

2025Environmental Social and Governance Report

SS100

Sunshine 100 China Holdings Ltd

(Incorporated in the Cayman Islands with limited liability) Stock Code: 2608

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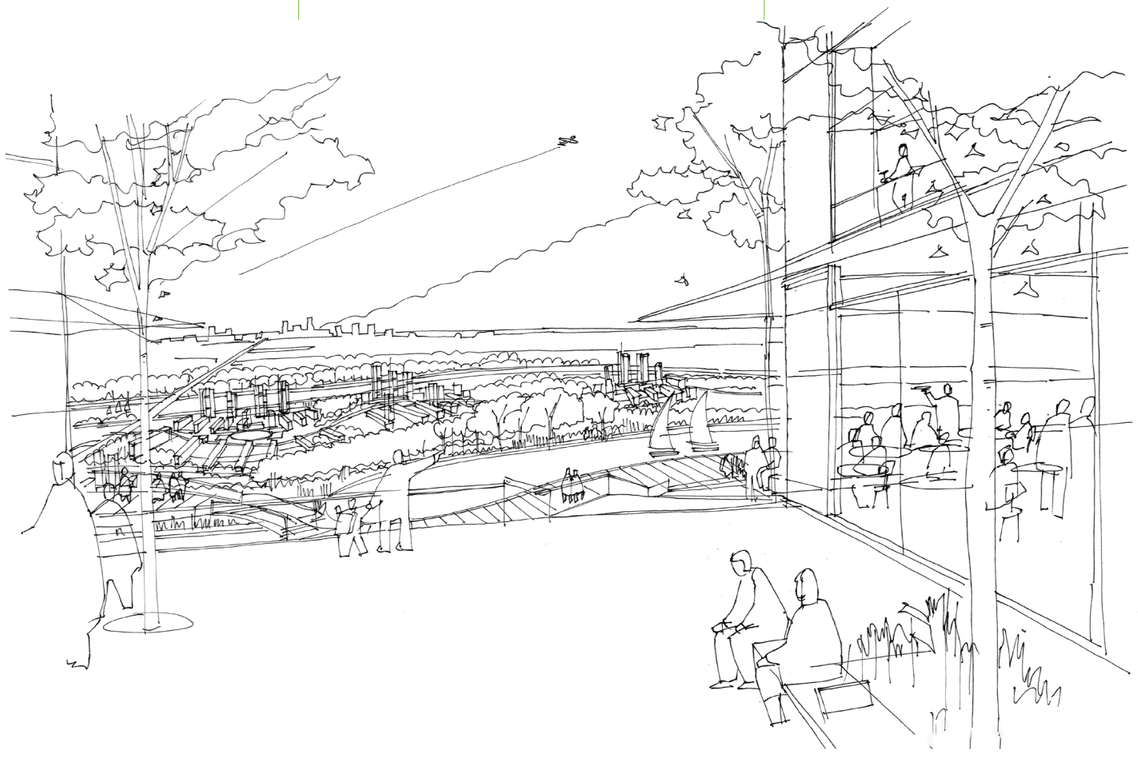
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1. About the Report



The Environmental, Social and Governance ("**ESG**") Report ("**ESG Report**") published by Sunshine 100 China Holdings Ltd (the "**Company**") presents the performance and achievement made in terms of the environment and society by the Company and its subsidiaries (collectively the "**Group**" or "**we**"). Anchored in the core principles of sustainable development, the Group details our strategic approaches, steadfast commitments, and continuous efforts in executing environmental and social policies, further substantiated by specific case studies. Reporting our operational performance with the utmost sincerity and due diligence, we pledge to relentlessly refine our data disclosure methodologies and reporting standards.

The board of directors of the Company (the "**Board**") shall assume sole responsibility for the environmental, social and governance strategies and reporting of the Company and is liable to assess and determine the Company's environmental, social and governance risks and ensure the establishment of appropriate and effective system for the management and internal control of environmental, social and governance risks. The Board and all the directors hereby warrant that there are no false records, misleading statements or material omissions contained in this report and they will bear joint and several liabilities for the authenticity, accuracy and completeness of the contents herein.

1.1 Scope of the Report

The ESG Report covers the environmental and social performance of the Group for the period between 1 January 2025 and 31 December 2025 (the "Reporting Period" or "Year"). The environmental KPIs as disclosed in the ESG Report are based on the performance of the Group's headquarter and major project offices during the Reporting Period, which include offices in Shenyang, Qingyuan, Weifang and Jinan respectively (collectively the "Offices"). Due to business adjustments, the two offices in Wuhan and Wuxi are no longer covered by this year's report. The Group will extend its disclosure to other offices in a gradual manner. For details of corporate governance, please refer to the corporate governance report in the Company's annual report.

1.2 Reporting Standard

The ESG Report was prepared in accordance with the "Environmental, Social and Governance Reporting Code" under Appendix C2 of the Rules Governing the Listing of Securities issued by the Stock Exchange of Hong Kong Limited. The Company has reported on all the "comply or explain" provisions of the "Environmental, Social and Governance Reporting Code".

1.3 Reporting Principles

The content of the ESG Report is determined through stakeholder engagement and materiality assessment process, which includes identifying ESG-related issues, collecting and reviewing the management and stakeholders' opinions, assessing the relevance and materiality of the issues and preparing and validating the information reported. The ESG Report has covered all key issues that are concerned by different stakeholders.

Quantitative environmental and social KPIs are disclosed in the ESG Report so that stakeholders are able to have a comprehensive understanding of the Group's ESG performance. Information of the standards, methodologies, references and source of key emission of these KPIs are stated wherever appropriate. To enhance the comparability of the ESG Report, the Group adopts consistent reporting format and methodologies for calculating KPIs as far as practicable. In case of any changes, explanation will be provided in the ESG Report to facilitate information interpretation.

1.4 Board Statement

The Group firmly believes that sound ESG governance enhances our overall ESG performance and contributions to the environment and society, thereby increasing investment value and delivering long-term returns to stakeholders. To ensure the establishment of an appropriate and effective ESG management and control system, the Board assumes the responsibility of monitoring the execution of ESG-related matters. Alongside formulating a comprehensive sustainability plan, the Board has established communication channels between various departments and key stakeholders. By regularly reviewing these channels to maintain seamless information flow, we can accurately assess the impact of our ESG performance on all parties. Furthermore, the Board keeps a close watch on recent ESG developments that may potentially affect business operations, while continuously monitoring and reviewing the Group's compliance with statutory laws and regulations. Through overseeing the compilation of the ESG Report, the Board gains clear insights into our annual ESG priorities, ensuring that the content and quality fully comply with regulatory and internal requirements.

To further enhance our governance framework, the Board has engaged an independent consultant to assist in managing the Group's ESG affairs, covering essential tasks such as data collection and analysis. Supported by the consultant, the Group conducts a rigorous materiality assessment. Several directors actively participate in this process, providing valuable insights to help identify material ESG issues. Drawing on these assessment results, the Board ultimately determines the key ESG issues that require focused attention, setting a pragmatic direction for the Group's future ESG development.

1.5 Stakeholder Engagement

Understanding stakeholders' opinions are essential in formulating and implementing the Group's long-term and short-term sustainability strategies. Our stakeholder engagement process is ongoing and includes a diverse set of groups providing a wide range of views, opinions, and expectations. The Group has established appropriate communication channels and through our engagement, stakeholders provide essential input to help us identify possible emerging risks to our business operations as well as ESG issues that concern our stakeholders most.

Stakeholder	Expectations	Management Responses/ Communication Channels
Government and Regulators	• Compliance with national policies, laws and regulation • Tax payment in full and on time • Safe Production	• Regular Information reporting • Regular meetings with regulators • Examination and Inspection
Shareholders	• Returns • Compliance operations • Rise in company value • Transparency and effective communication	• General meetings • Announcements • Email, telephone conversations and company website
Partners	• Operation with integrity • Fair competition • Performance of contracts • Mutual benefits	• Review and appraisal meetings • Business communication • Discussion and exchange of opinions • Engagement and cooperation
Customers	• Outstanding products and services • Health and safety • Performance of contracts • Operation with integrity	• Customer service centre and hotlines • Customer opinion surveys • Social media platforms
Environmental regulatory department	• Compliance with emission regulations • Energy saving and emission reduction	• Communication with local environmental departments • Investigation and inspection
Industry	• Enhancement of industrial development	• Participation in industry forums • Field visits
Employees	• Protection of rights • Occupational health • Remunerations and benefits • Career development • Humanity care	• Employee meetings • House journal and intranet • Training and workshop • Employee activities • Departmental satisfaction surveys
Community and the public	• Enhancement of community environment • Participation in charity • Transparency	• Company website • Announcements • Social media platforms

1.6 Materiality Assessment

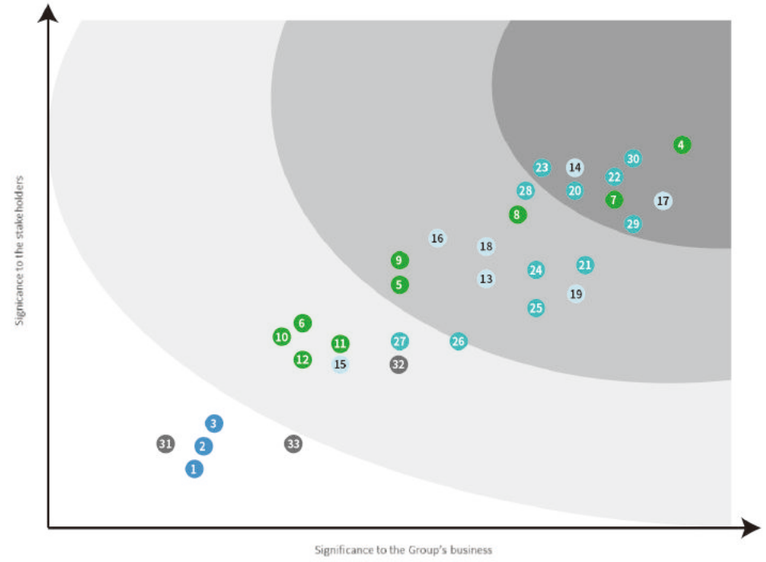
In order to ensure that the ESG Report presents the actual circumstances of the Group's environmental and social performance and addresses ESG topics that substantively influence the assessments and decisions of stakeholders, the Group has commissioned an independent third-party consultant to perform a materiality assessment in a fair and equitable manner. We have conducted stakeholder engagement as part of the materiality assessment process which helps us identify material issues that reflect the shared concerns of the Group and all our stakeholder groups. Our materiality assessment methodology involves three main phases:

i) Based on the relevant national and local standards and policies, industry characteristics and development of the Group, identify 33 potential material ESG issues that may pose a high risk to the Group's operation and influence stakeholders' decisions;

ii) Invite internal and external stakeholders (including staff, management, directors, customers, suppliers and communities) to complete a set of questionnaires to collect opinions on each of the potential issues;

iii) Prioritise the potential material issues based on the results of valid questionnaires with the materiality matrix.

Materiality Matrix



Governance	Environment	Labor Practices	Operation Practices	Community Investment
1.Stakeholder Engagement	4.Environmental Compliance	13.Employment Compliance	20.Operational Compliance	31.Charity
2.Corporate Governance and Risk Management	5.Fleet Emissions Management	14.Employees' Remuneration and Benefits	21.Managing Environmental Risks of Supply Chain	32.Promotion of Community Development
3.ESG Responsibility Principles	6.Greenhouse Gas Emission	15.Employees' Working Hours and Rest Period	22.Managing Social Risks of Supply Chain	33.Rural Revitalization
	7.Waste Management	16.Diversity and Equality	23.Quality Management	
	8.Energy Consumption	17.Occupational Health and Safety	24.Procurement Practices	
	9.Use of Water Resources	18.Training and Education	25.Responsible Sales and Marketing	
	10.Green Office	19.Prevention of Child Labour and Forced Labour	26.Customer Service Management	
	11.Ecological Protection		27.Intellectual Property Protection	
	12. Responding to Climate Change		28.Information security	
			29.Customer Privacy Protection	
			30. Anti-corruption	

From the materiality matrix, we have identified 9 material issues which are discussed in details in the ESG Report.

Aspects	Material issues	Reference sections
Environment	4. Environmental Compliance 7. Waste Management	Our Environment
Labour Practices	14. Employees' Remuneration and Benefits 17. Occupational Health and Safety	Our Staff
Operation Practices	20. Operational Compliance 22. Managing Social Risks of Supply Chain 23. Quality Management 29. Customer Privacy Protection 30. Anti-corruption	Our Operation

1.7 Opinions and Feedback

Any opinions and suggestions on the ESG Report or on our ESG performance in general are highly valued and welcome. Should you have any opinions, please contact us via the following channels:

- ir@ss100.com.cn
- Sunshine 100 China Holdings Limited
- 40/F, Dah Sing Financial Centre, 248 Queen's Road East, Wanchai, Hong Kong

2. Our Vision of Sustainable Development



Integrating ESG responsibilities into the core of our operations, the Group implements top-down policies to meet and, where possible, exceed the requirements of applicable laws and regulations. To generate meaningful social benefits, we have defined four sustainable development management objectives, embedding them into every facet of our business activities:

- **Uphold compliance philosophy to build a new industrial ecosystem**

  Adhering to the principle of integrity, we strictly observe commercial codes of conduct and rigorously implement corporate social responsibility protocols.

- **Adhere to people-oriented values to achieve success with our team**

  We are dedicated to attracting and nurturing professionals who align with the Group's values, while fostering a stable, long-term talent strategy to support our workforce.

- **Safeguard the ecological environment to paint a new picture of nature**

  By promoting green development, we encourage all personnel to embrace a harmonious relationship with nature, supported by continuous monitoring and improvement of our environmental performance.

- **Deepen customer insights to strive for quality excellence**

  We strive to enhance quality management and service standards while enriching community life through cultural activities, thereby strengthening our brand reputation among target customers.

3. Our Operation



3.1 Product Quality

Young talents and the middle-class are the target customer segments of the Group. We recognise that such customer segments, who commonly have a higher living standard, have a strong desire for high quality of life and are hence looking for a better living place and environment. In view of this, we never spare ourselves in the pursuit of excellence in product quality. It is our goal to continuously provide the highest class of properties and management services which and even exceed, all our customers' expectation.

Top-tier Architects

Domestically, our mission centers on the philosophy of "Internationalism • New Housing," striving to integrate world-class architectural design into second-tier cities despite the inherent operational complexities.

Pioneering international design bidding within the industry, the Group has cultivated long-term partnerships with leading firms such as Denton Corker Marshall(DCM), John Portman and Associates, and Tadao Ando Architects and Associates from the UK, France, Italy, Germany, Japan, and Denmark. These collaborations enable us to provide exceptional products that cater to the sophisticated demands of our clientele.

Quality Management

To uphold stringent quality standards, we have established a dedicated Quality Management Team responsible for the continuous oversight of projects from design and construction to sales and maintenance. This rigorous approach ensures that all projects utilize high-quality materials and superior design, delivering cost-effective and diversified solutions to our customers.

During construction, the Group engages third-party agencies to conduct quarterly assessments, with the Project Department supervising on-site rectifications to enhance property quality. The evaluations cover various criteria, including the visual quality of public spaces, leakage prevention, landscaping, safety, and electromechanical installation. Furthermore, our quality control guidelines and construction standards are periodically updated based on professional feedback to ensure robust quality management across all developments.

The Group believes that high-quality service and management is the key to corporate success. During the Reporting Period, with hard work and stable operation, the Group has awarded with numerous real estate and brand value awards, including but not limited to:

Projects	Awards and Honours
Sunshine 100 management	Excellent Enterprise in China Red Property Service[1] Leading Enterprise in Property Service with Chinese Characteristics (Humanistic Community Construction)[2]
Shenyang New City Property	Party Building Demonstration Point (Committee of Non-public Economic Organizations)[3]
Changsha New City Property	Annual Excellent Property Enterprise[4]
Liuzhou Xinye City Property	Excellent Property Company[5]
Liuzhou Chengguang Property	Heart-to-Heart Connection · Caring Enterprise[6]
Changsha Sunshine 100 "Dual-Driven Happy and Healthy Community"	2025 Jingrui Science and Technology Award Jingrui Science and Technology Award & New Quality Productive Forces in Human Settlements White List Technological Innovation and Research Base for New Human Settlement Scenarios
Sunshine 100 Lijiang Snow Mountain Art Healing Village	14th ITIA China Tourism Oscars (Aidiya Awards)
Weifang Project	2024 Building Operation Demonstration Unit[7]

Notes:
1. This award is granted by China Index Academy
2. This award is granted by China Index Academy
3. This award is granted by Shenyang Municipal Administration for Market Regulation
4. This award is granted by Hunan Property Management Association
5. This award is granted by Liuzhou Derun Community Party Committee
6. This award is granted by Liuzhou Aixin Angel Social Work Service Center
7. This award is granted by Weifang Building Economy Development Alliance.

Product Health and Safety

One of the Group's core objectives is to enhance lifestyles through architectural innovation. Committed to fostering healthy living environments, we integrate safety and health considerations into property design and management to deliver high-quality products. To ensure a secure living environment, we have implemented a 24-hour monitoring system, supplemented by regular security patrols across our properties. On the maintenance front, the Group collaborates with professional cleaning contractors who utilize mechanized equipment to deliver superior cleaning services. Through our "Sunshine Butler" service, we conduct monthly household visits to ensure that both private and public spaces remain clean and comfortable. Furthermore, to guarantee the operational safety of property facilities, dedicated personnel are assigned to monitor equipment performance and provide round-the-clock maintenance and repair services.

3.2 Customer Service

The existence and development of the Group depends largely on market trends and demands. As a market-oriented enterprise, it is essential to being observant and responsive towards customers' needs. In order to attain an unassailable lead in the market, the Group upholds the philosophy of "Customer-First" and always puts the benefits of customers before its own.



Property Sales

The Group consistently fulfills its commitment to enhancing customer satisfaction across all business sectors, with a particular focus on property sales. By conducting regular pre-market research to gain

insights into customer needs and utilizing our sales management system, we effectively record customer profiles while facilitating direct dialogues to capture specific preferences. To foster long-term relationships, we provide tailored follow-up services, such as inviting customers to on-site experience activities based on their individual interests.

To meet evolving service demands, we have launched an online sales system that integrates digital marketing resources and establishes a diversified marketing network involving owners, intermediaries, and market stakeholders. Through mobile applications, our sales force can deliver more timely follow-up services, enhancing operational efficiency and ensuring seamless communication with clients. Furthermore, the system enables more comprehensive data collection, allowing us to refine our service offerings and overall quality.

To prevent over-promising during the sales process, we require sales personnel to remind customers on-site that all rights and interests are governed strictly by the formal sales contract. Concurrently, we implement rigorous internal regulations to manage our sales team, fostering a professional and ethical workforce to ensure the fairness of our sales operations and mitigate potential legal risks.

Complaint-handling

To effectively address potential issues in sales and operations—such as non-compliance, misleading promises, service attitudes, and product quality—the Group has established a comprehensive customer complaint handling mechanism. Customers can lodge grievances via our unified service hotline or through departments such as Project Sales, Group Sales, Group Quality Management, and Group Internal Audit. Upon receipt, customer service specialists record and analyze each case before referring it to dedicated personnel to ensure a prompt and efficient resolution.

During the Reporting Period, there were no return of sold houses or complaints resulted from any material quality, health and safety issues or incompliance with regulations. There were also no serious violation of relevant laws and regulations applicable to the company regarding product responsibility.

3.3 Privacy and Information Protection

The protection of commercial secrets and personal privacy is a primary concern for our stakeholders. Strictly adhering to the "Anti-Unfair Competition Law of the People's Republic of China," the Group implements rigorous safeguards across its operations. At the technical level, our systems are equipped with robust security measures and antivirus software, supplemented by regular data backups to ensure resilience and recoverability. We also reinforce these protections through annual initiatives, such as issuing the "Notice on Strengthening Awareness of Commercial Secret Protection" and conducting specialized training on document management to enhance the overall security literacy of our workforce.

Recognizing the risks inherent in property transactions, the Group requires all sales personnel to sign confidentiality agreements covering sensitive client profiles, operational management, and technical data. Furthermore, employment contracts stipulate clear terms regarding intellectual property, and we promote the use of authorized software through regular internal communications and training. Access to customer databases is strictly controlled based on job seniority to prevent unauthorized data exposure. Any employee found in breach of these confidentiality protocols will face disciplinary action, ranging from administrative warnings to financial penalties, depending on the severity of the incident.

3.4 Operation with Integrity

Transparent operational mechanisms are fundamental to ensuring the authenticity of work, effective communication, and institutional stability. Consequently, the Group consistently implements transparent administrative protocols and adheres strictly to anti-corruption and anti-bribery regulations under the "Criminal Law of the People's Republic of China" to uphold business integrity. By establishing internal policies such as the "Code of Conduct for Staff," the "Ethics in Procurement ," and the "Anti-Fraud Working Ordinance," we clearly mandate that all personnel comply with legal standards and commercial ethics. Any form of solicitation or acceptance of illicit benefits is strictly prohibited, as is the use of deceptive methods to compromise the legitimate interests of the State, the Company, shareholders, or other stakeholders. Our structured tendering system requires subcontractors to sign an "Integrity and Anti-Bribery Pledge," followed by the mandatory execution of an "Anti-Corruption Cooperation Agreement" upon contract awarding. Furthermore, standard contracts for pricing, procurement, and property design incorporate integrity guarantee letters to ensure all parties fulfill their anti-corruption obligations.

Drawing on industry best practices, the Group has developed a comprehensive prevention and whistleblowing framework to mitigate legal and compliance risks while safeguarding our corporate reputation. The Internal Audit Department, overseen by the Board and the Audit Committee, serves as a standing body responsible for investigating and responding to fraud and corruption. We have standardized our grievance procedures by providing dedicated hotlines, mailboxes, and postal addresses, supported by a whistleblower protection mechanism and a reward system. Management across all levels is tasked with refining and implementing anti-corruption processes within their respective functions. To foster an ethical corporate culture, we provide anti-corruption training for new hires and require procurement staff to include complaint contact details on their business cards for external supervision. Since June 2022, a new reporting portal has been launched on our official website to normalize and facilitate external oversight. In the event of corruption, the Group will impose administrative or financial disciplinary actions based on the severity of the case, and matters involving legal violations will be referred to judicial authorities for prosecution.

During the Year, the Group has provided online training of anti-corruption for directors and employees so as to construct the integrity culture of the Group and enhance the employees' and directors' awareness of anti-corruption. The content of anti-corruption training include relevant legislative requirements, corporate requirements, code of conduct, common misbehaviour and sample cases of corruption. The training emphasises the four principles that employees shall uphold at all times:

1.Bear in mind the rule of avoiding the abuse of power

2.Uphold the code of ethics and not to infringe the law

3.Overcome the minds of rivalry, avarice and fluke

4.Strengthen the sense of responsibility, consciousness of rule, sense of self-discipline and legal awareness

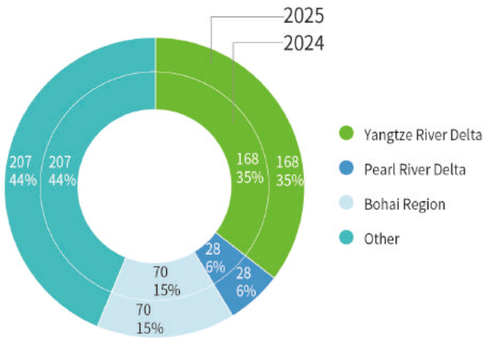
During the Year, there was no lawsuit regarding corruption filed against the Group or our staff.

3.5 Supply Chain Management

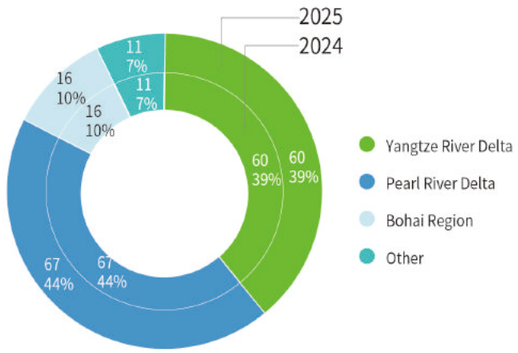
Material suppliers, contractors, subcontractors and design institutes each play a significant role in the Group's supply chain. By maintaining a stable and long-term strategic partnership with them, the Group strives to stabilise and strengthen our supply chain operation and therefore improve product quality.

Number of contractors and subcontractors by geographical region of headquarters:

Number of contractors and subcontractors by geographical region of headquarters:



Number of suppliers by geographical region of headquarters:



Building resilient partnerships with suppliers and contractors is fundamental to our operational excellence. Guided by the principles of openness, fairness, and impartiality, the Group strictly adheres to internal procurement and tendering policies to select the most suitable business partners. To effectively mitigate supply chain vulnerabilities, we require suppliers to disclose material ESG risks and corresponding response strategies. This risk identification process is further strengthened by reviewing risk registers and consulting sustainability experts to conduct comprehensive assessments. Our commitment to a green supply chain is reflected in the integration of environmental considerations from the earliest stages of procurement and project design. For material sourcing, we mandate certifications such as ISO Quality Management and Environmental Management Systems, while requiring woodwork suppliers to provide legal origin documentation. In the procurement of high energy-consuming products, we prioritize renowned enterprises with strong social responsibility track records and favor local or regional suppliers to minimize transportation-related carbon footprints.

For construction contractors and subcontractors, the Group prioritizes partners who demonstrate stringent compliance with local regulations regarding environmental protection, occupational health, and site safety. We incorporate specific environmental, social, and ethical criteria into our tender documents and conduct rigorous due diligence on corporate qualifications, professional credentials, and project histories. Beyond technical and financial evaluations, site visits are employed as a critical component of our final selection process. To further professionalize our supply chain, we provide training on occupational safety and labor standards to ensure consistent performance in health and safety. All partners are subject to multi-dimensional evaluations encompassing quality, delivery, and compliance before being admitted to our qualified supplier list. Preference is given to suppliers holding international certifications such as ISO50001, ISO14001, ISO45001, and SA8000. Through annual performance reviews, the Group systematically removes suppliers that fail to meet standards or involve in quality incidents, ensuring the integrity and efficiency of our supply chain management.

4. Our Staff

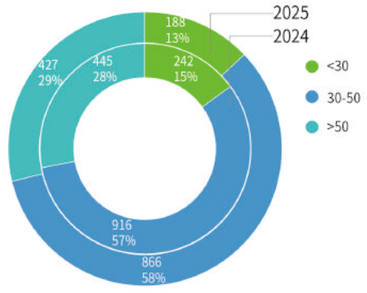


Employees are the most valuable assets of the Group and they are the reason for the success of the Group over the years since establishment. It is of paramount importance to continue our people-oriented management style that we not only provide employees with an ideal working environment and welfares, but also protecting their work safety, physical and mental health, as well as offering training and development opportunities to them.

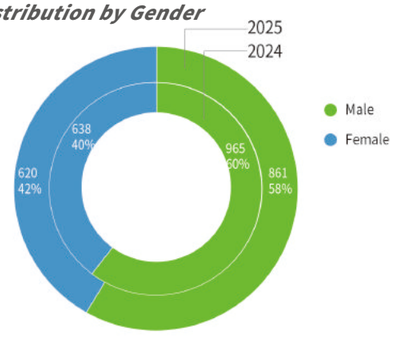
4.1 Staff Overview

The Group has a large number of outstanding employees. The excellent work efficiency and loyalty of our employees are the Group's most valuable assets. As of December 31, 2025, we had a total of 1481 employees, among whom 1481 were employed on the Chinese mainland and 0 in Hong Kong. All of our employees are full-time employees.

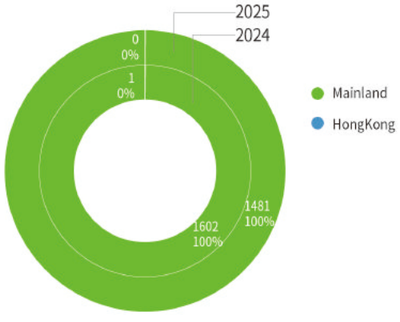
Staff Distribution by Age Group



Staff Distribution by Gender



Staff Distribution by Region



During the Reporting Period, the employee turnover rate of the Group is as follows:

Employee Turnover Rate (%)		2025	2024
By Gender	Male	11	8
	Female	3	8
By Age	<30	25	11
	31-50	6	7
	>50	4	9
By Geographical Region	Chinese mainland	8	8
	Hong Kong	0	0

4.2 Occupational Health and Safety

The Group prioritizes the physical and mental well-being of its employees and actively advocates for a healthy work-life balance. We strictly adhere to the "Law of the People's Republic of China on the Prevention and Control of Occupational Diseases" and other relevant regulations, providing labor safety and hygiene conditions that meet national standards. For employees involved in potentially hazardous duties, the Group arranges regular health examinations to monitor their occupational health. During the Reporting Period, the Group maintained an excellent safety record with zero work-related injuries and zero lost days due to injury.

To foster a supportive and comfortable work environment, the Group ensures its office spaces are clean, spacious, and well-lit. Our office facilities, including water dispensers, refrigerators, and coffee machines, are designed to support the daily needs of our staff. Furthermore, we enhance office well-being by incorporating greenery into the workspace and providing nutritious meals through our "Healthy Canteen", thereby creating a green and health-conscious workplace for all employees.

The number and rate of work-related fatalities of the Group in the past three years were as follows:

Health and Safety	2025	2024	2023
Number of work-related fatalities	0	0	0
Rate of work-related fatalities (%)	0	0	0

Construction Safety

Although the Group's construction projects are conducted through outsourcing, we maintain high standards for the occupational safety performance of our contractors and subcontractors. In strict accordance with the "Law of the People's Republic of China on Work Safety" and the "Regulation on Work Safety regarding Construction Projects", we require contractors to develop comprehensive safety execution plans, adhere to on-site safety protocols, allocate necessary safety budgets, and provide workers with standardized protective equipment. Furthermore, the Group reinforces safety compliance through contractual obligations and mandates that contractors appoint experienced personnel for dedicated safety supervision and inspections. By rigorously verifying the professional qualifications of workers engaged in specialized construction processes, we ensure that all personnel are properly certified, thereby strengthening safety management across all construction sites.

4.3 Training and Development

Recognising that putting more efforts into training and raising the proportion of trained employees are of benefit to both career development of the staff and the long-term development of the Group, we continue to enhance our training system that accommodates employees at all positions and levels and covers as much knowledge and skills as possible.

During the Reporting Period, we have finished our training both online and offline, which can be classified into 6 major types: New Employees Training, Sales Training, Corporate Comprehensive Training, Development Training, Health and Safety Training, and Project-specific Training.

New Employees Training

The Group centers its onboarding strategy on corporate history and core values, aiming to strengthen cultural identity and inspire employees to translate corporate philosophy into management actions. To help new hires adapt to their roles and the working environment, we provide a comprehensive suite of training programs, including collective training, seminars, site visits, team building, and job rotation. These initiatives enable employees to experience our corporate culture, understand interdepartmental functions, and enhance their professional skills, eventually leading to the identification of the most suitable positions through a mutual selection process.



To ensure the effectiveness of these programs, all new employees undergo onboarding assessments to verify their retention of key information. Furthermore, the Group implements a "Mentorship Program," assigning an experienced mentor to every new hire to share professional expertise and methodologies. Beyond technical guidance, mentors provide encouragement and career development advice, helping newcomers navigate their career paths and align their personal growth with the Group's long-term objectives.

Sales Training

Focusing on the upgrade trends within the real estate industry, the Group guides its team to identify transformation opportunities and explore new business growth points, thereby enhancing revenue acquisition capabilities in a shifting market. To maintain the professional standards of our sales force, the Group regularly organizes comprehensive training programs covering market trend analysis, advanced sales techniques, business etiquette, and in-depth product knowledge.



These training sessions not only empower sales personnel to refine their professional skills but also help them stay attuned to the latest market dynamics, thereby strengthening their overall competitiveness. By continuously enhancing their expertise, our sales team is better equipped to acquire and retain customers more effectively, securing a larger market share and driving sustainable growth for the Group.

Corporate Comprehensive Training

The Group is committed to fully enhancing the professional competence of its workforce. Our training framework encompasses legal compliance risk prevention and the application of cutting-edge digital technologies, aiming to strengthen employees' proficiency in professional knowledge and modern management tools. Through regular corporate culture sessions, product briefings, and corporate overview meetings, we ensure that employees adapt to their working environment and gain a deep understanding of our operational framework and core values.



Furthermore, the Group prioritizes long-term career development by organizing specialized seminars, such as "Goal Management and Execution," to foster well-rounded personal growth. These initiatives not only enhance professional capabilities but also strengthen organizational cohesion. By empowering our team to leverage modern tools effectively, we drive business excellence and provide a solid talent foundation for the Group's continuous transformation.

Development Training

The Group integrates business philosophy with traditional wisdom to guide the elevation of "character," helping employees establish sound values through self-reflection and achieve harmony between their family and professional lives. Beyond operational duties, the Group organizes a diverse range of team-building and interest-based activities designed to allow employees to unwind, cultivate healthy professional relationships with colleagues, and deepen their sense of belonging.



These initiatives include tea gatherings, book-sharing sessions, and other non-work-related programs that encourage employees to develop broad interests. We firmly believe that by fostering a rich spiritual life and healthy social environment, we can help our staff achieve an optimal work-life balance, empowering them to pursue personal growth and contribute to the Group's success with renewed energy and a positive mindset.

Health and Safety Training

The Group has long prioritized the safety and health of its employees, striving to build a comprehensive protection system covering both professional duties and daily life. During the Reporting Period, we provided a series of occupational safety training programs for all staff, encompassing core areas such as production safety, engineering safety knowledge, fire safety, and pandemic prevention. Furthermore, we conducted public education on daily safety risks, including traffic safety under adverse weather conditions and carbon monoxide poisoning prevention, to enhance overall safety awareness.



Beyond physical safety, the Group demonstrates meticulous humanistic care. Addressing the specific needs of female employees, we organized specialized health seminars during International Women's Day to provide professional advice on physiological and psychological well-being. By integrating rigorous safety protocols with compassionate care, the Group is dedicated to fostering a safe, healthy, and supportive working environment for all.

Project-specific Training

The Group has conducted an in-depth study of the core methodologies of the Amoeba Management model, enhancing project operational efficiency and strengthening the business leadership of front-line managers through a blend of theoretical learning and practical reflection. To ensure these management philosophies are effectively applied, we have implemented key training programs across various projects. The curriculum covers financial and investment analysis, professional service etiquette, advanced customer communication skills, sales pitch optimization, fundamental real estate knowledge, and reverse thinking techniques.



These specialized training sessions not only systematically enhance the overall service quality and professional standards of our staff but also foster a proactive learning culture within the organization. Through continuous empowerment, we have boosted team morale and enabled employees to achieve personal breakthroughs and competency upgrades in a dynamic market environment, providing a solid professional foundation for the Group's sustainable development.

Apart from the training provided internally by the Group, we also highly encourage our staff to pursue higher education and professional levels. We maximise the career development opportunities of employees by providing not only allowances for professional examinations such as those for architects, designers, engineers, accountants, property managers and economists, but also paid study leaves for their better preparation for the examinations.

As a means in paving the way for our employees' career development, the Group also offers promotion opportunities through an open and fair promotion system. Each employee is evaluated and scored according to their performance and based on the scores, employees are allowed to apply for promotion. It is our ultimate goal that all employees are able to shape their own path in career development within the Group.

During the Reporting Period, the Grou's training and development data are as below:

Indicator		2025		2024	
		Percentage of employee trained (%)	Average training hours	Percentage of employee trained (%)	Average training hours
By gender	Male	50	1	47	1
	Female	40	1	39	1
By employment level	Senior	100	3	100	2
	Middle	100	4	100	6
	Junior	100	2	100	2

4.4 Employment and Welfare Policies

The Group has established and implemented a comprehensive human resources management system, adopting rigorous recruitment procedures to attract global talent. We uphold the principle of fair competition, ensuring equal employment and development opportunities for all candidates regardless of gender, race, age, nationality, marital status, pregnancy, disability, or religion. The Group advocates a diverse and inclusive culture, strictly prohibiting discrimination while actively recruiting fresh graduates from various disciplines, as we believe a diverse workforce is a key driver of business growth. To attract and retain talent, we offer competitive remuneration packages that meet or exceed local minimum wage requirements. For resigning employees, the Group handles applications promptly and gathers feedback to ensure the timely settlement of final salaries.

Our recruitment strategy utilizes both external channels and internal referrals. To guarantee transparency and fairness, the Human Resources Department and relevant department heads oversee every stage, from job posting and resume screening to background checks, interviews, and medical examinations. All procedures strictly comply with the "Labour Law of the People's Republic of China" the "Labour Contract Law of the People's Republic of China" and internal regulations. Furthermore, we strictly prohibit child and forced labor in accordance with the "Provisions on the Prohibition of Using Child Labour." Identity verification is conducted to ensure no individuals under 18 are employed, and employment contracts clearly define duties to mitigate forced labor risks. In case of any irregularities, work is immediately suspended and procedures reviewed. During the Reporting Period, no material group labor disputes occurred.

The Group provides a broad range of benefits, including communication and travel allowances, festival benefits, medical examinations, commercial insurance, and meal subsidies. Employees are entitled to adequate rest periods and statutory holidays. For expatriate staff, we provide additional support such as family and living allowances, alongside priority consideration in promotions to support their long-term development. To foster work-life balance, the Group organizes regular team-building, family, and festive activities, which are continuously refined based on employee feedback to enhance organizational cohesion and operational efficiency.

5. Our Environment



The Group is dedicated to creating the most livable communities and comfortable environments for our target customers. Consequently, we place high importance on environmental protection across both the construction and operational phases of our projects. Although our direct carbon footprint is relatively limited due to our outsourced construction model, we remain vigilant in our environmental stewardship, actively integrating environmental considerations into our decision-making processes, business management, and corporate culture. Furthermore, we embed the principles of energy conservation and green development into our products and services to ensure a sustainable future.

In terms of compliance, the Group strictly adheres to the "Environmental Protection Law of the People's Republic of China," the "Law of the People's Republic of China on the Prevention and Control of Environment Pollution by Solid Waste," and other relevant regulations. Guided by our environmental pledges, we fulfill our ecological responsibilities through both project development and daily operations, striving to minimize our impact on the natural world.

- Comply with relevant requirements of environmental protection laws
- Reduce construction waste
- Save energy
- Reduce negative impacts on the environment and natural resources
- Study and design green buildings

5.1 Emissions

As a responsible property developer, the Group is dedicated to controlling and minimizing our emission in a bid to alleviate environmental problems such as global warming. While there is no water discharge from our Offices, our daily operation does generate air pollutants due to the use of vehicles.

Air pollutant emissions of the Offices:

Indicators[1,2]	2025	2024
Nitrogen oxides (NOx) (g)	**1,393.53**	6,504.29
Sulphur oxides (SOx) (g)	**127.96**	136.71
Particulate matter (PM) (g)	**102.60**	478.90

Notes:

1. Air pollutant emissions of the offices are calculated based on the "Appendix 2: Reporting Guidance on Environmental KPIs" published by the Hong Kong Stock Exchange.
2. Projects in Wuhan and Wuxi were no longer included in the calculations for the current period, resulting in air pollutant reduction in emission figures.

Waste management is a critical component of the Group's daily operational environmental governance, encompassing both hazardous and non-hazardous categories. In alignment with green industry trends, we have established waste management targets centered on "source reduction" and "advocacy for waste classification." We are committed to minimizing waste generation at the source, optimizing comprehensive resource utilization, and implementing full coverage of domestic waste classification to enhance overall recycling rates.

During the Reporting Period, non-hazardous waste from office operations primarily consisted of daily office refuse. To mitigate environmental risks, all hazardous and non-hazardous waste were handled by qualified professional agencies in strict compliance with legal requirements, ensuring that disposal processes are safe and environmentally sound.

Waste generated by the Offices:

Indicators	2025	2024
Total hazardous waste[1, 4, 5](kg)	**0**	16.7
Hazardous waste discarded per employee[2] (kg)	**0**	0.11
Total non-hazardous waste[3, 4, 5](kg)	**480**	765
Non-hazardous waste discarded per employee[2](kg)	**3.69**	4.94

Notes:
1.Data is calculated based on the actual weight of hazardous waste.
2.The intensity is calculated based on the total number of employees of the Office, not the Group.
3.Data is calculated based on the actual weight of non-hazardous waste and the "Research on Solutions to Domestic Solid Waste in Cities of China" issued by the Beijing Environmental Sanitation Administration.
4.Projects in Wuhan and Wuxi were no longer included in the calculations for the current period, resulting in non-harzardous and harzardous waste generation reduction in emission figures.
5.As relevant data for certain segments are currently collected and processed by the property management parties, specific figures for these segments are unavailable for statistical analysis at this stage.

5.2 Energy and Resources

Energy and resources, such as water, are invaluable to the public and essential to the Group's operations. Consequently, we have established energy and water conservation as a key environmental commitment and implemented effective management measures. During the Reporting Period, energy consumption included office electricity and vehicle fuel; as the Group's primary business is property development, no packaging materials were used.

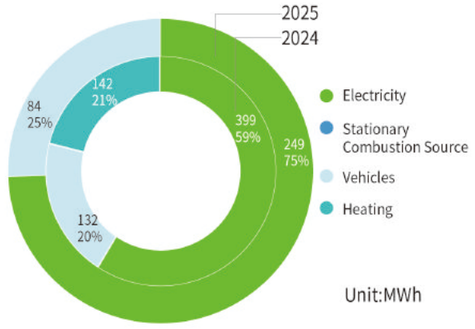
Simultaneously, the Group has set targets for energy and water efficiency, striving for electricity and water savings to align with green industry trends. To achieve these goals, we enhance the utilization of rainwater to increase water savings in both production and daily life. Furthermore, we continue to implement energy management measures in our offices, aiming to achieve a sustained decrease in energy consumption compared to the previous year.

Energy and water consumption of the offices:

Indicators	2025	2024
Total energy consumption[1,4,5](MWh)	**332**	672
Total energy consumption per employee[2] (MWh)	**2.56**	4.34
Total water consumption[3,4,5](m3)	**1,712**	12,290
Total water consumption per employee[2] (m3)	**13.17**	79.29

Notes:
1.Data is calculated based on the "Land Transport Enterprises – Guidelines on Greenhouse Gas Emission Accounting and Reporting (Trial)" issued by the National Development and Reform Commission of the PRC and "Appendix 2: Reporting Guidance on Environmental KPIs" published by the Hong Kong Stock Exchange.
2.The intensity is calculated based on the total number of employees of the Office, not the Group.
3.Data is calculated based on the record of actual water consumption of the Group.
4.Projects in Wuhan and Wuxi were no longer included in the calculations for the current period, resulting in energy and water consumption reduction in emission figures.
5.As relevant data for certain segments are currently collected by the property management parties, specific figures for these segments are unavailable for statistical analysis at this stage.

Energy Consumption by Type:



5.3 Green Office Operation

To effectively manage emissions and conserve energy, the Group has implemented diverse measures to reduce resource consumption and greenhouse gas emissions. Electricity conservation is at the core of our environmental strategy, with most offices equipped with energy-saving facilities, such as large window blinds to maintain room temperature and reduce air-conditioning load. Furthermore, we have fully adopted high-efficiency LED lighting, achieving energy savings of up to 70%. Our power systems are managed via timers that regulate electricity supply based on working hours. On a behavioral level, we encourage employees to turn off air conditioning 15 minutes before the end of the workday and adjust monitor brightness to save energy while protecting eye health.

Regarding air pollutant management, we utilize eco-friendly materials with low volatile organic compounds (VOCs) and formaldehyde, and have installed advanced energy-saving HVAC systems to reduce indoor particulate matter (PM2.5) concentrations. To mitigate transportation emissions, we have installed charging piles in our parking facilities to promote the use of electric vehicles. In terms of resource conservation, the Group actively promotes a "paperless office" by utilizing digital media for document processing and implementing waste paper recycling and double-sided printing policies. We have also partnered with manufacturers to produce pencils from recycled paper as part of our commitment to forest protection. For water management, we raise employee awareness through signage in restrooms; during the Reporting Period, the Group encountered no issues in sourcing adequate water for its operations. Additionally, to minimize food waste, our canteens strictly manage procurement and cooking based on the number of personnel, ensuring the efficient use of resources.

5.4 Project Management

The Group integrates environmental and social impact assessments into every stage of project development. During the early planning phase, we conduct comprehensive feasibility studies to identify potential obstacles, evaluating projects across financial, technical, and environmental dimensions. Prior to construction, we strictly fulfill compliance requirements by submitting environmental impact reports and registration forms to the relevant authorities. Our design philosophy prioritizes the harmony between human habitats and the natural environment, aiming to minimize the disruption of existing vegetation. Furthermore, we have significantly increased the proportion of fully decorated units. For projects in Wuxi and Qingyuan, we offered various fit-out standards and utilized centralized procurement for materials such as flooring and appliances, effectively reducing resource waste and secondary pollution caused by individual renovations.

During the procurement and tendering stage, environmental performance is a key criterion in our supplier selection process. We encourage partners to adopt eco-friendly technologies and equipment to enhance overall supply chain sustainability. During the construction and acceptance phase, the Group mandates that contractors implement rigorous on-site measures. These include road hardening, wheel washing, and the use of sealed transport vehicles for dust control, as well as the installation of noise detectors and strict adherence to designated working hours. To optimize resource usage, we implement rainwater harvesting, misting systems for concrete curing, and prioritize energy-efficient machinery. We also conduct detailed material layout planning to minimize waste. To mitigate community impacts, we adjust night-time lighting and use shielding for welding, while assigning dedicated personnel to manage chemical solvents to prevent soil and water contamination.

The Group ensures contractor compliance through on-site inspections, weekly sampling, and specialized testing for noise, electromagnetic radiation, and concrete quality. During the Reporting Period, all emission indicators met national and local standards. There were no material environmental violations, and the Group did not receive any significant administrative penalties related to environmental protection.

5.5 Community Operation

The Group implements comprehensive energy and waste management solutions across its property management operations. To optimize water usage, we have established a rigorous monitoring system involving regular audits of main and sub-meter readings to promptly identify and investigate anomalies. Furthermore, we conduct frequent leak inspections on cooling towers, expansion tanks, and supply pipelines, while enhancing landscaping irrigation techniques to improve water efficiency. In terms of electricity conservation, the Group optimizes public lighting by adjusting bulb wattage and operating hours, and reduces equipment start-up frequency to maximize operational efficiency.

Our waste management strategy focuses on source reduction and systematic classification. We have deployed recycling facilities throughout our communities and established three designated zones for recyclables, food waste, and general refuse. We also encourage residents to participate in recycling and reuse initiatives to minimize waste generation. Additionally, the Group conducts energy efficiency assessments for its managed properties to ensure all facilities meet national regulatory standards. We also leverage community communication channels to promote energy-saving practices and enhance environmental awareness among residents.

Prioritizing community well-being, the Group is committed to providing high-quality indoor environments. We commission certified agencies to perform rigorous indoor air quality (IAQ) testing for units prior to sale. By ensuring compliance with national and regional standards and maintaining harmful substances at minimal levels, we provide our customers with superior and healthy living and working environments.

5.6 Responding to Climate Change

Climate change has become a significant challenge facing the world today. The Group pays close attention to the various impacts arising from climate change and has fully integrated climate-related considerations into the Group's strategic planning. Commencing from this report, the Group will disclose climate-related information based on the four-pillar framework of "Governance, Strategy, Risk Management, and Metrics & Targets" in accordance with the relevant requirements of Appendix C2 of the Listing Rules.

Governance

The Group has fully integrated climate-related risks and opportunities into its governance structure at all levels. As the highest management body, the Board is responsible for guiding the development of sustainable development policies and strategies, tracking sustainable development goals and progress toward achieving them, and fully fulfilling deliberation, decision-making, management, and supervision responsibilities on related matters. To ensure climate-related issues are properly managed, the Board includes them in the agenda of regular meetings for deliberation at least once a year. These meetings focus on discussing the climate-related risks and opportunities facing the Group and assessing whether management has implemented effective measures to mitigate the impacts of climate change. Meanwhile, the Board annually reviews and monitors the progress of climate targets and revises relevant strategies as appropriate to ensure execution direction remains consistent with the Group's strategy. Furthermore, in overseeing the Group's strategy, major transaction decisions, risk management procedures, and related policies, the Board proactively conducts assessments incorporating identified climate-related risks and opportunities and considers trade-off factors related to such risks and opportunities.

To ensure the Board possesses the expertise required to fulfill its oversight role, the Group actively supports directors in enhancing their knowledge reserves and competencies in climate-related fields. Specific measures include providing professional learning resources, organizing specialized

internal training sessions, and assisting directors in participating in climate-related training and seminars organized by external professional institutions. These efforts continuously enhance the Board's ability to assess climate risks and opportunities and enable it to stay abreast of the latest development trends in climate risks and opportunities.

Building on the Board's strategic oversight, it has delegated day-to-day climate governance responsibilities to management. Management's core responsibilities include formulating sustainable development policies and strategies and reporting on the progress of climate-related assessment work, thereby enhancing the Group's climate resilience. All control requirements and implementation processes have been fully integrated into the relevant policies of various business departments of the Group, enabling the Group to proactively identify potential climate-related risks and opportunities, make data-driven decisions, and promote the implementation of concrete and actionable climate action plans.

Strategy

The Group is committed to enhancing its business resilience against climate change. To this end, we have refined our risk assessment processes to analyse the potential impacts of climate change on our operations and value chain, thereby evaluating and formulating optimal response measures. To advance these initiatives and address the limitations of previous risk assessment processes in identifying long-term climate impacts, the Group conducted its first comprehensive climate scenario analysis in FY2025. This analysis covered physical risks, transition risks, and opportunities, with detailed identification and assessment performed for each category.

· Physical Risks: Risks associated with the physical impacts of climate change, which may be driven by event-related hazards (acute risks) or by longer-term shifts in climate patterns (chronic risks).

· Transition Risks: Risks related to the transition to a low-carbon economy, which may involve changes in policy, legal, technological, and market aspects to meet climate change-related mitigation and adaptation needs.

To comprehensively analyse climate-related risks and opportunities that may arise during business development, the Group considered factors such as global temperature rise pathways, shifts in climate policies, and the time horizons of impacts. Accordingly, the Group selected scenario assumption models and relevant parameters from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) and the fifth phase of public reports by the Network for Greening the Financial System (NGFS). The selected climate-related scenarios align with the nature of the Group's industry and strategic objectives, as well as with China's "Dual Carbon" strategy and the Hong Kong SAR Government's target of achieving carbon neutrality before 2050. Furthermore, the Group anticipates that climate-related risks and opportunities will have significant impacts over the short, medium, and long term, covering periods up to 2030, 2040, and 2050, respectively. These time horizons are determined based on the Group's operational budgeting and business planning cycles.

In this scenario analysis, the Group assumed that emission reduction-related policies and reporting scopes would remain unchanged throughout the time horizon of potential risk impacts. The table below presents the climate-related scenario models selected for this analysis, covering both low-emission and high-emission scenarios, to provide a more comprehensive understanding of the various impacts of climate change on the Group.

Scope	Same as the reporting boundary, which covers the Group's offices located in Chinese mainland, encompassing business activities including property management, property sales, and other property-related services.
Scenario Used	**IPCC for physical risks analysis:** ·SSP 1-2.6 : Global warming reaches 2.0° C. Governments' social, economic and clean energy transitions align with historical trends. Stringent policies amplify transition risks for enterprises, while physical risks remain notable. ·SSP 5-8.5 : Global warming exceeds 4° C. Delayed government climate action, stalled emission reduction/adaptation and insufficient policies drive extreme climate impacts, increasing enterprises' immediate and long-term physical risks. **NGFS for transition risks analysis :** ·Net Zero 2050 : Early adoption of stringent climate policies. By reducing energy demand and advancing low-carbon technologies, it aims to limit global warming to well below 1.5° C and achieve global net-zero carbon dioxide emissions around 2050. ·Current Policies : Only currently implemented climate policies remain in place, leading to continued growth in GHG emissions. Global warming is projected to exceed 3° C, resulting in severe physical risks.

The Group recognises that integrating both quantitative and qualitative analysis would deliver a more comprehensive assessment of climate-related risks and opportunities. However, the Group cannot reliably compile various cross-industry metrics for these climate issues in a reasonable and cost-effective manner, as relevant operational data is fragmented across business units and industry-accepted measurement methodologies for such metrics remain highly uncertain. Besides, the Group's climate-related actions (such as maintenance of a robust, resilient business operations and monitoring of emerging climate regulations) are fully embedded within day-to-day business operations, with no separately identifiable funds earmarked specifically for addressing climate-related risks and opportunities. This operational integration further prevents the Group from providing quantitative data on the current and anticipated financial effects of these climate initiatives.

Nevertheless, the Group has identified the core financial effects of key climate risks and opportunities and provided detailed qualitative disclosures in the tables below. We are also actively enhancing internal data integration systems and scenario-modeling capabilities to gradually improve the granularity of quantitative climate disclosures, and commit to promptly disclosing the quantitative impacts on our financial position, financial performance, and cash flows should material adjustments be made to our operational strategy.

The following 5 climate-related risks and opportunities have been identified from assessment and analysis under the selected scenarios and time horizons (2030-2050). Detailed qualitative assessment results for these risks and opportunities are presented in the tables below.

Types of Risk		Key Affected Area	Materiality Level [1]			Impact on Business	Impact on Financial Performance
Physical Risks			Short term	Medium Term	Long Term		
Acute Risk	Extreme Weather Events	Offices and properties located in Chinese mainland				**Business model:** The Group may be forced to suspend or abandon part of coastal projects and downsize its business layout;	**Revenue Loss:** The operation of existing coastal properties cannot function normally,leading to disrupted income and asset impairment;
Chronic Risk	Change in Precipitation Patterns					**Value Chain:** Owners of coastal projects may withdraw due to safety risks, resulting in the loss of customer groups. The supply chain layout for coastal projects also requires restructuring.	**Cost Spikes:** Extreme weather events cause damage to infrastructure, incurring maintenance costs as well as compensation for property losses incurred by owners
Transition Risks							
Change in Market Demand	Consumer preferences are shifting toward green buildings and properties, which is directly influencing their purchasing decisions.	Offices and properties located in Chinese mainland				**Business model:** The property service model needs to upgrade green service-related content (e.g., greening maintenance);	**Revenue Shifts:** Financing costs for non-green projects have risen, while upfront investment in the development of green projects has increasing;
						Value Chain: The sales pace of non-green projects has slowed down. It is also necessary to re-screen green building material suppliers and optimize the supply chain structure.	**Increasing Costs:** Increased investment in the marketing of green projects has led to higher marketing costs.
Policy & Regulation Tightening	New carbon taxes, ESG disclosure mandates, and sustainability regulations in key markets.	Offices and properties located in Chinese mainland				**Business model:** Risk of reputation damage from non-compliance, which may erode brand standing and weaken the trust of our customers, investors, and partners place in our business.	**Compliance Penalties:** Financial fines for failing to meet climate disclosure requirements.
						Value Chain: Mandatory emissions tracking and reporting across operations	**Governance Costs:** Higher expenditure for carbon accounting tools, new reporting system, and sustainable packaging.
Opportunities			Short term	Medium Term	Long Term		
Operational Energy Efficiency Optimization	Implementation of energy-efficient production lines in offices and properties.	Offices and properties located in Chinese mainland				**Business model:** Enhanced operational resilience by reducing reliance on grid energy.	**Costs Savings:** R educed electricity costs boost operating margins
						Value Chain: Streamlined factory operations through the adoption of energy-saving systems.	**Capital Efficiency Enhancement:** Extend equipment lifespan, reduce the frequency of equipment replacement and upgrades, and lower capital expenditure.

[1]Materiality Definitions
[light color]: Handle through standard existing processes;
[regular color]: Need to be monitored consistently;
[dark color]: Require management strategy planning and implementation tracking.

Mitigation and Response Measures of Risks and Opportunities Assessment Result:

Types of Risks	Mitigation Measures
Extreme Weather Events	·Incorporate crisis management plans, emergency response procedures, and special work arrangements into the Employee Handbook. ·Conduct regular reviews of special work arrangements designed for severe weather conditions. ·Proactively inspect and upgrade the drainage systems in managed residential compounds and construction sites in advance.
Change in Precipitation Patterns	
Change in Market Demand	·Evaluate and optimize criteria for partners and product selection to align service standards with market low-carbon demands. ·Consider launching surveys on customer low-carbon service needs to inform strategic business adjustments.
Policy & Regulation Tightening	·Closely monitor international climate governance trends and policies/ regulations relevant to operations; regularly identify, assess, and oversee potential climate-related risks and opportunities. ·Track regulatory updates and drive the implementation of internal compliance measures.
Types of Opportunities	**Response Measures**
Operational Energy Efficiency Optimisation	·Optimize the operation of facility systems (e.g., HVAC, lighting) to reduce energy consumption. ·Assess the feasibility of adopting renewable energy sources to reduce reliance on traditional grid power.

While the Group has not yet developed a dedicated climate-related transition plan, we have already implemented the aforementioned mitigation and response measures, which are funded and executed through the Group's internal capital and existing human resources. The Group has also explicitly identified the material Scope 3 categories relevant to the Group and established climate-related targets during the Year to fully advance its decarbonisation and climate resilience efforts.

During the Year, the Group did not incur any capital expenditure, financing, or investment specifically dedicated to climate-related risks and opportunities. In addition, we have implemented the mitigation and response measures disclosed in the previous reporting period across all operating locations.

Despite these proactive actions, the Group faces key uncertainties that may constrain the effective implementation of our future climate resilience plans. These include the uncertain pace of global and regional climate policy updates, the evolving pace and severity of physical climate change impacts, and the unclear timing and stringency of future climate-related regulatory requirements applicable to the Group. Nevertheless, the Group believes we possess a robust capacity to adjust and adapt our strategy and business model to address climate change across the short, medium, and long term. This adaptive capacity is embedded in the Group's ongoing strategic planning and operational management, enabling timely adjustments to business priorities, operational processes, and value chain collaboration in response to evolving climate risks, regulatory changes, and market dynamics.

Going forward, the Group will regularly monitor climate-related risks and opportunities, evaluate the effectiveness of mitigation measures, adjust strategies based on operational performance, and track the progress of all climate-related target achievements through daily monitoring. The Group will adjust climate-related targets in a timely manner based on operational performance and external climate trends to ensure the targets are both feasible and ambitious. We will also optimise mitigation and response measures as needed, aligned with target progress and the results of effectiveness evaluations. These clear goals will guide the orderly advancement of all climate response initiatives, effectively support the Group in meeting its established climate-related targets, and further strengthen the Group's adaptive resilience to climate change challenges.

Risk Management

The Group has integrated the processes for identifying, assessing, prioritising, and managing climate-related risks and opportunities into the overall risk management framework and system to embed climate risk management into day-to-day operations. We also ensure that the Group effectively addresses the challenges posed by climate change. This integration aligns with our existing risk management structure and no significant changes were made to our risk management process during the Year.

Throughout the processes, the Group considers parameters such as asset location and type, historical exposure to extreme weather and energy consumption patterns. Climate data from the publicly available scenario sources, as well as internal data such as utility consumption records and operational incident logs are utilized. Below are the summary of the climate risk and opportunity management process of the Group:

1. Identification

By researching climate change trends, domestic and international industry developments, and technological shifts, and by incorporating benchmarking against peers, stakeholder feedback, as well as our own operational status and business characteristics, the Group conducts climate scenario analysis. Through this research, benchmarking, and analytical efforts, the Group comprehensively and objectively identifies the potential climate risks and opportunities facing our offices and properties in Chinese mainland, ensuring that the list of climate risks and opportunities covers all key stages of the entire business process.

2. Evaluation

The Group conducts a comprehensive assessment to analyse the potential impacts of climate-related risks and opportunities on our business model, value chain, and financial performance, as well as the likelihood and magnitude of these risks and opportunities. This assessment utilises data and parameters consistent with the identification phase and covers the same reporting scope and business processes.

3. Prioritisation

Based on the assessment results of climate-related risks and opportunities, the Group prioritises the identified items according to their likelihood of occurrence and impact magnitude. This prioritisation process is aligned with the Group's overall risk management framework and business objectives.

4. Monitoring

The Group's management regularly evaluates and monitors the identified climate-related risks and opportunities, as well as the effectiveness of corresponding mitigation and response measures. Furthermore, management regularly reports to the Board of Directors on the identification, assessment, and management outcomes of climate-related risks and opportunities. This strengthens the Board's oversight of risk and opportunity management, ensuring that risk response measures and opportunity capture initiatives are effectively implemented.

Metrics and Targets

The Group has designated enhancing climate resilience and implementing a sustainable operating model as core strategic priorities, consistently striving to ensure that our sustainability goals and related action plans align with global sustainability standards. The Group prioritises benchmarking against China's "Dual Carbon" strategy and the Hong Kong region's carbon peaking and carbon neutrality targets, which also serve as crucial support for China's fulfilment of its obligations under the Paris Agreement.

To align with the aforementioned climate frameworks, the Group continuously drives decarbonisation by optimising operational processes and has established emission reduction and management

targets that match the requirements of these frameworks. Although these targets have not yet been verified by an independent third party nor formulated using industry decarbonisation pathway methodologies, the Board of Directors will annually monitor progress and performance against these targets and assess whether revisions are necessary. Furthermore, the Board will continuously refine the mechanisms for target setting, assessment, and verification to ensure the transparency and credibility of the Group's decarbonisation actions.

To translate these targets into tangible emission reduction outcomes, the Group focuses on achieving substantive decarbonisation through energy efficiency improvements and operational process optimisation. At this stage, the Group has no plans to use carbon credits for emission offsetting; however, it will closely monitor developments in the carbon credit market and related policies. This will enable the Group to leverage such tools as supplementary support for achieving its long-term carbon neutrality goals at the appropriate time.

Category of Target	Description
GHG Emission	Reduce Scope 1 and 2 GHG emission intensity by 3% by 2026, with a baseline of 2024.
Energy Management	Reduce total energy consumption intensity by 3% by 2026, with a baseline of 2024.
Waste Management	Reduce non-hazardous waste intensity by 3% by 2026, with a baseline of 2024.

During the Year, the Group conducted a GHG identification, assessment, and inventory activities to effectively manage our GHG emissions. These activities covered the Group's offices and properties located in Chinese mainland, with our Scope 1 and Scope 2 emissions accounting completed in accordance with the requirements of the “Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004)”. Besides, the Group completed a preliminary mapping of our Scope 3 emissions sources with reference to the “Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)”. After taking into account our core operations, the estimated scale of emissions, data availability, and peer research, the following categories are included in our Scope 3 calculation:

- **Category 1: Purchased goods and services**
- **Category 5: Waste Generated in Operations**

During the Year, the summary of GHG emissions of the Group is illustrated as below:

GHG Emissions	Unit	2025	2024
Total GHG Emissions[1,2]	**tCO2e**	**204**	337
Total GHG Emissions intensity	**tCO2e / employees**	**1.57**	2.17
Scope 1 – Direct emissions[3]	**tCO2e**	**21**	33
Scope 2 – Energy indirect emissions[4]	**tCO2e**	**132**	278
Scope 3 – Other indirect emissions[5]	**tCO2e**	**51**	26

Notes:

1.The Group uses an operational control approach for GHG emission accounting. This methodology defines the accounting scope based on the Group's authority to enforce operational policies across its business activities, which more accurately reflects its actual responsibilities in carbon emission management, helps strengthen GHG emission monitoring and governance, and ensures that accounting outcomes align with its sustainability goals.

2.The calculation methodology of GHG emissions is align to “Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004)”. Emission factors used for calculation are reference from “Appendix 2 : Reporting Guidance on Environmental KPIs” issued by HKEX, and the “Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong” published by the Environmental Protection Department and the Electrical and Mechanical Services Department. The Group's GHG emissions include carbon dioxide, methane and nitrous oxide, and is presented in tonnes of carbon dioxide equivalent (tCO2e) for better readability.

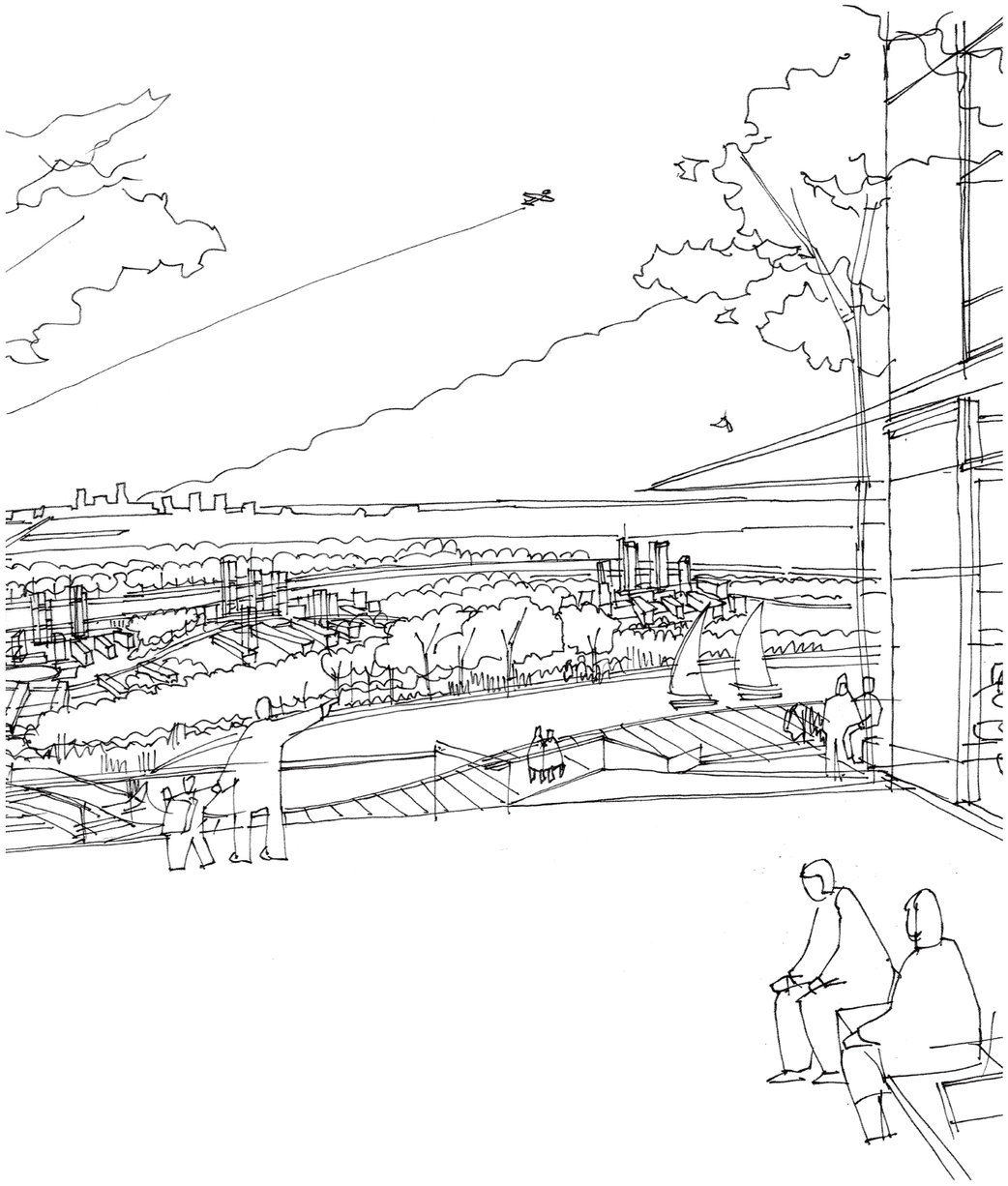
3.Scope 1 refers to direct GHG emissions, which include fuel consumption by vehicles. The emission factors for different types of vehicles are provided by the “Energy Statistics Manual” published by the International Energy Agency (IEA). The emission factors for Global Warming Potential is provided by the “Sixth Assessment Report” provided by the Intergovernmental Panel on Climate Change (IPCC).

4.Scope 2 refers to indirect GHG emissions, which include electricity purchased from power companies. The emission factors used for calculating greenhouse gas emission of purchased electricity are based on the data provided by The Hong Kong Electric Company, Limited and China Light & Power Company, Limited.

5.Scope 3 emissions refer to other indirect greenhouse gas emissions, encompassing the following categories: Category 1: Purchased goods and services and Category 5 (Waste Generated in Operations). All emission calculations are conducted in strict accordance with the "Appendix II: Environmental Key Performance Indicators Reporting Guidance" issued by The Stock Exchange of Hong Kong (HKEX).

Aligned with the Group's key strategic focus on optimising core business performance and creating long-term value and consistent with our current risk management approach. The Group has not yet incorporated internal carbon pricing (ICP) mechanisms or integrated climate-related factors into our remuneration policy or governance frameworks. This is primarily because these elements have not demonstrated direct and material relevance to our industry, current operational priorities or financial decision-making needs. The Group will continue to monitor advancements in climate-related indicators, industry best practices and ICP applications and will proactively assess the feasibility of integrating these elements into our governance frameworks and remuneration policies when conditions mature.

6. Our Community



The main business of the Group is property development and community operation, therefore the Group is in itself and inevitably linked to community contribution. Sticking to our vision in providing houses with the highest cost-performance ratio in the world, we spare no effort in cutting cost while at the same time providing houses and community with the best quality. Apart from making our properties physically comfortable, we lay emphasis on the mental and social health of our customers by promoting social interaction, stimulating youth culture and fostering parent-child relationship in families. In addition to our development and construction projects, our commitment to caring for the community can also be reflected by our efforts in supporting the development of start-ups and local education, as well as the efforts made on historical culture conservation. The amounts of contribution and the hours of activities hosted by the Group during the Year are listed below:

Community Contribution		2025
Aspects of Contribution	**Contribution Amount (RMB)**	**Hours of Activities Hosted**
Culture[1]	664,690.54	6,138
Sports[2]	54,491.1	4,331
Education[3]	24,310.41	152.5
Health[4]	1,200	51

Notes:
1.The Group has organised cultural activities including cultural events of history and traditional festivals, art exhibitions and music festivals for promoting Chinese culture.
2.The Group actively sponsors local sports competitions to advance community sports development.
3.The Group has organised a variety of talks and seminars for passing on skills and social experience.
4.The Group has organised free medical consultations and community fitness activities to promote community health.

6.1 Fostering Connections and Innovation

In 2025, the Group continued to cultivate integrated "Commercial + Social" scenarios. By establishing distinctive night markets and hosting large-scale sports events and recruitment fairs, we not only catalyzed regional commercial vitality but also provided residents with entrepreneurial opportunities and expansive social platforms. This initiative marks a strategic transformation from a "Community Service Provider" to an "Urban Vitality Engine." While enhancing the commercial value of our projects, we have also injected new momentum into regional economic development and social interaction, further enriching the service essence of our humanistic communities.

Commercial Street Series Operations: Revitalizing Liuzhou Yaobu Ancient Town

In 2025, Liuzhou Yaobu Ancient Town continued to serve as a pivotal intersection of commerce and culture. The Group organized the "2025 New Year Market & Folk Custom Gathering," successfully merging traditional heritage with modern consumer trends. This initiative not only cultivated a vibrant festive atmosphere but also acted as a key driver for the commercial revitalization of the district.

To further empower local economic and community development, the Group hosted specialized events for young entrepreneurs and job seekers, including the "2025 Liuzhou Yufeng District Private Enterprise Recruitment Month Special Job Fair" and the "Welfare Lottery Charity Tour." These initiatives provided residents with vital employment information and offered micro-enterprises a platform to showcase their potential. By fostering local economic circulation, the Group has demonstrated its strategic evolution from a community service provider into a robust engine for urban vitality.





Cultural Tourism and Night Economy: Activating Urban Vitality in Yixing

In 2025, the Yixing project leveraged its unique water resources and community spaces to create a phenomenal commercial and cultural IP. In response to the "Night Economy" initiative, we hosted the "Su Chao" night market. By extending business hours within the community, this event provided a low-cost exhibition platform for local micro-businesses and entrepreneurs, successfully attracting significant footfall and becoming a preferred destination for residents' nighttime leisure.

Furthermore, the Yixing team integrated traditional festivals with modern entertainment by hosting the 2025 Dragon Boat Race and Water Carnival. The Dragon Boat Race preserved the spirit of athletic perseverance and strengthened community cohesion, while the Water Carnival offered residents a fresh social experience during the summer through engaging aquatic activities. This "Water-Land Linkage" strategy significantly bolstered the project's brand influence, achieving a synergistic outcome for both commercial value and community reputation.





6.2 Stimulating Youth Culture

The Group is dedicated to creating cultural spaces that resonate with youth aesthetics, fostering community vitality through art festivals, music parties, and trendy pop-up events.

【Lijiang】2025 Wilderness Country Art Torch Festival

Lijiang Snow Mountain Art Village invested 60,000 RMB to host the "2025 Wilderness Country Art Torch Festival." This 5-day event attracted a significant number of young tourists and artists. By integrating traditional Naxi Torch Festival rituals with avant-garde art exhibitions and musical performances, the event showcased the charm of cultural heritage alongside contemporary creative expressions. This cultural initiative has successfully established the Lijiang project as a premier cultural landmark for the younger generation, achieving the dual goals of cultural preservation and spatial revitalization.





Trendy Pop-ups and Music Celebrations: Revitalizing Ancient Towns with Technology

In Liuzhou Yaobu Ancient Town, the Group organized the "YAO Play Music New Year Party" featuring a grand drone light show. By merging cutting-edge technology with contemporary music, the event attracted approximately 2,000 participants. These trendy gatherings provide a stage for the younger generation to showcase their individuality and engage in social interaction, infusing the historic district with vibrant energy and successfully rejuvenating the ancient town with a youthful glow. This initiative reflects the Group's modern operational approach to spatial revitalization.





6.3 Supporting Local Education

Our Group transforms communities into a "second classroom" for skill enhancement and literacy by organizing various public welfare lectures and science popularization activities.

[Shenyang] TCM Public Welfare & Skill Inheritance

Shenyang Sunshine 100 Phoenix Community innovatively launched the "TCM into Buildings" initiative, providing health consultations for young professionals. Concurrently, the "Ingenuity Intangible Heritage: Life in Cloth" tie-dye workshop was held, allowing white-collar workers to experience the charm of intangible cultural heritage during their leisure time.





[Changsha] National Defense & Environmental Education

Changsha Sunshine 100 Phoenix Street hosted "National Defense Education into the Community" and the "Plastic Metamorphosis" environmental course. Through physical displays and interactive teaching, these events popularized national defense knowledge and environmental concepts among teenagers.





6.4 Blending History and Modern Culture

We are dedicated to revitalizing historical civilization within modern communities. By integrating festival celebrations with humanistic landscapes, we foster cultural resonance.

[Weifang] "Our Festivals" Series

Weifang Sunshine 100 Phoenix Community has established a comprehensive annual festival cultural system. Events such as the "New Year Carnival," "Lantern Festival Riddle Party," and "Dragon Boat Festival Craft Salon" are seamlessly integrated into modern building spaces, allowing urbanites to appreciate millennium-old traditions amidst their busy lives.





[Shenyang] Harmonious Coexistence of Nature & Culture

Leveraging the natural scenery of the "Hunhe Evening Ferry Park," we organized hiking events and Dragon Boat Festival celebrations. These activities combine traditional customs with modern healthy lifestyles, showcasing the aesthetic fusion of historical landscapes and contemporary living.





6.5. Community Donations and Volunteering

Our Group actively organizes donation drives and volunteer services, precisely addressing the needs of vulnerable groups.

[Liuzhou] Community Convenience & Love in Motion

Liuzhou Sunshine 100 City Plaza has consecutively held nine editions of its charitable donation drive for used goods. Additionally, regular "Charitable Haircut" services are provided, offering free haircuts for the elderly to effectively solve daily living challenges for residents.





[Tianjin] Winter Warmth Campaign

Addressing the harsh winter conditions, Tianjin Sunshine 100 International New City distributed winter supplies to families in need, ensuring that care precisely reaches every resident requiring assistance.



7. Conclusion

During the reporting period, the Group spared no effort in implementing work related to environmental, social and governance (ESG). We strictly complied with laws and regulations and focused on aspects such as employee health and safety, training and development, product and customer service quality, and information protection to meet the expectations of stakeholders towards the Group. We also continued to implement environmental protection measures and further improved the Group's environmental performance, while bringing a wealth of projects and activities to the community. Looking ahead, the Group will continue to be vigilant against potential environmental and social risks in business operations and development. We are committed to improving ESG policies and increasing our efforts in aspects such as urban functions, employee and customer care, and the utilization of natural and cultural resources, so as to build more valuable sustainable communities. We hope that our vision and philosophy can not only spread within the industry, but also reach the whole world, bringing continuous benefits to society.

VERIFICATION STATEMENT

SHINEWING Sustainability Advisory Services Limited (“SHINEWING Sustainability”) has been engaged by Sunshine 100 China Holdings Ltd (HKSE Stock Code: 02608) and its subsidiaries (collectively referred to as the “Sunshine 100”) to undertake an independent verification on Environmental, Social and Governance Report 2025 (“ESG Report”). The ESG Report set out the environmental and social performance of Sunshine 100 from 1 January 2025 to 31 December 2025; and has been prepared in accordance with the requirements of Appendix C2 - “Environmental, Social and Governance Reporting Code” of the Rules Governing the Listing of Securities” of the Stock Exchange of Hong Kong (“ESG Reporting Code”)

Objective

This independent verification statement is solely for the use of the stakeholders and management personnel of Sunshine 100. The statement has been prepared in English and Chinese versions. Should there be any discrepancies between these versions, the English version shall prevail.

Responsibilities of Sunshine 100

Sunshine 100 is responsible for the data collection, calculation, making estimates and preparation of the ESG Report. Sunshine 100 is also responsible for implementing sound internal control procedures to ensure the content and presentation of the ESG Report are free from material errors.

Responsibilities of SHINEWING Sustainability

SHINEWING sustainability is responsible to provide an independent verification statement to stakeholders based on the scope and methodology described. We do not assume responsibility or accept liability to any other person for the contents of this report.

Independence

SHINEWING Sustainability is independent to Sunshine 100. There is no relationship between SHINEWING Sustainability and Sunshine 100 beyond the contractual agreement for providing the verification service.

Inherent Limitation

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. Further, greenhouse gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Scope

The scope of the verification statement is limited to the data and information in the ESG Report. Sunshine 100 selected several specified performance information in the ESG Report for the verification purpose, which included the Scope 1&2 greenhouse gases , and energy and resource consumption data (collectively referred to as “Specified Performance Information”) set out in the ESG Report.

Methodology

The verification is with reference to (i) AA1000AS v3, Type 2 Engagement and Moderate Level of Assurance; (ii) ESG Reporting Guide; and (iii) SHINEWING Sustainability Procedures of Verification on ESG and Sustainability Report.

Within the scope of our work, SHINEWING Sustainability performed amongst others the following procedures:

• Review the preparation process of the ESG Report, including stakeholders engagement and materiality assessment.

• Verify the system and process of collection, analysis and reporting of selected data.

• Interview the manager responsible for sustainability performance and data collection.

• Verify the samples of the representative data and information selected, including review on conversion data and calculation as well as inspect the original data and supporting evidence of the data selected during the verification process.

• Assess whether the preparation of the ESG Report by Sunshine 100 responded to the principles of Inclusivity, Materiality, Responsiveness, and Impact as defined in the AA1000AS v3.

Conclusion

With reference to the AA1000AS v3 principles of Inclusivity, Materiality, Responsiveness and Impact, our conclusions are as follows:

• Inclusivity: Sunshine 100 has identified key stakeholders and has understood stakeholders’ needs and concerned issues through various forms of stakeholder engagement. Sunshine 100 has demonstrated that their formulation of policies accounted for stakeholders’ expectations and their impacts.

• Materiality: Sunshine 100 has accounted for stakeholders' needs and concerned issues, and has disclosed identified material issues based on its unique business characteristics, legal and regulatory requirements, economic, environmental and social impacts, etc. Sunshine 100 has disclosed the methodology, process and outcome of the assessment on material issues.

• Responsiveness: Sunshine 100 has established channels for its stakeholders to understand their concerns and expectations. Meanwhile, through the ESG Report, Sunshine 100 has disclosed corporate sustainability strategies, management systems, management key points, key stakeholder participation activities as well as major sustainability development related issues to respond to key stakeholders.

• Impact: Sunshine 100 has considered and evaluated its impacts and realised its impacts on stakeholders, so as to make a more effective decision-making and result-based management within the organisation.

• Specified Performance Information: Based on the procedures that SHINEWING Sustainability has performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Specified Performance Information is not reliable or is not in the quality of the basis of reporting as set out in the ESG Report.

About SHINEWING Sustainability

SHINEWING Sustainability has studied, standardized and verified corporate environmental performance data since 2016. SHINEWING's Sustainability team possesses relevant professional technical capability and experience. The relevant personnel received professional training regarding sustainability standards such as GRI Sustainability Reporting Standards issued by Global Reporting Initiative, AA1000AS v3, ESG Reporting Guide, ISO 14064 and PAS2600.

SHINEWING Sustainability Advisory Services Limited

Hong Kong

26th April, 2026

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