银诺医药
INNOGEN

2025
Environmental, Social and Governance Report

廣州銀諾醫藥集團股份有限公司
Guangzhou Innogen Pharmaceutical Group Co., Ltd.
(A joint stock company established in the People's Republic of China with limited liability)
Stock Code : 2591

Contents

Environmental, Social and Governance Report

ABOUT THIS REPORT

Introduction

This report is the first Environmental, Social and Governance (“**ESG**”) Report (the “**Report**”) published by Guangzhou Innogen Pharmaceutical Group Co., Ltd. (hereinafter referred to as the “**Company**” and its subsidiaries, collectively referred to as the “**Group**” or “**We**” or “**Innogen Pharma**”) (HKEX Stock Code: 2591). The Company was listed on the Main Board of the Stock Exchange of Hong Kong Limited in August 2025.

We aim to disclose our management strategies, initiatives, and performance in relation to ESG in a highly transparent manner, in order to respond to the concerns and expectations of our stakeholders and the public, and to work together with all parties to promote sustainable development.

The Board of Directors of the Company (“**Board**”) is fully responsible for overseeing and reporting on the Company’s ESG-related strategies, and reviewed and approved this Report in March 2026. The information contained in this Report is primarily derived from the Group’s internal documents, relevant reports and publicly available information.

Reporting Period and Scope

The Reporting Period covered by this Report is the year 2025, from 1 January 2025 to 31 December 2025 (the “**Reporting Period**” or the “**Year**”), with the aim of comprehensively reflecting the Group’s ESG practices and performance during the Year. Unless otherwise specified, this Report primarily covers the Company and the principal subsidiaries of the Group engaged in the research and development and sales of pharmaceutical products, including Shanghai Innogen Biomedical Engineering Co., Ltd. (上海銀諾生物醫藥工程有限公司) (“**Innogen Engineering”)**, Shanghai Innogen Pharmaceutical Technology Co., Ltd. (上海銀諾醫藥技術有限公司) (“**Innogen Technology**”), Guangzhou Innogen Biopharmaceutical Manufacturing Co., Ltd. (廣州銀諾生物醫藥製造有限公司) (“**Guangzhou Innogen Manufacturing**”), and Hong Kong Innogen Pharmaceutical Holdings Co., Ltd (香港銀諾醫藥控股有限公司) (“**Hong Kong Innogen Holdings**”). The aforementioned companies are the material sources of the Group’s environmental and social impacts. Except in special circumstances, the disclosures in this Report mainly relate to the aforementioned four subsidiaries.

In determining the Reporting Scope and Boundary, the Group has adhered to the principles of materiality and relevance, taking into account comprehensive factors such as business scale, operational nature, and the extent of environmental and social impacts, so as to ensure that the Report adequately reflects the Group’s material ESG issues and their interrelationship with our business operations.

Reporting Standards and Principles

This Report has been prepared in strict compliance with the Environmental, Social and Governance Reporting Code (the “**Code**”) as set out in Appendix C2 to the Main Board Listing Rules issued by the the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), and fully complies with the mandatory disclosure requirements and the “Comply or explain” provisions contained therein.

Environmental, Social and Governance Report (continued)

This Report has been prepared in accordance with the reporting principles set out in the Code:

	Materiality	Quantitative	Balance	Consistency
Definition	The issues covered in this Report should reflect the Group's material impacts on the environment and society, as well as matters that influence stakeholders' assessments and decisions.	This Report should disclose KPIs in a measurable manner, while ensuring relevant information (such as standards, methodologies, assumptions and/or calculation tools) is clearly used.	This Report should be prepared in an objective and unbiased manner, presenting the Group's ESG performance during the Reporting Period and reflecting actual conditions.	The Group should ensure consistency in the preparation of ESG reports from year to year, or disclose any changes in reporting methodologies or other relevant factors affecting comparability.
Response Measures	By collecting views from various stakeholders of the Group, material environmental, social and governance issues were identified and prioritised for disclosure in this Report.	Where appropriate, this Report follows the "Reporting Guidance on Environmental KPIs" and "Reporting Guidance on Social KPIs" of the Stock Exchange of Hong Kong Limited's (SEHK) "How to Prepare an ESG Report" for calculation and disclosure, serving as a baseline for setting future related targets.	The Group ensures that the methodologies adopted for preparing the ESG Report are consistent with those used in previous years, or discloses any revised reporting methodologies or other relevant factors that may affect meaningful comparison.	The Group adopts consistent statistical and disclosure methodologies, including data collection and calculation methods, to enable meaningful comparison of ESG data in the future. Where there are any changes in reporting scope or statistical methods, specific explanations have been provided in this Report for stakeholders' reference.

Accessibility of the Report

This Report is published in Traditional Chinese. Readers and stakeholders may access this Report via the Group's official website (www.innogenpharm.com) and the website of the Stock Exchange (http://www.hkexnews.hk). In case of any discrepancy, the Chinese version shall prevail.

Feedback

The Group values the views of its stakeholders and recognizes that their feedback contributes to the Group's sustainable development. We welcome any suggestions, comments, and enquiries regarding this Report and our sustainability performance. For any enquiries about the Company, please contact us directly via email at info@innogenpharm.com.

Environmental, Social and Governance Report (continued)

ABOUT US

The Group is a leading innovation-driven biopharmaceutical enterprise in China, committed to its mission of "providing best-in-class and first-in-class therapies to patients with diabetes and metabolic diseases in China and worldwide" (向中國及全球糖尿病代謝病患者提供同類最優和同類首創藥物). The Group focuses on the treatment of major metabolic diseases, including diabetes, obesity and overweight, and metabolic dysfunction-associated steatohepatitis (MASH). Founded by top scientists with extensive global experience in innovative drug research and development, the Group is dedicated to delivering innovative, accessible and affordable high-quality medicines to patients worldwide.

We actively deploy cutting-edge technologies in the field of metabolic disease therapeutics and has established technology platforms with proprietary intellectual property rights. The Group has built a professional team covering drug discovery, preclinical research, clinical development and industrialization. We have established a comprehensive research and development (R&D) system and developed an advanced Recombinant Fusion Protein Platform, possessing full industry-chain capabilities from early-stage screening to large-scale production. After years of dedicated development, We have established core competitive advantages in the field of diabetes and metabolic diseases, with a pipeline covering type 2 diabetes (T2D), obesity and overweight, type 1 diabetes (T1D), Alzheimer's disease (AD) and MASH.

Supported by capital and strategic planning, We has gained strong backing from internationally renowned investment institutions and has completed multiple rounds of financing, providing sufficient financial support for the R&D and commercialization of innovative drugs. The Group actively seeks global collaboration by engaging in academic exchanges and strategic partnerships with leading domestic and international research institutions and pharmaceutical companies. Through these efforts, the Company continues to strengthen its technological barriers and is committed to bringing China-originated innovative medicines to the global market and participating in international competition.

We consistently adhere to international quality standards and adopts a contract manufacturing model. All products are manufactured at partner production facilities that comply with Good Manufacturing Practices (GMP) requirements. The Company exercises comprehensive supervision and control over raw material procurement, production processes and finished product quality to ensure stable and reliable product quality.

Driven by innovation to usher in a new era in the treatment of metabolic diseases, We will continue to uphold our philosophy of "driven by technological innovation and centered on patient needs" (以科技創新為驅動，以患者需求為核心), accelerating the commercialization of its core products and addressing unmet clinical needs. We are committed to safeguarding metabolic health through innovative medicines, fulfilling our mission of protecting public health, and actively responding to the national "Healthy China 2030" strategy.

2025 HIGHLIGHTS

Innogen Pharma actively responded to the expectations of and support from our stakeholders and remained committed to enhancing a responsible operating system. Through continuous efforts in open innovation, talent development, academic advancement and social contribution, the Group has demonstrated steady growth momentum and social value.

Environmental, Social and Governance Report (continued)

During the Reporting Period, the Group delivered outstanding performance in innovation achievements and industry recognition, including the following:

Innovation Achievements	• In January 2025, the National Medical Products Administration (NMPA) approved the marketing of Efsubaglutide Alfa, and the Company subsequently launched its commercialization in Chinese Mainland in February 2025 for the treatment of adult T2D; • The adult T2D diabetes indication of Efsubaglutide Alfa (brand name: Diabegone) was included in the "National Reimbursement Drug List" (NRDL) (《國家醫保藥品目錄》, effective as from January 1st, 2026); • Marketing approval for Efsubaglutide Alfa (brand name: Diabegone) was obtained in Macau, China; • A Phase III clinical trial for Efsubaglutide Alfa for the treatment of obesity and being overweight was initiated in Chinese Mainland, and patient enrollment was completed; • A Phase II clinical trial for Efsubaglutide Alfa for the treatment of obesity and being overweight was initiated in Australia, and patient enrollment was completed; • An Investigational New Drug (IND) application for Efsubaglutide Alfa for the treatment of MASH has been approved by the NMPA; • A Biologics License Application (BLA) for Efsubaglutide Alfa has been submitted in Hong Kong, China, Southeast Asian countries and Latin American countries; and • A total of 21 granted patents.
Industry Recognitions	• Innogen Pharma was awarded the "Golden Grid Award – Annual Outstanding Innovation IPO"("金格獎年度卓越創新力 IPO"); • Innogen Pharma received the "Golden Bull Award – Growth Potential Golden Bull Award"("金牛獎－成長潛力金牛獎"); and • Innogen Pharma was honoured with the "2025 Asia-Pacific Excellence Award for Metabolic Disease Drug Development."("2025 年亞太代謝疾病藥物開發卓越獎")

BOARD STATEMENT

As an innovative enterprise in the pharmaceutical industry that actively fulfils its social responsibilities, we have always regarded sustainable development as an integral part of its core competitiveness. During the Reporting Period, the Group continuously optimized its ESG management system and established a governance structure with clear responsibilities and efficient execution. The Board of Directors assumes ultimate responsibility for the Group's ESG framework, strategy and oversight, and ensures that appropriate and effective risk management and internal control systems are in place to address challenges and opportunities arising from industry development.

Environmental, Social and Governance Report (continued)

To ensure systematic and professional ESG governance, the Board convenes at least one meeting annually dedicated to reviewing and monitoring ESG and climate-related matters, identifying potential risks, and formulating Group-level ESG policies, regulatory compliance requirements, corporate development objectives and key performance indicators. By reviewing and approving the annual ESG Report, the Board exercises comprehensive oversight of the Group's sustainability performance.

To further enhance decision-making effectiveness, we have adopted a Board Diversity Policy. In selecting Board members, we take into full consideration factors including gender, age, cultural and educational background, professional experience and skills. The current Board members possess academic qualifications and experience in diverse fields such as biochemistry, finance, business administration, biotechnology and law, and comprise two female Directors and seven male Directors. We recognize the importance of gender diversity and will continue to focus on building a pipeline of female talent at all levels of recruitment. The Nomination Committee regularly reviews the composition to maintain diversity and ensure that the Board's structure aligns with the Company's business model and specific needs. While strengthening governance effectiveness, the Board has authorized the establishment of an ESG Working Group ("**Working Group**"), comprising the Chief Financial Officer/secretary to the Board as the Chairman, Vice President of the Manufacturing Department, the person in charge of the Quality Department, and the person in charge of the Human Resources Department. As the core execution team for implementing the ESG strategy, the Working Group reflects the Group's commitment to deeply integrating ESG principles into research and development, production, quality control and talent development.

The Working Group's key responsibilities include:

- **Strategy Implementation**: Assisting in formulating the ESG framework and implementing environmental and social initiatives.

- **Risk Management**: Conducting regular risk assessments and internal control reviews, and closely monitoring changes in regulatory requirements.

- **Compliance and Reporting**: Supervising policy implementation progress, preparing the annual ESG Report, and organising relevant training to enhance awareness across the organisation.

- **Agile Decision-Making**: The Chairman of the Working Group is authorised to make decisions on urgent matters between meetings to ensure continuity and responsiveness in governance work.

We recognize the significant responsibilities of pharmaceutical enterprises in safeguarding public health, promoting green production and nurturing talent. Through the governance mechanisms described above, we have fully integrated ESG principles into our long-term strategy and daily operations. Looking ahead, the Group will be guided by high-quality development, adhere to scientifically established ESG objectives, continuously enhance its governance standards, and strive to achieve a balance between innovative drug development and social responsibility, thereby creating long-term value for patients, shareholders and society.

The Board of Directors expresses its sincere gratitude to all stakeholders for their long-term support and extends its heartfelt appreciation to all employees for their dedication to advancing the Group's sustainable development.

The Board of Directors

Environmental, Social and Governance Report (continued)

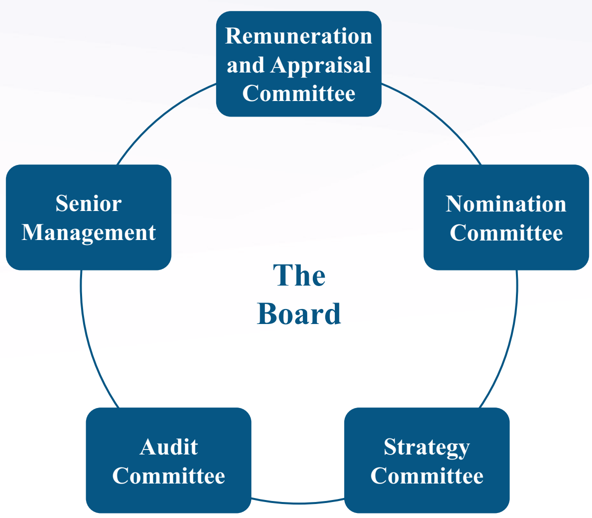
CORPORATE GOVERNANCE

Sound corporate governance is the cornerstone for us to achieve continuous innovation, create long-term value and create value to stakeholders. To this end, the Group is committed to strict compliance with all applicable laws and regulations, including the "Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited" and regulatory requirements relevant to the biopharmaceutical industry, while continuously enhancing its corporate governance standards.

The Group not only rigorously implements its established management policies, but also continuously strengthens a governance framework characterized by clear responsibilities and effective checks and balances. This framework comprises the Remuneration and Appraisal Committee, the Nomination Committee, the Strategy Committee, the Audit Committee and senior management. Through ongoing enhancement of relevant policies and internal control procedures, we ensure that all decision-making processes adhere to the principles of integrity, fairness and scientific rigor.

These governance measures have effectively enhanced the Group's operational standardization and decision-making efficiency, particularly in core areas such as research and development, innovation and clinical compliance, ensuring a high degree of transparency in the Group's operations. We will continue to optimize its information disclosure mechanisms to safeguard the legitimate rights and interests of shareholders and stakeholders, ensuring that the Group advances towards a sustainable future on a solid governance foundation.

- **Composed of 9 members, including 4 Executive Directors, 2 Non-executive Directors, and 3 Independent Non-executive Directors**
- **The biographies of the Directors, specific terms of reference and detailed responsibilities of each committee are set out in detail in the Company's "Annual Report 2025" and on the Company's website**
- **All Directors have participated in appropriate continuing professional development training, covering updates on ESG, laws, rules and regulations, as well as Directors' duties and responsibilities**



Environmental, Social and Governance Report (continued)

RISK MANAGEMENT

We fully recognize that effective risk management is a critical factor in safeguarding the sustainable and stable development of its business. During daily operations, the Group is exposed to various types of risks, including market risks (such as currency fluctuation and interest rate risks), credit risk and liquidity risk. To address these challenges, we have established a systematic risk management framework dedicated to identifying, assessing and managing potential risks, thereby protecting the long-term interests of shareholders and stakeholders.

In terms of risk management structure, the Board of Directors assumes ultimate responsibility for oversight of risk management. Through the Audit Committee, the Board continuously reviews and supervises the financial reporting process and internal control systems to ensure that the Group maintains sound risk prevention and control mechanisms. The Audit Committee regularly reviews the Group's risk profile and the effectiveness of risk management measures and provides professional opinions and recommendations to the Board on significant risk matters.

The Group has established and continuously improved a series of risk management policies and corporate governance measures covering key areas such as risk management, connected transaction management and information disclosure, ensuring that operations comply with the Listing Rules and relevant regulatory requirements. We regularly review and update our policies and systems to adapt to the evolving regulatory environment and market conditions.

With respect to talent development and compliance awareness, the Company places great importance on enhancing risk awareness and compliance capabilities across the organisation. We regularly provide compliance training to senior management and employees, covering applicable laws and regulations, industry regulatory requirements and the Company's internal policies, to strengthen understanding of and adherence to compliance matters at all levels. In addition, the Company arranges specialized training programs for Directors and senior management to deepen their understanding of the relevant provisions of the Listing Rules and the duties and obligations of directors of Hong Kong-listed companies, ensuring that management possesses the professional knowledge required to fulfill their supervisory responsibilities.

The Company's Directors and senior management members possess extensive industry experience and professional expertise, enabling them to effectively oversee risk management and internal controls through sound corporate governance, thereby providing a solid foundation for the Group's stable operations and sustainable development.

SUSTAINABLE DEVELOPMENT MANAGEMENT

We recognize that sustainable development is the foundation for driving biopharmaceutical innovation and safeguarding human health. While addressing the unmet clinical needs of metabolic diseases through research and development, we are committed to achieving a balance between steady business growth and environmental and social value. The Group integrates the highest ESG standards into every stage, from laboratory research to clinical application, and actively fulfils its corporate social responsibilities. Members of the Board of Directors regularly participate in ESG professional training to guide the Group in addressing climate change and challenges within the pharmaceutical industry with an international and forward-looking perspective. Through the establishment of a scientific and comprehensive ESG management framework, we ensure that our sustainability strategy is translated into concrete actions to safeguard life and health.

As the highest governance body of the Group, the Board of Directors assumes ultimate responsibility for the ESG framework, strategy and oversight. The Board convenes at least one meeting to review and monitor ESG matters and potential risks related to the Group's business. The Board's core responsibilities include formulating and reviewing Group-level ESG policies, ensuring compliance with regulatory requirements, setting corporate sustainability goals and performance indicators, and ultimately approving the annual ESG Report. By delegating specific responsibilities to the ESG Working Group, the Board achieves professionalized management while retaining final approval authority over major ESG decisions to maintain effective oversight.

Environmental, Social and Governance Report (continued)

The Group has established an ESG Working Group under the authorization of the Board, responsible for coordinating the Group's sustainability matters. The Working Group demonstrates cross-departmental collaboration, with members drawn from the Company's core functional departments. The Working Group is chaired by the Company's Chief Financial Officer/secretary to the Board, and consists of the Vice President of the Manufacturing Department, the person in charge of the Quality Assurance Department, and the person in charge of the Human Resources Department.

- **Chairman**: The person in charge of Finance and Secretary to the Board, responsible for leading the Group and reporting to the Board.

- **Core Members**: The Vice President of the Manufacturing Department, the person in charge of the Quality Department, and the person in charge of the Human Resources Department.

The ESG Working Group convenes at least once a year and formally reports to the Board every year. Its principal responsibilities include:

- Assisting in the formulation and optimization of the ESG management framework;
- Conducting regular ESG risk assessments and internal control reviews;
- Closely monitoring changes in industry regulatory requirements to ensure compliant;
- Overseeing the implementation of ESG policies and leading environmental protection and social responsibility initiatives; and
- Preparing the annual ESG Report and organizing relevant professional training.

To further enhance sustainability performance, we have appointed Riskory Consultancy Limited as a professional consultant to provide ESG and sustainability advisory services to the Group.

For detailed information on the Group's corporate governance structure and performance, please refer to the "Corporate Governance Report" in the Company's "Annual Report 2025."

STAKEHOLDER ENGAGEMENT

The Group believes that effective communication with stakeholders is instrumental to creating long-standing value for both the Group and its stakeholders, and plays a crucial role in the formulation of environmental, social and related policies.

Through regular and sufficient communication with stakeholders, we assist the Group in evaluating the effectiveness of ESG-related policies and internal mechanisms, accurately understanding and promptly responding to the concerns and expectations of different stakeholder groups. This enables us to continuously optimize our management practices and development direction throughout the course of business growth.

Environmental, Social and Governance Report (continued)

We will continue to enhance stakeholder engagement through constructive dialogue and work together with the Board of Directors, employees, investors, regulatory authorities, partners, patients and the community to jointly map out a blueprint for long-term, steady and sustainable development.

Stakeholder Categories	Key Concerns	Communication Channels
Board of Directors and Senior Management	• Regulatory compliance • Anti-corruption • Product and service responsibility • Employment practices	• Regular meetings • Email or telephone • Other media communications
Employees	• Employment practices • Occupational health and safety • Development and training • Employee remuneration and benefits	• Regular meetings • Email • Internal publications • Employee activities • Ad hoc meetings • Training sessions and seminars
Shareholders and Investors	• Corporate governance • Regulatory compliance	• Shareholders meetings • Annual and interim reports • Announcements and circulars • Company website
Government Authorities and Regulatory Bodies	• Sustainable development • Compliance with applicable laws and regulations	• Regulatory supervision and compliance reporting • Routine reporting • Email or telephone • Forums and seminars
Suppliers	• Product safety and quality • Supply chain management	• Communication before, during, and after engagement • Supplier assessments
Patients	• Product safety and quality • Patient data security and privacy protection • Service quality	• Customer feedback/ complaints via forms, hotline and/or email • Company website
General Public	• Community engagement and public welfare • Community connection • Diversity and inclusion	• Email or telephone • Environmental, Social and Governance reports • Charitable donations to non-governmental organizations

Environmental, Social and Governance Report (continued)

MATERIALITY ASSESSMENT

We firmly believe that proactive engagement and appropriate responsiveness to stakeholders' expectations form the foundation for advancing biopharmaceutical innovation and achieving long-term sustainable development. We regard stakeholder feedback as a key reference for optimizing ESG management and enhancing corporate value.

To scientifically and objectively identify and assess potential ESG issues that have significant impacts on the Group's business and stakeholders, we engaged a professional consultant, to conduct an internal materiality assessment. This assessment process enables the Group to accurately identify core material issues, ensuring that our ESG strategies and resource allocation effectively respond to societal expectations and continuously create long-term value for patients and society.

The assessment process comprehensively considered multiple dimensions, including:

- Alignment with the Group's actual business operations and industry development trends;
- Reference to the Sustainability Accounting Standards Board (SASB) Standards and MSCI industry materiality issue classification guidelines;
- Analysis of peer disclosure practices; and
- Close attention to national macroeconomic policy directions and capital market dynamics.

Environmental, Social and Governance Report (continued)

Material Topics

During the Reporting Period, the Group identified a total of 20 core environmental, social and governance material topics, among which 4 ESG topics were determined to be of the highest importance. Below is the list of materiality issues and their materiality to the business:

Category	Material Topic	Materiality
Environmental		
1. Greenhouse gas emissions		Relevant
2. Water consumption and wastewater management		Important
3. Waste management		Important
4. Climate change		Relevant
Social – Employment and Labour Practices		
5. Employment practices		Important
6. Diversity and inclusion		Important
7. Occupational health and safety		Important
8. Service quality		Most Important
9. Employee remuneration and benefits		Important
10. Employee development and training		Most Important
Social – Operational and Governance Practices		
11. Product research and innovation		Most Important
12. Supplier chain management		Important
13. Anti-corruption and whistleblowing		Important
14. Intellectual property management		Important
15. Risk and crisis management		Important
16. Patient data security and privacy protection		Important
17. Product labelling and packaging		Important
Social – Product and Service Responsibility		
18. Product quality and safety		Most Important
Social – Community Investment		
19. Community engagement and public welfare activities		Relevant
20. Human rights and community connection		Important

Environmental, Social and Governance Report (continued)

ENVIRONMENT

We consistently regard environmental protection as a core responsibility of sustainable corporate development. We have established a clear and efficient ESG governance structure to ensure that environmental and climate-related risks are effectively identified, assessed and managed.

Emissions

As a leading pharmaceutical manufacturer in China, the Group fully recognizes the importance of environmental protection and strictly complies with the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》), the Water Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國水污染防治法》), the Atmospheric Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國大氣污染防治法》), among other applicable laws and regulations. The Group has established comprehensive internal management systems to provide standardized guidance to all departments and to enhance emissions management practices.

To implement waste reduction targets, we continue to increase environmental protection investment to enhance resource utilization and reduce waste generation at source. In addition, we conduct regular targeted training to strengthen employees' environmental awareness and practical capabilities.

In compliance with the Emergency Response Law of the People's Republic of China (《中華人民共和國突發事件應對法》), the Group has formulated an Emergency Response Plan for Environmental Incidents (《突發環境事件應急預案》), centered on the principle of "prevention first"(預防第一) to enhance early warning, response and post-incident management mechanisms. This framework aims to mitigate the adverse impacts of environmental pollution, leakage, explosions, transportation accidents and natural disasters on the environment and business operations. Relevant departments conduct at least one emergency drill annually, with detailed documentation and evaluation of results to support continuous improvement of contingency plans.

Air Emissions and Greenhouse Gas Emissions

The Group regards environmental protection as a core corporate responsibility. Through stringent environmental measures and monitoring mechanisms, we are committed to maintaining environmental quality and promoting the adoption of clean energy. During production and operations, we continuously optimize production processes to reduce resource waste and minimise pollutant emissions at source. We strive to minimize the ecological impact of our operations and pursue sustainable coexistence between the enterprise and the natural environment.

In accordance with climate-related disclosure requirements, the Group has formulated a greenhouse gas ("GHG") emissions management strategy. As the Group is currently in a phased implementation stage of the commercial manufacturing for Efsubaglutide Alfa, and to ensure stable supply to meet post-launch market demand, we plan to establish specific quantitative GHG reduction targets once production capacity reaches a stable level.

Wastewater Discharge

The Group attaches great importance to wastewater management and strictly complies with the Water Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國水污染防治法》), Regulation on Urban Drainage and Sewage Treatment (《城鎮排水與污水處理條例》), and Administrative Measures for the Licensing of Discharge of Urban Sewage into the Drainage Network (《城鎮污水排入排水管網許可管理辦法》), among other applicable laws and regulations.

During the Reporting Period, the Group has established a comprehensive wastewater classification treatment system and a discharge monitoring mechanism in accordance with applicable laws and regulations to ensure that all wastewater discharges comply with national and local environmental standards:

- **High-concentration wastewater and hazardous waste**: In terms of the first and second rounds of high-concentration cleaning wastewater generated from laboratory instruments and equipment, the Group adopts a "source collection, strictly no external discharge" (源頭收集、嚴禁外排) principle. Such wastewater, together with laboratory waste liquids and discarded samples, is collected in hazardous waste storage containers and entrusted to qualified third-party entities for harmless disposal. It is not discharged into the sewage pipeline network.

- **Low-concentration and biological wastewater**: Only low-concentration cleaning wastewater generated after the first two treatment stages and biologically treated wastewater following inactivation may be discharged into the sewage pipeline network.

Waste Management

The Group places strong emphasis on waste management during production and operational processes and strictly complies with the Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Wastes (《中華人民共和國固體廢物污染環境防治法》), among other relevant laws and regulations. Through the establishment of comprehensive management systems and disposal procedures, we are committed to minimizing environmental impact and ensuring standardized and harmless waste management.

Based on the nature of the waste, the Group classifies waste into non-hazardous and hazardous categories for separate management:

- **Non-hazardous waste**: Primarily includes general industrial solid waste generated during production processes, such as discarded packaging materials and waste plastics, as well as daily office domestic waste.

- **Hazardous waste**: Primarily generated from production and R&D laboratory activities, including discarded disposable gloves, wipes, filtration materials and fillers, laboratory culture waste liquids, and waste activated carbon. Waste liquids generated during experiments are transported by environmentally approved enterprises to prevent pollution transfer.

Environmental, Social and Governance Report (continued)

To ensure compliant waste disposal, the Group has formulated the "Waste Disposal Management Procedures"(《廢棄物處理管理規程》), and the "Laboratory EHS Management System"(《實驗室 EHS 管理制度》), implementing full-process monitoring from source to final disposal.

- **Standardized packaging and labelling**: We provide compliant packaging materials for different types of waste and affix standardized labels indicating category and hazard characteristics to ensure safe collection and storage.

- **Professional outsourced disposal**: For hazardous waste, the Group strictly implements the "Measures for the Administration of Hazardous Waste Transfer"(《危險廢物轉移管理辦法》), and only third-party institutions holding a "Hazardous Waste Operation Permit"(《危險廢物經營許可證》), and "Corporate Business Licenses"(《企業化人營業執照》), and the relevant professional qualifications for collection, transportation, and disposal. By entering into "Hazardous Waste Treatment Contracts"(《危險廢物處理合同》) and maintaining hazardous waste transfer manifest methods, we strictly prevent pollution transfer and ensure that the disposal process is clear and fully traceable;

- **Laboratory safety protection**: Through the implementation of the "Laboratory EHS Management System"(《實驗室 EHS 管理制度》), we standardize personnel protection, hygiene control and safety operation procedures to minimise laboratory environmental risks.

The Group extends its environmental management responsibilities to partners by strengthening environmental oversight of Contract Development and Manufacturing Organizations (CDMOs):

- **System audits**: Requiring CDMOs to establish waste management procedures in compliance with national standards.

- **On-site supervision**: The EHS department conducts periodic inspections of CDMOs' waste storage compliance. As the drug marketing authorization holder, the Group also conducts dedicated inspections of CDMO waste management practices during on-site supervision.

- **Record management**: Urging partners to maintain comprehensive waste management records to ensure that hazardous waste disposal during production complies with environmental regulatory requirements.

While waste generation is unavoidable during operations, the Group continuously strives to minimize environmental risks and impacts through optimizing laboratory processes, improving resource utilization efficiency and strengthening waste classification management.

Environmental, Social and Governance Report (continued)

USE OF RESOURCES

Energy

The Group is committed to optimizing resource utilization across all aspects of its operations and upholding the principles of efficient resource management. We implement resource efficiency enhancement and environmental protection measures, focusing on the conservation and responsible use of energy, water and other resources to minimize the environmental impact of our operations. The Group continues to comply with environmental laws and regulations stipulated by national and local authorities and strives to improve management systems and internal policies to achieve effective resource utilization.

Enhancing energy efficiency and promoting energy conservation remain core responsibilities of the Group. During the Reporting Period, we participated in the Energy Saving Charter 2025 launched by the Environment and Ecology Bureau and the Electrical and Mechanical Services Department of the Hong Kong Special Administrative Region Government, committing to fully implement energy-saving measures in our daily operations.

Energy Saving Charter 2025

Water

The Group is committed to responsible water resource management and places strong emphasis on minimizing the potential adverse impacts of our operations on water resources. We prioritize water use efficiency and continuously enhance our water management practices to support sustainable development.

Looking forward, the Group explores opportunities to optimize water use intensity and supports practical initiatives aimed at enhancing water reuse and operational efficiency, while accumulating experience to further strengthen our long-term water stewardship strategy.

During the Reporting Period, the Group did not face any issues in sourcing water suitable for its operations.

Packaging Materials

The Group recognizes the increasing concern surrounding packaging waste and strives to adopt sustainable packaging approaches in its operations. Our product packaging adheres to the principles of reduction and recyclability. We endeavor to minimize the use of plastic packaging materials wherever practicable.

Environmental, Social and Governance Report (continued)

THE ENVIRONMENT AND NATURAL RESOURCES

In pursuit of our sustainable development objectives, the Group rigorously monitors its environmental protection performance across various domains, including resource efficiency and energy consumption. The Group is fully aware of the potential impacts that its production and operational activities may have on the environment and natural resources, and therefore consistently regards environmental protection as a core operational consideration. We closely monitor electricity and water consumption levels and actively implement strategies to enhance energy efficiency and promote water conservation. Through regular assessments of environmental risks associated with our operations, we proactively adopt preventive measures to mitigate potential impacts.

We are committed to reducing negative environmental impacts by promoting energy conservation and sustainable development. To this end, we have established a comprehensive environmental protection management system that clearly stipulates the methods for the collection, storage, and disposal of various types of waste, in order to control potential pollution and ensure compliance with the requirements of governmental authorities and relevant laws and regulations. Currently, our major types of hazardous waste primarily arise from research and development activities, including waste gas, waste liquid and solid waste.

We strictly comply with applicable environmental laws and regulations and are committed to implementing sustainable development strategies to create long-term value for communities and stakeholders, advancing our operations towards sustainable development.

CLIMATE CHANGE

As a biopharmaceutical company focused on innovative drug research, development and commercialization, we recognize the significant challenges that global climate change poses to public health and the business operating environment. With growing international emphasis on climate action, regulatory landscapes are evolving rapidly. In China, the “Dual Carbon” goals are driving the pharmaceutical industry towards green and low-carbon transformation. In Hong Kong, China, the Stock Exchange’s requirements for climate-related disclosures continue to increase.

The Group has identified climate action as a core priority and has formulated a comprehensive low-carbon operational strategy. With reference to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the IFRS S2 framework issued by the International Sustainability Standards Board (ISSB), and in strict compliance with the Hong Kong Stock Exchange’s ESG Reporting Code, we have established a climate risk management framework. We are committed to contributing to carbon neutrality goals while advancing innovation in therapies for metabolic diseases.

During the Reporting Period, based on assessments under prevailing policies, the Group did not identify any climate-related issues that had material adverse impacts on its pharmaceutical business. Nevertheless, in line with the principle of prudence, we actively identify and analyze potential physical and transition risks to strengthen our risk prevention and response capabilities.

As a biopharmaceutical enterprise, operational resilience is critical. Although the Group’s cooperative development and manufacturing facilities in Suzhou, China, are located in areas with relatively low probabilities of typhoons and flooding, extreme weather events may still pose risks to employee commuting, power supply stability and logistics and transportation.

Environmental, Social and Governance Report (continued)

Governance

The Board of Directors attaches great importance to the impact of climate change on the Company's development. At annual Board meetings, climate-related risks, opportunities and other relevant issues are subject to in-depth oversight to ensure that these key considerations are progressively integrated into the Company's overall development strategy. To strengthen professional management, the Board has appointed an ESG Working Group responsible for formulating and reviewing climate change-related policies, plans and performance. The ESG Working Group meets with the Board annually to communicate and report on the latest climate-related issues affecting the Company. In addition, the Company establishes climate-related management and monitoring indicators each year to assist the Board in evaluating the effectiveness of climate strategies and enhancing oversight mechanisms. During the Reporting Period, climate-related performance indicators were not yet incorporated into the remuneration policy. However, the Company continues to optimise its assessment and incentive mechanisms in this regard.

In terms of capacity building, the Company is committed to ensuring that the Board possesses the necessary expertise to oversee climate strategies by providing relevant professional training to the Board to enable members to stay informed of policy changes and market transitions.

Furthermore, the Company has engaged a professional consultancy firm. This ensures that, when necessary, the Company can obtain independent expert advice, thereby enhancing the scientific basis and forward-looking nature of its decision-making, and strengthening the Company's resilience and competitiveness in the context of climate change.

Strategy and Risk Assessment

We fully recognize that climate change poses multiple risks to the biopharmaceutical industry and may give rise to potential financial impacts. At the same time, climate change also creates opportunities for corporate development, driving us to continuously innovate in drug research and development, manufacturing processes and supply chain management. This accelerates our transition towards green pharmaceutical manufacturing and a low-carbon economic model, while maintaining our competitive advantage in the field of metabolic disease treatment.

In light of this, we have undertaken the identification and assessment of climate-related risks. With reference to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we identified climate-related issues that may have material impacts from two dimensions: physical risks and transition risks. We have identified ESG risks relevant to the pharmaceutical industry, evolving drug regulatory trends and climate change risks as long-term emerging risks that may materially affect our future business. We continue to monitor their potential financial impacts on R&D progress, production stability and cold-chain logistics, while proactively capturing development opportunities arising from green innovation. For details on how climate change considerations are incorporated into our risk management and internal control systems, please refer to the section titled "Board Statement" in this Report.

Environmental, Social and Governance Report (continued)

During the Reporting Period, we further strengthened our actions by engaging professional consultants to conduct analytical assessments. Taking into account peer benchmarking results, we carried out a preliminary evaluation of climate risks associated with biopharmaceutical operations (including laboratory R&D, clinical trials and CDMO manufacturing facilities). With reference to the Hong Kong Stock Exchange's Implementation Guidance and prevailing market practices, we conducted an in-depth analysis of the potential impacts of climate change on the Group's business resilience from both physical and transition risk perspectives. The table below summarizes the climate risks identified by the Group and their potential impacts:

Risk Category	Risk Description	Potential Impact on the Group (All Businesses)	The Group's Response Measures
Physical risk	**Increasing frequency and intensity of extreme weather events** (e.g. floods, typhoons, heavy rainstorms and sea level rise)	• **Operational disruption:** Severe typhoons or rainstorms may cause temporary suspension of production at manufacturing sites (such as CDMO facilities), affecting drug production schedules and delivery timelines; • **Asset damage:** Flooding or water ingress may damage pharmaceutical products and critical raw materials stored; and • **Supply chain disruption:** Extreme weather may interrupt logistics and transportation, particularly temperature-sensitive cold-chain pharmaceuticals may become ineffective or require disposal due to transport disruptions.	• Upgrade flood prevention and drainage systems at facilities and implement protective measures and recovery plans for critical equipment; • Establish the "Standard Operating Procedures for Warehouse Management" (《倉庫管理標準操作規程》) and the "Data Compliance Management System" (《數據合規管理制度》) and • Develop precise temperature-controlled storage facilities and monitoring systems.
Transition risk	**Policy and legal risk:** Governments strengthening carbon emission regulations (e.g., carbon taxes, carbon neutrality targets) and ESG disclosure requirements.	• **Increased compliance costs:** Additional resources required for carbon inventory, ESG reporting and compliance with more stringent environmental regulations.	• The ESG Working Group closely monitors the latest climate regulatory requirements in Chinese Mainland and Hong Kong, China, to ensure full legal and regulatory compliance; and • Implement a phased commercial production strategy and establish quantified greenhouse gas emission targets once stable production capacity is achieved.

Environmental, Social and Governance Report (continued)

Climate Resilience

We conducted a scenario analysis in 2025 to assess the resilience of our business model under different climate pathways, with the following inputs and results:

<table>
<tr><th colspan="2">Scope and Boundary</th></tr>
<tr><td colspan="2">• Consistent with the ESG Report 2025</td></tr>
<tr><th colspan="2">Scenarios Used</th></tr>
<tr><td>Name & Description</td><td>Network for Greening the Financial System ("NGFS") Current Policies (representing a pessimistic pathway) – This scenario assumes that only currently implemented policies are preserved, leading to high physical risks.

NGFS Net Zero 2050 (representing an optimistic pathway) – This scenario limits global warming to 1.5°C through stringent climate policies and innovation, reaching global net zero carbon dioxide emissions around 2050.</td></tr>
<tr><td>Rationale</td><td>• Industry sector – The NGFS framework is relevant across a broad spectrum of sectors, including The Group's operations
• Types of risks to be assessed – The scenarios developed take reference from NGFS, which covered the transition risk we assessed
• Scenarios with high contrast – The NGFS Current Policies and Net Zero 2050 scenarios are equivalent to >3 °C and <1.5 °C stated in the Paris Agreement respectively)
• Time horizons determined and alignment to latest international agreements – The scenarios selected provide time frames (Up to 2100) that align with our strategic planning time horizon (Up to 2050) and align with the Paris Agreement (Up to 2050)</td></tr>
<tr><th colspan="2">Time Horizons</th></tr>
<tr><td>Short-term</td><td>2030</td></tr>
<tr><td>Medium-term</td><td>2050</td></tr>
<tr><th colspan="2">Key Assumptions</th></tr>
<tr><td colspan="2">• The analysis was conducted in 2025 and expected the parameters (e.g. the greenhouse gas emissions and operating costs) will remain broadly comparable over the time horizons.</td></tr>
</table>

Environmental, Social and Governance Report (continued)

Risks	Relevance and assumptions	NGFS Net Zero 2050	NGFS Current Policies
Increased cost of carbon pricing	In assessing this risk, we considered the greenhouse gas emissions and operating costs for the reporting period ended 31 December, 2025 as a reference point and assumed these parameters would remain broadly comparable over the time horizons. The assessment is subject to uncertainties, including future policy developments, carbon market conditions and technological advancements. The potential impacts in the short term and medium term are assumed to be broadly similar. Nevertheless, we will explore ways to quantify the impacts in the future. We will continue to monitor regulatory developments and explore opportunities to reduce greenhouse gas emissions.	Under this scenario, global climate policies are assumed to become more stringent over time, which may lead to higher carbon pricing levels. Such developments could increase the Group's operating costs if carbon pricing mechanisms become more widely implemented or strengthened.	Under this scenario, climate policies are assumed to continue broadly in line with existing commitments. As a result, potential cost impacts associated with carbon pricing are expected to be comparatively more moderate, although policy developments remain uncertain.

Metrics and Targets

The Group actively responds to China's "Dual Carbon" goals. We plan to establish quantified GHG emission reduction targets once stable production capacity has been achieved. We will continue to optimize energy efficiency, promote green manufacturing and accelerate low-carbon transformation to realise our long-term vision of sustainable development.

In addition, we actively support the national "Dual Carbon" goals and Hong Kong's Climate Action Plan 2050. We encourage employees to actively participate in energy-saving initiatives. Looking ahead, we aim to participate in at least one climate-related activity or initiative each year, collaborating with stakeholders to further advance energy conservation and carbon reduction efforts, and to contribute to the achievement of carbon neutrality goals. Our ESG Working Group is responsible for monitoring progress towards these targets and will seek assistance from professional consultants where necessary.

Environmental, Social and Governance Report (continued)

Greenhouse Gas Emissions

We place strong emphasis on greenhouse gas emissions generated during drug research and development, clinical trials and production operations. We are committed to progressively reducing air pollutants and GHG emissions and conducting our business operations in an environmentally responsible manner. We work closely with R&D centers, production sites and supply chain partners to manage emissions and continuously enhance environmental performance.

As we are implementing a phased commercial production strategy for Efsubaglutide Alfa to effectively meet post-launch market demand and ensure stable and continuous supply, we plan to establish quantified GHG emission targets once stable production capacity has been achieved.

For details of our GHG emission data, please refer to "Appendix I: Environmental-related Performance Indicators."

Our primary sources of emissions include:

1. Direct greenhouse gas emissions from the fuel consumption of company vehicles;

2. Indirect greenhouse gas emissions from purchased electricity, and

3. Other indirect greenhouse gas emissions from employee business travel (flight).

Given the nature of our operations, the Group believes that our business did not have material impact on the environment and natural resources.

Nevertheless, we remain committed to mitigating potential environmental impacts through the implementation of industry best practices. The Group regularly assesses environmental risks arising from its operations, adopts preventive measures to minimize potential impacts and ensures compliance with relevant laws and regulations. We are also dedicated to achieving sustainable development and creating long-term value for communities and stakeholders.

SOCIAL

Fair Employment

The Group strictly complies with applicable laws and regulations in its operating jurisdictions, including the Labor Law of the People's Republic of China (《中華人民共和國勞動法》), the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), and the Social Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》), in conducting recruitment activities in a standardized manner. Throughout the recruitment process, employee performance and capabilities are the primary considerations, and we are committed to ensuring equal opportunities for all candidates and employees.

During the Reporting Period, the Group was not aware of any material non-compliance with relevant laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, or other employment benefits and welfare. The Group was also not aware of any incidents involving child labor or forced labor, nor did it receive any related reports.

Environmental, Social and Governance Report (continued)

Remuneration, Benefits, and Welfare

The Group adheres to two key principles: "market-competitive remuneration" (薪酬具市場競爭力) and "performance-oriented" (績效導向). With reference to labor market benchmarks in different regions, we establish reasonable remuneration standards for each position. Total employee compensation comprises basic salary, performance-based bonuses and special incentives. Bonus distribution takes into account the Company's operating performance, achievement of business targets and individual employee performance.

For non-regional sales personnel, the Group implements an annual performance bonus scheme. The assessment process is rigorous: department heads conduct an initial evaluation based on annual performance, followed by a review by the Human Resources Department, and final calibration and approval by the Executive Directors. Bonus amounts are directly linked to performance results. Also, employees are entitled to comprehensive paid leave benefits, including public holidays, sick leave, work-related injury leave, maternity leave, marriage leave and annual leave.

Employees are the Group's most valuable assets. Their sense of belonging and physical and mental well-being form the foundation of corporate success. We are committed to fostering a work-life balance environment by continuously improving policies and organising engagement and care activities, thereby demonstrating our long-term commitment to our workforce.

Health and Safety

Employee Safety

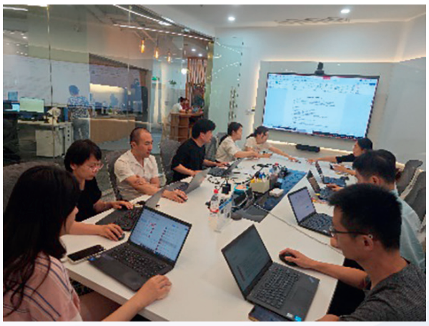
The Group strictly complies with relevant laws and regulations in its operating jurisdictions, including the Work Safety Law of the People's Republic of China (《中華人民共和國安全生產法》), the Fire Protection Law of the People's Republic of China (《中華人民共和國消防法》), and the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》), and have established and implemented a comprehensive safety management system.

We attach great importance to employee safety education and training to ensure that all staff possess the necessary knowledge of workplace safety, are proficient in operating procedures and emergency response measures, and fully understand their safety rights and responsibilities. In practice, the Group adheres to a "prevention-first"(預防為主) management philosophy. We conduct regular fire emergency drills to test the feasibility of contingency plans and strengthen employees' emergency response capabilities. Following each drill, detailed records and analyses are carried out. Improvement measures and enhanced training are implemented to address identified weaknesses, ensuring that employees are proficient in the use of firefighting equipment and evacuation procedures. This enables efficient response in emergency situations and significantly reduces the risks of casualties and property losses.

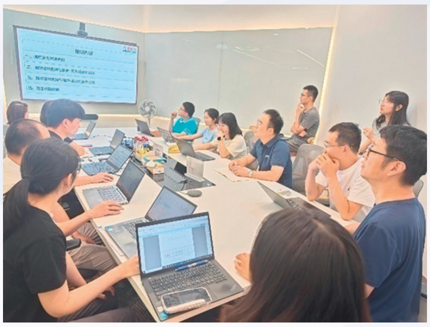
Environmental, Social and Governance Report (continued)

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to the provision of a safe working environment and the protection of employees from occupational hazards that would have a material impact on the Group.

For detailed health and safety information, please refer to "Appendix I: Social-related Performance Indicators."



Pre-fire drill training



Fire safety training (use and maintenance of firefighting equipment – fire extinguishers and fire hydrants)

Fire emergency drill training

Environmental, Social and Governance Report (continued)

In addition, in accordance with the Fire Protection Law of the People's Republic of China (《中華人民共和國消防法》) and the Interim Revisions on the Administration of Fire Protection Design Review and Final Inspection of Construction Projects (《建設工程消防設計審查驗收管理暫行規定》), the Group has formulated a "Construction Project Environmental Impact Report Form"(《建設項目環境影響報告表》) that requires the fire protection design and construction of new engineering projects comply with national fire protection technical standards for construction projects and are subject to the statutory fire protection design review and acceptance system.

Employee Development and Training

The Group firmly believes that employees are the core assets for achieving long-term success and sustainable development. We are committed to building a diversified and forward-looking career development system through a dual track of progression pathways consisting of "professional skills"(專業技術) and "management leadership"(管理領導). Employees are empowered to choose their development direction based on their interests and professional strengths. This mechanism not only broadens talent development opportunities, but also promotes close alignment between individual career aspirations and the Group's strategic vision.

To foster a culture of lifelong learning, the Group has clearly established comprehensive training and development policies in the Employee Handbook. We actively encourage employees to pursue professional excellence. Our training framework is business-oriented and structured as a full-cycle training matrix covering onboarding programmes, professional skills, general competencies and leadership development at all levels. We also leverage external professional resources to strengthen our support system. In addition, we place strong emphasis on training feedback and continuously enhance course quality by collecting participants' suggestions. The Group promotes the practical application of learning outcomes, encouraging employees to translate training knowledge into workplace practice and behavioral improvement, thereby ensuring that training effectiveness closely aligns with both employee growth and corporate development needs. For detailed information on development and training performance, please refer to "Appendix I: Social-related Performance Indicators."

Labor Standards

Prevention of Forced Labor

The Group requires all new employees to provide true and accurate personal information upon onboarding. The Human Resources Department conducts strict verification of all employment documents, including medical examination certificates, academic qualifications, identity documents and household registration records. The Group adheres to the principles of fairness, openness, impartiality and voluntariness in recruitment. At the same time, we strictly comply with the Labor Contract Law of the People's Republic of China《中華人民共和國勞動合同法》, ensuring that all subsidiaries enter into lawful employment contracts with employees. Any form of forced labor is strictly prohibited. In cases where false information is discovered, or Group policies are violated, the Group will immediately terminate probation or rescind the employment contract in accordance with national laws, regulations and internal policies.

During the Reporting Period, the Group was not aware of any material non-compliance with relevant laws and regulations relating to the prevention of forced labor. The Group also did not identify any operations or suppliers with significant risks related to the use of forced labor during the Reporting Period. We conduct regular internal reviews of recruitment procedures to prevent the occurrence of forced labor.

Environmental, Social and Governance Report (continued)

Fair Employment Policy

The Group is committed to upholding the highest standards of business ethics and recognizes the importance of corporate social responsibility. We are dedicated to maintaining fair employment principles within our workplace and across our supply chain, and we strictly comply with applicable laws and regulations in our operating locations. Through the establishment of fair employment policies, we clearly define employee rights and ensure that all employees fully understand the Group's expectations and requirements regarding fair treatment. This commitment embeds human rights protection into our corporate culture.

Fair employment is a core principle of the Group. We ensure that recruitment and promotion decisions are not influenced by race, religion, gender, age, marital status or disability. The Group actively promotes diversity and equal opportunity and strictly prohibits any form of discrimination, child labor and forced labor. We strive to create a safe, healthy, respectful and inclusive workplace environment.

Supply Chain Management

Environmental and Social Risk Management of the Supply Chain

The Group regards sustainable supply chain management as the cornerstone of its quality control system. Adhering to a quality-first principle, we strictly comply with relevant laws and regulations, including the Drug Administration Law of the People's Republic of China (《中華人民共和國藥品管理法》), the GMP standards (《藥品生產管理規範》), and have formulated the "Supplier Master Data Management Procedures"(《供應商主數據管理規程》) to establish a rigorous quality governance framework and ensure that the quality of the raw materials meets required standards at source. Furthermore, we proactively undergo ongoing reviews and inspections to ensure that our quality management system always operates effectively. The Group exercises stringent due diligence in supplier selection. The Group's Quality Assurance (QA) Department is responsible for evaluating the quality of materials supplied for production and conducting multi-dimensional assessments in accordance with the "Supplier Master Data Management Procedures" (《供應商主數據管理規程》) to ensure that material sources are lawful and compliant. Suppliers are subject to periodic evaluations, and assessment results must be approved by the Chief Financial Officer before becoming effective. Based on the approved results, procurement personnel promptly update supplier information and supply status within the Enterprise Resource Planning (ERP) system. In addition, the Group implements a dynamic elimination mechanism, regularly reviewing supplier performance and removing those that fail to meet required standards, and enhancing the integrity and security of supply chain data through cloud-based document management. We conduct annual evaluations on all major suppliers and assign overall performance ratings. Using a scoring framework that includes criteria such as safety management, integrity and compliance in operations, we continuously improve our management system. A consolidated supplier rating register is maintained to categorize and screen suppliers, eliminating those that do not meet development and quality requirements, and the Procurement Department centrally manages the regular updating and archiving of supplier information to continuously optimize and strengthen the supply chain system.

To mitigate the potential impact of climate-related risks on supply chain stability and product quality, the Group has established robust and comprehensive control mechanisms. During the supplier selection and evaluation process, we identify and assess whether suppliers have implemented adequate climate risk response measures, such as the provision of precise temperature-controlled storage facilities and advanced monitoring systems capable of issuing immediate alerts in the event of any temperature deviation, as well as contingency arrangements to address extreme weather events, so as to ensure the sustainability of the Group's production and operational plans and maintain pharmaceutical products within the specified temperature range.

Environmental, Social and Governance Report (continued)

Product Responsibility

Product Quality and Safety

We regard the provision of high-quality products as a cornerstone of sustainable development and is committed to continuously enhancing its quality management. We strictly comply with the Product Quality Law of the People's Republic of China (《中華人民共和國產品質量法》), references the GMP certification standards, and has established a rigorous quality governance framework to ensure that raw materials meet required standards at source. Also, we proactively undergo ongoing reviews and inspections to ensure the effective operation of our quality management system at all times.

The Group has established a quality management system covering all stages from drug development to commercialization and has set up dedicated QA and Quality Control (QC) teams. The QA team ensures that products and processes comply with applicable standards and guidelines, and the QC team conducts comprehensive testing and analysis to ensure the stability and reliability of materials and products. To further standardize management, the Group has implemented the "Quality Assurance Agreement Management Procedures"(《質量保證協議管理規程》), requiring all contract manufacturers and key material suppliers to sign "Quality Assurance Agreement"(《質量保證協議》). Meanwhile, we have formulated "Quality Control Department Roles and Responsibilities Manual"(《質量控制部職責說明書》), clearly specifying quality requirements related to entrusting testing, research, pharmacovigilance, and logistics. We also maintain ongoing communication with regulatory authorities to ensure that our quality standards evolve in line with global regulatory developments and GMP requirements.

In terms of selecting CDMO partners, we adopt stringent internal control measures to ensure that they possess biopharmaceutical R&D and manufacturing systems recognised by the Center for Drug Evaluation of the National Medical Products Administration of the PRC (CDE), the U.S. Food and Drug Administration (FDA), and the European Medicines Agency (EMA). Relevant facilities are designed and constructed in accordance with China, U.S., and EU current Good Manufacturing Practices (cGMP) and the International Council for Harmonization of Technical Requirements for Pharmaceuticals for Human Use (ICH) requirements. This approach optimizes resource allocation while ensuring that pipeline products, including Efsubaglutide Alfa, achieve internationally competitive standards in both cost-effectiveness and quality.

To achieve refined management, we have formulated multiple standard operating procedures. In warehousing and logistics, through implementing the "Warehouse Storage and Inventory Management Procedures"(《倉庫儲存和盤點操作規程》) and "Standard Operating Procedures for Warehouse Management"(《倉庫管理標準操作規程》), we regulate the regional operations and business processes of CDMO warehouses. We utilize a warehouse management system to monitor material inventory in real time, ensuring that the receipt and use of production materials fully comply with GMP requirements, effectively preventing material deterioration and reducing the risk of property loss.

We consistently uphold the achievement of "zero administrative penalties" as a key performance objective in its quality management system, and regularly review our regulatory compliance records and the effectiveness of its control measures. In addition, we have obtained product liability insurance to provide further risk hedging protection for product liability. By continuously optimizing the pharmacovigilance system and adverse event handling mechanisms, we ensure that pharmaceutical production complies with regulatory requirements and internal high standards, earnestly fulfilling our firm commitment to patient safety and product quality. During the Reporting Period, the Group was not aware of any sold or delivered products requiring recall for safety and health reasons.

Environmental, Social and Governance Report (continued)

Patient Information Security and Privacy Protection

The Group consistently regards the protection of customer information and trade secrets as the lifeline of the Company's steady development, and has incorporated information security and critical information infrastructure into its overall risk management framework. In safeguarding the security of critical information infrastructure supply chains and national security, the Group strictly complies with the Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》), the Data Security Law of the People's Republic of China (《中華人民共和國數據安全法》), and the Personal Information Protection Law of the People's Republic of China (《中華人民共和國個人信息保護法》), "Cybersecurity Review Measures" (《網絡安全審查辦法》), and the "Regulations on the Security Protection of Critical Information Infrastructure" (《關鍵信息基礎設施安全保護條例》), and relevant laws and regulations, conducts regular security reviews, and, when assessing relevant partners or specific circumstances, fully considers potential risk factors that may pose threats to data security and national security, so as to ensure the security and resilience of the supply chain.

In terms of institutional development, the Group has established a comprehensive data security management system and formulated the "Data Compliance Management System"(《數據合規管理制度》), we have established a management mechanism covering the entire data lifecycle collection, storage and use that complies with compliance standards, strengthened the data security defence line at the institutional level, and continuously enhanced compliance assurance capabilities. With respect to personal information processing, we conduct compliance audits in strict compliance with applicable laws and regulations, and promptly rectify any non-compliance issues identified during the audits. In terms of patient privacy protection, we systematically review and document all personal information processing activities involved in our operations, and assess whether any such activities require a personal information protection impact assessment in accordance with external regulatory requirements.

In terms of governance structure, the Group has established a four-level data security management system with clear responsibilities and a distinct hierarchy to ensure efficient coordination of management work. The Data Security Leadership Group serves as the highest decision-making body, responsible for reviewing major compliance matters and hearing operation and maintenance reports; the Data Security Management Group undertakes management functions and is responsible for overall planning and policy coordination. At the execution level, the Data Security Implementation Group translates various strategies into specific operational procedures and monitors and reports departmental risks in real time; while the Data Security Supervision Group performs supervisory functions and conducts strict oversight over management and execution processes, forming a closed-loop management logic of decision-making, management, execution and supervision.

In order to embed security culture into corporate operations, the Group requires all employees to strictly implement the "Employee Information Security Policy" (《員工信息安全制度》), and incorporates data security awareness into daily management and assessment. Through regular training and promotion activities, we have not only enhanced employees' professional competence in identifying data risks, but also strengthened the consciousness of compliant operations, ensuring that every employee possesses basic security prevention capabilities, and providing solid talent support for the implementation of the Group's data security management work.

During the Reporting Period, the Group was not aware of any material issues relating to major data transmission, effectively fulfilling its corporate responsibility in protecting data security, creating a secure and reliable information environment for customers and partners, and fulfilling its commitment to patient safety and product quality.

Customer Service Management System

We strictly comply with the "Good Pharmacovigilance Practice" (《藥物警戒質量管理規範》) and the "Guidelines for the Collection and Reporting of Individual Adverse Drug Reactions" (《個例藥品不良反應收集和報告指導原則》) and other laws and regulations and has formulated the "Hotline Inquiry and Pharmacovigilance Public Mailbox Management Procedures"(《熱綫電話問詢和藥物警戒公共郵箱管理工作規程》). By establishing a dedicated 400 pharmacovigilance hotline and public mailbox, we provide patients and reporters with smooth channels for medication consultation and adverse reaction reporting, ensuring that every request receives a timely response.

Environmental, Social and Governance Report (continued)

In terms of organisational structure, we have established a Pharmacovigilance Department specifically responsible for hotline answering and mailbox monitoring. All personnel in the department have received systematic training on product knowledge and adverse reaction identification and strictly implement the principles of "report upon suspicion" (可疑即報) and timely reporting in their work, ensuring the completeness and accuracy of suspected adverse reaction information collection. Regarding case handling, we refer to the "Four Elements Collection Reference Information" (《四要素收集參考信息》), strictly ensuring that reports contain an identifiable patient, identifiable reporter, suspected drug and adverse reaction event, thereby forming individual case reports with complete content and standardized format, and accurately submitting them to regulatory authorities through designated systems.

In terms of risk monitoring and continuous follow-up, we have established a comprehensive follow-up mechanism. For cases involving serious adverse reactions or new non-serious adverse reaction cases, the Pharmacovigilance Department will, within 30 working days after the initial report, unless the reporter explicitly refuses, conduct at least two follow-ups and record them in detail in the follow-up form, in order to comply with pharmacovigilance quality management and monitoring traceability requirements. When information is received through the 400 hotline, the Pharmacovigilance Department will complete precise triage within 1 working day, product quality complaints are referred to the QA team for handling, and medical or medication professional inquiries are transferred to the Medical Affairs Department, where a professional team conducts an investigation in accordance with internal procedures and provides formal responses to customers.

Customer Complaint Management System

We regard customer feedback as a core approach to improving product quality and identifying potential risks. Through formulating and implementing the "Customer Complaint Management Procedures" (《客戶投訴管理規程》) and the "Product Recall Management Procedures" (《產品召回管理規程》), it has established a complaint management system with clear responsibilities and standardized processes. We require that all requests from customers be recorded in detail and investigated in depth, ensuring that every complaint can be handled in a timely and appropriate manner under a transparent and efficient mechanism.

At the daily execution level, we have established a rapid response mechanism, stipulating that when any employee receives product-related complaints or inquiries, they must accurately collect the complainant's basic information and core requests, and ensure that internal circulation is completed within 1 working day, notifying the QA team and relevant functional departments. We have set strict commitment time limits, ensuring that simple inquiries can receive a reply within 3 working days, while more complex complaint matters are required to be handled or given a phased response within 7 working days.

For substantive investigation of complaint content, complaint management personnel of the QA team take the lead in evaluation and initiate special investigation procedures according to actual needs. Where necessary, we will arrange professional personnel to go to the user's site for on-site understanding and face-to-face communication. All handling opinions and reply content must be submitted to the Quality Authorized Person for review and confirmation to ensure the accuracy and authority of professional responses. In addition, the QA team conducts at least one annual complaint review each year, through sorting out common issues and proposing targeted improvement measures, and submits the analysis report to the Quality Authorized Person and senior management as a basis for decision-making for continuously optimizing the quality management system.

We maintain a high level of vigilance towards quality risks that may trigger market recall. Once major quality defects are confirmed in products during complaint investigation, the Group will immediately initiate the "Standard Operating Procedures for Commercialized Product Returns"(《商業化產品退貨標準操作規程》), strictly supervise compliant operation of return procedures, and ensure the integrity and traceability of all records, striving to standardize the handling of problematic products in the shortest possible time, thereby effectively blocking risk diffusion and safeguarding market order and public medication safety. For goods that need to be retrieved by the Group from distributors, we have formulated a rigorous "Authorized Goods Collection Notice"(委託提貨通知單》), requiring relevant carriers to present a notice issued by the Group before collecting goods from distributor warehouses, ensuring accuracy and closed-loop management of the pickup process.

Environmental, Social and Governance Report (continued)

During the Reporting Period, the Group did not receive any substantiated external complaints, nor were there any complaints from regulatory authorities regarding infringement of customer privacy.

Intellectual Property Management

The Group fully recognizes that intellectual property is a key cornerstone for driving innovation and maintaining core competitive advantages, and therefore is always committed to enhancing the creation, utilization, protection and management level of intellectual property. We strictly comply with the Patent Law of the People's Republic of China (《中華人民共和國專利法》), the Trademark Law of the People's Republic of China (《中華人民共和國商標法》) and other laws and regulations, and with reference to the requirements of the "Enterprise Intellectual Property Management Standard (GB/T 29490-2013)" (《企業知識產權管理規範》), have established the "Intellectual Property Management Manual" (《知識產權管理手冊》), and the "Confidentiality Management Policy" (《保密管理制度》), standardizing the patent and trademark management system and ensuring that the Group's innovative achievements are not infringed or disclosed.

The Group's intellectual property management organization is led by the Legal Affairs Department, which, in accordance with the intellectual property policy, decomposes intellectual property objectives into specific implementable targets, and relevant centers of departments are responsible for implementation. We regularly organize inspections, analyzes and evaluation work to ensure continuous improvement, and adopt corrective and preventive measures for existing and potential issues that do not meet intellectual property management requirements, promoting the achievement of our intellectual property objectives.

To further improve the intellectual property management structure, we have established a Confidentiality Committee in accordance with the "Confidentiality Management Policy" (《保密管理制度》), which is responsible for guiding the confidentiality management work of the entire company. The Confidentiality Committee is chaired by the General Manager, with leaders in charge of each department serving as members and is responsible for formulating and revising the Company's confidentiality management rules and regulations. The Confidentiality Committee also supervises the implementation of the Company's confidentiality management system, and urges, inspects, and guides the confidentiality protection work of various departments of the Company.

Employee Intellectual Property Management

With respect to talent management and corporate culture development, the Company incorporates intellectual property protection into the full lifecycle management of employees. At the stage of onboarding new employees, we conduct rigorous intellectual property background investigations and communication, and carry out specialized training; in labor contracts, we clearly stipulate employees' rights and obligations in respect of intellectual property protection, and reach consensus on the ownership of service intentions. For key positions involving trade secrets, the Company signs specialized confidentiality agreements, requiring employees to strictly perform confidentiality obligations during employment and after departure, and to complete the destruction or return procedures of all confidential information and related documents upon departure. In addition, the Company's Legal Affairs Department actively assists the Confidentiality Committee in continuously carrying out publicity and education on laws and regulations, ensuring that all employees are fully aware of the scope of confidentiality and enhancing the intellectual property protection awareness of all staff.

Environmental, Social and Governance Report (continued)

External Cooperation Confidentiality Management

In external cooperation, we also adhere to rigorous confidentiality principles, incorporating specific confidentiality clauses into cooperation agreements signed with business partners and strengthening internal control through comprehensive confidentiality measures. We have always strictly complied with listed company governance requirements, and during the Reporting Period, did not identify any material risks relating to patent or trademark infringement, effectively safeguarding the Company's technological leadership position and brand reputation.

Product Labelling and Packaging

All drug labels and package inserts of the Company are strictly prepared in accordance with the content approved by the National Medical Products Administration and designed in compliance with the "Administrative Provisions on Drug Package Inserts and Labels" (《藥品說明書和標籤管理規定》), ensuring that the labelled information does not exceed the approved scope and fully adheres to regulatory requirements. Meanwhile, all pharmaceutical packaging complies with national standards, including the "Measures for the Administration of Pharmaceutical Packaging" (《藥品包裝管理辦法》). For the first pipeline product, Efsubaglutide Alfa, we have specifically formulated the "Quality Standard for Printed Labels of Efsubaglutide Alfa Injection (YN-011)" (《依蘇帕格魯肽 α 注射液(YN-011)印刷標籤質量標準》) to ensure the printing quality of commercialized labels and the clarity and accuracy of information presentation.

Anti-corruption

The Group always regards integrity in operation as the cornerstone of corporate development, actively preventing risks of commercial bribery, corruption and money laundering, and fulfilling its corporate responsibility to safeguard national economic order and financial security through practical actions. The Group strictly complies with laws and regulations such as the Criminal Law of the People's Republic of China (《中華人民共和國刑法》), the Anti-Money Laundering Law of the People's Republic of China (《中華人民共和國反洗錢法》), and has formulated and implemented internal systems such as the "Anti-Bribery and Anti-Corruption Management Measures"《反賄賂、反腐敗管理辦法》and "Anti-Money Laundering Management Measures" (《反洗錢管理辦法》), clearly prohibiting any form of bribery and corruption, and requiring all employees to strictly implement them.

We adhere to the anti-money laundering principles of "risk-based"(風險為本) and "prudent and balanced"(審慎均衡), deeply embedding compliance review into daily business processes. Management strictly follows fair competition rules in business activities, upholds the principles of honesty and trustworthiness, and is committed to establishing a business philosophy centered on law-abiding integrity and high-quality service, ensuring that the corporate governance structure operates steadily on the track of the rule of law.

We comprehensively implement a commitment system for the prevention of commercial bribery, not only requiring personnel in key internal positions to truthfully record their integrity performance, but also requiring all business counterparties or individuals to sign a compliance agreement, strengthening the prevention and control of corruption risks at the source and improving integrity construction within the supply chain.

In addition, in accordance with industry laws and regulations, such as the Drug Administration Law of the People's Republic of China and Compliance Guidelines for Healthcare Companies to Prevent Commercial Bribery, the Group has implemented the "Business Ethics and Compliance System (Trial)" (《商業道德與合規制度》(試運行)), providing clear codes of conduct and compliance guidance for employees in their interactions with healthcare professionals, government officials and third-party partners.

The Group also enhances the ethical awareness of all employees through continuous education, training and assessment mechanisms. The Legal Affairs Department dynamically prepares training materials according to business needs and organizes annual compliance certification, stipulating that employees must participate in specialized training and pass compliance tests to obtain certifications, ensuring that compliance requirements are transformed into conscious actions of employees.

Environmental, Social and Governance Report (continued)

We have established a comprehensive whistleblowing channel to encourage employees and relevant parties to report any suspected misconduct. We are committed to protecting the identity and rights of whistleblowers, and strictly prohibit any form of retaliation. The whistleblowing mechanism forms an integral part of our corporate governance and risk management framework, demonstrating the Company's firm commitment to transparency and ethical business practices. During the Reporting Period, the Group was not aware of any serious violations of relevant laws and regulations relating to the prevention of bribery, extortion, fraud and money laundering.

Community Investment

We uphold the spirit of "people-oriented" (以人為本) and has long been deeply engaged in public welfare in the fields of health and education. We actively participated in the "99 Charity Day"(久久公益節), to raise funds for the Hunan Wispring Education Development Foundation (湖南弘慧教育發展基金會), fully supporting its rural education mission of "Promoting Morality for Long-Term Development and Cultivating Talents with Wisdom"(弘道致遠, 慧智育人).

We firmly believe that a healthy body and equal education are the cornerstones of social progress. The Group will continue to safeguard life with professionalism and light up hope with compassion, contributing continuous momentum to building a better future. Looking ahead, we will unswervingly fulfill our corporate social responsibilities, strive to become a pioneer in enhancing community relations, actively seize new opportunities, and continuously create value for society.

Furthermore, the Group is also committed to advancing sustainable development through concrete actions, actively supporting projects that align with our corporate values and create positive social impacts. During the Reporting Period, we supported Hong Kong's first community-initiated carbon-neutral concert, "Chill & Decarbonize: ESG Charity Concert*," organized by Riskory S, a brand of Riskory Consultancy Limited ("Riskory").

The event aimed to promote carbon neutrality for all, using music to reach a wider audience and unite the community to build a sustainable culture. At the same time, it supported local music development in Hong Kong, China to create a substantive and lasting impact on society. During the planning and execution process, the event integrated circular economy principles, including the use of natural bamboo pulp tissue paper, reuse of stainless-steel tableware, provision of craft beer upcycled from surplus bread, and comprehensive recycling of food waste. A portion of the event's proceeds will be donated to Food Angel, reflecting Riskory S's commitment to food waste management and resource circularity, thereby amplifying the social impact.

With respect to the GHG emissions generated by the event, Riskory, a specialist in Carbon Neutral Event Management (CNEM), conducted a carbon audit, which was subsequently verified by an independent, globally recognized third-party testing and certification organization. To achieve carbon neutrality for the event, Riskory purchased and retired carbon credits via the Hong Kong Exchanges and Clearing Limited (HKEX) Core Climate platform to offset the remaining emissions#.

By supporting this project, we aim to play a demonstrative and catalytic role, fostering collaboration across the value chain and encouraging suppliers, business partners, and other stakeholders to jointly participate in Scope 3 carbon emissions management, thereby laying a solid foundation for our long-term carbon reduction goals and working together to create a more sustainable future.

Environmental, Social and Governance Report (continued)

Staff from the food waste recycling service (1st and 2nd from left), renowned Hong Kong music industry visionary Mr. Alex Chan (Center), and representative from the organizer Riskory S (Right), showing their strong support for food waste recycling.

A group photo of local Hong Kong singers.

A group photo of representatives from various green suppliers and supporting organizations.

The audience enjoyed the concert with great enthusiasm.

Remarks:

* The event was originally scheduled for November 28, 2025 but was postponed to January 23, 2026 due to unforeseen circumstances and scheduling adjustments. The name of the event "Chill & Decarbonize: ESG Charity Concert 2025" is translated from《Chill 住減碳》ESG 慈善音樂會 2025. In case of any discrepancy, the Chinese version shall prevail.

The carbon credits used for this offset were procured and retired via the HKEX Core Climate platform, sourced from the "Panzhou County Chicken Farm Manure Composting Project (Project ID: 5210)". This project is issued under the Verified Carbon Standard ("VCS"), which is a globally widely adopted standard for GHG emission reduction credits.

Environmental, Social and Governance Report (continued)

APPENDIX I: SUSTAINABLE DEVELOPMENT KPIS

List of Environmental-related Performance Indicators

Aspect	ESG Indicators	Unit	2025
A1.1[1]	Nitrogen oxide emissions	Kg	1.75
	Sulfur oxide emissions	Kg	0.04
	Particulate matter emissions	Kg	0.13
A1.3	Total weight of hazardous waste	Tonne	0.13
	Intensity of hazardous waste	Tonne/m^2	0.00003
A1.4	Total weight of non-hazardous waste	Tonne	1.53
	Intensity of non-hazardous waste	Tonne/m^2	0.0004
A2.1	Total energy consumption	kWh	58,880.12
	Energy intensity	kWh/m^2	14.28
	Direct energy[1]		
	Unleaded petrol	kWh	27,579.95
	Indirect energy		
	Purchased electricity	kWh	31,300.17
A2.2	Water consumption	m^3	899.00
	Water consumption intensity	m^3/m^2	0.22

1 Direct energy consumption of the Group included the consumption of petrol. The conversion factors for petrol adopted are based on the conversion of fuel data to MWh issued by Carbon Disclosure Project ("CDP").

Environmental, Social and Governance Report (continued)

Aspect	ESG Indicators	Unit	2025
A2.5	Total weight of packaging material	Tonne	190.92
	Papers	Tonne	66.83
	Plastics	Tonne	83.49
	Glass	Tonne	40.61
Part D Paragraph 28	Total GHG Emissions (Scope 1 and Scope 2)[2]	Tonnes CO_2e	27.48
	Scope 1[3]	Tonnes CO_2e	8.06
	Scope 2 (Location-based)[4]	Tonnes CO_2e	19.42
	Intensity	Tonnes CO_2e/m^2	0.01
	Scope 3[5]	Tonnes CO_2e	354.97

2 The calculation standards and methodologies for GHG emissions are based on "Appendix 2: Reporting Guidance on Environmental KPIs" of "How to Prepare an ESG Report" by HKEX and the Greenhouse Gas Protocol.

3 Scope 1 emissions included direct GHG emissions from the combustion of fuels in mobile sources. The Emission Factors adopted are based on "Appendix 2: Reporting Guidance on Environmental KPIs" published by the HKEX and guidance from the U.S. Environmental Protection Agency. The Global Warming Potential ("GWP") rates from the Intergovernmental Panel on Climate Change ("IPCC") Sixth Assessment Report (AR6).

4 Scope 2 emissions included indirect GHG emissions from the consumption of purchased electricity. The emission factor for Chinese Mainland-based operations referenced the Ministry of Ecology and Environment of the People's Republic of China; the emission factor for other operation locations referenced the latest officially published electricity grid emission factors, national greenhouse gas inventory factors, or sustainability reports issued by the relevant governmental authorities, environmental agencies, electricity regulators, or national/state-owned electricity providers of the respective jurisdictions.

5 Due to the complexity of Scope 3 emissions and the broad range of categories involved, current disclosure is limited to cover Category 6 - Business travel (flight) as defined by the GHG Protocol. Emission factors adopted are from the "Environmental Reporting Guidelines: Including mandatory greenhouse gas emissions reporting guidance" issued by the Department for Energy Security and Net Zero of the UK.

Environmental, Social and Governance Report (continued)

List of Social-related Performance Indicators

Aspect	ESG Indicators		Unit	2025
B1.1	Total number of employees		Person	193
	By gender	Male	Person	78
		Female	Person	115
	By age	21-30	Person	41
		31-40	Person	71
		41-50	Person	68
		51-60	Person	10
		Above 60	Person	3
	By employee category	Senior Management	Person	8
		Middle Management	Person	22
		General Staff	Person	163
	By employment type	Full-time	Person	166
		Part-time	Person	27
	By geographical region	Chinese Mainland	Person	191
		Hong Kong, China	Person	2
B1.2	Employee turnover rate[6]		%	37.8
	By gender	Male	%	52.6
		Female	%	27.8
	By age	21-30	%	41.5
		31-40	%	39.4
		41-50	%	36.8
		51-60	%	30.0
		Above 60	%	0

6 Overall employee turnover rate = Total number of employees leaving employment in 2025/Total number of employees in 2025.

Environmental, Social and Governance Report (continued)

<table>
<tr><th>Aspect</th><th colspan="2">ESG Indicators</th><th>Unit</th><th colspan="2">2025</th></tr>
<tr><td rowspan="5"></td><td rowspan="3">By employee category</td><td>Senior Management</td><td>%</td><td colspan="2">25.0</td></tr>
<tr><td>Middle Management</td><td>%</td><td colspan="2">36.4</td></tr>
<tr><td>General Staff</td><td>%</td><td colspan="2">38.7</td></tr>
<tr><td rowspan="2">By geographical region</td><td>Chinese Mainland</td><td>%</td><td colspan="2">37.7</td></tr>
<tr><td>Hong Kong, China</td><td>%</td><td colspan="2">50.0</td></tr>
<tr><td rowspan="6">B2.1</td><td rowspan="6">Number and rate of work-related fatalities for the past three years (including the Reporting Period)</td><td rowspan="3">Number of work-related fatalities</td><td>2025</td><td>Person</td><td>0</td></tr>
<tr><td>2024</td><td>Person</td><td>0</td></tr>
<tr><td>2023</td><td>Person</td><td>0</td></tr>
<tr><td rowspan="3">Rate of work-related fatalities</td><td>2025</td><td>%</td><td>0</td></tr>
<tr><td>2024</td><td>%</td><td>0</td></tr>
<tr><td>2023</td><td>%</td><td>0</td></tr>
<tr><td>B2.2</td><td colspan="2">Lost days due to work injury</td><td>Day</td><td colspan="2">0</td></tr>
<tr><td rowspan="6">B3.1</td><td rowspan="6">Percentage of trained employees by gender and employee category[7]</td><td>Total percentage of employees trained[8]</td><td>%</td><td colspan="2">99</td></tr>
<tr><td>By gender -percentage of male employees trained</td><td>%</td><td colspan="2">100</td></tr>
<tr><td>By gender -percentage of female employees trained</td><td>%</td><td colspan="2">99</td></tr>
<tr><td>By employee category -percentage of senior management</td><td>%</td><td colspan="2">100</td></tr>
<tr><td>By employee category -percentage of middle management</td><td>%</td><td colspan="2">100</td></tr>
<tr><td>By employee category -percentage of general staff</td><td>%</td><td colspan="2">99</td></tr>
</table>

[7] Percentage of trained employees by gender and employee category = Total number of trained employees in that category ÷ Total number of employees in that category.

[8] Overall percentage of trained employees = Total number of trained employees ÷ Total number of employees.

Environmental, Social and Governance Report (continued)

Aspect	ESG Indicators		Unit	2025
B3.2	Average training hours completed per employee by gender and employee category[9]	By gender -percentage of male employees trained	Hour	6.83
		By gender -percentage of female employees	Hour	6.43
		By employee category -average training hours of senior management	Hour	6.25
		By employee category -average training hours of middle management	Hour	6.23
		By employee category -average training hours of general staff	Hour	6.66
B5.1	Number of suppliers by geographical region	Chinese Mainland	Number	2
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons		%	0
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Total number of corruption cases filed or closed	Number	0

[9] Average training hours completed per employee by gender and employee category = Total training hours of employees in that category ÷ Total number of employees in that category.

Environmental, Social and Governance Report (continued)

APPENDIX II: HKEX ESG REPORTING CODE CONTENT INDEX

Categories, Aspects and Key Performance Indicators		Disclosed or explained in the relevant sections of this Report
Mandatory Disclosure Requirements		
Governance Structure	A Statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	About this Report – Reporting Standards and Principles
Reporting Principles	A description of, or an explanation on, the application of the Reporting Principles (materiality, quantitative, and consistency) in the preparation of the ESG Report: **Materiality**: The threshold at which ESG issues determined by the board are sufficiently important to investors and other stakeholders that they should be reported. **Quantitative**: KPIs in respect of historical data need to be measurable. The issuer should set targets (which may be actual numerical figures or directional, forward-looking statements) to reduce a particular impact. In this way the effectiveness of ESG policies and management systems can be evaluated and validated. Quantitative information should be accompanied by a narrative, explaining its purpose, impacts, and giving comparative data where appropriate. **Consistency**: The issuer should use consistent methodologies to allow for meaningful comparisons of ESG data over time.	About this Report – Reporting Standards and Principles
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	About this Report – Reporting Standards and Principles

Environmental, Social and Governance Report (continued)

Categories, Aspects and Key Performance Indicators		Disclosed or explained in the relevant sections of this Report
"Comply or explain" Provisions		
A. Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environment – Emissions, Greenhouse Gas Emissions, Waste Management Appendix I: Sustainable Development KPIs
KPI A1.1	The types of emissions and respective emissions data.	Appendix I: Sustainable Development KPIs
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I: Sustainable Development KPIs
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I: Sustainable Development KPIs
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Environment – Emissions, Air Emissions and Greenhouse Gas Emissions, Waste Management Climate Change – Greenhouse Gas Emissions
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Environment – Waste Management

Environmental, Social and Governance Report (continued)

Categories, Aspects and Key Performance Indicators		**Disclosed or explained in the relevant sections of this Report**
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Environment – Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Appendix I: Sustainable Development KPIs
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendix I: Sustainable Development KPIs
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environment – Use of Resources
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Environment – Use of Resources
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Appendix I: Sustainable Development KPIs
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environment – The Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environment – The Environment and Natural Resources

Environmental, Social and Governance Report (continued)

Categories, Aspects and Key Performance Indicators		Disclosed or explained in the relevant sections of this Report
B. Social		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Social – Fair Employment
KPI B1.1	Total workforce by gender, employment type (for example, full – or part-time), age group and geographical region.	Appendix I: Sustainable Development KPIs
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix I: Sustainable Development KPIs
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Social – Employee Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendix I: Sustainable Development KPIs
KPI B2.2	Lost days due to work injury.	Appendix I: Sustainable Development KPIs
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Social – Employee Safety

Environmental, Social and Governance Report (continued)

Categories, Aspects and Key Performance Indicators		Disclosed or explained in the relevant sections of this Report
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Social – Employee Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendix I: Sustainable Development KPIs
KPI B3.2	The average training hours completed per employee by gender and employee category.	Appendix I: Sustainable Development KPIs
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Social – Labor Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Social – Labor Standards
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Social – Labor Standards
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of supply chain.	Social – Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Appendix I: Sustainable Development KPIs
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Social – Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Social – Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Social – Supply Chain Management

Environmental, Social and Governance Report (continued)

Categories, Aspects and Key Performance Indicators		Disclosed or explained in the relevant sections of this Report
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Social – Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Social – Product Responsibility – Product Quality and Safety Appendix I: Sustainable Development KPIs
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Social – Product Responsibility – Customer Complaint Management System
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Social – Product Responsibility – Intellectual Property Management
KPI B6.4	Description of quality assurance process and recall procedures.	Social – Product Responsibility – Product Quality and Safety
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Social – Product Responsibility – Patient Information Security and Privacy Protection

Environmental, Social and Governance Report (continued)

Categories, Aspects and Key Performance Indicators		Disclosed or explained in the relevant sections of this Report
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Social – Anti-corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Social – Anti-corruption Appendix I: Sustainable Development KPIs
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Social – Anti-corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Social – Anti-corruption
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Social – Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Social – Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Social – Community Investment

Environmental, Social and Governance Report (continued)

APPENDIX III: PART D: CLIMATE-RELATED DISCLOSURES INDEX

Relevant Code	Corresponding Report Sections	Remarks and/or Explanations
Governance		
19(a)(i)-(iii)	Climate Change – Governance	Disclosed.
19(a)(iv)	Not Applicable	The Group has not incorporated climate-related considerations into our remuneration policies.
19(b)(i)-(ii)	Climate Change – Governance	Disclosed.
Strategy		
20(a)-(d)	Climate Change – Strategy and Risk Assessment	Disclosed.
21(a)-(b)	Climate Change – Strategy and Risk Assessment	Disclosed.
22(a)(i)	Climate Change – Strategy and Risk Assessment	Disclosed.
22(a)(ii)	Climate Change – Strategy and Risk Assessment	Disclosed.
22(a)(iii)	Climate Change – Strategy and Risk Assessment	The Group has not established a climate-related transition plan.
22(a)(iv)	Climate Change – Strategy and Risk Assessment	Disclosed.
22(b)	Climate Change – Strategy and Risk Assessment	Disclosed.
23	Climate Change – Strategy and Risk Assessment	Disclosed.
24(a)-(b)	Not Applicable	The analysis of the current and anticipated financial impacts of climate-related risks and opportunities remains at the data optimisation stage. We plan to make disclosure in the future when feasible to ensure the accuracy of the content.

Environmental, Social and Governance Report (continued)

Relevant Code	Corresponding Report Sections	Remarks and/or Explanations
25(a)-(b)	Not Applicable	The analysis of the current and anticipated financial impacts of climate-related risks and opportunities remains at the data optimisation stage. We plan to make disclosure in the future when feasible to ensure the accuracy of the content.
26(a)(i)	Climate Change – Strategy and Risk Assessment, Climate Resilience	The Group is currently enhancing our climate-related data management and analytical framework, and intends to make relevant disclosures in the future when feasible, in order to further enhance the accuracy of the information provided.
26(a)(ii)	Climate Change – Climate Resilience	The Group is currently enhancing our climate-related data management and analytical framework, and intends to make relevant disclosures in the future when feasible, in order to further enhance the accuracy of the information provided.
26(a)(iii)	Climate Change – Strategy and Risk Assessment	The Group is currently enhancing our climate-related data management and analytical framework, and intends to make relevant disclosures in the future when feasible, in order to further enhance the accuracy of the information provided.
26(b)(i)-(iii)	Climate Change – Climate Resilience	The Group is currently enhancing our climate-related data management and analytical framework, and intends to make relevant disclosures in the future when feasible, in order to further enhance the accuracy of the information provided.

Environmental, Social and Governance Report (continued)

Relevant Code	Corresponding Report Sections	Remarks and/or Explanations
Risk Management		
27(a)	Risk Management, Climate Change – Governance	Disclosed.
27(b)	Risk Management, Climate Change – Governance	The Group has not established a monitoring process for assessing climate-related opportunities.
27(c)	Risk Management, Climate Change - Governance	Disclosed.
Metrics and Targets		
28(a)-(c)	Climate Change – Metrics and Targets – Greenhouse Gas Emissions	Disclosed.
29(a)-(d)	Climate Change – Metrics and Targets – Greenhouse Gas Emissions	Disclosed.
30	Not Applicable	The amounts of assets or business activities related to climate-related risks and opportunities are currently undergoing data refinement. The Group plans to disclose such information in the future when feasible, in order to ensure the accuracy of the content.
31	Not Applicable	The amounts of assets or business activities related to climate-related risks and opportunities are currently undergoing data refinement. The Group plans to disclose such information in the future when feasible, in order to ensure the accuracy of the content.

Environmental, Social and Governance Report (continued)

Relevant Code	Corresponding Report Sections	Remarks and/or Explanations
32	Not Applicable	The amounts of assets or business activities related to climate-related risks and opportunities are currently undergoing data refinement. The Group plans to disclose such information in the future when feasible, in order to ensure the accuracy of the content.
33	Not Applicable	The amounts of capital expenditure, financing or investments related to climate-related risks and opportunities are currently undergoing data refinement. The Group plans to disclose such information in the future when feasible, in order to ensure the accuracy of the content.
34(a)-(b)	Not Applicable	The Group currently does not apply carbon pricing in our decision-making process.
35	Not Applicable	The Group currently does not incorporate climate-related considerations into our remuneration policies.
36	Not Applicable	The Group will consider increasing its disclosure content in accordance with these voluntary disclosure requirements in the future.
37(a)-(h)	Climate Change – Metrics and Targets	Disclosed.
38(a)-(c)	Climate Change – Metrics and Targets	Disclosed.
38(d)	Not Applicable	As the Reporting Period marks the Group's first year of target setting, the relevant disclosure requirement is not applicable.
39	Climate Change – Metrics and Targets	Disclosed.
40(a)-(e)	Not Applicable	As the targets established by the Group are not greenhouse gas emission targets, the relevant disclosure requirements are not applicable.