deeply recognise that sustainable development is not only society's expectation of enterprises but also a fundamental guarantee for the Group to achieve long-term value. Therefore, we must deeply integrate the concept of sustainable development into our corporate strategy system, diligently fulfil our environmental and social responsibilities, and promote the synergistic progress of business growth and social well-being.

With a robust governance framework and consistent governance principles, and under the leadership of the Group's Board of Directors (the "Board"), the Group has incorporated the enhancement of ESG governance into its strategic planning. It has also established a mechanism for accountability across all organisational levels, ensuring that every link—from decision-making to execution—effectively responds to sustainable development goals.

As the core body for strategic decision-making, the Board will continue to drive the following key priorities:

- Establish an effective internal control system to ensure the implementation of sustainable development strategies and prevent potential management risks;
- Continuously optimise the pathways for sustainable development, making dynamic adjustments in response to changes in the internal and external environment;
- Comprehensively identify and assess ESG-related risks and opportunities, providing a scientific basis for resource allocation and business decisions;
- Establish a performance tracking mechanism to regularly review progress toward targets and drive continuous improvement;
- Enhance communication mechanisms with stakeholders, actively respond to their concerns, and improve information transparency and trust.

In addition, the Group continuously enhances its sustainable development practices by engaging external professional think tank resources and conducting industry benchmarking. At the same time, we regularly participate in industry exchanges and ESG-related ratings to maintain keen insight into cutting-edge industry trends, translating external perspectives into concrete internal improvement actions, and driving the Group towards higher standards in the field of sustainable development.

Board

- formulation and drive the implementation of sustainable development strategies;
- Identify and assess the actual and potential environmental and social impacts arising from the Group's operations;

- Oversee the implementation of ESG management policies and measures within the Group, and make well-considered business decisions by taking ESG and climate-related factors into full account;
- Facilitate smooth top-down communication and collaboration within the Group, ensuring that ESG concepts and management models are effectively integrated into business development and daily operations.

Management

- Assist the Board in understanding material ESG matters of the Group;
- Supervise, at the operational level, the implementation of ESG policies across the Group's three core businesses: Commercial Operations, Property Management, Property Development Services;
- Track the progress of ESG targets and risk management developments, and report to the Board through internal Group meetings;
- Provide support to frontline employees and operational teams to ensure the effective implementation of all policies.

Business Department

- Actively execute and implement ESG plans proposed by management;
- Drive change and breakthroughs through innovative practices;
- Assess and report ESG-related risks encountered in daily operations;
- Commit to fulfilling corporate responsibilities and contributing to the development of social welfare initiatives.

IV. BOARD STATEMENT

In 2025, the Group remain steadfast in driving the green economic transition, fully honouring its sustainable development commitments and integrating ESG principles into core decision-making and daily operations. Through concrete measures such as the innovative application of green technologies, optimisation of low-carbon operational models, strengthening of ESG governance systems, enhancement of energy efficiency, and reduction of carbon emissions, the Group will systematically promote green transformation across the entire production and operation process. Taking this as an opportunity, the Group will pursue steady business growth while actively reducing its negative environmental impact, achieving a win-win outcome for both economic and environmental benefits. In doing so, the Group will contribute to the overall sustainable development of society and continue to inject green momentum into high-quality development.

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Our management policy and strategy

With corporate governance as its foundation, the Group has established a sustainable development management system that adopts a "top-down, tiered implementation" operating model, ensuring that business decisions at all levels take into account economic, social, and environmental benefits simultaneously, thereby achieving consistency in strategic objectives. The Board of Directors actively participates in the formulation and promotion of sustainable development strategies and oversees the implementation of relevant policies, guiding the overall direction of the Group.

The Group has also established a dedicated ESG management team responsible for the day-to-day supervision and advancement of sustainable development matters. Its primary responsibilities include coordinating the implementation of ESG policies across business units, guiding sustainable development practices, tracking ESG performance, and executing information disclosure.

The Board identifies material ESG issues and prioritises them through various channels, including shareholders' meetings, communications, and regular reports. In response to market dynamics and stakeholder expectations, the Group has established an annual stakeholder survey and materiality assessment mechanism, based on which it continuously adjusts and improves its sustainable development strategies and policy systems.

This report was approved by the Company's Board of Directors on 26 March 2026. For details on the Company's corporate governance, please refer to the "Corporate Governance Report" in the Company's annual report for the year ended 31 December 2025.

Our goals and actions

In 2026, the Group will further embed ESG management into the daily operations of each business segment, advancing specific work in the following directions:

Commercial Operations: The Group will continue to promote energy-saving retrofits and smart upgrades of its projects, reducing carbon emission intensity during operations through measures such as optimising energy management systems and improving equipment energy efficiency. At the same time, it will explore design and operational pathways that comply with green building certification standards, enhancing asset competitiveness and long-term value.

Property Management Services and Property Development: The Group will continue to improve community-level environmental management and social service systems, strengthening communication and interaction with residents, and promoting the adoption of green lifestyles such as waste sorting and energy-saving campaigns. At the same time, it will balance ecological compatibility with living comfort in new projects, exploring practical pathways for sustainable community operations.

Over the next two years, the Group will continue to focus on the above priority areas, driving synergistic improvements across business lines. Through the continuous optimisation of specific projects, it will accumulate replicable operational experience, laying a practical foundation for the Group's sustainable development.

Li Zhen

Chairman of the Board

V. STAKEHOLDER ENGAGEMENT

The Group regards communication with stakeholders as a core element of its sustainable development strategy and has established a systematic stakeholder engagement mechanism. We firmly believe that active and effective stakeholder interaction not only helps drive steady business growth but is also key to achieving long-term value creation. The Group's major stakeholders fall into two broad categories—internal and external. Based on two-way influence and the level of interaction, we have identified the following core groups: at the operational level, employees and management; in the capital markets, investors and shareholders; along the value chain, customers and suppliers; and additionally, government authorities in their regulatory capacity. This categorisation takes into account both the influence these groups have on the Group's operations and the material impact the Group's business has on them.

Through diverse communication channels (as listed in the table below), we continuously collect stakeholder opinions and feedback on ESG issues and dynamically adjust our ESG management system accordingly. Specifically with regard to stakeholder engagement policies, the Group has established a regular review mechanism to ensure timely responses to the needs and expectations of all parties, thereby fostering a mutually beneficial and win-win situation for sustainable development.

Category of stakeholder	Expectations and Concerns	Communication Channels
Government and regulatory authorities	■ Legal business operation ■ Anti-corruption policies ■ Give full play to the role of industry benchmark and lead the sound development of the industry	■ Compliance with local laws and regulations ■ Regular reports and tax payments ■ Response to policy documents issued by the government
Shareholders	■ Return on investment ■ Corporate governance ■ Business compliance	■ Regular corporate reports and announcements ■ General Meetings ■ Official website of the Group
Employees	■ Promote a diverse, inclusive and fair working environment ■ Development prospects and training plans ■ Strengthen safety education and training ■ Accelerate the creation of a paperless and environmentally friendly office environment ■ Respond to the impact of intelligence and automation on the market to ensure the stability of positions	■ Employee performance appraisal ■ Regular meetings and trainings ■ Emails, notice boards, hotline and team building activities between employees and management
Customers	■ Product safety and risk control ■ Strengthen the	■ Customer satisfaction survey ■ Face-to-face meetings and on-site survey

	implementation of energy conservation and emission reduction measures ■ Integrity performance ■ Privacy protection ■ High-quality and considerate services	■ Interaction on the social network platforms ■ Customer service hotline and email
Suppliers	■ Equality, mutual benefit and win-win outcome ■ Open, fair and transparent procurement and supply system ■ Supply chain risk management ■ Continuous innovation and keeping pace with the times	■ Open tendering ■ Supplier satisfaction survey ■ Telephone discussion ■ Face-to-face meetings and on-site survey ■ Industry seminars
The public	■ Engagement in community welfare activities ■ Common community governance ■ Business compliance ■ Compliance with business ethics ■ Caring for the environment ■ Pay attention to social feedback and receive information in a timely manner	■ Press conference and inquiry response ■ Social welfare activities ■ Face-to-face interview

Sustainability is a core strategy that our Group has long adhered to, deeply integrated into the corporate decision-making system and the management of all business processes. In response to global sustainability trends, the Group has systematically integrated the United Nations Sustainable Development Goals (the “SDGs”) into its business strategy framework, serving as a key driver for long-term corporate value growth.

In FY 2025, the Group continued to conduct a survey of its internal employees and external stakeholders on the SDGs through questionnaires, with a view to identifying stakeholders' concerns on achieving the SDGs and making solid contributions to the corresponding SDGs.

According to the survey results, Goal 3: Good Health and Well-Being, Goal 11: Sustainable Cities and Communities, Goal 6: Clean Water and Sanitation, Goal 1: No Poverty and Goal 4: Quality Education continue to be the most important sustainability goals for the Group's stakeholders.

Goal 3

The health and well-being of our employees have always been a key focus of the Group's sustainability efforts. Guided by the core philosophy of "putting people first," the Group continuously improves management systems and enhances the office environment to foster harmonious collaboration among employees and enable them to fully realize their potential in safe and secure conditions.

Goal 11

The Group remains committed to providing sustainable solutions for urban development, enhancing the sustainability value of its products and services. In line with the key tasks outlined in the “14th Five-Year Plan for Building Energy Efficiency and Green Building Development”, the Group will continuously assess the impact of its business expansion and daily operations on local culture, natural heritage, and the ecological environment. It will also steadily optimize its operating models and practical measures to actively promote the overall well-being and quality of life within communities.

Goal 6

The Group actively promotes water-efficient production and living models. By improving wastewater treatment, discharge control, and recycling mechanisms, it strives to advance water conservation efforts across society. During the year, the Group widely advocated the principle of "water conservation" across its property development, property management, and commercial operations businesses, further enhancing the utilization of reclaimed water to improve water efficiency while protecting water-related ecosystems.

Goal 1

As a participant in China's urban and rural development and construction, the Group strictly complies with government policies on consolidating and enhancing poverty alleviation achievements. It actively engages in community public welfare initiatives and allocates resources to assist disadvantaged groups and other individuals in need within communities.

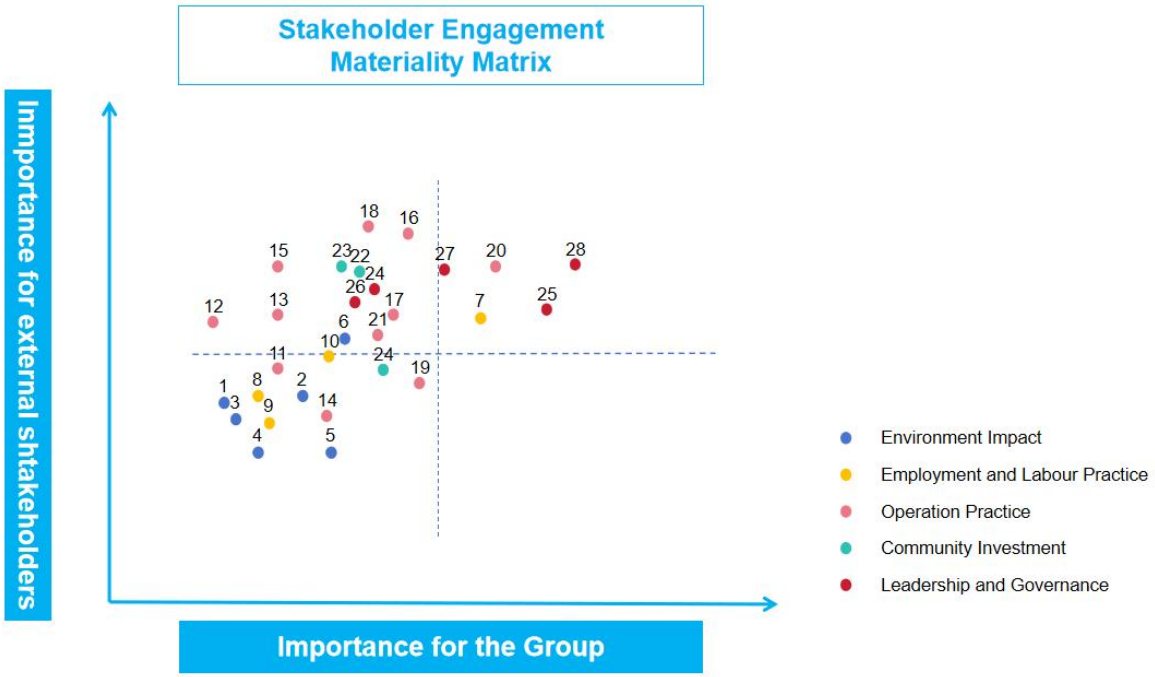
Goal 4

In response to the national direction of promoting structural reform of the human resources supply side, the Group has established a comprehensive training system. Adhering to the training philosophy of "encouraging employee participation in job-related internal and external training, emphasizing both self-learning and knowledge transfer, and combining on-the-job training with professional development," the Group provides diverse vocational training programs to help employees achieve their career development goals while contributing strong talent support to economic and social development.

Materiality Assessment

he Group regards the identification and management of sustainability-related issues as the strategic core for achieving long-term stable growth. Based on this, we have established an ESG management system founded on the "principle of materiality." Through an annual stakeholder survey mechanism, we systematically collect feedback from internal and external stakeholders, accurately capturing their key concerns, expectations, and evaluations regarding ESG issues, thereby ensuring that our sustainability strategy fully responds to stakeholder expectations.

In fiscal year 2025, the Group invited key stakeholders to participate in a standardized, stakeholder-oriented materiality assessment survey. The Group selected internal and external stakeholders based on their level of influence over the Group and their degree of dependence on the Group. The key stakeholders invited to participate included general employees, middle and senior management, as well as external suppliers and partners. Through an ESG questionnaire designed by the Group, they expressed their views and opinions on a range of pre-identified corporate ESG management and related issues.



ESG-related issues in materiality analysis:

1 GHG Emissions 2 Energy Management 3 Water Resources and Wastewater Management 4 Solid Waste Management 5 Climate Change Mitigation and Adaptation 6 Renewable and Clean Energy 7 Labour Practices 8 Employee Remuneration and Benefits 9 Occupational Health and Safety 10 Employee Development and Training	12 Engagement with Suppliers 13 Environmental and Social Risk Management of Supply Chain 14 Supply Chain Adaptation to External Risks 15 Product/Service Quality and Safety 16 Customer Privacy Protection and Data Security 17 Marketing and Promotion 18 Intellectual Property Protection 19 Labelling Relating to Products/ Services	20 Business Ethics and Anti-Corruption 21 Internal Grievance Mechanisms 22 Engagement in Philanthropy 23 Cultivation Local Employment 24 Support of Local Economic Development 25 Business Model Adaptability and Resilience to Environmental, Social, Political And Economic Risks and Opportunities 26 Response to and Management Measures for Changes in Legal and Regulatory Environment (Legal Compliance Management)

Through this materiality analysis, the Group identified ”systematic Risk Management (e.g. Financial Crisis)” , “Business Model Adaptability and Resilience to Environmental, Social, Political And Economic Risks and Opportunities”, “Business Ethics and Anti-Corruption”, “Labour Practices” and “Critical Incident Risk Responsiveness” as ESG issues that are more important to the Group. The results have been reviewed by the Board to ensure that the results can help the Group adjust its operating practises and strategies, and guide the Group to prioritise and devote more resources to the research on relevant sustainability issues.

Stakeholder Feedback

In pursuit of excellence, the Group is open to stakeholders' feedback and opinions in respect of ESG approach and performance improvement, particularly feedback about ESG issues the Group deems as highest materiality. Readers are also welcome to share their views on ESG issues with the Group through the Group's Email (info@devgreat.net) .

VI. ENVIRONMENTAL SUSTAINABLE DEVELOPMENT

The next five years will represent a critical strategic window of opportunity for China to comprehensively promote the green transformation of its economy and society. The Group proactively aligns with the national strategic guidelines on cultivating green productivity. Centered around a new development model that integrates "carbon reduction and pollution control, ecological enhancement, and value creation," the Group systematically embeds green development thinking into its corporate strategic planning and daily operations. It is fully committed to advancing China's high-quality economic and social development while simultaneously promoting ecological civilization, achieving synergy and progress in both areas.

The Group is committed to developing and implementing different management approaches and systems for each of its operations, as well as complying with the environment- related laws and regulations in the PRC in its daily operations, including but not limited to:

Environmental Protection Law of the People's Republic of China	Law of the People's Republic of China on Environmental Impact Assessment
Water Pollution Prevention and Control Law of the People's Republic of China	Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes
Administrative Measures on Duplicated Form for Hazardous Wastes Movement	Energy Conservation Law of the People's Republic of China

This section discloses the Group's policies, practices and quantitative data about emissions, use of resources, the environment and natural resources as well as climate change in FY 2025.

A.1. Emissions

During fiscal year 2025, the Group fully complied with national and local environmental regulations relating to emissions in the course of its daily operations. The Group did not experience any violations that had a material impact on its operations, covering areas such as air and greenhouse gas emissions, wastewater and land pollution discharge, hazardous and non-hazardous waste disposal, and noise management.

In view of characteristics of each business section of the Group, the air emission of the Group is mainly produced by the fuel consumption of business-purpose vehicles and the use of boilers in the operation of commercial properties. In FY 2025, the Group produced 7.8 kg of sulphur oxide ("SOX"), 358 kg of nitrogen oxide ("NOX") and 78 kg of particulate matter ("PM"). In the year under review, the greenhouse gases ("GHG") of the Group were mainly from fuel consumption of business-purpose vehicles, energy consumption of operating boilers and electricity consumption in the course of operation. During the year, the total greenhouse gas emission of the Group was 26,500 tonnes CO_2e, and the intensity was 90.1 tonnes CO_2e per person. In addition, the Group also produces certain solid wastes and wastewater in the course of operation, which mainly include commercial wastes, construction wastes, waste paper and commercial wastewater. During the operation in the year, the Group produced a total of 8,831 tonnes non-hazardous solid wastes and 241,097 m^3 non-hazardous wastewater. During the year under review, the Group did not produce any hazardous wastes. Table 1 summarises the emission data of the Group in FY 2025.

Table 1. Summary of the Group's FY 2025 Emissions Information[8]

Types of emission	Key Performance Indicators	Unit	Total Amount in FY 2025	Intensity in FY 2025 (Unit/person)[1]	Total Amount in FY 2024	Intensity in FY 2024 (Unit/person)[2]
Air emissions[3]	SO_X NO_X PM	kg kg kg	7.6 358 78	0.03 1.2 0.3	8 362 76	0.02 1.1 0.2
GHG emission	Scope 1 (direct emission)[4]	Tonne CO_2e	1,832	6.2	1,886	5.6
	Scope 2 (indirect emission of energy)[5]	Tonne CO_2e	26,500	90.1	26,596	80.1
	Scope 3 (other indirect emission)[6]	Tonne CO_2e	170	0.6	173	0.5
	Total emission (Scope 1, 2 and 3)	Tonne CO_2e	28,502	96.9	28,685	86.4
Non-hazardous waste	Solid waste	tonne	8,831	30	8,940	26.9
	Wastewater[7]	m^3	241,097	820.1	242,268	729.7

1. The emission intensity of FY 2025 is equal to air, GHG and other emission produced by the Group in FY 2025 divided by the total of 294 employees of the Group at the end of FY 2025;
2. The emission data for FY 2024 is extracted from the Group's ESG report for FY 2024, and the intensity data is based on the total number of employees of 332 at the end of FY 2024;
3. The waste gas emission includes air pollutants the Group produced in the course of utilizing business-purpose vehicles and the use of boilers in the operation properties;
4. Scope 1 (direct emission) of the Group only includes emission from energy consumption of vehicle operation and boiler use in the operation of properties;
5. Scope 2 (in direct energy emission) of the Group only includes emissions from electricity consumption and coal burning for heating;
6. The Group's scope 3 (other in direct emission) only includes waste paper disposed of at landfills,and the GHG emissions caused by the use of electricity to treat potable water and wastewater by government departments as well as the emission generated by business travel flights;
7. The amount of wastewater generated by the Group is based on strict wastewater statistics of its subsidiaries. For the operation sites of the Group where part of the wastewater is managed uniformly by the property building, the wastewater volume is calculated based on 100% of the water consumption; and
8. The approach adopted in reporting the greenhouse gas emission stated above is based on the' How to prepare an ESG Report Appendix 2: Reporting Guidance on Environmental KPIs' issued by Hong Kong Exchanges and Clearing Limited and the emission factor database of Intergovernmental Panel on Climate Change (IPCC).

Commercial Operations

The Group's main sources of environmental emissions arising from its business operations include domestic sewage, solid waste, and greenhouse gases. To effectively manage its environmental impact, the commercial business segment has established a systematic framework of energy conservation and emission reduction targets, with the engineering department responsible for coordination, monitoring, and management. At the same time, through science-based energy efficiency improvement programs, the Group guides each operational team in the effective implementation of emission reduction measures, ensuring that environmental goals are achieved.

Air and greenhouse gas

The Group's greenhouse gas emissions during business operations primarily stem from commercial energy consumption. To systematically manage emission sources, we strictly comply with local environmental regulations such as the Boiler Air Pollutant Emission Standard (DB31/387-2018) and have established a comprehensive energy conservation and emission reduction system through the following measures:

1. Compliance Management Mechanism
   - Annual boiler emission inspections by environmental authorities
   - Licensed operations to ensure compliant emissions
   - Dedicated personnel patrol and inspection system for boiler equipment
   - Regular professional maintenance

2. Energy Efficiency Improvement Projects
   - LED retrofitting of lighting systems in commercial spaces
   - Energy-saving optimization of high-consumption equipment
   - Comprehensive building energy efficiency retrofits

3. Long-Term Mechanism Development
   - Specialized employee training on energy conservation awareness
   - Establishment of an energy consumption data monitoring platform
   - Department-level energy efficiency performance indicators

Through the coordinated advancement of three dimensions — technological upgrading, management optimization, and cultural cultivation — the Group is continuously improving the green level of its operations, laying the foundation for achieving carbon neutrality goals.

Wastewater and Waste Oil

To further enhance the efficiency of its water resource management, the Group has continuously improved its wastewater management system and introduced stricter internal control measures in fiscal year 2025. Domestic wastewater generated at all operational sites is fully directed into the municipal sewage network in accordance with regulations and then sent to regional wastewater treatment systems for centralized processing. Regarding kitchen waste oil, in addition to continuing practices such as segregated storage, dedicated container placement at designated points, and entrusting qualified agencies for collection and treatment, the Group has established a waste oil flow tracking mechanism this year to ensure full traceability throughout the treatment process. At the same time, the Group actively implements the environmental protection principle of "water conservation equals emission reduction" by comprehensively promoting water-saving technological upgrades, including the installation of water-efficient fixtures, the construction of greywater recycling systems, and the optimization of water metering systems. To strengthen the implementation of these measures, each business segment has established a water conservation management responsibility system, conducts regular water audits and leak detection surveys, and incorporates water conservation performance into operational assessment indicators. Through systematic efforts to educate employees and customers on water conservation awareness, the Group continues to reduce its water intensity per unit of revenue, achieving the dual goals of reducing wastewater at the source and improving water use efficiency.

Solid Wastes

In the course of its daily operations, in addition to general household waste, the Group also generates specific categories of solid waste such as kitchen waste and waste batteries. In compliance with the relevant requirements of local government authorities, the Group has established a comprehensive waste sorting and collection system. Under this system, general household waste is collected and transported by professional waste management companies, while kitchen waste is professionally treated on-site by government-designated recycling entities.

During fiscal year 2025, the Group further upgraded its resource recycling mechanisms by comprehensively promoting alternatives to disposable consumables in public areas and guestrooms of its commercial projects. Specific measures included expanding the installation of sensor-operated hand sanitizer and paper towel dispensers. At the same time, the Group introduced a waste data tracking system for the first time, recording monthly waste generation volumes and sorting accuracy rates across each business segment to identify potential areas for waste reduction.

For hazardous waste such as waste batteries, the Group strictly adheres to local regulatory requirements. During the reporting year, it engaged qualified third-party agencies for professional collection and disposal, and established a record-keeping system for disposal certificates, ensuring a 100% compliance rate for hazardous waste treatment. Through these measures, the Group continues to enhance its solid waste sorting and treatment capabilities as well as its resource recovery performance, advancing toward the vision of "zero waste."

Property Management Business and Office

The business has established and implemented Quality, Environment, Occupational Health and Safety Management System, and through implementation of policies and procedures including Environmental Identification and Evaluation Control Procedures, Pollution Source Control Procedures, Energy Saving and Consumption Reduction Control Procedures, the business directs each property operation department to carry out energy saving monitoring, and conducts regular inspections and assessments.

Air and GHG

As emissions of air under this business are mainly related to business-purpose vehicles and business travels, this business has conducted the reform of the norms regarding the management of business vehicles, pushing forward the gradual transit from the use of vehicles held by the business to adopt the specialised travelling services provided by the third-party suppliers and encouraging the employees to use the mass transport services, such as the subway and high-speed train, in all reasonable circumstances, while encouraging employees to reduce unnecessary business travel, promote office digitalisation, and make more use of technologies such as online meetings. In addition, given that the greenhouse gas emissions of this business are closely related to the use of electricity, the Group has implemented a series of electricity-saving and energy-saving measures. For more details, please refer to the sections headed “Electricity” and “Other Energy Resources”.

Wastewater

Wastewater from this business mainly involves not only the domestic wastewater that is generated by employees, but also the sewage discharge from tenants of restaurants. In order to ensure that the discharged sewage will not pollute the environment or natural water bodies, this business follows the Regulations on Management of Daily Cleaning and the Regulations on the Management of Rainwater Wells, sets up an oil separation tank for tenants engaged in the catering industry, and regularly employs professional vendors to clean up the oil. In addition, in terms of sewage disposal, the third-party company conducts sewage disposal inspection and issues written conformity reports for properties of this business every year, and the local city administration bureau also conducts sampling inspection of sewage twice a year and publishes the conformity reports on the website. In addition, in order to contribute to water-saving society, the Group has adopted water saving measures and continued to promote training on the awareness of water-saving among employees of the office, with the desire to further reduce the discharge of wastewater. For details, please refer to the section headed “Water”.

Solid wastes

The solid waste generated by our operations primarily includes daily household waste from property owners, construction waste from renovation projects, and special solid waste such as discarded light tubes, batteries, and circuit boards. To systematically enhance solid waste management standards and promote source reduction, we have established a comprehensive

policy framework, including standardized regulations such as the "Waste Room Classification Handling and Implementation Standards," "Waste Removal Management Regulations," "Renovation Management Regulations," and "Waste Control Procedures." These policies fully cover the classification, temporary storage, transportation, and disposal requirements for all types of solid waste throughout the entire management process.

At the implementation level, we strictly adhere to national and local regulations on waste classification, disposal, and wastewater discharge. This year, we have intensified oversight of property renovation projects by implementing advance reporting systems and increasing on-site inspections by engineering personnel. In daily operations, we combine daily household checks by security personnel with weekly photographic inspections and records by customer service teams, while regularly organizing environmental management training for shop operators. From the source at shops to the final waste rooms, we fully enforce classification requirements and engage third-party agencies to conduct monthly quality inspections, with results publicly displayed on an online platform.

For general solid waste generated in office areas, we strictly comply with municipal management requirements by disposing of non-recyclable office and household waste in designated government collection containers for professional removal and treatment by sanitation departments. Simultaneously, we continue to optimize the configuration of internal waste classification facilities and strengthen employee environmental awareness training to ensure all aspects of waste management meet environmental compliance standards.

Property Development Business

In FY 2025, this business, as compared with last year, has significantly scaled down, during which no property development project was under construction.The property development business of the Group does not produce other hazardous emissions.

Performance

In summary, the Group's air and GHG emissions mainly come from use of natural gas for boiler operation, electricity consumption for commercial properties and hotel operations and the use of vehicles. Compared with FY 2024, the Group's emissions of sulfur oxides (SOx) and nitrogen oxides (NOx) in the 2025 fiscal year decreased by 3% and 1%, respectively, while particulate matter (PM) emissions increased by 3%. This was primarily because the scale of property management service projects, the leasable commercial area, and the shop occupancy rate during the year remained largely unchanged from the previous year, while emission control measures continued to be implemented. As a result, SOx and NOx emissions recorded a slight decrease, and PM emissions stabilized with a modest increase.

The Group's greenhouse gas (GHG) emission pattern in the 2025 fiscal year remained the same as that of the previous year, with Scope 2 (indirect energy-related emissions) being the predominant source (approximately 93%). Overall, the total GHG emissions in the 2025 fiscal year recorded a slight decrease of 1% compared with the previous year, primarily due to the scale of property management service projects and leasable commercial area remaining largely unchanged from the prior year. The Group's business travel by air continued its declining trend

during the year, with Scope 3 (other indirect emissions) decreasing by 2% compared with the previous year.

The Group continues to place great emphasis on the classification and treatment of solid waste. In the 2025 fiscal year, the Group generated 8,831 tonnes of solid waste, representing a slight decrease of 1% compared with the previous year, mainly attributable to the stable scale of the Group's property management service projects. The Group remains proactive in effectively managing solid waste generated from its commercial and property management service operations, striving to achieve waste reduction at the source.

Meanwhile, as the Group continued to control the treatment of non-hazardous wastewater and enhance wastewater reuse during the year, the volume of wastewater discharged in the year remained largely unchanged from the previous year, with a slight decrease of 0.5%. At the same time, the total volume of wastewater reused reached 123,189 cubic meters. The Group will continue to comprehensively improve the efficiency and effectiveness of water resource utilization, adhering to the guiding principle of water conservation.

A.2. Use of Resources

In FY 2025, the major resources consumed in the Group's operations included electricity, gasoline, natural gas, water, paper, and various types of raw materials used in the operation of commercial projects, such as daily necessities, construction materials, and packaging materials. In addition, the Group also consumed a small amount of diesel, primarily used for building emergency generators and a small number of commercial vehicles. Given that diesel consumption is relatively minimal, in accordance with the materiality principle, this report does not provide a detailed discussion on its control measures. During this fiscal year, all business segments of the Group placed great emphasis on the efficient utilization of raw materials and energy resources, continuously improving relevant policies and management systems. Specific policies include, but are not limited to, the Energy Management System, Regulations on Energy Conservation and Consumption Reduction, and Diesel Generator Maintenance Procedures. Through the implementation of the above policies, the Group has further enhanced its energy performance, effectively reduced emission levels and energy intensity, and promoted a lower-carbon and more efficient direction for its operations.The Group's use of various types of resource in FY 2025 is set out in Table 2 below.

Table 2. Overview of the Group's Resource Utilisation Information for FY 2025

Use of Resources	Key Performance Indicators	Unit	Total Amount in FY 2025	Intensity in FY 2025 (Unit/person)[1]	Total Amount in FY 2024	Intensity in FY 2024 (Unit/person) [2]
Energy[3]	Electricity	thousand kWh	40,134	120.9	64,719.5	133.4
	Petrol	thousand kWh	121	0.4	223.0	0.5
	Diesel	thousand kWh	8	0.02	10.0	0.02
	Natural Gas	thousand kWh	9,636.00	29	14,486.0	29.9
	Heating	thousand kWh	2,863.00	8.6	4,278.0	8.8
	Total	thousand kWh	52,762.16	158.9	83,716.4	172.6
Water	Water	m^3	443,873	1337	819,988	1690.7
Raw materials	Paper	tonne	28.11	0.08	44.2	0.1
	Plastic	tonne	0.01	3×10^{-5}	0.04	8.2×10^{-5}
	Soil	tonne	0.05	1.5×10^{-4}	0.1	2.1×10^{-4}
	Metals	tonne	0.3	9×10^{-4}	0.6	1.2×10^{-3}
	Cement	tonne	0.06	1.8×10^{-4}	0.1	2.1×10^{-4}
Packaging Materials	Plastic products	tonne	-	-	-	-
	Paper products	tonne	0.6	1.8×10^{-3}	1.0	2.1×10^{-3}

1. Intensity for FY 2025 is calculated by dividing the amount of resources consumed by the Group in FY 2025 by the number of employees of the Group at the end of FY 2025 of 294;
2. The data for FY 2024 is calculated by dividing the amount of resources consumed by the Group in FY 2024 by the number of employees of the Group in FY 2024 of 332;
3. Energy conversion of resources consumed is based on' How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs' issued by the Stock Exchange; and

Electricity

The Group has deeply integrated energy-saving concepts into its corporate operating system. Through systematic initiatives such as upgrading to high-efficiency equipment, continuously optimizing energy management mechanisms, and strengthening employee awareness training on energy conservation, the Group has comprehensively improved energy use efficiency. The key energy-saving technological retrofitting projects implemented in the 2025 fiscal year include:

- Comprehensive replacement with high-efficiency LED lighting systems: In office premises and property parking lots, traditional fluorescent lamps have been fully replaced with Grade 1 energy-efficiency LED luminaires. Additionally, passive infrared (PIR) motion sensors have been installed in corridors, restrooms, and other areas to automatically turn lights off when no movement is detected, thereby reducing unnecessary lighting electricity consumption.

- Intelligent temperature control and time-based management for air conditioning systems: In office areas and public spaces of commercial properties, a central air conditioning intelligent control system has been introduced to automatically adjust operating intensity based on outdoor temperature, occupant density, and time periods. Furthermore, the system is programmed to automatically reduce air conditioning loads during non-business hours (e.g., from late night to early morning) to minimize electricity waste.

- Dynamic group control and sleep mode for elevators: For property management, a dynamic group control dispatch system has been implemented for multiple elevators, reducing the number of elevators operating simultaneously during off-peak hours. At the same time, elevator sleep mode has been activated, which automatically turns off cabin lighting and fans when the elevator is idle for a preset period (e.g., 3 minutes).

- Standby power management: A centralized power-off system has been implemented in office premises, requiring computers, monitors, and photocopiers to be turned off after work hours to reduce standby power consumption.

- Establishment of an energy monitoring system and implementation of electricity consumption performance assessment: For office premises and property locations, a real-time energy monitoring platform has been introduced to record electricity consumption by area on an hourly basis, with monthly electricity-saving targets set. Electricity-saving performance has been incorporated into the annual performance assessments of each department and property team. Teams that meet the targets receive incentives, while those that fail to meet the targets are required to submit improvement plans.

In FY 2025, the Group's total electricity consumption continued its declining trend compared with the previous fiscal year, recording a slight decrease of 0.21%. This was primarily attributable to the continued implementation of various electricity-saving measures while maintaining the scale of property management services and leasable commercial properties.

Other Energy and Resources

In its daily operations, the Group primarily consumes energy resources including gasoline, diesel, and natural gas in areas such as vehicle transportation, business-use vehicles, and commercial project operations. Over the years, the Group has been committed to reducing its reliance on traditional fuels and actively promoting the substitution of conventional energy with clean energy alternatives. In FY 2025, the Group continued to respond to the national "carbon neutrality" goal by systematically improving internal operating models and equipment. These improvements include optimizing transport routes to reduce fuel consumption, implementing energy management systems to monitor fuel use efficiency, and encouraging employees to adopt low-carbon travel methods. Through the above measures, the Group has not only improved energy use efficiency but also steadily reduced greenhouse gas emission intensity, thereby faithfully fulfilling its sustainable development commitments and actively contributing to the realization of the carbon neutrality vision.

In FY 2025, the Group's gasoline consumption recorded a moderate increase of 11% compared with the previous year, primarily due to a slight uptick in various business activities and economic conditions, as well as a modest increase in the frequency of business vehicle usage. To better maintain the Group's strong performance in fuel conservation, the Group will continue to promote and advocate green travel among employees, encouraging them to effectively control gasoline usage in business vehicles, and will gradually sell off its owned business vehicles in favor of using third-party business travel service providers. Regarding diesel consumption, the Group's diesel usage remained flat compared with the previous year.

On the other hand, the Group's natural gas consumption continued to record a decrease of approximately 3% during the year, mainly due to the ongoing promotion of energy-saving measures across various business operations. To improve the Group's control over natural gas usage, the Group commits to more flexibly adjusting boiler temperatures based on seasonal weather conditions, installing energy-efficient combustion devices, and promptly shutting down unsuitable equipment to conserve energy as much as possible under normal operating conditions.

The Group actively responds to the policy direction of the national "14th Five-Year Plan for Modern Energy System" by accelerating the electrification and low-carbon transformation of construction projects while collaborating with the government to focus on developing a non-fossil energy system. The Group systematically promotes the application of renewable energy, including the comprehensive deployment of solar lighting systems in its owned projects and encouraging tenants to adopt clean energy sources such as solar power and natural gas through merchant guidance mechanisms, thereby building a comprehensive green energy application ecosystem.

Water

Water resources are of indispensable importance to both social development and the Group's business operations. To this end, the Group regularly monitors water consumption across its various business segments and systematically assesses potential water-related risks to minimize the impact of its operational activities on water resource issues. In FY 2025, the Group did not identify any material issues in its access to suitable water sources.

The Group has established a rigorous water use management system, with dedicated water resource management positions assigned to monitor water efficiency throughout the entire process. At the same time, we continue to promote water conservation awareness and training, guiding employees and tenants to actively implement various water-saving measures. Furthermore, the Group is progressively advancing the application of water recycling technologies, such as water reuse, including the installation of rainwater harvesting and greywater treatment systems in eligible commercial projects for landscaping irrigation and toilet flushing. Through these systematic measures, the Group continues to improve water resource utilization efficiency and fulfill its responsibility to protect the water environment.

In FY 2025, the Group's total water consumption increased slightly by 2% compared with FY 2024, primarily due to the increased frequency of maintenance activities at property management projects. The Group commits to continuing its utmost efforts to promote water conservation and optimize water usage.

Raw Materials and Packaging Materials

The Group is fully aware that its environmental footprint is closely related to the solid waste generated from its operations. To this end, we strictly control the consumption of raw materials and packaging materials, actively promote the practice of environmentally friendly services, and continuously advocate the concept of "sustainable development" to our employees and customers. In terms of property development, the Group is committed to continuously improving and innovating construction methods to reduce material consumption and waste generation during the development process. At the same time, the Group's property management operating sites have also implemented a number of specific measures, including giving priority to the procurement of recycled and renewable materials, and promoting the efficient utilization of various materials. In FY 2025, we further expanded the scope of green procurement to include items such as recycled paper products, biodegradable cleaning supplies, and eco-friendly packaging materials. Through the above actions, the Group continues to reduce its solid waste footprint and drive the transition of its operations toward a more circular and lower-carbon model.

In FY 2025, the Group's consumption of raw materials and packaging materials continued to decrease slightly by 1% compared with the previous year, primarily due to the ongoing implementation of various energy-saving measures. Specifically, consumption of metals and soil remained flat compared with the previous year, while cement consumption decreased by 50% from the previous year, mainly due to the reduced scale of minor maintenance and construction work in property management operations. In addition, as the Group is committed to reducing the environmental impact of its packaging materials, it continued to achieve zero use of plastic packaging materials during the year, while the use of paper-based packaging materials recorded a 17% decrease compared with the previous year. Going forward, the Group will continue to strongly advocate and practice sustainable management methods, striving to reduce the environmental impact of its material use year by year.

As for paper, due to the Group's continued strict control over paper collection and sorting In FY 2025, the use of paper-based raw materials during the year remained largely unchanged from the previous year, continuing to be maintained at a relatively low level. Regarding office paper, the Group continued its recycling efforts, recycling a total of 28 kilograms of paper during the year. Other effective measures implemented by the Group to control paper usage include:

Advocate paperless office, and adopt double-sided black and white printing when printing is necessary	Arrange the administrative and human resources department to carry out environmental protection education for all members of the Group every year
Encourage employees to use recycled paper for reimbursement vouchers	Use environmentally friendly bamboo products as the main raw materials for shopping mall facilities in design
Use guests' digital signatures at the front desk of shops to reduce paper consumption	Pay attention to the application of the 3R “reduction, reuse and recycling” principle of office supplies

Goals and actions

In line with the national roadmap of carbon peaking and carbon neutrality and the key tasks specified in the "14th Five-Year Plan' for the Development of Energy Savings in Buildings and Green Buildings" (《「十四五」建築節能與綠色建築發展規劃》), the Group has set and adjusted the corresponding environmental goals in accordance with the policies of each region where it operates, using the national goals as the basic framework to continuously improve its environmental performance.

Area	Goal	Examples of initiative
Waste gas emission	Taking FY 2021 as the baseline, air pollutant emissions of the Group will not increase by more than 10% by FY 2025.	■ Optimise the fleet of the Company to ensure that emissions comply with the national standard ■ Educate drivers to keep good driving habits ■ When changing the fleet and equipment, give priority to the equipment powered by clean energy ■ Strengthen the control of use of gas for boilers
Greenhouse gas emissions	Taking FY 2021 as the baseline, the total greenhouse gas emission intensity of the Group will decrease by approximately 18% by FY 2025.[1]	■ Strengthen the education of employees and tenants to enhance their awareness of energy conservation and emission reduction ■ Strengthen the control of use of electricity, gas and oil
Solid waste	Taking FY 2021 as the baseline, total solid waste emissions of the Group will decrease by 10% by FY 2025.	■ Strengthen the classification, recovery and division of solid waste ■ Encourage tenants and residents to reduce the use of unnecessary disposable goods and reduce waste from the source ■ Introduce intelligent waste reduction technology
Water and wastewater	Taking FY 2021 as the baseline, by FY 2025, the amount of water used and the total amount of wastewater discharged by the Group will decrease by 5% year by year.	■ Accelerate the business water cycle ■ Reduce unnecessary water waste in operation by improving staff management and water equipment ■ Adopt systems for saving water
Electricity	Taking FY 2021 as the baseline, electricity consumption of the Group will decrease by 10% by FY 2025.	■ Promote energy-saving buildings of new projects ■ Optimise the existing property equipment ■ Conduct energy audits to identify areas where energy efficiency can be enhanced
Other Energy	Taking FY 2021 as the baseline, the total energy consumption intensity of the Group will decrease by approximately 13% by FY 2025.[1]	■ Strengthen the control of the use of energy-consuming equipment ■ Replace with new equipment with more energy efficiency ■ Conduct in-depth analysis of energy supply management and energy saving

1. According to the National Planning Outline, during the "14th Five-Year Plan"period, China will reduce energy consumption and carbon dioxide emissions per unit of GDP by 13.5% and 18% respectively.

A.3. Environment and Natural Resources

In 2025, the Group actively aligned itself with the strategic direction of "green development, harmonious coexistence" set out in the national "14th Five-Year Plan," continuously promoting the implementation of a green, low-carbon, and circular development model. We strictly enforce internal management documents such as the List of Significant Environmental Aspects, the Control Procedure for Environmental Aspect Identification and Evaluation, and the Control Procedure for Environmental, Occupational Health and Safety Monitoring and Measurement, while continuously improving the application of the ISO 14001 Environmental Management System and the ISO 50001 Energy Management System in actual operations. Currently, the majority of the Group's properties have obtained relevant international certifications.

Based on the annual business segment adjustments and characteristic analysis, the Group's primary environmental impacts in the 2025 fiscal year are concentrated in two areas: greenhouse gas emissions from electricity consumption and the disposal of non-hazardous waste generated during operations. To address these impacts, we have optimized our energy conservation and emission reduction management systems, established standardized business processes and dedicated supervision mechanisms, and actively introduced advanced energy management solutions during commercial project renovations, thereby comprehensively improving the energy-saving and environmental performance of our projects and gradually moving toward the net-zero carbon goal.

In terms of waste management, the Group strictly follows systems such as the Waste Control Procedure and the Pollution Source Control Procedure, continuously improving the classified treatment system for household waste and kitchen waste, and putting the concept of a circular economy into practice. We continue to promote the "Clean Your Plate" campaign to reduce food waste, disinfect and reuse recyclable items, and prioritize the use of consumables made from eco-friendly wheat straw materials to reduce the environmental burden.

In terms of property management operations, the Group collaborates closely with government authorities to optimize the smart waste treatment system and cooperates with professional recycling service providers to improve resource recovery and reuse rates. At the same time, leveraging its self-developed online platforms "Easy Disposal" and "Recycle Now", the Group provides residents with convenient door-to-door collection services, supporting settlement by cash or points.

A.4. Climate Change

In recent years, the negative impacts of global climate change have become increasingly evident, with extreme weather events occurring frequently. As the world's second-largest economy, China actively assumes its international responsibilities, committing to mitigating climate change, accelerating the development of a green, low-carbon, and circular economic system, and promoting the construction of a clean, low-carbon, safe, and efficient energy system.

To support the national green and low-carbon economic and social transformation, the "14th Five-Year Plan" period has established a number of binding targets for energy conservation, emission reduction, and ecological protection. For the four key carbon-emitting sectors—energy, industry, construction, and transportation—clear directives have been set to "promote the clean, low-carbon, safe, and efficient use of energy, and deeply advance the low-carbon transformation of industry, construction, transportation and other sectors."

The Group actively responds to national policy directions by integrating climate risk management into its strategic decision-making system and continuously improving its climate governance mechanisms. We consistently regard climate change as a core risk factor affecting the sustainable development of our business, systematically incorporating climate-related risks into the formulation of our medium- to long-term development strategies, and deeply integrating mitigation measures into various business initiatives.

In FY 2025, the Group strictly followed the framework of the Task Force on Climate-related Financial Disclosures (TCFD) to conduct forward-looking scenario analyses, comprehensively assessing physical risks (such as typhoons, floods, and extreme heat) and transition risks (such as carbon pricing, policy and regulatory changes, and low-carbon technology transformation), and based on these assessments, developed specific climate adaptation and mitigation action plans.

Risks		Potential impact
Acute physical risk	■ Extreme weather events such as severe storms	■ Affect the engineering and property structure and bring significant safety hazards to potential safety hazards to construction workers, residents and tenants ■ Decrease in revenue due to delay in construction projects due to extreme weather ■ Increased capital expenditure to implement the required mitigation measures
Chronic physical risk	■ Continuous high temperature – and rainfall pattern change ■ Sea level rise	■ Continued rainfall may lead to flooding, resulting in an increase in maintenance costs ■ Ongoing high temperature may affect the daily travel and travel plans of the public and affect the revenue of hotel business ■ Exposure to ongoing risks resulting in lower asset value
Transition risk	■ Updates on policies and regulations further tightened environmental requirements for the real estate industry and the property management industry ■ Increase in stakeholders' expectations	■ To cope with the stringent regulations, it is expected to increase the operating costs of the property management projects and the renovation costs of the commercial property operation
Opportunity	**Potential opportunity**	
Green building	With the “14th Five-Year Plan” proposing to optimise energy consumption in urban and rural construction and promote green building, the Group continues to enhance the environmental performance of its existing properties and carry out energy- saving construction for new projects, which is expected to reduce subsequent operating costs and open up new business opportunities.	

After careful assessment, the Group's management has concluded that current climate risks do not yet pose a direct material threat to its operations. Nevertheless, the Group remains highly vigilant and continues to strengthen its climate resilience. To this end, we have established a comprehensive extreme weather prevention and emergency response mechanism, and have developed and strictly enforced a series of regulatory documents, including the Regulations on the Management of Rainwater and Sewage Pumps, the Regulations on Flood Control Management, and the Management System for Emergency Response Plan Handling. At the same time, the Group regularly organizes cross-departmental emergency drills to enhance operational capabilities, ensuring that each business unit has clear response standards and operating procedures in the event of extreme weather.

In FY 2025, the Group further upgraded its climate response measures, which include:

- Enhanced flood prevention capabilities: For commercial projects located in low-lying areas, comprehensive inspections and repairs of drainage systems have been completed, and additional floodgates and mobile water pumps have been installed, reducing flood response time to within 30 minutes.
- Regularized emergency drills: Group-wide extreme weather emergency drills are held semi-annually, covering scenarios such as power outages, flooding, and supply chain disruptions. The number of participants increased by 25% compared with the previous year.
- Building resilience retrofitting: During the retrofitting of commercial projects, priority is given to climate-adaptive energy-saving technologies and risk prevention and control solutions, such as installing wind-pressure-resistant doors and windows, upgrading roof waterproofing layers, and establishing backup power systems. During the reporting year, five projects completed such retrofits, effectively enhancing the disaster prevention and resistance capabilities of the building's physical facilities.

Through the above measures, the Group ensures the continued stability of its business operations in the context of climate change while progressively enhancing its overall climate resilience.

VII. SUSTAINABLE SOCIAL DEVELOPMENT

Employment and Labour Practices

B.1. Employment

The Group has always adhered to a "people-oriented" management philosophy, striving to create a high-quality workplace environment that balances employees' physical and mental well-being with work efficiency. We strictly follow the Labor Employment Management Standards and, in light of the development strategies of each business segment, systematically promote professional capacity development programs for employees, tailoring career development paths for them. By providing a diversified platform for on-the-job practice, the Group continues to cultivate elite teams with a shared vision and cross-functional skills.

As of 31 December 2025, the Group had a total of 294 employees. Please refer to Table 3 below for the breakdown of employees.

Table 3 Number of Employees of the Group by Age Group, Gender, Employment Type, Position Type and Geographical Location in FY 2025 [1]

UNIT:NUMBER OF EMPLOYEES	AGE				
GENDER	30 YEARS OLD OR BELOW	31-40 YEARS OLD	41-50 YEARS OLD	51 YEARS OLD OR ABOVE	TOTAL
MALE	2	23	31	99	155
FEMALE	3	27	29	80	139
TOTAL	5	50	60	179	294

UNIT:NUMBER OF EMPLOYEES	POSITION			
GENDER	GENERAL STAFF	MIDDLE MANAGEMENT	SENIOR MANAGEMENT AND DIRECTORS	TOTAL
MALE	142	10	3	155
FEMALE	129	9	1	139
TOTAL	271	19	4	294

EMPLOYMENT TYPE		
FULL-TIME	PART-TIME	TOTAL
294	0	294

LOCATION	
LOCATION	**NUMBER OF EMPLOYEES**
PRC	293
HONG KONG	1
TOTAL:	294

1. The employment data in headcount was obtained from the Group's Hum an Resources Department based on the employment contracts entered into between the Group and its employees. The data covered employees engaged in a direct employment relationship with the Group according to relevant local laws The methodology adopted for reporting on employment data set out above was based on "How to Prepare an ESG Report-Appendix III: Reporting Guidance on Social KPIs" issued by the Stock Exchange.

Compliance with the laws

Since its establishment, the Group's employment policy has been continuously updated and revised to cater for social changes and comply with relevant laws and regulations. In FY 2025, the Group has complied with relevant laws and regulations on employment management, including the following:

Employment Ordinance (Cap. 57 of the laws of Hong Kong)	Employees' Compensation Ordinance (Cap. 282 of the laws of Hong Kong)
Minimum Wage Ordinance (Cap. 608 of the laws of Hong Kong)	Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the laws of Hong Kong)
Disability Discrimination Ordinance (Cap. 487 of the laws of Hong Kong)	Race Discrimination Ordinance (Cap. 602 of the laws of Hong Kong)
Sex Discrimination Ordinance (Cap. 480 of the laws of Hong Kong)	Labour Law of the People's Republic of China
Employment Promotion Law of the People's Republic of China	Labour Contract Law of the People's Republic of China
Social Insurance Law of the People's Republic of China; and	Provision on Minimum Wage

The human resources department of the Group regularly reviews and updates relevant policies within the Company in accordance with the latest laws and regulations. The Group purchases five national statutory social insurances including basic endowment insurance, basic medical insurance, employment injury insurance, maternity insurance and unemployment insurance as well as housing fund for the employees in Mainland China and makes contributions to the mandatory provident fund for its employees in Hong Kong.

Recruitment and Promotion

The Group strictly follows the Employee Recruitment and Hiring Management Standards and attracts talent through diversified recruitment channels and standardized processes. In the talent selection process, we adhere to the evaluation principle of "combining integrity and competence, prioritizing potential," placing emphasis on both the candidate's professional ethics and expertise as well as the balance between their professional capabilities and

development potential. To build a stable talent pipeline, the Group has established a performance-oriented, fair, and transparent promotion mechanism. For employees with outstanding performance, appropriate promotion opportunities are provided in alignment with their personal development plans. At the same time, a regular and objective performance evaluation system is implemented, offering corresponding incentives based on work achievements. All talent hiring and promotion decisions are made in strict accordance with internal management policies, ensuring the professionalism and fairness of human resource management.

Compensation and Dismissal

The Group continuously improves its compensation management system by comprehensively considering the overall operating performance of the enterprise, employees' individual work performance, and industry compensation levels, and conducts systematic compensation assessments on a regular basis to ensure that the compensation system reflects both internal fairness and maintains competitiveness for external talent. We have established a scientific compensation decision-making mechanism, submitting detailed compensation analysis reports to the Remuneration Committee annually, and adjust the compensation structure in a timely manner with reference to market benchmarks. At the same time, the Group strictly standardizes the processes for initial salary determination, salary disbursement, and compensation adjustments, ensuring that all compensation management practices comply with internal policies and effectively serve an incentive function.

Regarding the termination of employment contracts, the Group strictly prohibits any form of unfair or unjustified dismissal. All terminations of labor contracts must be based on reasonable grounds and strictly follow internal policies. The Group has established the Labor Employment Management Standards, which clearly define the dismissal procedures.

For employees who violate internal Group rules, the Group adopts a progressive disciplinary mechanism: a first violation will result in an oral warning, which will be documented; if the violation continues or occurs again, a written warning letter will be issued; for those who fail to improve after repeated counseling, the Group will formally terminate their employment contract in accordance with relevant national laws and regulations. Complete written records are maintained throughout all disciplinary processes to ensure procedural fairness and legal compliance.

In FY 2025, the Group's employee turnover rate was 11%. For more details on employee turnover, please refer to Table 4 below.

Table 4 Employee turnover rate by age group, gender and geographical location in FY 2024[1]

UNIT:NUMBER OF EMPLOYEES	AGE				
GENDER	30 YEARS OLD OR BELOW	31-40 YEARS OLD	41-50 YEARS OLD	51 YEARS OLD OR ABOVE	TOTAL
MALE	2	7	9	6	24
EMPLOYEE TURNOVER RATE (PERCENTAGE)	50%	25%	24%	5%	13%
FEMALE	1	4	4	5	14
EMPLOYEE TURNOVER RATE (PERCENTAGE)	20%	11%	14%	6%	9%
TOTAL	3	11	13	11	38
EMPLOYEE TURNOVER RATE (PERCENTAGE)	33%	17%	20%	6%	11%

LOCATION		
LOCATION	EMPLOYEE TURNOVER	EMPLOYEE TURNOVER RATE
PRC	38	11%
HONG KONG	0	-

1. The turnover data was obtained from the Group's Hum an Resources Department based on the employment contracts entered into between the Group and its employees. Turnover rate was calculated by dividing the number of employee turnover in FY 2025 by the number of employees in FY 2025. The methodology adopted for turnover data set out above was based on “How to Prepare an ESG Report-Appendix III: Reporting Guidance on Social KPIs" issued by the Stock Exchange.

Working hours and holidays

The Group has formulated corresponding policies in its employee manual in accordance with local employment laws, including the State Council Regulations on Working Hours of Employees《（國務院關於職工工作時間的規定》）.The Group exercises strict control over the attendance time of employees and has put in place incentive and punishment rules relating to attendance. In addition to the basic paid annual leave and statutory holidays under employment laws promulgated by central and local governments, employees are also entitled to marriage leave, maternity leave, funeral leave and other additional vacations. When asking for leave, an employee is required to complete the Employee Leave Application Form stating the reason and

time for leave, which will take effect after being signed and approved by his/her superiors.

Equal Opportunity and Anti-Discrimination

The Group actively promotes diversity in the workplace and is committed to creating an inclusive and supportive workplace for all employees. To this end, the Group regulates its day-to-day human resources and employment decision-making practices by treating all business units' training and promotion opportunities, termination and retirement decisions regardless of age, gender, marital status, pregnancy status, family status, disability, race, colour, descent, minority or ethnicity, nationality, religion or any other non-work-related factors, aiming to view everyone equally.

Other Entitlements and Benefits

The Group believes in a caring culture and is committed to helping employees to achieve work-life balance, and to improving employee satisfaction and retaining talents by giving proper care and rewards. During the year, the Group strengthened performance management, and distributed performance bonuses to employees based on their performance management levels. In addition to providing insurance and provident fund for employees in accordance with relevant national laws and regulations, the Group also keeps good communication between management and employees through social media, e-mail, telephone, collaborative management software system. Besides those, the Group also carries out team building activities from time to time and provides other company benefits, including annual dinners, annual physical examination, travel and development activities, holiday cash gifts, birthday gifts and other benefits to enhance employee interaction and team cohesiveness.

In FY 2025, the Group has strictly complied with relevant laws and regulations regarding remuneration and dismissal, recruitment and promotion, working hours, vacations, equal opportunities, diversification, anti-discrimination, other entitlements and benefits and other laws and regulations that have a significant impact on the Group.

B.2. Health and Safety

The Group places a high priority on the health and safety of its employees and takes pride in its safety-first work culture. In FY 2025, the Group implemented strict safety and health policies and strictly complied with relevant PRC laws and regulations, including but not limited to:

Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong)	Law of the People's Republic of China on Occupational Disease Prevention
Work Injury Insurance Ordinance	Law of the People's Republic of China on Production Safety
Labour Law of the People's Republic of China	Law of the People's Republic of China on Fire Prevention
Standardisation Law of the People's Republic of China	

The Group has established and continuously improved its safety management system, including "Control Procedures for Environmental and Occupational Health and Safety Management Program", the "Fire Safety Management System", the "Hot Work Management Regulations" , the "Safety Operation Rules" , and the "Safety Management Regulations for High-altitude Operations" , etc., in order to maintain a healthy and safe working environment. In addition, the Group insisted to thoroughly implement the laws, regulations, policies and standards on prevention and treatment of occupational diseases of the PRC, to improve the management of the prevention and control of occupational diseases. This year, the Group further optimised the specific measures to implement the management systems above by analysing and learning from the cases regarding employee's health risks, and is committed to ensure the physical, mental health and safety of all employees and each position. The Group has also developed, implemented and monitored its "Occupational Health and Safety System" in accordance with the ISO 45001:2018, and has been certified since 2017.

In order to ensure the safety of employees, the Group strictly supervises and urges the management and employees to carry out safety production and safety and civilisation inspection in accordance with the Notice on the Control of Safe and Civilised Construction of Each Project, so as to eliminate production safety accidents. Once any hazardous accident or condition is found in the workplace, the Group requires all employees to immediately report to their superiors and the local production safety supervision and management authority, to organise all departments to promptly take effective measures to reduce or eliminate the hazardous factors of occupational diseases, and to take follow-up actions to prevent accidents and ensure the safe operation of all sites and facilities.

The Group not only provides employees with occupational disease protection facilities and personal protective equipment that meet the requirements of occupational disease prevention and control, but also adopts a rotation working system, meanwhile, tightens the punishment upon the behaviour that violates laws and regulations on prevention and treatment of occupational diseases and endangering life and health, including the issue of a circulated notice in the Group in order to raise the vigilance of all employees. In addition, the Group requires all employees to receive emergency management and occupational health and safety training, during which, typical and frequent cases of safety incidents occurred across different business sections are specifically analysed, in order to prevent the reoccurrence of similar

incidents. The Group also requires all employees engaged in special types of work to accept special training and are only allowed to work with a permit.

Moreover, the Group's Administration and Human Resources Department is responsible for organizing annual health examination and occupational disease diagnosis and treatment services. In order to monitor the effective implementation and coverage of occupational safety measures, the Group's Quality Assurance Department is responsible for monitoring and measuring the achievement of environmental and occupational health and safety objectives, targets and management plans, and organizing all relevant departments to carry out supervision and inspection activities on the operation and performance of environmental and occupational health and safety systems, as well as monitoring and inspecting the safety awareness and training of employees and related parties.

Benefiting from the Group's unremitting efforts, the Group has recorded no work-related fatalities in the past three years (including the reporting year). During the reporting year, the Group recorded no work-related injuries. The Group is committed to preventing workplace accidents and strives to achieve zero harm.

In FY 2025, the Group complied with relevant laws and regulations on providing a safe working environment and protecting employees from occupational hazards that have a significant impact on the Group in providing a safe working environment and protecting employees from occupational hazards.

B.3. Development and Training

The Group adheres to the talent philosophy of "mutual growth between the enterprise and its employees," viewing lifelong learning as a key strategic investment for driving the long-term development of the organization. By establishing a diversified training system, the Group supports employees in achieving comprehensive development. We integrate internal professional resources and external training institutions, with courses delivered by senior instructors and internal experts. The curriculum covers areas such as professional skill enhancement, deepening of business knowledge, understanding of policies and regulations, and improvement of software and hardware operational capabilities. In accordance with the *Employee Training Policy*, the Group has established a standardized training management mechanism, with the Administration and Human Resources Department coordinating training plans across departments, supervising implementation effectiveness, and continuously improving training record management.

To enhance learning convenience, the Group has innovatively utilized digital platforms such as Tencent Meeting and WeChat Work to build an internal mobile learning system, offering online courses, a learning resource library, and quiz modules, enabling employees to engage in flexible, self-paced learning anytime, anywhere.

In FY 2025, the Group provided a total of 2,408 hours of training courses to 60% of our employees. For details, please refer to Table 5 and 6 as below. During the year, the Group organised a wide variety of training programs, including corporate culture and induction training for new employees. For current staff, the Group organised functional training to enhance professionalism, management system training to familiarise with business processes, emergency management and fire safety training to enhance occupational health and safety awareness, as well as leadership training for management staff.

Table 5 Number and percentage of employees trained of the Group by gender and position type in FY 2025[1]

	TOTAL
TOTAL NUMBER OF TRAINED EMPLOYEES	177
TOTAL NUMBER OF EMPLOYEES AT THE END OF THE YEAR	294
PERCENTAGE OF TRAINED EMPLOYEES	60%

UNIT: NUMBER OF TRAINEES	POSITION			
GENDER	GENERAL STAFF	MIDDLE MANAGEMENT	SENIOR MANAGEMENT AND DIRECTORS	TOTAL NUMBER OF TRAINED EMPLOYEES
MALE	90	4	2	136
PERCENTAGE OF TRAINED EMPLOYEES	63%	40%	67%	62%
FEMALE	75	5	1	91
PERCENTAGE OF TRAINED EMPLOYEES	58%	56%	100%	58%

	GENERAL STAFF	MIDDLE MANAGEMENT	SENIOR MANAGEMENT AND DIRECTORS
TOTAL NUMBER OF TRAINED EMPLOYEES	165	9	3
PERCENTAGE OF TRAINED EMPLOYEES	61%	47%	75%

1. The number of trained employees is obtained from the Hum an Resources Department of the Group. It refers to the number of employees participated in the vocational training during FY 2025. The method used to report the n umber and percentage of trained employees above is based on the "How to Prepare an ESG Report-Appendix III: Reporting Guidance on Social KPIs" issued by the Stock Exchange.

Table 6 Training hours of employees of the Group by gender and position type in FY 2025[1]

UNIT: HOUR	POSITION			
GENDER	GENERAL STAFF	MIDDLE MANAGEMENT	SENIOR MANAGEMENT AND DIRECTORS	TOTAL
MALE	723	221	15	959
AVERAGE TRAINING HOURS	5	22	5	6
FEMALE	446	12	16	474
AVERAGE TRAINING HOURS	4	1	16	3
TOTAL	1,169	233	31	1,433
AVERAGE TRAINING HOURS	4	12	8	5

1. The number of trained employees is obtained from the Hum an Resources Department of the Group.The method used to report the n umber and percentage of trained employees above is based on the "How to Prepare An ESG Report-Appendix III: Reporting Guidance on Social KPIs" issued by the Stock Exchange.

B.4. Labour Standards

The Group respects the rights and interests of workers and prohibits any employment of child labour or forced labour. In FY 2025, the Group complied with the Law of the People's Republic of China on the Protection of Minors, the Labour Law of the People's Republic of China, the Regulations on the Prohibition of Child Labour in the People's Republic of China and other relevant labour laws and regulations in China. In order to strictly prevent any form of forced labour, coerced labour, bonded labour or illegal employment of workers under the legal working age, the Group continues to improve the standards of human resources management, and requires the Human Resources Department to strictly control the recruitment and interview process and require all applicants to provide valid identification document and other relevant documents to ensure applicants can be legally hired. In addition, the Group also has a legal department, which regularly checks whether there is child labour or forced labour through annual audit. Once the Group discovers any violation of labour standards, it will not only terminate the relevant employment immediately, but also initiate relevant punishment measures to punish the persons involved, and once again emphasise the importance of legal and reasonable employment throughout the Group.

In FY 2025, the Group did not violate any relevant laws and regulations that have a significant impact on the Group in preventing child labour or forced labour.

Operating Practices

B.5. Supply Chain Management

In order to ensure that the suppliers used by the Group are in compliance with regulations, act in good faith and meet the Group's philosophy of sustainable development, the Group is committed to maintaining good and smooth two-way communication with its suppliers to facilitate creation of a sustainable supply chain. At the same time, each of the Group's business segments has put in place stringent supplier selection and evaluation criteria so as to early identify and control potential environmental and social risks in each link of the supply chain.

In FY 2025, the Group worked with 422 suppliers, of which 410 were located in the PRC and 12 in Hong Kong. The supply chain management policy described below applies to key suppliers of key businesses, accounting for approximately 20% of the total number of suppliers.

Property management, property development and commercial property operation business

The categories of suppliers involved in the Group's property management, development and construction, and commercial operations businesses mainly include lifestyle services, equipment maintenance and repair, engineering, and office supplies. To ensure smooth supply chain operations, the Operations Department and the Cost and Procurement Department maintain continuous and effective interactions with major suppliers through on-site meetings, telephone calls, and WeChat communications.

To effectively identify and mitigate potential environmental, social, and conflict-of-interest risks in the supply chain, the Group adopts an open and transparent selection mechanism in its procurement process. To further strengthen tender management, the Group issued the Notice on Standardizing Bid Evaluation and Award Determination in 2022, which clearly stipulates that after relevant business operations departments submit a procurement tender application, the headquarters' Cost and Procurement Department shall lead and supervise the business departments in executing the tender process in accordance with the Cost and Procurement Management Standards.

In accordance with the Supplier Selection and Evaluation Management Procedure, all suppliers must meet the Group's internal product and service standards and comply with relevant national and local market regulations. The Cost and Procurement Department conducts a rigorous qualification review process for each shortlisted supplier, including company information verification, supplier pre-qualification, business license review, comparison of original qualification certificates, account information confirmation, and supervision and evaluation of qualified suppliers. Only after being approved as qualified can a supplier be included in the qualified supplier database and proceed to the formal tender and procurement process. To ensure the compliance and completeness of the supplier engagement process, the Legal Department is involved from the preliminary background check stage through to contract signing, effectively mitigating potential legal and operational risks.

The Group continuously monitors the performance and compliance of each supplier in the qualified supplier database, with the Cost and Procurement Department responsible for routine

maintenance, unscheduled spot checks, and annual performance evaluations. Should a supplier be found to have seriously lost commercial credibility, encountered financial difficulties, or caused a major quality incident, it will be immediately placed on a blacklist and cooperation will be terminated.

If non-conforming products or services that may pose significant potential risks are identified, the Group will promptly take remedial measures, including shutting down relevant equipment, conducting emergency repairs, and engaging a third-party professional agency for safety assessment. Only after confirmation of compliance may the equipment be reactivated.

In FY 2025, the Group further upgraded its supply chain management measures, including:

- Supplier Environmental and Social Responsibility Assessment: Environmental and social responsibility clauses have been added to the supplier access review process, requiring major suppliers to provide environmental compliance certificates and labor rights protection declarations.
- Green Procurement Priority Principle: Under comparable conditions, priority is given to suppliers with environmental certifications (e.g., ISO 14001) or those offering green products/services.

Through the above measures, the Group continues to optimize its supply chain governance, ensuring that procurement activities are compliant, transparent, and sustainable. During the reporting year, the coverage rate of the green procurement principle for this business segment approached 20%.

B.6. Product Responsibility

Based on the concept of "pragmatism, integrity, innovation and development" , with regard to the health and safety, advertising, labelling and privacy matters of the Group's products and services, the Group complied with relevant PRC laws, regulations and standards during FY 2025, including but not limited to:

Law of the People's Republic of China on Product Quality	Law of the People's Republic of China on Fire Prevention
Law of the People's Republic of China on Construction	Law of the People's Republic of China on Production Safety
Law of the People's Republic of China on the Protection of Consumer 's Rights and Interests	Law of the People's Republic of China on Intellectual Property Rights
Law of the People's Republic of China on Advertising	Administrative Regulations on Production Safety of Construction Works
Property Management Regulations	Price Law of the People's Republic of China

Property management, property development and commercial property operation business

Dedicated to providing excellent services and products to our customers, the business continues to implement a strict management system adopted, including ISO 9001 - Quality Management System, ISO 14001-Environmental Management System, OHSAS 18001 - Occupational Health and Safety Management System Certification and ISO 27001 - Information Security Management System, etc. It focuses on protecting customer privacy, carries out marketing in a responsible manner, and thoroughly implements the service concept of "people-oriented, customer first" .

Quality and Safety

The Group has always placed the health and safety of its customers at the core of its operations. During the property development stage, we work closely with contractors to jointly create buildings and environments that promote the physical and mental well-being of residents and visitors. At the same time, based on in-depth analysis of best-selling products in the market, the Group is committed to developing property projects that meet public demand and contemporary trends.

In property operations and commercial management, the Group has established a distinctive and standardized management model, strictly complying with the Property Management Ordinance and relevant local regulations. Each operating project is fully covered by commercial public liability insurance, equipped with comprehensive surveillance devices in accordance with legal requirements, staffed with 24-hour security patrols, and ensures around-the-clock operation of fire control rooms to safeguard the safety of property owners and tenants, creating a secure and reliable operating environment.

The Group's property management segment adheres to the establishment of a safety management system that integrates quality, environment, and occupational health. Specific targets and quantitative indicators in three areas—including customer satisfaction, repair timeliness, hazardous waste recycling rate, and accident incidence rate—are set in accordance with the relevant Management Manual. The Quality Assurance Department, following the latest revised Quality Management Department Standards, monitors various performance metrics, conducts unscheduled spot checks, and performs annual comprehensive reviews to enhance the professional standards of property management. In addition, the Quality Assurance Department conducts annual owner satisfaction surveys, collecting feedback from property owners to identify areas for improvement, issuing rectification notices accordingly, and tracking the implementation of related corrective measures.

Handling of Customer Comments and Complaints

The Group continuously improves its complaint management mechanism, places great emphasis on listening to the genuine opinions of property owners, and promptly proposes solutions to customer complaints in order to more accurately understand customer expectations and identify opportunities for service improvement, thereby enhancing overall service quality.

We constantly refine the standard operating procedures for complaint feedback, assisting frontline customer service personnel in handling various complaints properly and efficiently.

For complaints raised by property owners, the Quality Assurance Department and the Business Operations Department will, based on the needs compiled by the Customer Service Department, promptly conduct dedicated follow-ups, verify on-site conditions, swiftly address and rectify issues, and report solutions to customers at the earliest opportunity, ensuring that problems are effectively resolved and subject to closed-loop management.

In FY 2025, this business segment did not receive any material complaints. Any complaints regarding property management received in the past were resolved within three days after understanding the situation on the same day and conducting effective communication with the property owners.

Advertising and Promotion

The business strictly prohibits all false or exaggerated advertising. Through the establishment of relevant advertising management policies and the effective involvement of the internal audit and legal department, the business persistently adopts the no-tolerance principle towards the behaviours above and adheres to the related laws, regulations and guidance of the industry, as well as strives to provide transparent and accurate information to ensure the truthfulness and reliability of advertisements.

Customer Privacy

The Group places great importance on information security and customer privacy protection, and has established a comprehensive information security management system to properly handle and protect all sensitive data, including the personal information of tenants and property owners. We implement tiered management of information user access rights, adopting a "one file per household" management model for all customer data. Except for the designated departments responsible for safekeeping, any individual or entity requiring access to or borrowing of relevant data must submit an access request and obtain approval in advance. In addition, the Group's management team conducts quarterly inspections of the implementation of various policies to ensure that information security management remains compliant and effective. In FY 2025, this business segment experienced no data breaches and received no material complaints related to customer privacy.

Quality and Safety

To ensure the safety of customer dining, this business segment strictly complies with national regulations, regularly inspects stored ingredients and food retention samples, and strictly controls cooking environments and equipment temperatures. Priority is given to locally sourced non-imported ingredients, and strict checks are carried out in accordance with the *Supplier Qualification Assessment and Review Procedure* to ensure compliance with the business's quality requirements.

In terms of stay safety, the Group regularly engages third parties to inspect projects' safety equipment and has established policies such as the *Fire Hazard Rectification System*, *Fire Hydrant System Management and Maintenance System*, *Safety Evacuation Facility Management System*, and *Suspicious Explosive Item Handling Procedure / Threatening Call Policy* to ensure prompt and effective emergency response.

The headquarters' commercial management team assigns quality management specialists responsible for tracking, supervising, and inspecting all operational and service quality. Should any non-compliance with standards be identified, immediate adjustments will be made to the relevant operations in accordance with standard operating procedures. The quality of incoming supplier goods is jointly reviewed by the user department and the receiving department, with non-conforming products being returned immediately.

Advertising and Promotion

This business segment primarily promotes itself by sharing commercial project information on platforms such as WeChat and mobile applications. This business segment complies with the Advertising Law of the People's Republic of China and has established internal policies to regulate its published marketing content, including the depiction and standards of advertisements, the design and standards of printed materials, the standards for press releases, and the use of project names and logos in promotional activities.

Handling of Guest Comments and Complaints

The Group places great strategic value on customer feedback for business development. All project employees are required to uphold the service philosophy of "striving for excellence and continuous improvement," proactively listen to customer needs, continuously optimize the complaint handling mechanism, and establish a tiered responsibility system to ensure that every piece of feedback receives timely responses and progress updates from responsible personnel.

We regularly conduct customer satisfaction surveys and, through systematic data analysis, continuously improve operational management models and strengthen employee training. During this reporting year, service quality achieved an excellent result of zero substantive complaints.

Guest Privacy

This business segment ensures compliance with the laws and regulations regarding personal data privacy in its operating regions by establishing and fully implementing strict internal management policies, as well as installing supporting software and hardware facilities, and is fully committed to protecting customer information from disclosure. We have established different levels of access rights, authorizing only employees to access customers' personal data. The collection of members' personal information is limited to the purpose of membership maintenance and is used only after obtaining customer consent. All customer stay information is stored in computer systems and kept confidential unless legally justified access is requested by government authorities.

Internal policies clearly regulate computer and file management, and relevant employees are required to sign a "Confidentiality Agreement," which strictly prohibits the unauthorized disclosure of any confidential information (such as names, companies, accounts, payment information, etc.) to external parties. Projects strictly enforce the rule that visitors may only be referred to a guest with the guest's consent. During the reporting year, the Group received no complaints regarding customer privacy or data breaches.

In FY 2025, the Group had no material non-compliance with laws and regulations related to product and service health and safety, advertising, labeling, or privacy that had a significant impact on its operations, nor were there any product recalls due to safety or health reasons. Given the nature of the business, issues such as product recall procedures, intellectual property rights, and patents are considered not relevant to operations and, based on the materiality principle, are not disclosed in this report.

B.7. Anti-corruption

The Group adheres to high-standard business ethics and insists on adopting zero tolerance for any form of corruption and other misconduct. In FY 2025, the Group complied with the local laws and regulations relating to anti-corruption and bribery where it operates, including but not limited to:

Anti-Corruption Law of the People's Republic of China	Anti-Money Laundering Law of the People's Republic of China
Article 274 of the Criminal Law of the People's Republic of China on extortion	Article 387 of the Criminal Law of the People's Republic of China on illegally accepting properties of other persons
Interim Provisions on Prohibition of Commercial Bribery	Law of the People's Republic of China on Unfair Competition
Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong)	Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong)

The Group requires all employees to uphold high ethical standards and ensure that their conduct aligns with business ethics. To this end, the Group has established and strictly enforces anti-corruption policies, requiring employees to sign a Sunshine Agreement and a letter of integrity commitment, which clearly define professional ethics, duties and authorities, guidelines for internal and external interactions, and the boundaries between personal and company interests, with the aim of eliminating any fraudulent behavior.

The Group has established a comprehensive anti-corruption and integrity governance system. The Audit, Legal and Compliance Department and the Human Resources Department are specifically responsible for monitoring all forms of bribery and corruption, as well as for the development and implementation of the whistleblowing system. We have built a comprehensive internal whistleblowing management system covering reporting channels, departmental responsibilities, investigation procedures, and protection and incentive mechanisms, encouraging employees to report suspicious conduct via telephone, email, face-to-face meetings, or through designated representatives.

All whistleblowing cases are centrally handled by the headquarters' Audit, Legal and Compliance Department and are reported directly to the Executive Director. Upon receiving a report, the department promptly initiates an investigation, analyzes the nature of the violation, formulates corrective and remedial measures, and, after approval by the Executive Director, issues a resolution, ensuring that each case is handled fairly and promptly.

The Group has further strengthened its supply chain anti-corruption management, strictly requiring suppliers to sign the *Supplier Code of Conduct* and the *Anti-Bribery and Anti-Corruption Commitment*, which clearly define anti-corruption conduct standards and reinforce the management of supplier anti-corruption practices in the procurement process.

To enhance the ethical awareness and conduct of employees across the Group's various functional departments, the Group regularly arranges relevant training for its employees. In FY 2025, the Group organized 6 training sessions totaling 12 hours for 120 general employees to improve their sensitivity to misconduct and strengthen their awareness of legal compliance.

In FY 2025, the Group did not violate any laws or regulations related to the prevention of bribery, extortion, fraud, and money laundering that had a material impact on the Group, nor did it record any concluded corruption litigation cases brought against the Group or its employees.

Community

B.8. Investment in Community Activities

As a company with a strong sense of social responsibility, the Group consistently upholds the principle of sustainable development and actively establishes strategic partnerships with government departments, non-governmental organizations, and various community stakeholders. Through its four core initiatives—"Co-creating Community Civility," "Promoting Community Inclusion," "Supporting Vulnerable Groups," and "Boosting Regional Economic Development"—the Group deeply participates in the development of China's distinctive social and cultural landscape, contributing its corporate strength to building a harmonious society. We continuously pay attention to the actual needs of the communities, organically integrating business operations with the creation of social value. While promoting high-quality economic development, we focus on enhancing humanistic care and social welfare, achieving collaborative progress between the enterprise and the communities.

In FY 2025, the Group further deepened its community engagement through the following specific measures:

- Co-creating Community Civility: Regularly organizing employee volunteers to participate in community environmental cleaning, waste sorting advocacy, and public facility maintenance activities; partnering with local schools to launch "Little Environmental Protection Classes" to raise residents' environmental awareness.
- Promoting Community Inclusion: Organizing festive gatherings, cultural marketplaces, and community sports events to foster communication and understanding among residents from diverse backgrounds; establishing shared community spaces providing resting areas for the elderly and parent-child activities.
- Supporting Vulnerable Groups: Cooperating with local social welfare organizations to regularly visit elderly individuals living alone and low-income families, providing daily necessities and care services.
- Boosting Regional Economic Development: Giving procurement priority to products and services from local small and micro enterprises and supporting local employment.

The above initiatives have received widespread recognition and positive feedback from customers and community members, fully embodying the Group's corporate spirit of "taking from society and giving back to society."

Looking ahead to 2025, the Group will continue to deepen its community engagement strategy, guided by the principle of "rooted in the community, serving people's livelihoods," systematically carrying out various public welfare projects with a focus on optimizing grassroots community services and addressing livelihood improvement needs, actively contributing to regional economic recovery.

VIII. REPORT DISCLOSURE INDEX

Index of ESG Reporting Guidelines of the Stock Exchange

HKEx ESG Reporting Guide Index

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