The United Laboratories International Holdings Limited

(A company incorporated in the Cayman Islands with limited liability)
(Stock Code: 3933)

2025

Environmental, Social and Governance Report

Content

The images used in this report have been authorized.

01 About this Report

This Environmental, Social and Governance ("ESG") Report (the "Report") published by The United Laboratories International Holdings Limited (the "Company") (Stock Code: 3933.HK) describes the work carried out and the performance achieved by the Company and its subsidiaries (collectively, "The United Laboratories", the "Group" or "we") in relation to sustainable development during the period from 1 January 2025 to 31 December 2025 (the "Year" or the "Reporting Period"). Certain contents trace back to previous years or extend to the date of disclosure of this Report.

1.1 Scope of the Report

The Report covers the Group's management approaches and annual performance in environmental and social aspects relating to its pharmaceutical R&D, production and sales businesses. During the Year, the disclosure scope of environmental key performance indicators primarily covered the production workshops of The United Laboratories (Inner Mongolia) Co., Ltd., excluding its fossil-fuel power station located in Inner Mongolia. The Group will continue to expand the scope of environmental data disclosure and gradually cover more subsidiaries. For details of corporate governance, please refer to the Corporate Governance Report in the Company's Annual Report.

1.2 Reporting Framework

The Report has been prepared in accordance with Appendix C2 Environmental, Social and Governance Reporting Code (the "Code") to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Unless otherwise specified, the currency unit used in this Report is Renminbi.

1.3 Reporting Principles

The Report has been prepared in strict accordance with the four reporting principles set out in the Code, so as to ensure the rigour, relevance and transparency of its contents.

1.3.1 Materiality

The contents of the Report were determined based on comprehensive stakeholder participation and materiality assessment process. This process included the systematic identification of ESG-related issues, the collection and review of opinions and suggestions from management and various stakeholder groups, and the assessment of the relative importance of each issue to the business and stakeholders. Ultimately, this Report focuses on and discloses the key issues of common concern to stakeholders.

1.3.2 Quantitative

To facilitate stakeholders' comprehensive understanding of the Group's ESG performance, the Report discloses quantified environmental and social key performance indicators. To ensure measurability and reliability, the calculation standards, methodologies, reference data and data sources for the relevant indicators are set out in detail in the corresponding sections of this Report.

1.3.3 Consistency

To facilitate stakeholders' comparison of the Group's ESG performance across different years, we have, where reasonably practicable, adopted a consistent reporting format and statistical methodology. The calculation methods and data boundaries adopted in this Report are consistent with those used in previous years' reports. Where any changes affecting comparability have been made, detailed explanations are provided in the relevant sections.

1.3.4 Balance

The Group is committed to presenting its ESG performance in a comprehensive and impartial manner. This Report sets out our ESG achievements and challenges in an unbiased manner and seeks to avoid any selections, omissions or presentation formats that might improperly influence the decisions or judgement of readers, thereby ensuring that stakeholders have access to fair and objective information.

1.4 Information and Feedback

For further information about the Company's sustainable development, please refer to the official website of The United Laboratories International Holdings Limited at http://www.tul.com.cn/ and its Annual Report. Should you have any comments or suggestions on the Report, please feel free to contact us by email at tulir@tul.com.hk.

02 Annual Performance Review

2.1 Chairman's Statement

As time moves forward and a new chapter unfolds, The United Laboratories entered 2025 with an unwavering commitment to its tenet of making life more valuable. Together with partners from all sectors, we continued to move steadily forward on the broad path of pharmaceutical innovation. Against the backdrop of the continued deepening of reforms in the medical and healthcare system, we have consistently adhered to the R&D philosophy of "Pragmatic and Rigorous, Scientific and Truth-seeking, Future-focused and Innovative". Supported by the development of a high-calibre talent pipeline, we continued to increase investment in research and development, drive breakthroughs in key technologies and accelerate product iteration and upgrading. Backed by a scientific and efficient management system, we continuously optimised product and service quality and, with a spirit of pursuing perfection, guided the Company towards a new journey of high-quality and sustainable development.

In terms of business layout, The United Laboratories continued to strengthen its presence in the core areas of pharmaceutical R&D, production and sales. Our product portfolio covers finished products, bulk medicine and intermediate products, veterinary drugs, pharmaceutical capsules and medical devices, forming a diversified, coordinated and well-structured product system. Guided by the goal of meeting people's healthcare needs, we closely track global frontiers in new drug R&D, focus on clinical value and differentiation strategies, and make forward-looking investments in innovative drugs and high-barrier complex preparations. Through continuous product innovation and quality enhancement, we contribute to building a stronger health protection barrier for the wider population.

To further respond to the "Healthy China" strategy, we continued to enhance the accessibility and affordability of pharmaceutical products. In light of regional differences across overseas markets, we adopted locally adapted and equitable pricing strategies to ensure that high-quality medicines can benefit more people and help narrow disparities in global healthcare resources. At the same time, we actively expanded our international business footprint, promoted broader coverage of products included in the National Medical Insurance List and the National Essential Drugs List, and participated extensively in the National Centralised Procurement Scheme for Pharmaceutical Products, thereby effectively reducing patients' medication burden. Through organising and participating in high-level academic exchanges, we remained committed to advancing and sharing progress in global healthcare.

In response to the profound impact of global climate change, we proactively incorporated climate risk response and opportunity identification into our strategic vision. We actively identified climate-related risks and opportunities across our production and operations as well as our value chain, promoted energy conservation, emission reduction and optimisation of the energy mix, and explored application scenarios for low-carbon technologies in the pharmaceutical sector. We also sought breakthroughs in green manufacturing and the circular economy, with a view to transforming climate challenges into new drivers of innovation-led development.

Talent is the most valuable asset of the enterprise. The United Laboratories has always adhered to a people-oriented development philosophy. On the basis of safeguarding employee rights, interests and safety, we have established diversified and multi-level training and development systems to help employees enhance their professional competence and overall capabilities, thereby achieving resonance between individual growth and corporate development. We attach great importance to the physical and mental well-being of our employees. Through a wide range of cultural activities, we foster a harmonious and supportive working environment and strengthen team cohesion and employees' sense of belonging. Meanwhile, we uphold the business principle of "Friendship, Equality, and Mutual Development", continue to improve supply chain management, strengthen information security and integrity governance, and consolidate the foundation for the Group's steady development.

With responsibility on our shoulders, we continue to move forward without pause. The United Laboratories actively fulfils its social responsibilities by continuing to engage in diverse areas including chronic disease prevention and treatment, industrial assistance, educational support, disaster relief and pet welfare, while encouraging employees to participate in volunteer services and convey the warmth of the enterprise. Since the launch of the "Filial Piety Swallows" Charity Project, we have continued to promote and deepen the initiative. As at the end of the reporting period, over 100 activities had been carried out cumulatively, benefiting approximately 8,400 person-times in total, demonstrating our commitment as a responsible corporate citizen through practical actions.

Looking ahead to 2026, The United Laboratories will embrace a new chapter of development. We will respond to industry transformation with an open and inclusive mindset and continue to consolidate our core competitiveness in innovative drugs and high-barrier complex preparations. We will fully integrate ESG concepts into our corporate strategy and operational practices and comprehensively enhance our sustainable development capabilities through the deep application of digital and intelligent technologies. While providing higher-quality pharmaceutical products and services, we will actively practise the concept of green and low-carbon development and build a diversified and mutually beneficial development platform. Leveraging our corporate influence as a bridge, we are willing to work hand in hand with our partners to build a sustainable industry ecosystem and inject stronger strength into the realisation of the "Healthy China" strategy.

Chairman
Tsoi Hoi Shan

2.2 ESG Performance and Honours in 2025

2.2.1 Annual Performance

Integrity in Action
Compliance-Driven Development

- **27** training sessions on compliance and business ethics
- **127** patents for inventions, utility models and designs in total
- **0** cases involving any data leakage

Environmental Governance
Protecting Lucid Waters and Lush Mountains

- Energy consumption per tonne of product decreased by **4.8%**
- Recycling rate of reclaimed water reached **100%**
- Water consumption per tonne of product decreased by **5.9%**

Innovation-Driven
Nurturing Life and Health

- Annual R&D investment amounted to RMB **1,005** million
- **71** products were included in the National Medical Insurance List
- **32** products were included in the National Essential Drugs List
- Total **35** products passed the Consistency Evaluation
- **100%** Response rate to user complaints reached
- **0** incidents of adverse reactions due to defective drug quality

Tracing Back to the Source
Shouldering our Responsibility

- **100%** of suppliers signed the "Integrity Cooperation Agreement"
- **99.3%** Pass rate of suppliers in online and offline audits

People-Oriented
Building a Healthy Workplace Together

- **337,360** Total training hours for employees reached
- **39.7%** Female management ratio
- A total of **3,369,800** shares were granted under the Employee Share Incentive Scheme

Public Welfare as a Bridge
Advancing Community Development Together

- **25** "Filial Piety Swallows" charity activities were carried out during the Year
- Total amount of voluntary blood donation by employees during the Year **60,000** ml

ESG Rating Performance

MSCI ESG Rating **AA**

2.2.2 Annual Honours and Awards

The United Laboratories
2025 Top 20 ESG Competitiveness Ranking of Chinese Pharmaceutical Listed Companies

The United Laboratories
Best ESG Pioneer Practice Listed Company

The United Laboratories
ESG Excellence and Influence Enterprise

The United Laboratories
Best ESG Award at the 8th and 9th China Excellent IR Awards

The United Laboratories
TVB ESG Awards 2025
ESG Special Recognition Award

The United Laboratories
2025 China Times ESG Dandelion Exemplary Case

Zhuhai United Laboratories Trading Co., Ltd.
Boundless Love, Sincere Support for Persons with Disabilities award

The United Laboratories
ESG Responsible Enterprise Award
Global Preferred Partner Award

The United Laboratories
2025 Top 30 API Business in China
2025 Top 101 Pharmaceutical Industry in China

Zhuhai United Laboratories Co., Ltd.
Ranked 23rd among the Top 100 Enterprises in China's Pharmaceutical Industry by Main Business Revenue in 2024

Zhuhai United Laboratories Co., Ltd.
Top 500 Manufacturing Enterprises in Guangdong Province in 2025

The United Laboratories
Top 40 Leading Chinese Innovative Pharmaceutical Enterprises Going Global in 2025

聯邦®阿莫仙®
Best-selling Products in China's Pharmaceutical Retail Market for 2024-2025 Xiding Award

The United Laboratories
Most Influential Industry Brand Unit in Guangdong Province in 2025

The United Laboratories
Most Creative Corporate Communications Award on the 2024 Influential Listed Companies Ranking of Huasheng Community

聯邦®阿莫仙®
"2025 Healthy China Brand List" CPEO Gold Award

03 About The United Laboratories

3.1 Group Introduction

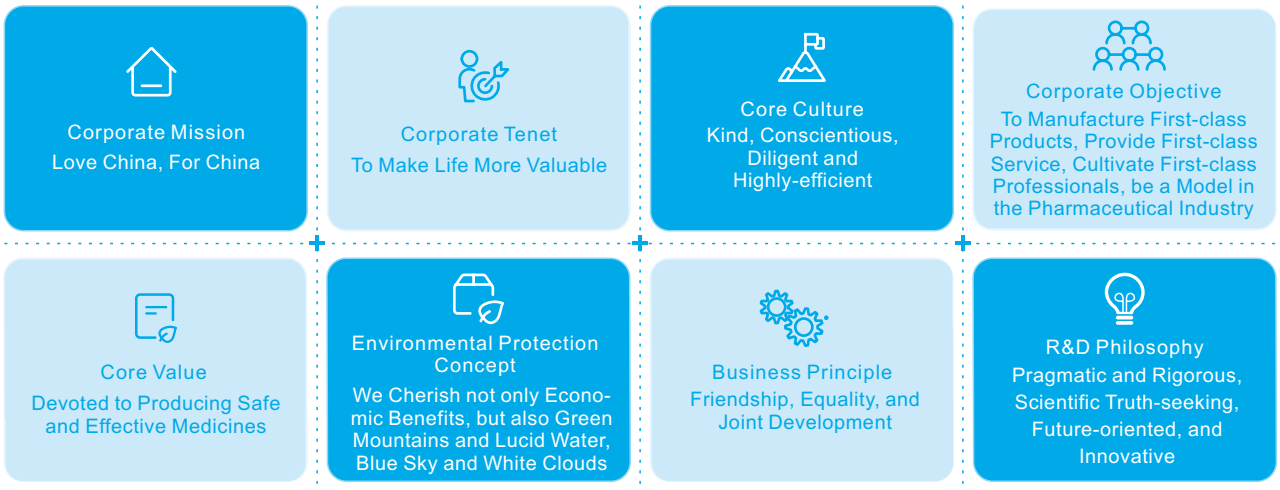
The United Laboratories is a comprehensive modern pharmaceutical enterprise focusing on the R&D, production and sales of pharmaceutical products, covering pharmaceutical intermediate products, bulk medicine, finished products, veterinary drugs, pharmaceutical capsules, medical devices, etc. As at the end of the Year, the Group had eleven major production bases, namely The United Laboratories Co., Ltd. ("Hong Kong Company"), Zhuhai United Laboratories Co., Ltd. ("Zhuhai Company"), Zhuhai United Laboratories Co., Ltd. Zhongshan Branch ("Zhongshan Company"), Zhuhai United Bio-Pharmaceutical Co., Ltd. ("United Bio"), Guangdong Kaiping Kingly Capsule Co., Ltd., The United Laboratories (Inner Mongolia) Co., Ltd. ("Inner Mongolia Company"), Inner Mongolia Everbright Lianfeng Biotechnology Co., Ltd. ("Everbright Lianfeng"), The United Animal Healthcare (Inner Mongolia) Co., Ltd. ("United Animal Healthcare"), Zhuhai United Animal Healthcare Co., Ltd. ("Zhuhai Animal Healthcare"), Henan Lianmu Veterinary Medicine Co., Ltd. ("Henan Lianmu") and Kendor Technology (Zhejiang) Co., Ltd. ("Kendor Company"). As at the end of the Year, the Group's sales network covered more than 70 countries and regions worldwide, with more than 18,000 employees.

3.2 Philosophy and Vision

Since its establishment, the Group has been dedicated to the production of high-quality pharmaceuticals. All our factories have attained the certification of Chinese Good Manufacturing Practice ("cGMP"), and multiple products have obtained official certifications such as the Certification of Suitability to the Monographs of the European Pharmacopoeia Organisation and the US Food and Drug Administration ("FDA"). We adhere to self-innovations and possess strong research and development capabilities. Our products cover multiple fields including anti-infective drugs, diabetes drugs, ophthalmology drugs, topical dermatology drugs and others. Multiple scientific and technological achievements of the Group have obtained national patents.

Talents are the most important assets of an enterprise. The Group prioritises building a high-caliber talent team, continuously improves human resource management, establishes and improves our talent training, selection and education mechanism, and has gradually formed a "Friendly, Responsible, Hardworking and Efficient" workforce. We always adhere to the philosophy of "To Make Life More Valuable" to promote the development of environmental protection and the charity sector with a high sense of social responsibility. As for environmental protection, we have made huge investment in creating a green enterprise. We actively support charities in multiple fields such as education, poverty alleviation and social welfare. Our efforts have been recognised by social community, which reflected our responsibilities and missions as a modern enterprise.

In the future, the Group will continue to dedicate its efforts to the creation of an outstanding Chinese pharmaceutical brand, promote the development of the national medical and healthcare industry, and create more high-quality and highly effective pharmaceuticals.



04 Governance as a Cornerstone: Building a Responsibility System

4.1 Board Statement

The United Laboratories firmly believes that sound ESG and sustainability governance will benefit the Group's long-term development. ESG reporting has been formally incorporated into the agenda of the Board. Before this ESG report was published, it was reported to and reviewed and approved by the Board, thereby strengthening the Board's understanding of the Group's annual ESG achievements, vision and strategies. To effectively oversee the Group's ESG matters, the Board is responsible for formulating and approving the overall ESG vision, governance approaches and action plans, and for regularly reviewing the Group's ESG performance. Through Board meetings, the Board has been apprised of ESG-related risks and the compliance status of relevant issues, and has supervised the risk assessment process and the corresponding response measures.

In order to establish a sound sustainability management system, the Board has set up a Sustainability Committee (the "Committee") to assist the Board in formulating and updating ESG and sustainable development targets, strategies and management approaches, while also reviewing and monitoring the implementation and outcomes of ESG work and reporting to the Board and providing recommendations.

In addition, under the Sustainability Committee, the Group has established a Sustainability Working Group ("SWG"), which is composed of the heads of subsidiaries, business units and functional departments across the Group. The SWG is responsible for coordinating and implementing ESG work, with the aim of fully embedding the ESG management system across all levels of the Group, maintaining close communication with stakeholders, achieving standardised operations and efficient management, and promoting the sustainable development of the enterprise. The SWG oversees, inspects and reports on occupational health, safety and environmental protection, labour protection and quality and safety processes across the Group and its subsidiaries. It also standardises day-to-day ESG work, including the implementation of ESG projects and the organisation of ESG-related training. The SWG regularly analyses and evaluates ESG performance at the Group and subsidiary levels, reviews relevant developments and makes recommendations to the Sustainability Committee.

At the implementation level, the Group has established an ESG Working Group ("ESGWG"), which is composed of the heads of functional departments. It is responsible for putting into practice, leading and supervising policies in accordance with the directions set by the SWG, with each unit implementing relevant work in the course of operations. To effectively enhance the Group's ESG performance and progress, all departments work in strict accordance with the targets assigned to them, while the SWG monitors overall implementation and reports to the Board so as to support the Board in reviewing the Group's ESG performance.

The Board, through meetings, is informed of the results of stakeholder participation and management strategies, and reviews and revises the Group's sustainability policies and management plans to meet stakeholder expectations and needs. In addition, the Group has engaged an independent professional third party to assist in managing the Group's ESG matters, preparing the ESG report, and collecting and analysing data and information. The third party also assists the Board in gathering and analysing stakeholders' views on ESG matters and in conducting a materiality assessment to identify the Group's material ESG issues. The materiality assessment is based on questionnaire surveys that collect views from stakeholders, including directors, and integrates material ESG issues in the industry to rate and prioritise the level of concern attached to each ESG issue. The Board supervises and endorses the results of the assessment.

During the Year, the Group established short-term sustainability targets and convened regular Board meetings, through which the Board supervised the target-setting process and the progress of the relevant targets. Looking ahead, the Board will continue to explore further opportunities to help the Group achieve even greater sustainability performance.

4.2 Corporate Governance

To pursue excellence in corporate governance, the Board of The United Laboratories is responsible for formulating the Group's objectives and strategies and for monitoring the effectiveness of their implementation. The Board is also responsible for approving year-end and interim results, major transactions, director appointments, dividend policy and accounting policies, while overseeing the internal control mechanisms governing the Group's operations. The Board has delegated responsibility and authority for supervising day-to-day operations to the management. All directors receive updates on governance and regulatory matters on a regular basis and may seek independent professional advice in accordance with established procedures to assist them in discharging their duties.

The Group has established committees responsible for different areas, including the Remuneration Committee, Audit Committee, Nomination Committee, Risk Management Committee and Sustainability Committee.

Remuneration Committee	◦ Ensures a formal and transparent procedure for the formulation of the Board's remuneration policy ◦ Composed of three Independent Non-Executive Directors
Audit Committee	◦ Reviews and monitors the Group's financial reporting system and internal control procedures ◦ Composed of three Independent Non-Executive Directors
Nomination Committee	◦ Ensures that procedures for the appointment, re-election and removal of directors are fair and transparent. ◦ Composed of three Independent Non-Executive Directors and one Executive Director
Risk Management Committee	◦ Oversees and reviews the Group's risk management and internal control systems ◦ Composed of three Independent Non-Executive Directors and two Executive Directors
Sustainability Committee	◦ Formulates, reviews and oversees ESG targets, risks, strategies and management approaches ◦ Composed of three Independent Non-Executive Directors and two Executive Directors

Director Skills and Experience

Director	Medical & Pharmaceutical Education Background	Finance, Legal & Risk Management	Business Experience		ESG
			China	Global	
Executive Director					
Mr. Tsoi Hoi Shan	√	√	√	√	√
Mr. Leung Wing Hon		√	√	√	√
Ms. Choy Siu Chit		√	√	√	√
Mr. Fang Yu Ping	√	√	√	√	√
Ms. Zou Xian Hong	√	√	√	√	√
Ms. Zhu Su Yan	√	√	√	√	√
Independent Non-Executive Director					
Mr. Chong Peng Oon		√	√	√	√
Prof. Song Ming		√	√	√	√
Dr. Fu Qiushi	√	√	√	√	√
Total	5	9	9	9	9
Percentage	55.6%	100%	100%	100%	100%

Board Composition

Position	Executive Directors	Independent Non-Executive Directors
Gender	Male	Female
Ethnicity	Chinese	
Age Group	40-60	>60
Length of Service	1-20 years	20-40 years

Executive Directors Independent Non-Executive Directors

4.3 Sustainability Management

To ensure that the concept of sustainable development is fully integrated into the Group's strategy and day-to-day operations, The United Laboratories has established a sustainability management structure with clear responsibilities and a well-defined hierarchy, covering the Board, senior management and business units, and institutionalising the effective implementation of ESG targets. On this basis, the Group has further incorporated sustainability performance into the remuneration assessment system of senior management, strengthening accountability through incentive and restraint mechanisms and driving management actions to align closely with the Group's long-term ESG strategy.

4.3.1 Management System

The United Laboratories has established a three-tier sustainability management system comprising the “Governance Level, Leadership Level, Execution Level”, forming a closed loop of top-down supervision and guidance and bottom-up implementation feedback.

Level	Management Structure	Composition	Key Responsibilities
Governance Level	Sustainability Committee	Chairman: Ms. Choy Siu Chit (Executive Director) Members: Mr. Chong Peng Oon (Independent Non-Executive Director) Prof. Song Ming (Independent Non-Executive Director) Dr. Fu Qiushi (Independent Non-Executive Director) Mr. Leung Wing Hon (Executive Director)	1. Formulate and update ESG targets, strategies and management approaches 2. Review and monitor the implementation and outcomes of ESG work, and report to and advise the Board
Leadership Level	Sustainability Working Group	Heads of functional departments Heads of subsidiaries and business units	1. Responsible for the day-to-day management of specific ESG work 2. Regularly review the Company's key ESG data 3. Lead the annual consolidation of ESG information and the preparation of the ESG report
Execution Level	ESG Working Group	Heads of functional departments in subsidiary company Persons in charge of the ESG Working Group	1. Collect and submit ESG information 2. Implement specific ESG work tasks 3. Report to the ESG leadership level

4.3.2 Compensation Linkage Mechanism

To translate sustainability commitments into concrete actions and responsibilities among management, The United Laboratories has established the “Sustainability and Climate Compensation Linkage Management System”. This system aims to deeply align the goals of senior management with the Group's ESG strategy through a mechanism combining incentive and constraint. Guided by the core principles of “strategic alignment, precise quantification, and balanced reward and penalty”, the system initially covers senior management who bear the highest responsibility for sustainability performance, with plans to gradually extend to various business divisions and key positions as circumstances permit.

The system explicitly incorporates ESG and climate performance into the assessment scope of annual performance bonuses and long-term incentive plans. The Board and the Remuneration Committee are responsible for approving annual KPIs and making final performance determinations, ensuring the transparency and effectiveness of the linkage mechanism.

Summary of Sustainability and Climate Compensation Linkage Management System

- Scope of Application
  The Group and all its subsidiaries and branches at all levels.
- Governance and Communication
  1.The Board of Directors holds the highest decision-making and oversight responsibility for the Company's sustainability management, and is responsible for the final approval of this policy and its implementation plan, as well as for monitoring the effectiveness of its execution.
  2.The Sustainability Committee is responsible for researching and formulating ESG strategies, targets and KPI systems, reviewing performance results, and providing professional recommendations to the Board and the Remuneration Committee.
  3.The Remuneration Committee is responsible for formally incorporating ESG and climate KPIs into the executive compensation assessment system, determining the linkage mechanism and weightings, and making final decisions on the payment, reduction or clawback of compensation based on performance results.
- Compensation Linkage Mechanism
  1.Short-term incentive plan: For eligible participants, a dedicated “sustainability performance” component shall be established within the annual performance bonus, with an overall weighting of not less than 20% of the total bonus.
  2.Long-term incentive plan: ESG milestone targets (e.g., achievement of cumulative carbon reduction targets, launch of processes or products with environmental benefits) shall be incorporated into the grant and vesting conditions of long-term incentive instruments such as restricted shares and stock options.
- Indicator System for Incentive Plans
  1.Core climate and environment KPIs: including greenhouse gas (GHG) emission intensity, energy/water consumption intensity, progress in green R&D and laboratory certification, etc.
  2.Core social and governance KPIs: including number of major pharmaceutical quality and safety incidents (target: zero), GMP audit status, completion rate of due diligence on high-risk suppliers, retention rate of key R&D talent, number of major compliance and business ethics violations (target: zero), etc.
- Compensation Clawback and Reduction Mechanism
  In the event of major pharmaceutical safety incidents, significant environmental pollution, systematic data falsification, or serious compliance failures resulting from management's responsibility, the Board of Directors has the authority to claw back, reduce or cancel, in whole or in part, any performance-based compensation and long-term incentive gains already granted but not yet paid, paid but not yet vested, or even already vested, from the relevant personnel.

4.4 Stakeholder Communication

The United Laboratories understands the close relationship between stakeholders and the development of its business. This ESG report was prepared with the participation of different stakeholders, enabling the Group to gain a clearer understanding of its level of management in environmental and social aspects. We attach great importance to communication with stakeholders and use a variety of channels to collect the views and needs of different stakeholder groups, so as to further review and improve our ESG performance.

Stakeholder Group	Expectations and Requirements	Communication and Response Channels
Government and Regulatory Authorities	Compliance with national policies and laws and regulations Promotion of local economic development Job creation Tax payment on time	Regular information submission Regular dialogue with regulators Thematic reporting Inspection and supervision
Shareholders and Investors	Investment returns Compliant operations Enhancement of corporate value Transparent and efficient communication	Shareholders' meetings Company announcements and circulars Email, telephone communications and company website Thematic reporting Site visits Listed company roadshows
Suppliers and Partners	Integrity in business conduct Fair competition Performance of contracts in accordance with the law Mutual benefit and win-win cooperation	Review and evaluation meetings Business communications Exchange seminars Cooperation discussions
Customers	High-quality products and services Health and safety Performance of contracts in accordance with the law Integrity in business conduct	Customer service centre and hotline Customer opinion surveys Customer communication meetings Social media platforms Return visits Customer information collection and management
Environmental Organisations	Compliant emissions Energy conservation and emission reduction Ecological protection Reasonable water use	Communication with local environmental authorities Communication with local residents Report submission Research and inspections Third-party assessments and reports
Industry Organisations	Industry standard setting Promotion of industry development	Communication with local labour authorities Participation in industry forums Mutual visits and exchanges
Employees	Protection of rights and interests Occupational health and safety Compensation and benefits Career development Humanistic care	Employee communication meetings Company newsletter and intranet Employee mailbox Training and workshops Employee activities Workers' congress Democratic discussion meetings
Communities and the Public	Improvement of the community environment Participation in public welfare undertakings Transparent disclosure of information	Company website Company announcements Media interviews Social media platforms Community communication meetings

4.5 Materiality Assessment

The United Laboratories conducted a materiality assessment during the Year to identify material ESG issues. This assessment helps the Group ensure that its business objectives and development direction remain aligned with stakeholder expectations and needs.

The materiality assessment was carried out in three main stages:
i. Based on the Group's industry and business nature, identifying a number of ESG-related issues that may have potential impacts on the business or stakeholders.
ii. Inviting internal and external stakeholders of the Group to complete questionnaires to collect their views on the importance of ESG-related issues and to understand their expectations regarding the Group's response to and disclosure of ESG matters.
iii. Analysing the results of valid questionnaires and preparing the following materiality matrix to determine the priority of ESG-related issues.

Most Important

1. Environmental Compliance
2. Exhaust Gas Management
6. Water Resource Use
9. Responding to Climate Change
11. Employment Compliance
15. Occupational Health and Safety
18. Operational Compliance
21. Customer Health and Safety
24. Protection of Intellectual Property Rights
25. Research and Development

Highly Important

3. Greenhouse Gas Emissions
4. Waste Management
5. Energy Use
7. Green Energy Projects
10. Prevention and Response to Environmental Incidents
16. Training and Development
17. Prevention of Child Labour and Forced Labour
20. Quality Management
26. Information Security
27. Customer Privacy Protection
28. Anti-corruption and Business Ethics
29. Supply Chain Risk Management

Important

8. Ecological Protection
12. Compensation and Benefits
13. Working Hours and Leave
14. Diversity and Equal Opportunity
19. Procurement Practices
22. Responsible Marketing and Promotion
23. Customer Service Management
30. Medical Accessibility and Affordability
33. Promotion of the Development of Pharmaceutical Education

Slightly important

31. Charity
32. Promotion of Community Development

05

Acting with Integrity

Safeguarding Development through Compliance

Our Focus

Corporate Governance
Risk Management
Business Ethics

Our Actions

Building a culture of integrity
Conducting internal audits
Ensuring information security
Protecting customer privacy
Protecting intellectual property rights

The United Laboratories firmly believes that a standardised and transparent governance system, together with disciplined and ethical business conduct, forms the fundamental basis for earning trust and achieving sustainable development. In the face of increasingly stringent regulation in the pharmaceutical industry and a complex and fast-changing market environment, we consistently regard compliant operations as a lifeline and place risk prevention and control at a strategic level. By continuously improving our governance structure, strengthening internal control and upholding business ethics, we lay a solid foundation for the steady development of the Group.

We recognise that excellent governance is not only about compliance with rules, but also about responding to stakeholders' expectations. To this end, the Group has established a comprehensive risk management system covering strategic, operational, financial and compliance areas. Through the systematic identification, assessment and response to internal and external risks, we strive to ensure steady and resilient operations in a dynamic business environment. At the same time, we promote business ethics with a zero-tolerance approach, integrating a culture of integrity into every aspect of daily operations and working together with our partners to maintain a fair, transparent and healthy business ecosystem.This chapter sets out our philosophy and practices in safeguarding development through compliance across six dimensions: risk management, internal control, business ethics, information security and data protection, intellectual property management, and medical ethics.

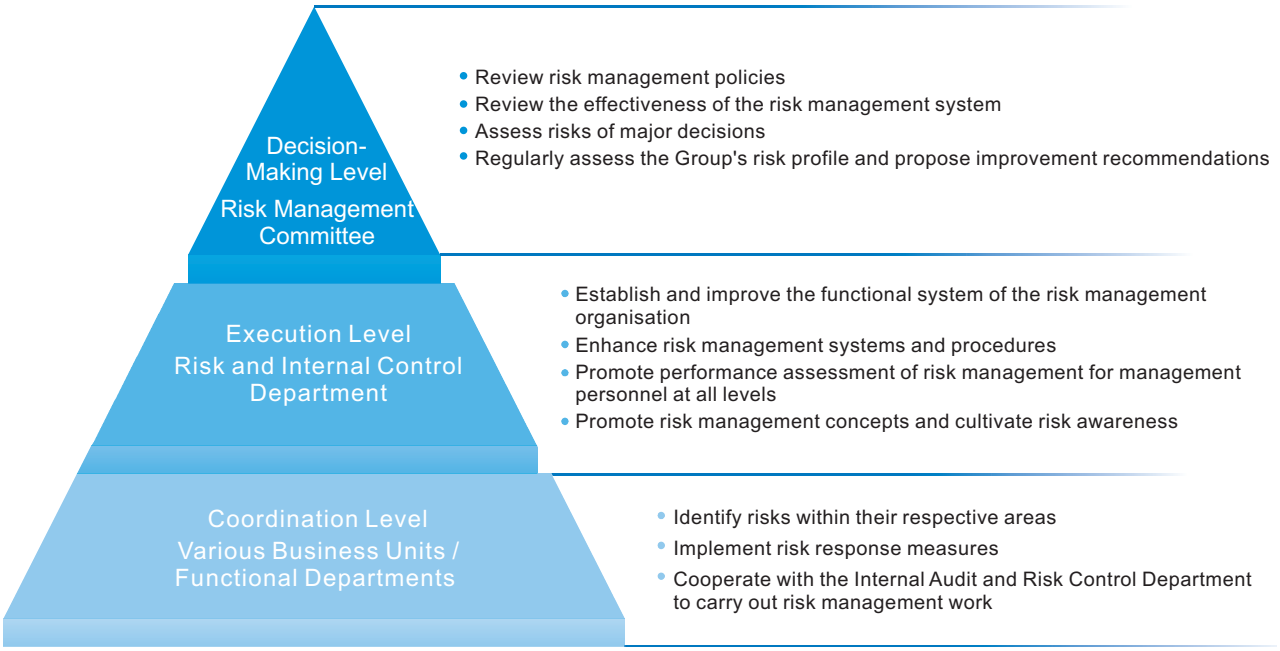
Area	Relevant Laws, Regulations and Standards	Internal Policies
Risk Management	Basic Standard for Enterprise Internal Control Application Guidelines for Enterprise Internal Control	Rules of Procedure of the Risk Management Committee
Internal Control	International Standards for the Professional Practice of Internal Auditing Audit Law of the People's Republic of China Provisions of the National Audit Office on Internal Audit Work	Internal Audit Charter of The United Laboratories International Holdings Limited Annual Work Plan of the Audit Centre Audit Quality Control Procedures
Business Ethics	Criminal Law of the People's Republic of China Anti-Unfair Competition Law of the People's Republic of China Anti-Money Laundering Law of the People's Republic of China Interim Provisions on Banning Commercial Bribery	The United Laboratories Code of Business Conduct The United Laboratories Employees' Code of Integrity and Self-Discipline The United Laboratories Anti-Fraud and Whistleblowing Management Policy Integrity Cooperation Agreement The United Laboratories Anti-Money Laundering Management Policy Conflict of Interest Declaration and Management Policy Compliance Incident Reporting Policy
Information Security and Data Protection	Cybersecurity Law of the People's Republic of China Data Security Law of the People's Republic of China Personal Information Protection Law of the People's Republic of China Law of the People's Republic of China on the Protection of Consumer Rights and Interests Information Security Technology – Baseline for Classified Protection of Cybersecurity Good Clinical Practice	The United Laboratories Information Management Policy Working System of the Information Security Management Committee Emergency Operation Procedures for Power Outage in Server Rooms Privacy Policy of The United Laboratories International Holdings Limited Personal Information Security and Privacy Protection Policy The United Laboratories Patient Information Protection Policy Privacy Protection Policy for Trial Subjects
Intellectual Property Management	Patent Law of the People's Republic of China Trademark Law of the People's Republic of China Copyright Law of the People's Republic of China Anti-Unfair Competition Law of the People's Republic of China	The United Laboratories Intellectual Property Management Policy The United Laboratories Information Management Policy
Medical Ethics	Civil Code of the People's Republic of China Drug Administration Law of the People's Republic of China Measures for the Administration of Drug Registration Good Clinical Practice Measures for Ethical Review of Life Sciences and Medical Research Involving Human Subjects World Medical Association Declaration of Helsinki	Pharmaceutical Representative Filing and Review Management System Patient Personal Information Protection System Subject Privacy Protection System

5.1 Risk Management

The United Laboratories has established a comprehensive risk management system covering strategic, operational, financial and compliance areas. Through systematic risk identification, assessment and response, the Group seeks to keep risks within an acceptable range and provide a solid safeguard for business development.

5.1.1 Risk Management Structure

The United Laboratories has established a Risk Management Committee comprising three Independent Non-executive Directors and two Executive Directors. The Committee is responsible for overseeing and reviewing the Group's risk management and internal control systems, assessing risks associated with major decisions and putting forward recommendations for improvement. Under the Committee, the Risk and Internal Control Department serves as the executive body and is responsible for embedded risk management of major risks across the Group, supporting both listing compliance externally and value creation and protection internally.



5.1.2 Risk Management Process and Methodology

The United Laboratories follows a systematic risk management process comprising four stages: risk identification, risk assessment, risk response and risk reporting. Each year, the Risk and Internal Control Department conducts an annual risk review and forecasts potential risks for the following year, forming a risk assessment report to support management decision-making.

Process Stage	Core Content	Main Methods
Risk Identification	Based on the Group's strategy and operating objectives, identify various risks that may affect the achievement of objectives, including strategic, market, operational, financial, compliance and climate-related risks.	• Participation in management meetings • Collection of industry information • Field research • Monitoring of emerging risks
Risk Assessment	Assess the likelihood and impact of risks through qualitative and quantitative methods, rank risks and determine major risks.	• Expert interviews • Data analysis • Cross-departmental collaborative assessment
Risk Response	Select strategies such as avoidance, mitigation, transfer or acceptance according to the level of risk, and formulate specific control measures.	• Implementation of response measures by each business segment • Follow-up inspection by the Risk and Internal Control Department
Risk Reporting	Submit risk assessment reports regularly to the Risk Management Committee and the Board, and communicate in writing in a timely manner on matters involving material deviation from targets.	• Annual risk assessment report • Special risk report • Quarterly risk tracking report

Through the above systematic risk management practices, the Group effectively responded to complex and changing internal and external risks and safeguarded the stable operation of its business activities. The Risk and Internal Control Department prepares a “Risk Analysis and Assessment Report” each year to summarise the tracking and management of major risks during the Year and to forecast potential risks for the coming year, thereby providing professional support for the Group's strategic decision-making.

5.2 Internal Control

The United Laboratories has established the Group’s Audit Centre, which operates independently under the direct leadership of the Board. The Group’s Audit Centre provides assurance and consulting services in respect of the Group's internal control, risk management and governance processes across all aspects and throughout the full process. In accordance with the International Standards for the “Professional Practice of Internal Auditing” and the Company's “Internal Audit Charter”, the Audit Centre reports the progress of its audit work in writing to the Board on a quarterly basis to ensure that major issues are escalated and rectified in a timely manner.

During the Year, the Group’s Audit Centre closely aligned its work with the Group's strategic objectives and advanced a range of special audit projects in an orderly manner. These projects broadly covered core business areas, effectively identified risks, highlighted issues and promoted closed-loop rectification. The Group’s Audit Centre continued to strengthen oversight over key areas such as marketing management and engineering procurement. Through audit reports, risk assessments and special memoranda, it promoted the implementation of management responsibilities and standardised business conduct across business units. At the same time, the Group’s Audit Centre participated deeply in the optimisation of management systems and processes, worked closely with business departments to review and improve the internal control framework, and throughout the year provided strong support for enhancing the Group's overall operational efficiency and compliance standards through continuous follow-up, thematic discussions and management recommendations.

Audit Area	Main Work Content	Annual Results
Engineering and Procurement Audit	• Review of engineering settlements • Participation in tendering • Audit of procurement processes	• Reviewed 225 engineering settlements • Participated in more than 500 procurement tenders • Promoted the improvement of 8 engineering management systems and processes
Marketing Audit	• Audit of finished product marketing • Audit of animal healthcare marketing • Investigation of violations	• Promoted optimisation of sales channel management and improved operating efficiency • Assisted the animal healthcare business in strengthening customer receivables recovery and optimising credit risk control mechanisms • Promoted the improvement of 3 sales management policies
IT Audit	• Information security audit of the R&D system • Audit of information system access rights • Risk audit of cloud service systems	• Completed 10 special IT audits • Assisted Zhuhai Bio in implementing ISO 27001 certification • Conducted foundational information security assessments for 5 key suppliers

The Group's Audit Centre has established a three-tier audit quality control process to ensure that all audit work complies with international standards and national regulatory requirements. Each audit report is submitted to the appropriate level of management after rigorous review, and the rectification progress of audited entities is tracked to form a closed-loop management mechanism.

5.3 Business Ethics

The United Laboratories always adheres to the business principle of "Friendship, Equality, and Mutual Development" and is committed to establishing fair and equitable relationships with all partners. We firmly believe that commercial bribery not only violates the law and leads to unfair competition and wasted resources, but also erodes the foundation of corporate development. Therefore, the Group adopts a zero-tolerance stance towards bribery, extortion, fraud, money laundering and other illegal acts, and continues to foster a healthy business environment founded on integrity.

5.3.1 Integrity Management System

The United Laboratories has established the Supervision Department as the dedicated functional department responsible for integrity governance and anti-fraud work, directly under the leadership of the Board. In April 2025, the Board further clarified its core functions as integrity education and advocacy, receipt of complaints and whistleblowing reports, and investigation of fraud cases, marking the formal normalisation of its work. The Supervision Department works in coordination with the Legal Centre to form multiple lines of defence for integrity governance: the former focuses on integrity promotion and fraud investigation, while the latter is responsible for compliance training and legal support.

At the policy level, the Group takes "The United Laboratories Code of Business Conduct" as its overarching framework and has established a business ethics system applicable to all employees and throughout the entire business process. The Code sets out 16 fundamental principles covering protection of company assets, data protection, intellectual property, anti-corruption, conflicts of interest, anti-money laundering and fair competition, and is binding on all employees and business partners. The "Employees' Code of Integrity and Self-Discipline" sets out concrete requirements for daily conduct in areas such as integrity practices, registration and filing of gifts, supervision mechanisms and disciplinary actions. It expressly prohibits employees from accepting any benefits from enterprises or individuals having business relationships with the Company and requires proactive filing where immediate family members establish companies that transact with the Group. Any minor gifts that cannot be refused must be surrendered to the administrative department for registration and safekeeping within the prescribed timeframe. In addition, through the "Integrity Statement", the Group publicly declares its integrity position to partners, clarifies standards of conduct in cooperation and expresses zero tolerance for commercial bribery.

5.3.2 Complaint and Whistleblowing Mechanism

In accordance with the "Anti-Fraud and Whistleblowing Management Policy", the United Laboratories has established a whistleblowing mechanism that is accessible, confidential and convenient. The Policy clearly defines fraudulent acts, including misappropriation of company assets, acceptance of bribes, transfer of benefits, unauthorised investment in competing businesses, abuse of authority, falsification of accounting records, disclosure of trade secrets and forgery of company seals, among others, and sets out procedures for case acceptance, investigation, whistleblower protection and rewards. The Group encourages named reporting and gives priority to real-name reports, while also accepting anonymous reports. All reporting channels are made public through the corporate website, office systems, the corporate official account and the "Integrity United Laboratories" WeChat Public Account to ensure smooth access to reporting channels.

Following the Board's clarification of the Supervision Department's core functions in April 2025, the Group comprehensively updated its whistleblowing channels as follows:

Reporting Channel

- Email: lianjietul@tul.com.cn
- Mobile phone: 13809239449
- Landline: 0760-87133987
- Mailing addres: The Group's Supervision Department, 12 Jialian Road, Tanzhou Town, Zhongshan, Guangdong Province

Scope of Acceptance

- Written whistleblowing materials
- Reports on various fraudulent acts; convenient for direct contact with the whistleblower
- Telephone reporting
- Reports submitted by letter

During the Year, the Group's Supervision Department handled 4 valid reports involving 2 subsidiaries of the Group. For substantiated fraud cases, the Group required the relevant subsidiaries to take serious action against the persons concerned and, in light of audit recommendations, close business loopholes and optimise management processes to ensure thorough rectification.

Summary of "The United Laboratories Anti-Fraud and Whistleblowing Management Policy"

- Definition of Fraud
  1.Unlawful use, embezzlement, misappropriation, theft, appropriation, or trading of Group property;
  2.Abuse of authority by management personnel to engage in illegal or non-compliant economic activities;
  3.Falsification, false reporting, concealment, deletion, or alteration of accounting records, information documents, business transactions, etc.;
  4.Disclosure of the Group's trade secrets or violation of non-competition provisions;
  5.Counterfeiting, unauthorised use, or theft of official seals;
  6.Other acts involving commercial bribery, such as offering or accepting bribes;
  7.Other acts that harm the Group's economic interests or seek improper personal gain.

- Rights and Obligations of Whistleblowers and Related Parties
  1.Comply with applicable laws, regulations, and relevant Group policies;
  2.Provide the name of the reported person, specific details of the violation or misconduct, and supporting evidence, and be held responsible for the truthfulness of the whistleblowing content;
  3.Not use whistleblowing as a pretext to commit any illegal or criminal act;
  4.Report issues through the Group's designated channels, including the published whistleblowing hotline, email address, reporting website, etc.;
  5.When required to cooperate with an investigation, the whistleblower shall actively cooperate and shall not provide false information or obstruct the investigation.

- Protection and Reward Measures for Whistleblowers
  1.No person shall retaliate against a whistleblower under any pretext. Retaliation includes conniving, covering up, bribing, or instructing others to infringe upon the personal or property rights or other legitimate interests of the whistleblower or their relatives. The Group will hold the retaliating party accountable. If the act constitutes a criminal offence, the matter shall be referred to judicial authorities. The whistleblower has the right to demand that the retaliating party cease the infringement, apologise, compensate for losses, or directly file a lawsuit with the court.
  2.If a whistleblower suffers retaliation, they have the right to report the matter to the responsible unit or a higher authority. If the whistleblower's personal safety is threatened, relevant departments shall promptly take protective measures and, where necessary, coordinate with external authorities.
  3.If a whistleblower receives unfair treatment as a result of whistleblowing, the Group's Internal Audit/Supervision Department shall, after verifying the facts, recommend that the unit that made the decision or its superior unit rectify the situation.
  4.If a whistleblowing matter is verified and helps the Group recover losses, the whistleblower may be commended or rewarded at the Group's discretion in accordance with the relevant provisions.

- Handling of Fraud
  The Group's Internal Audit/Supervision Department is responsible for carrying out the Group's anti-fraud work, including organising fraud risk assessments, establishing and maintaining whistleblowing channels and procedures, receiving and investigating fraud cases, and issuing fraud assessment reports and recommendations for action.

- Oversight of Anti-Fraud Work
  The Board is responsible for the supervision and guidance of the Group's anti-fraud work. The Group's Internal Audit/Supervision Department regularly reports to the Board on the Group's anti-fraud work plan, implementation status, receipt of whistleblowing reports on fraud cases, investigation results, and handling recommendations. It receives the Board's comments and instructions, and keeps written records properly for future reference. When formulating and implementing the annual audit plan, the Group's Supervision Department shall fully consider the identification and assessment of fraud risk factors, and provide guidance for the Group's anti-fraud efforts.

5.3.3 Integrity Management of Business Partners

The United Laboratories extends integrity management to its supply chain and business partners. When entering into business cooperation with all counterparties, the Group simultaneously signs an “Integrity Cooperation Agreement” to define both parties' integrity obligations during cooperation. The Agreement requires partners to comply with laws and regulations relating to anti-corruption and anti-unfair competition and firmly opposes the provision of improper benefits in exchange for business opportunities or competitive advantages. In the event of any violation, the Group will immediately terminate the cooperation and place the party on a blacklist in order to protect a fair and healthy business ecosystem.

The Group regards third-party integrity management as an important direction of policy development and continues to embed integrity requirements throughout the supply chain through contractual constraints, integrity agreements and risk communication. At present, the “Integrity Cooperation Agreement” has become a mandatory part of the Group's business agreements with all partners, laying an institutional foundation for building an integrity-based supply chain.

Summary of The United Laboratories Integrity Cooperation Agreement

- Suppliers shall comply with all applicable laws, regulations, departmental rules and other normative documents relating to anti-corruption and anti-unfair competition.
- A supplier shall not engage in any of the following conduct in order to obtain an opportunity to provide products or services to the purchaser or to gain preferential treatment in competition with other suppliers:
  1.Providing any form of improper benefit to any individual or entity by any means, including but not limited to cash, goods, conveniences, opportunities, etc.;
  2.Reimbursing any expenses that should be borne personally by any employee of the purchaser or any other interested party;
  3.Providing housing or motor vehicles to employees of the purchaser free of charge or at a disproportionately low price, or facilitating the renovation of their housing, the arrangement of employment for their relatives or friends, or their travel, overseas trips, etc.;
  4.Engaging in the purchase and sale of materials related to the cooperation project or intermediary activities with employees of the purchaser or their relatives;
  5.Bidding in violation of the purchaser's procurement tendering management rules.
- Whistleblowing Channels:
  Hotline: 0760-87133973
  Email: tults@tul.com.cn
  Mail: No. 12 Jialian Road, Tanzhou Town, Zhongshan City, Guangdong Province, China

5.3.4 Anti-Money Laundering Management

To effectively prevent money laundering risks, the Group has established “The United Laboratories Anti-Money Laundering Management Policy” applicable to all subsidiaries and employees, with the aim of preventing, monitoring and combating money laundering. The Board, as the highest responsible body for anti-money laundering management, oversees the performance of senior management in relation to anti-money laundering. The Finance Department, Treasury Department and Credit Risk Department serve as the supervising departments responsible for implementation. The Group carries out anti-money laundering inspections regularly or irregularly, links inspection results to performance assessment and management authorisation, and ensures the compliance and effectiveness of anti-money laundering management through internal audits.

5.3.5 Integrity Culture Development and Compliance Training

The Group regards the cultivation of an integrity culture as a foundational task in anti-fraud work and seeks to embed honesty and integrity into the values and conduct of all employees through systematic education and advocacy. We have established an integrity education system featuring regular online advocacy and targeted offline training, and provide differentiated compliance training according to the characteristics of different positions in order to continuously enhance integrity awareness across the workforce.

On the online platform front, the Group officially launched the "Integrity United Laboratories" WeChat service account in 2025 as its primary channel for promoting a culture of integrity. Guided by the objective of "promoting integrity and strengthening integrity governance", the platform regularly publishes anti-fraud laws, regulations and cases, offers integrity education content, showcases integrity governance developments and provides a hotline for consultations. By the end of December, the account had published 13 integrity advocacy articles. Through engaging formats such as posts, posters and animation, these materials generated nearly 6,000 views in total and attracted approximately 1,000 followers, making the account an important window for employees to understand integrity policies and receive integrity education.

For offline training, the Group established a tiered training system covering all employees while focusing on key functions. During the Year, the Supervision Department, under the working approach of "combining prevention and control, with prevention as the priority", carried out on-site integrity training for Zhuhai United Laboratories Sales Co., Ltd., the Animal Healthcare Division and the Inner Mongolia Company, covering employees in key roles including sales, procurement and R&D. Training content included interpretation of the Employees' Code of Integrity and Self-Discipline, the disciplinary consequences under national laws and regulations, and warning education through typical cases, thereby reinforcing anti-fraud red-line awareness. At the same time, the Legal Centre organised 27 offline compliance training sessions during the Year, including specialised compliance training on promotion rules covering all sales regions, with cumulative participation of 5,139 attendances. In terms of online training, the Group disseminated compliance courses covering topics such as occupational crime compliance management and prevention of commercial bribery risks in pharmaceutical enterprises to all employees through the Smart United Laboratories system.

The Group's Supervision Department and Various Business Units Jointly Organised a Series of Integrity Compliance Training

From August to October 2025, the Group's Supervision Department jointly organised thematic training on integrity in professional conduct and discussion sessions on integrity management with Zhuhai United Laboratories Sales Co., Ltd., the Animal Healthcare Division and the Inner Mongolia Company. Tailored to the characteristics of each business unit, the training provided in-depth interpretation of integrity requirements and disciplinary measures under national laws and regulations, and used cases as warning education. In the post-training discussion sessions, both sides actively discussed topics such as implementation of integrity policies and the establishment of long-term integrity governance mechanisms, laying a foundation for enduring integrity governance. The General Manager of the Sales Company emphasised in the closing remarks that all employees, especially managerial personnel, must uphold honesty and integrity if the enterprise is to achieve steady and sustainable development.

Through the above multi-level and all-round business ethics management practices, The United Laboratories continued to strengthen the foundation of clean operations and safeguard the Group's sustainable development.

5.4 Information Security and Data Protection

Against the backdrop of deeper integration between digital transformation and pharmaceutical R&D, information security and data protection have become important components of the Group's core competitiveness. The United Laboratories strictly complies with laws and regulations including the "Cybersecurity Law of the People's Republic of China", the "Data Security Law of the People's Republic of China" and the "Personal Information Protection Law of the People's Republic of China", and has built a comprehensive information security management system covering governance structure, technical protection, privacy protection, supervision and continuous improvement. The Group is committed to safeguarding its information assets and protecting the privacy rights and interests of customers, patients, employees and partners. United Bio under the Group has obtained the ISO/IEC 27001:2022 Information Security Management System certification, covering information security management activities related to the R&D and production of biological products, as well as the R&D of chemical drug substance and finished products.

5.4.1 Information Security Management System

The United Laboratories has established a governance structure centred on the Information Security Management Committee, which is responsible for the strategic planning and supervisory guidance of information security management. The Committee is chaired by the Chairman of the Board, and its members include the heads of various business segments. It is responsible for formulating the information security management framework, reviewing information security policies, guiding operating units in implementing security measures, and reporting its work to the Board.

The Digital Centre serves as the execution and assurance department for information security. It is responsible for building and maintaining data security systems, deploying technical safeguards such as data encryption, access control, intrusion detection, vulnerability remediation and data backup, monitoring the security posture in real time, and identifying and responding to threats in a timely manner. Meanwhile, the Digital Centre regularly organises data security training and awareness activities to enhance employees' information security awareness.

The Audit Centre, in coordination with the Digital Centre, conducts special audits each year on the implementation of information security policies, the effectiveness of technical protection measures and the execution of privacy protection requirements to ensure the continued effective operation of the information security management system. During the Year, the Group's IT audit covered the entire Group and completed 10 special audit assignments, covering key areas such as information security in the R&D system, user access rights management, cloud service system risks and foundational controls of document systems. Audit results showed that most system risks were controllable, while the remaining findings were either rectified according to plan or had been effectively brought under control.

With regard to information classification and access control and based on the “United Laboratories Information Management Regulations”, the Group classifies all information into five levels according to its importance and the potential harm that may result from disclosure: Top Secret, Confidential, Secret, Internal and Public. Different levels of information correspond to different access rights, storage requirements and approval procedures, thereby ensuring graded and classified protection of information assets.

Information Level	Definition	Core Control Requirements	Access Rights
Top Secret	Core company information, the disclosure of which would cause major losses to the Company's interests.	Stored in designated places, managed by designated personnel, subject to strict approval and encrypted transmission.	Restricted to core management personnel and directly related personnel after strict approval.
Confidential	Information of significant value, the disclosure of which would cause serious losses.	Restricted scope of knowledge, borrowing subject to approval, encrypted storage.	Accessible to relevant business personnel after approval by department heads.
Secret	Relatively important information that is generally not disclosed externally.	Managed within departments with limited sharing.	Accessible on a need-to-know basis within departments; cross-departmental access requires approval.
Internal	Information disclosed internally but kept confidential externally.	Internally accessible, external dissemination prohibited.	Accessible to all employees, but not for external dissemination.
Public	Information approved for external release.	Released in a standardised manner and may be disseminated externally.	Accessible to all.

5.4.2 Technical Protection and Operation & Maintenance Support

The United Laboratories adopts a three-pronged approach of “local deployment, technical protection and access control” to build a security protection system covering the entire data lifecycle.

At the system deployment level, business systems and databases involving core data are prioritised for local deployment to reduce the risk of data outflow at the physical level. The Group has established independent encryption systems for its office systems, R&D departments and clinical research departments, with different encryption methods in place. Personnel responsible for decryption must obtain prior authorisation before carrying out decryption operations.

In terms of technical protection, the Group has established a multi-layered network and system security protection system. By deploying technological tools such as firewalls, intrusion detection and vulnerability scanning, it conducts routine security monitoring and early warning for servers and endpoint devices, and coordinates with original equipment manufacturers' managed security services to achieve round-the-clock system security assurance. For data security, the Group implements end-to-end document encryption to ensure the confidentiality and integrity of data during storage and transmission. It has also established a comprehensive data backup and disaster recovery system, using multiple backup strategies and conducting recovery tests on a regular basis to ensure that business operations can be restored promptly in the event of system failures or emergencies. In response to the risk of equipment damage or data loss arising from sudden power outages, the Group has formulated "Emergency Operation Procedures for Power Outage of Server Rooms", which set out detailed emergency steps and are supported by regular planned power outage drills.

For access control, the Group implements a unique account and password system on a "one-person-one-account" basis. All personnel log into systems through their own dedicated accounts. Access rights are granted according to job responsibilities under the principle of minimum necessary access, and data under different accounts are segregated among departments and individuals, preventing cross-account access. Where cross-account access is genuinely required for work, written authorisation from the account holder and approval by the compliance department are required. The Group also enforces a strict password policy, requiring complex passwords with a maximum validity period of 90 days, after which log-in is blocked until a change is made. At the same time, the Group regularly screens and clears the accounts of departed and temporary personnel, disabling accounts immediately upon departure and completing account cancellation within 10 working days to prevent malicious access.

5.4.3 Privacy Protection and Personal Information Management

The United Laboratories regards privacy rights and interests as a core component of its human rights protection framework. Based on internal policies such as the "Privacy Policy of The United Laboratories International Holdings Limited" and the "Personal Information Security and Privacy Protection Policy", it has established a privacy protection mechanism covering the full process of pharmaceutical R&D, clinical trials, production and operations.

In the collection of personal information, the Group strictly follows four basic principles: lawfulness and legitimacy, minimum necessity, informed consent and purpose limitation. Before collection, the information subject is informed in a clear and understandable manner of the purpose, method, scope, retention period, sharing arrangements and rights involved, and explicit consent is obtained.

According to the type of personal information subject and the processing scenario, the Group has established a classified management mechanism and applies differentiated controls to different categories of information, as summarised below:

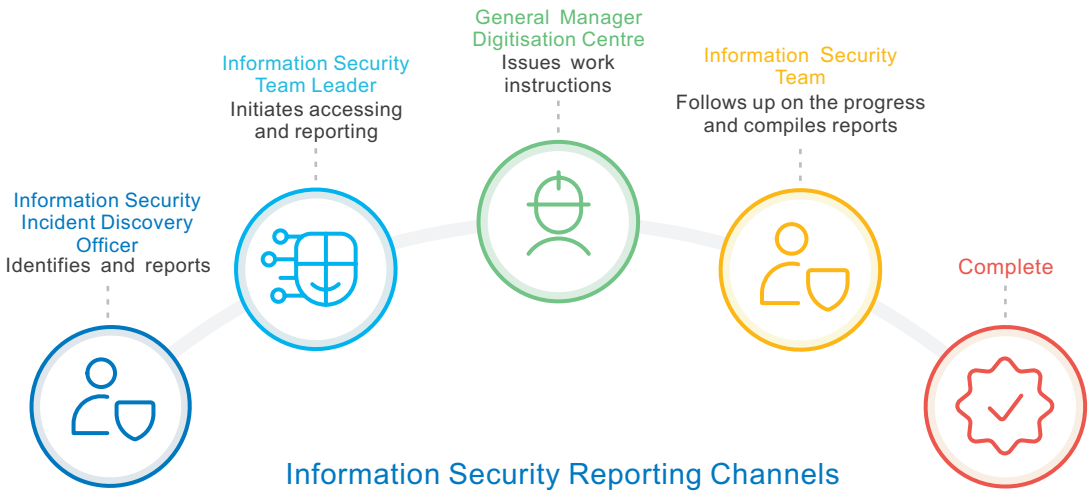
Information Category	Main Content	Responsible Department	Retention Period	Key Controls
Patient personal information	• Basic information • Medical history • Medication history	Marketing Department of the Finished Product Marketing Centre	Twenty years after upload; supervised destruction upon expiry	• Confidentiality agreements • Access approval • Dedicated management
Trial subject personal information	• Identity information • Clinical trial data	Clinical Research Centre	Five years after trial termination	• Ethics review • Informed consent • Anonymisation
Employee personal information	• Basic information • Personnel files • Compensation and benefits	Human resources departments of each company	Retained during employment and after departure in accordance with regulations	• Internal policy controls • Access segregation
Business partner personal information	• Basic contact information	Each business department	Handled during the cooperation period and after expiry in accordance with agreements	• Collection limited to the minimum necessary • Confidentiality agreements

Where changes occur to the purpose, scope or method of collection, or where personal sensitive information, automated decision-making or the provision of information to third parties is involved, the Marketing Department, the Digital Centre and the Compliance Department must jointly conduct a risk assessment and complete internal approval procedures before processing may proceed.

In addition, the Group regards improving employees' information security awareness as a foundational project for data protection. The Digital Centre, Legal Centre, information security audit function and data management departments regularly organise thematic training based on updates to personal information protection laws and regulations and internal policies. Training content covers the latest data security landscape, industry cases and issues identified in internal audits, thereby enhancing employees' skills and awareness in personal information and data protection. The Group also periodically disseminates practical tips and reminders on data security through internal notice boards, email and office system notifications to foster a sound data security culture. Personnel handling sensitive data are required to sign confidentiality agreements and strictly comply with them.

5.4.4 Emergency Response to Information Security Incidents

The United Laboratories has established a full-process supervision and emergency management mechanism covering prevention before incidents, response during incidents and improvement after incidents. It has developed an information security emergency response mechanism covering data leakage, cyberattacks, system paralysis, natural disasters and other emergencies, with clear requirements for the identification, response, reporting, investigation and rectification of incidents. Once an information security incident occurs, the individual or department that discovers the issue must report it immediately to the Digital Centre, which will promptly activate the emergency response plan, assess the scope and severity of the incident and notify relevant departments to coordinate handling. After the emergency response is completed, the Group establishes a dedicated investigation team to identify the causes, process and responsibilities relating to the incident, form an investigation report, trigger an accountability mechanism for responsible persons, and optimise data security and protection policies, processes and technical measures in a targeted manner.



Information Security Reporting Channels

During the Year, the Group did not experience any information leakage incidents, nor was it involved in any legal proceedings relating to information security against the Group or its employees.

5.5 Intellectual Property Management

The United Laboratories has continued to achieve breakthroughs in pharmaceutical R&D and innovation in production processes, making intellectual property protection a key element in safeguarding innovation outcomes and maintaining core competitiveness. To strengthen intellectual property management and fully realise the value of intangible assets such as patents and trademarks, the Group formulated "The United Laboratories Intellectual Property Management Policy" in accordance with laws and regulations including the "Patent Law of the People's Republic of China", Trademark Law of the People's Republic of China", "Copyright Law of the People's Republic of China" and "Anti-Unfair Competition Law of the People's Republic of China". The policy standardises the application, maintenance, utilisation and protection of intellectual property and provides solid support for the Group's continued innovation-driven development.

The Group has established an Intellectual Property Department to take charge of the centralised management of intellectual property matters, including the application for and maintenance of patents and intellectual property signs, and to supervise relevant units in stopping, reporting and collecting evidence of infringement and cooperating with national crackdowns on infringement. In addition, the Group has established an Information and Patent Team focusing on the protection of patented technologies such as techniques, processes and formulations to ensure that innovative achievements are adequately protected.

For trademark management, the Group's Legal Centre is responsible for trademark registration, renewal, authorisation, rights protection and related matters. All uses of trademarks must be reviewed by the Legal Centre to ensure standardised use and effective control. When printing materials bearing trademarks, such as product packaging, the Group works only with reputable printers and strictly destroys defective and obsolete trademark materials to prevent external circulation and misuse by unlawful manufacturers, thereby protecting the Group's lawful trademark rights and brand image.

As at the end of the Reporting Period, the Group had successfully obtained a total of 127 patents, as detailed below.

Invention Patents	Utility Model Patents	Design Patents
95	12	20

The Group regards the cultivation of intellectual property awareness as an important component of building an innovation culture. Through regular training on intellectual property, case sharing and policy interpretation, it enhances employees' understanding of the importance of intellectual property protection, helps R&D personnel master the fundamentals of patent mining, portfolio planning and application, and fosters a culture of respect for innovation and protection of intellectual property rights. At the same time, the Group actively monitors the latest policy developments and industry trends in the field of intellectual property and adjusts its internal management strategies in a timely manner to ensure that intellectual property management remains aligned with legal requirements and industry development.

5.6 Medical Ethics

The Group has established a Clinical Research Centre and a quality management system covering the full process of clinical trials. The Centre is mainly responsible for formulating clinical development strategies and pathways for all clinical trial projects of the Group, as well as research protocol design, organisation and implementation of clinical trials, project management, monitoring and quality management.

All of the Group's clinical trials strictly follow relevant regulations and ethical requirements including the "Declaration of Helsinki of the World Medical Association", the "Civil Code of the People's Republic of China", the "Drug Administration Law of the People's Republic of China", the "Measures for the Administration of Drug Registration", "Quality Control of Clinical Trials of Drugs Measures for Ethical Review of Life", and "Measures for Ethical Review of Life Sciences and Medical Research Involving Human Subjects", placing the rights, interests and safety of trial subjects as the highest priority. We also require that all drug clinical trials obtain the relevant trial approval and formulate scientific, ethical, compliant and operable clinical trial protocols and work plans, including but not limited to project management plans, monitoring plans, data management plans and risk management plans. These plans clearly set out procedures relating to source data review, verification and traceability, monitoring frequency and requirements, collaborative monitoring and auditing. In addition, all trials must be reviewed by drug clinical trial institutions and ethics committees to ensure that all trial subjects sign informed consent forms.

The Group attaches great importance to the protection of trial subjects' personal information and strictly implements confidentiality measures such as anonymisation and coding to ensure the security of research project data and minimise the potential risks arising from privacy leakage. For details, please refer to "5.4 Information Security and Data Protection" of this Report.

As at the end of the Year, the Group was conducting 13 clinical trials for new drugs, while several additional clinical trials were about to commence. Throughout the process, we will continue to implement mechanisms for quality monitoring, auditing, feedback and improvement, thereby ensuring the integrity and compliance of clinical trials.

06

Climate Action

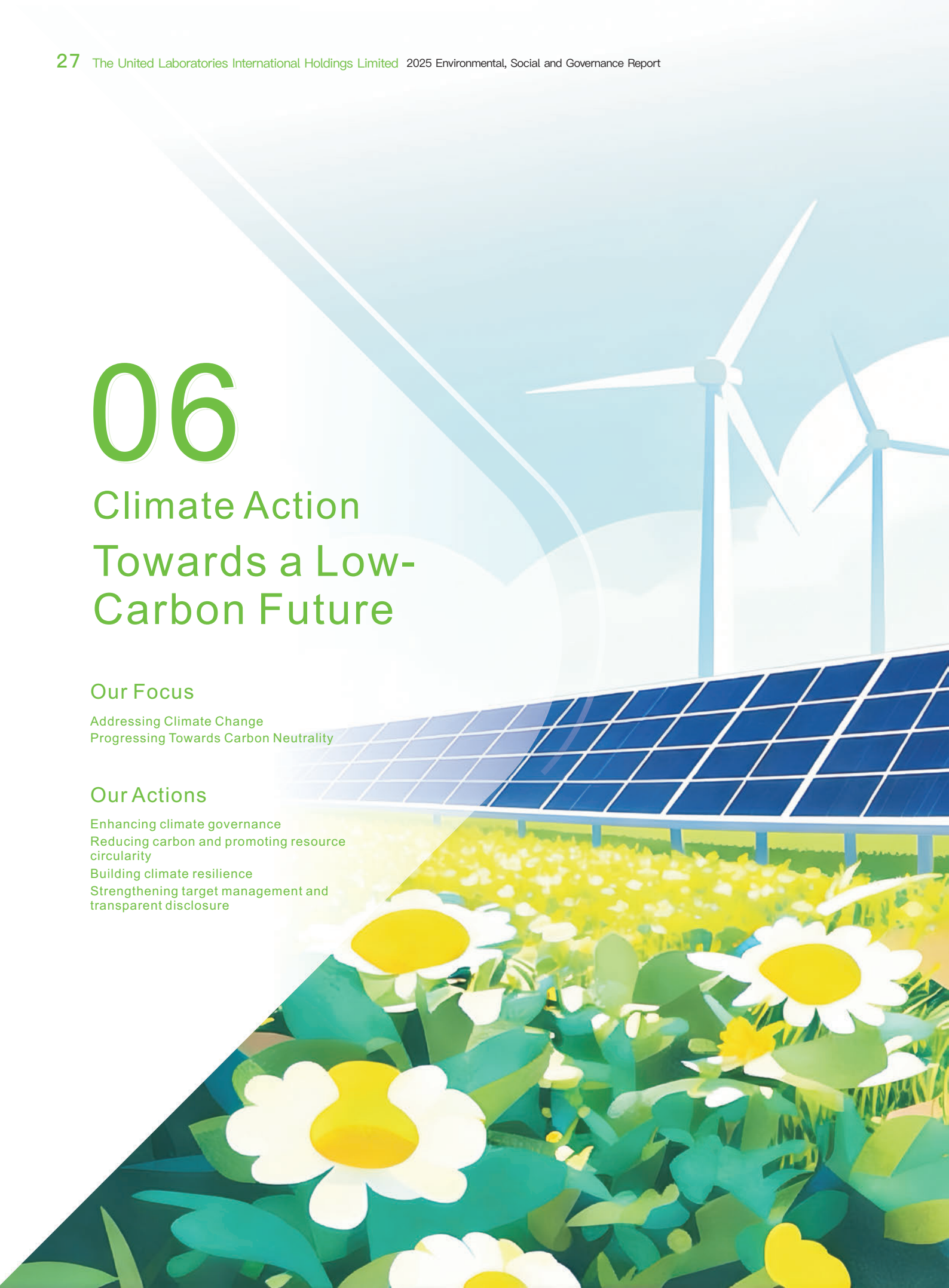
Towards a Low-Carbon Future

Our Focus

Addressing Climate Change
Progressing Towards Carbon Neutrality

Our Actions

Enhancing climate governance
Reducing carbon and promoting resource circularity
Building climate resilience
Strengthening target management and transparent disclosure



Against the backdrop of global climate change, enterprises face not only environmental challenges but also an imperative to actively fulfil their social responsibilities and advance sustainable development. As a pharmaceutical enterprise guided by the mission of "To Make Life More Valuable", The United Laboratories recognises that sound climate management is a core issue in achieving long-term sustainable development and safeguarding the future of human health. The increasing frequency of extreme weather events and other climate-related developments has created systemic risks for the global ecology, economy and society. In response, the Group has fully integrated climate action into its strategic decision-making and core operations, with a view to strengthening development resilience.

This chapter has been prepared with reference to IFRS S2 Climate-related Disclosures, which fully incorporates the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), as well as the Code of the Stock Exchange. It provides a systematic disclosure of the Group's approach, actions and progress in managing climate-related risks and opportunities under the four core pillars of Governance, Strategy, Risk Management, and Metrics and Targets. As a supporter of TCFD-aligned disclosure, we are committed to providing transparent, comparable and forward-looking climate information in response to the concerns of investors and other stakeholders, and to working together with all parties towards a low-carbon, resilient and sustainable future. The relevant laws, regulations and internal policies applicable to this chapter are set out below.

Area	Relevant Laws, Regulations and Standards	Internal Policies
Climate Change	Paris Agreement Interim Regulations on the Administration of Carbon Emissions Trading Administrative Measures for Voluntary Greenhouse Gas Emission Reduction Trading (Trial) Action Plan for Carbon Peaking Before 2030	Climate Risk Management Policy and Procedures Emergency Response Plan for Coal Inventory under Extreme Climate Conditions Production Performance Assessment Scheme

6.1 Climate Governance

To ensure effective climate management, The United Laboratories has incorporated climate management into its ESG governance framework and established a climate governance structure with the Board as the highest decision-making body. The Board is responsible for the overall oversight of climate-related risks and opportunities of the Group. Climate topics are discussed at least annually at regular Board meetings, during which the potential impact of climate risks on the Group's operations and strategy is reviewed. The Board also oversees senior management in formulating and implementing climate responses, and evaluates whether appropriate measures have been taken to address the impacts of climate change on the Group. Progress against climate targets is reviewed annually and adjusted where necessary to ensure that implementation remains on track. Climate-related risks and opportunities are also taken into account when the Board oversees strategy, major transactions, risk management and related policies, and when it evaluates their potential implications for the Group's business development and operations.

The Group has established a Sustainability Committee as an integral part of its ESG governance structure to oversee sustainability matters, including climate change. The Sustainability Committee has an in-depth understanding of industry trends and Company operations. It is responsible for formulating climate response policies, monitoring climate risk management in daily operations, evaluating implementation effectiveness, and reporting regularly to the Board on the implementation status of climate policies and the effectiveness of risk management, thereby ensuring alignment between the Group's strategy and global trends in climate governance. Meanwhile, the coordination and execution of climate-related matters have been delegated to the Sustainable Working Group, which integrates climate risk into the overall risk management procedures and system, enabling the Group to identify potential risks proactively, make effective decisions, and coordinate business departments in formulating and implementing climate action plans.

To ensure that the Board has the expertise required to fulfil its oversight responsibilities, the Group supports Directors in enhancing their climate-related knowledge and capabilities. Measures include providing professional learning resources, organising targeted internal training, and supporting participation in climate-focused programmes and seminars organised by external professional institutions. These efforts strengthen the Board's ability to respond to climate challenges and keep pace with the latest developments in climate-related risks and opportunities.

Through this climate governance structure, with clear accountability and multi-level oversight, the Group is able to respond to climate-related challenges in a systematic and regularised manner and provide a solid safeguard for long-term sustainable development.

6.2 Climate Strategy

The United Laboratories has enhanced its risk assessment procedures to analyse the potential impacts of climate change on its business and value chain, thereby enabling it to evaluate and formulate appropriate response measures. During the Reporting Period, the Group conducted its first comprehensive climate scenario analysis, covering physical risks, transition risks and related opportunities, and carried out detailed screening and assessment for each category of risk and opportunity.

Physical risks refer to risks associated with the physical impacts of climate change, including acute risks driven by extreme weather events and chronic risks arising from long-term shifts in climate patterns. Transition risks refer to risks associated with the transition to a low-carbon economy, which may involve policy, legal, technological and market changes arising from requirements relating to climate mitigation and adaptation.

To comprehensively assess potential climate-related risks and opportunities in its business development, the Group considered factors including global warming pathways, changes in climate policy, the relevant time horizons, industry characteristics and strategic objectives. It selected the scenario assumptions and parameters set out below, in alignment with China's “dual carbon” strategy and the Hong Kong Government's target of achieving carbon neutrality before 2050. The Group assessed the current impact of climate risks and opportunities, as well as their expected effects over the short, medium and long term (up to 2030, 2040 and 2050, respectively). These time horizons were defined with reference to the Group's operational budgeting cycle and strategic business planning cycle. In the scenario analysis, it was assumed that the Group's climate-related policies and reporting scope would remain unchanged during the relevant risk horizon.

Scope	Consistent with the reporting scope of the Report.
Scenarios Used	IPCC scenario framework (for physical risk analysis): • SSP 1-2.6: global warming controlled within 2.0°C, with social, economic and clean energy transition broadly aligned with historical trends. • SSP 5-8.5: Global warming exceeds 4 ºC. Delayed government climate action, stalled emission reduction/adaptation and insufficient policies drive extreme climate impacts, increasing enterprises' immediate and long-term physical risks. NGFS scenario framework (for transition risks and opportunities): • Net Zero 2050: early adoption of stringent climate policies, with global warming limited to within 1.5°C through reduced energy demand and deployment of low-carbon technologies. • Current Policies: Only currently implemented climate policies remain in place, leading to continued growth in GHG emissions. Global warming is projected to exceed 3 ºC, resulting in severe physical risks.

The Group recognises that combining quantitative and qualitative analysis helps provide a more comprehensive assessment of climate-related risks and opportunities. In addition, climate-related actions have been integrated into daily business operations, and there is no separately identifiable dedicated funding for responding to climate-related risks and opportunities. As the relevant operating data are dispersed across different business units and industry-recognised methodologies for measuring such indicators remain highly uncertain, the Group is not yet able to reliably prepare all cross-industry metrics in a reasonable and cost-effective manner. Nonetheless, based on the qualitative assessments and analyses conducted under the selected scenarios and time horizons, the Group has identified 6 key climate risks and 3 key climate opportunities. The Group is also strengthening its internal data integration systems and scenario simulation capabilities in order to improve the degree of quantification in climate-related disclosure over time.

Risk/ Opportunity Type	Affected Area	Level of significance[1]			Impact on Business Model and Value Chain	Potential Financial Impact
		Short-term	Medium-term	Long-term		
Physical Risks						
Acute – extreme heat	Production bases, including production workshops, warehouse areas, office premises and outdoor workers.	★	★★	★★★	Business Model: Extreme heat substantially increases cooling demand. If combined with grid overload, it may lead to power restrictions and directly disrupt the rhythm of continuous production. Value Chain: High temperatures may affect the storage stability and transportation efficiency of raw materials, particularly certain biological raw materials, while also increasing pressure on fire and explosion prevention management across production base areas.	Revenue Loss: If production is interrupted due to extreme heat or power restrictions, order deliveries may be delayed. Cost Increase: Cooling-related electricity costs may rise significantly and push up operating expenditure; spending on heat protection measures for employees and potential medical costs may also increase.
Acute – extreme cold and cold waves	Production bases and logistics network, including production equipment, pipelines, water supply systems and road transport.	★	★★	★★★	Business Model: Severe cold weather can sharply increase heating demand and may cause pipe freezing and rupture or equipment malfunction, resulting in unplanned shutdowns. Value Chain: Snow and icy roads may obstruct inbound raw material deliveries and outbound finished-product transportation, interrupting the supply chain and affecting timely delivery to customers.	Revenue Loss: Potential production stoppages may reduce revenue. Cost Increase: Heating energy costs may rise, while equipment repair and replacement expenses, profit losses caused by stoppages, and emergency logistics and warehousing costs may also increase.
Chronic – rising average temperatures	Production bases, particularly cooling system efficiency and site ecology.	★	★★	★★★	Business Model: Persistent increases in baseline temperatures may lengthen the annual cooling season and permanently raise baseline energy loads, thereby continuing to increase operating costs. Value Chain: Chronic changes in the regional ecological environment may affect the long-term quality and planting patterns of certain climate-sensitive natural or agricultural raw materials.	Cost Increase: Annual total energy consumption and electricity expenditure for temperature-control equipment such as air-conditioning and cooling systems may rise structurally. Capital Expenditure: To maintain the same production efficiency, the Group may need to expand or retrofit cooling systems ahead of schedule.
Chronic – water stress	Regions where production bases are located, affecting overall water security.	★	★★	★★★	Business Model: Water scarcity or restrictions on water withdrawal may directly affect the utilisation rate of water-intensive production processes and threaten production continuity. Value Chain: Water costs may rise, and upstream supply chain participants, such as agricultural raw material suppliers, may also face water stress, leading to raw material cost fluctuations or supply shortages.	Revenue Loss: Restrictions on water withdrawal may result in production capacity losses. Cost Increase: Water charges may increase, and raw material costs may also rise.

Note:
1. Level of significance: ★: Handled through existing standard procedures; ★★: Requires continuous monitoring; ★★★: Requires a dedicated management strategy and follow-up

Risk/ Opportunity Type	Affected Area	Level of significance[1]			Impact on Business Model and Value Chain	Potential Financial Impact
		Short-term	Medium-term	Long-term		
Transition Risks						
Tightening policies and regulations	The Group's overall compliant operations.	★	★★	★★	Business Model: The Group may need to comply with increasingly stringent climate-related disclosure requirements and energy efficiency standards, increasing the complexity of compliance. Tightening energy efficiency standards may affect operations. Value Chain: The Group may need to track and report carbon emissions throughout its operations.	Cost Increase: To meet disclosure requirements, the Group may need to invest in carbon accounting tools, reporting systems and relevant advisory services. A higher proportion of paid carbon allowance allocation or rising carbon prices would also translate directly into compliance costs.
Structural increases in raw material and energy costs	Global and domestic procurement markets, involving key raw materials.	★	★★	★★★	Business Model: Climate policies such as carbon costs, together with extreme weather, may intensify commodity market volatility and directly affect procurement planning. Value Chain: This will test the supply chain's capabilities in strategic procurement and long-term contracting.	Cost Increase: The cost of principal business activities may remain under upward pressure, eroding gross margins. Working Capital: Additional inventories maintained to secure supply may increase pressure on working capital turnover.
Opportunities						
Resource efficiency and energy substitution	Production bases, involving energy management systems, production equipment and available plant space.	★★	★★	★★★	Business Model: Through deep energy-saving retrofits and replacement with clean energy such as photovoltaic power, the Group can drive production and operating models toward a lower-energy and lower-carbon transition and reduce dependence on conventional energy. Value Chain: As a producer or consumer of green electricity, the Group can enhance the low-carbon attributes of its supply chain, respond to downstream customers' green manufacturing requirements, and potentially create new synergies with the power grid or trading counterparties.	Operating Cost Savings: Reduced energy consumption can directly lower major operating expenditure and improve profitability. Capital Efficiency Improvement: Longer equipment life may reduce replacement frequency and capital expenditure.
R&D innovation and market expansion	Innovative drugs, bulk medicine and bio-pharmaceutical business.	★	★★	★★★	Business Model: Climate-driven changes in disease patterns, such as vector-borne diseases and heat-related illnesses, may generate new demand for prevention and treatment medicines, creating new directions for the Group's R&D innovation. The Group's R&D pipeline in endocrinology, metabolism and anti-infectives can respond quickly to emerging market needs. Value Chain: Medicines or intermediates meeting green procurement standards may gain priority for entry into certain premium markets or supply chains, and strengthen ties with ESG-focused investors and customers.	Revenue Increase: New growth markets and product lines, such as medicines targeting climate-related diseases, may generate incremental revenue. Green certification or low-carbon products may also command a brand premium and enhance profitability. Lower Financing Costs: Where eligible, the Group may obtain green credit facilities or government subsidies, such as incentives for energy-saving retrofits, thereby reducing capital costs.

Note:
1. Level of significance: ★: Handled through existing standard procedures; ★★: Requires continuous monitoring; ★★★: Requires a dedicated management strategy and follow-up

Risk/ Opportunity Type	Affected Area	Level of significance[1]			Impact on Business Model and Value Chain	Potential Financial Impact
		Short-term	Medium-term	Long-term		
Enhanced operational resilience	Production facilities, supply chain system and overall corporate strategy.	★★	★★	★★★	Business Model: Investment in climate-adaptive infrastructure and resilient supply chains can enable the business model to better withstand physical disruptions and market volatility. Value Chain: By strengthening its own resilience and that of its collaborative supply chain, the Group can maintain supply stability during extreme events, thereby enhancing customer trust and long-term partnerships and reinforcing its position as a reliable partner.	Loss Reduction: Greater resilience can reduce the risk of production interruptions caused by external grid power restrictions or municipal water shortages, thereby reducing gross profit losses from downtime. Lower Financing Costs: Stable operating performance and stronger risk management can help the Group obtain more favourable interest rates in debt financing and reduce interest expenses. Higher Asset Disposal Proceeds: Improved energy efficiency may support higher valuations of fixed assets upon subsequent replacement or disposal.

Note:
1. Level of significance: ★: Handled through existing standard procedures; ★★: Requires continuous monitoring; ★★★: Requires a dedicated management strategy and follow-up

The Group has developed a targeted strategic response framework based on the identified climate-related risks and opportunities. The table below outlines the strategic response directions for each category of risks and opportunities. Specific adaptation and mitigation measures will be elaborated in section 6.3 "Climate Risk Management" of the Report.

Type of Risk/Opportunity	Response Strategy
Physical Risks	
Acute – extreme heat	Enhance the resilience of operations and the supply chain under extreme temperatures, with a focus on optimising energy dispatch, protecting employee health and maintaining production continuity.
Acute – extreme cold weather	Strengthen cold-resilient infrastructure and emergency response arrangements for the supply chain to ensure winter production stability and logistics continuity.
Chronic – rising average temperatures	Treat climate resilience as a strategic investment, systematically identify weak points and strengthen them to build a robust organisation capable of adapting to multiple future climate conditions.
Chronic – water stress	Continue to promote water-saving technologies and water recycling, reduce water intensity per unit of product, and lower dependence on regional water resources.
Transition Risks	
Tightening policies and regulations	Closely track domestic and international climate policy and regulatory developments, prepare in advance for compliance requirements, and embed carbon reduction goals into medium- to long-term planning.
Structural increases in raw material and energy costs	Offset cost pressure through optimisation of the energy mix and improved production efficiency.

Type of Risk/Opportunity	Response Strategy
Opportunity	
Resource efficiency and energy substitution	Proactively implement energy-saving and carbon-reduction initiatives and continue to increase the use of green energy to reduce carbon intensity and manage long-term compliance costs and transition risks.
R&D innovation and market expansion	Treat green operations that go beyond compliance as part of the Group's core competitiveness, and continue to improve resource efficiency and environmental performance through innovation and systems optimisation.
Enhanced operational resilience	Build a more resilient, diversified and collaborative supply chain system and reduce dependence on price-sensitive resources through process innovation.

Although the Group has not yet formulated a standalone climate transition plan, responsive measures have already been implemented and the measures disclosed in the previous reporting period have been fully executed. Relevant funding and implementation have been arranged through internal capital and existing human resources. During the Reporting Period, the Group also established climate-related targets to comprehensively promote decarbonisation and climate resilience building. To achieve these targets, the Group continued to focus on areas such as energy-saving technological upgrades, energy substitution and the circular economy, and invested approximately RMB75.95 million during the Year, with all resources coordinated through internal capital and existing manpower. The Group also enhanced its energy performance assessment mechanism to ensure that emission reduction responsibilities are cascaded through all levels. During the Reporting Period, there was no capital expenditure, financing or investment dedicated specifically to responding to climate-related risks and opportunities.

Despite the positive actions taken, the effective implementation of future climate resilience plans still faces key uncertainties, including the pace of global and regional climate policy updates, changes in customer demand for green services, and the evolving speed and severity of physical climate impacts. Nevertheless, the Group believes that it has strong adjustment and adaptation capabilities and will be able to adapt its strategy and business model over the short, medium and long term. This adaptive capability is embedded in the Group's continuing strategic planning and operational management, allowing it to adjust business priorities, operating processes and value chain collaboration in a timely manner in response to evolving climate risks, regulatory changes and market dynamics.

Looking ahead, the Group will regularly monitor climate-related risks and opportunities, evaluate the effectiveness of mitigation measures, adjust strategies in light of operating performance, and track the progress of all climate-related targets through routine monitoring. Climate-related targets will be refined in line with operating performance and external climate trends to ensure that they remain both practical and progressive. The Group will also optimise mitigation and adaptation measures based on target progress and effectiveness assessments. These clear targets will guide all climate actions in an orderly manner, effectively supporting the Group in achieving its climate-related objectives and further enhancing its resilience to climate change.

6.3 Climate Risk Management

The United Laboratories conducts analysis with reference to parameters such as asset location, asset type, the historical impacts of extreme weather and energy consumption patterns, while also using publicly available climate scenario data and internal operational data such as operation logs. The Group has systematically integrated the identification, assessment, prioritisation and management of climate-related risks and opportunities into its overall risk management framework, thereby ensuring that climate risk management and opportunity capture are carried out on a regular and standardised basis. The Board bears ultimate responsibility for the effective operation of the Group's climate-related risk and opportunity management system. Under the guidance of the Board and the Sustainability Committee, the Group has established a full-process management system covering identification, assessment, prioritisation and response, with reference to its “Climate Risk Management Procedures”. To ensure effective management, senior management is responsible for formulating the specific climate risk management framework and regularly convening business departments to identify, report and discuss response plans for risks and opportunities in light of a changing external environment. Each business department is responsible for implementing relevant actions within its own area of responsibility. The Audit Committee assists the Board in fulfilling its oversight duties through the ongoing review of relevant systems and procedures. During the Year, there were no material changes to the overall climate risk management process which detailed below.

Risk and Opportunity Identification

By researching climate change trends, domestic and international industry developments, technological advancements, etc., conducting peer benchmarking, and collecting stakeholder feedback, combined with the Group's own operational circumstances and business characteristics, we perform climate-related scenario analysis and establish a list of climate-related risks and opportunities. We identify and describe the physical and transition risks that affect the Group's operations, as well as the corresponding potential opportunities.

Risk and Opportunity Assessment

Using a combination of quantitative and qualitative methods, we comprehensively analyse the expected impact of climate-related risks and opportunities on the Group's business model, value chain, and financial aspects. We assess the likelihood and magnitude of impact of each risk and opportunity, forming a complete evaluation of climate-related risks and opportunities.

Risk and Opportunity Prioritisation

Based on the above assessment results, we rank the identified climate-related risks and opportunities using a scoring matrix to determine their priority. We focus on those climate-related risks and opportunities with high likelihood and high impact.

Risk and Opportunity Response

Based on the identification and assessment results, we develop and implement corresponding risk mitigation and opportunity capture plans. For different types of risks, we adopt a combination of “adaptation” and “mitigation” measures. All response plans for material climate-related issues are reviewed and approved by management, with responsible departments overseeing their implementation. We regularly monitor the progress and actual effectiveness of these measures and report to the Board of Directors and the Sustainability Committee, ensuring closed-loop management and continuous improvement.

6.3.1 Mitigation Measures

The United Laboratories recognises that mitigating climate change requires systematic action and sustained resource commitment. Climate mitigation has therefore been integrated into both daily operations and long-term planning. Through multiple pathways such as technological transformation, energy substitution and resource circularity, the Group continues to advance carbon reduction efforts and reduce the carbon footprint of its operations.

Low-carbon Energy Strategy: Parallel Advancement of Green Power Procurement and Distributed Solar Deployment

- Steadily increasing the proportion of green power procurement. We regard green electricity procurement as an important lever for carbon reduction. During the Year, green electricity consumption at the Inner Mongolia Company's production base accounted for 9.7% of the base's total electricity consumption. We will continue to actively procure green electricity while taking into account cost and practical conditions, steadily increasing the share of green electricity. In line with the Company's quantified greenhouse gas emission reduction targets, we are committed to gradually raising the proportion of green electricity procurement and continuously stepping up the use of clean energy.

- Exploring market-based green electricity trading mechanisms. To optimise the cost of green power consumption, the Group actively studied the feasibility of participating in market-based green power trading through the electricity trading centre. This could reduce transmission and distribution fees, government funds and surcharges, thereby lowering the overall cost of purchased green power and supporting future expansion of green power use.

- Developing on-site distributed photovoltaic projects. In parallel with external procurement, the Group is also advancing the development of distributed photovoltaic systems within the plant area. A 20 MW distributed photovoltaic project developed with a third party is progressing as planned and is expected to be grid-connected in 2026. Upon commencement of operation, the project is expected to generate about 30,000 MWh of electricity annually.

Process Innovation to Drive Continuous Improvement in Energy Efficiency

- System energy efficiency optimisation: For high-power electrical equipment, dynamic reactive power compensation technology has been introduced to improve power quality. Adaptive low-voltage SVG dynamic compensation energy-saving devices have been installed on key equipment such as brine units and air compressor units. These devices collect current signals in real time and dynamically compensate for harmonics and reactive current, enabling multiple functions including harmonic filtering, overload protection, and dynamic power compensation. Continuous testing and verification show that the brine units achieved an energy-saving rate of 16.3%, while the air compressors achieved 17.8%. Together, these upgrades deliver an annual electricity saving of 7,390 MWh.

- Key equipment upgrades: Replacing the traditional "motor + gearbox" drive mode with high-efficiency permanent magnet direct drive technology, significantly reducing transmission losses.
  ✓ Cooling tower fan retrofitting: Five cooling tower fans were retrofitted with permanent magnet direct drive variable frequency motors, replacing the original 160 kW industrial frequency motors and gearboxes. After the retrofit, the system can automatically adjust the air volume based on water temperature, achieving automated and economical operation, with an average power saving rate of 29.36% and annual electricity savings of 5,060 MWh.
  ✓ Harvest tank motor retrofitting: Five harvest tank motors were retrofitted with permanent magnet direct drive, achieving an average power saving rate of 19.8% and annual electricity savings of 1,380 MWh.
  ✓ Comprehensive phase-out of high-energy-consumption motors: The production base continues to phase out high-energy-consumption motors across all facilities. As of the end of this reporting period, 1,510 high-energy-consumption motors have been replaced, with a total replaced capacity of 27,132 kW. Through this measure, estimated annual electricity savings amount to 6,446 MWh. The phase-out of the remaining motors is progressing as planned.

- Production process innovation: Starting from core production processes, achieving fundamental energy savings through technical optimisation.
  ✓ Fermenter agitator optimisation: Upgraded the agitators of 10 fermenters to the patented FT2000 parabolic agitator. This technology optimises impeller design, improving gas-liquid mass transfer efficiency while reducing stirring resistance, achieving a power saving rate of 25% and annual electricity savings of 8,400 MWh.
  ✓ Waste acid water system waste heat utilisation retrofit: Retrofitted the heat exchanger and added a waste heat recovery device to extract waste heat from the condensate of waste acid water for preheating feed materials. This is expected to save 35,000 tonnes of steam annually, enabling cascading energy utilisation.

Resource Circularity and Recovery of Energy Potential

- Recovery and utilisation of biogas incineration waste heat. The Group's "hazardous waste incineration waste heat utilisation" project has been operating steadily. Biogas generated from the wastewater treatment process, with methane as the main component, is used in place of natural gas as the fuel for the incinerator, and an 8 t/h waste heat boiler is used to recover high-temperature flue gas waste heat. In the Year, the project utilised approximately 2.54 million cubic meters of biogas, equivalent to saving 1.27 million cubic meters of natural gas, achieving the dual benefits of waste-to-energy utilisation and fossil fuel substitution.
- Cascaded utilisation of waste heat resources. In addition to biogas recovery, the Group has also promoted projects such as condensate tank flash steam recovery and waste acid water heat recovery in certain workshops, recovering low-grade waste heat that would otherwise be discharged into the atmosphere and using it for material pre-heating or hot water production.

Ecological Carbon Sink Development Contributes Long-term Value

- Ongoing development of a green industrial campus: Tree-planting activities have long been a tradition of the Company. To date, more than 3,000 trees, including golden ash, golden elm, lilac, and flowering plum, along with over 6,000 hedge plants have been planted. The steadily increasing vegetation across the site not only enhances the environment but also continuously absorbs atmospheric carbon dioxide, contributing to climate change mitigation. In April 2025, the Group's Party Committee and Administrative Department jointly organised over 80 Party members and volunteers from various branches to carry out a themed voluntary tree-planting activity. After a morning of dedicated work, more than 200 ash trees were planted across areas including the automated warehouse, quality inspection building, artificial lake, parking lot, and staff cafeteria. The newly planted saplings, neatly arranged and full of vitality, have added a vibrant touch of green to the campus in spring.

Carbon Asset and Market Mechanism Management

- Active participation in the national carbon market. The Company has completed account opening in the national carbon emissions registration and trading systems and has the capability to trade independently. Based on the accounting in accordance with the relevant documentation of the Ministry of Ecology and Environment, the Inner Mongolia Company has acquired 53,683 tonnes of carbon emission allowances during the Reporting Period. The Group will closely monitor market conditions and complete compliance obligations through the national carbon market in a timely manner to ensure compliant operation.
- Establishment of a carbon asset management mechanism. Carbon allowances have been incorporated into the enterprise resource management system, with dedicated personnel responsible for policy tracking and market analysis. Going forward, the Group will further strengthen the professional management of carbon assets and optimise carbon costs through market-based mechanisms in preparation for sustainable development under medium- to long-term carbon constraints.

6.3.2 Adaptation Measures

In view of the increasing frequency of extreme weather events and the long-term evolution of climate patterns, the Group has incorporated climate adaptation into the core of its operational management. It recognises that early planning and systematic response are critical to safeguarding production continuity and employee safety. Accordingly, the Group has established an end-to-end climate adaptation system covering pre-event warning, in-event response and post-event recovery across four dimensions: operational facility resilience, business continuity, supply chain resilience and health risk response.

Business Continuity Protection

- The Group continues to strengthen the resilience of critical infrastructure. It carries out systematic risk assessments on core systems such as electricity, water supply and communications, and formulates reinforcement and retrofit plans based on the assessment results to ensure adequate tolerance and recovery capability during extreme weather events. We have established an emergency response plan system covering all types of critical facilities. For sudden incidents under different climate scenarios, it clearly defines the roles, responsibilities, and standardise procedures for personnel at all levels, ensuring that operators can carry out emergency responses in an orderly and accurate manner under urgent conditions. Similar specialised plans have been extended to cover the company's major production facilities and utility systems, with regular drills and evaluations conducted to continuously improve emergency response efficiency. In May 2025, strong winds caused two power outages on the Chenlian I Line. In response to these emergencies, operators acted swiftly, restoring power within a short time through operations such as closing the bus coupler switch and switching to backup lines, resulting in no impact on production. This case demonstrates the company's effectiveness in building power system resilience and emergency preparedness, while also providing valuable experience for the continuous optimisation of our emergency response plans.

- Tiered emergency response system: The Company has established an emergency response plan system covering various climate scenarios such as extreme heat, severe cold, heavy rain, and heavy snow, and regularly organises drills to verify the effectiveness of the plans. Each workshop develops specific plans based on its own risk characteristics, clearly defining response measures, division of responsibilities, and resource allocation procedures under different warning levels. Through regular drills and evaluations, the Company continuously improves emergency response efficiency and coordination capabilities, ensuring that production operations can be quickly restored in the event of extreme weather events.

- Seasonal risk prevention: In response to the risk of power curtailment during the summer peak electricity consumption period, the Company prepares off-peak electricity consumption plans in advance and uses the power demand side management platform to monitor real-time electricity loads in each workshop, optimising power dispatch. During high-temperature weather, infrared temperature measurement and inspections of critical equipment such as transformers and power distribution cabinets are intensified to prevent equipment failures caused by overloading. Before winter, each workshop conducts comprehensive inspections and insulation reinforcement of outdoor pipelines, valves, instruments, and other facilities to ensure safe equipment operation through the winter.

Supply Chain Resilience Building

- The Group has established a safety inventory warning mechanism for key raw and auxiliary materials such as coal, corn and glucose in response to transport interruption risks caused by extreme weather. For example, the coal inventory management plan of Workshop 503 classifies shortages into graded warning levels (Level I: Less than 7 days; Level II: Less than 5 days; Level III: Less than 3 days) and requires corresponding response actions, including daily inventory tracking, reporting to the company and the procurement department, coordinating with coal supply units to increase transportation capacity, and assigning dedicated personnel to stay at mines to expedite deliveries. This ensures that units can maintain safe and stable operation even when transportation is disrupted by extreme weather. This management mechanism has been promoted and applied in the company's procurement of key raw materials, effectively enhancing the supply chain's resilience to risks.

- The Group maintains long-term strategic relationships with key suppliers and signs long-term supply agreements to mitigate market price fluctuations. Climate resilience has also been incorporated into the supplier assessment system, with regular analysis of extreme weather risks in supplier regions and of the suppliers' own response capabilities. Alternative arrangements are prepared in advance for high-risk suppliers to ensure a diversified and sustainable supply chain. When extreme weather warnings are issued, the company proactively sends warning information to suppliers, assists them in making preventive preparations in advance, and issues purchase orders earlier or increases inventory levels as the situation dictates.

Forward-looking Response to Health Risks

- Health protection under high-temperature: During hot summer weather, the Company provides heatstroke prevention and cooling supplies to outdoor workers and adjusts working hours to avoid peak heat periods. Each workshop is equipped with first-aid kits, and regular training on heatstroke prevention and cooling knowledge is organised to enhance employees' self-protection awareness and emergency self-rescue capabilities.
- Health protection under extreme cold weather: Before winter arrives, the Company issues cold-protection personal protective equipmen to outdoor workers and conducts warmth checks on living facilities such as employee dormitories and commuter vehicles. At the same time, winter safety training is strengthened to remind employees of traffic accident risks caused by icy roads, ensuring their commuting safety.
- Occupational health monitoring: The Group organises health check-ups for employees every year and establishes health records. In response to potential changes in disease patterns induced by climate change, we continuously monitor employee health conditions and adjust health management strategies in a timely manner, ensuring that employees are in optimal condition to perform their duties.

6.4 Climate Metrics and Targets

As a responsible enterprise, The United Laboratories actively promotes greenhouse gas emission reduction efforts. Relying on a detailed action plan, we provide crucial support for our reduction work, ensuring that various emission reduction measures can be implemented in an orderly manner and achieve tangible results. The Group closely aligns itself with the national "dual carbon" strategy (carbon peak by 2030 and carbon neutrality by 2060) and the "15th Five-Year Plan" deployment. The former represents China's core pathway for fulfilling its obligations under the Paris Agreement, while the latter provides important guidance for us in formulating phased action plans. Under this framework, we take the national carbon peak and carbon neutrality goals as the fundamental basis for developing our own climate action plan, ensuring that the Group's emission reduction pathway resonates with the national macro strategy.

On this basis, the Group has systematically assessed the carbon emission status of its operations and formulated reduction and management targets aligned with national climate policy requirements. Although these targets have not yet been independently assured by a third party and were not set using sectoral decarbonisation methodologies, the Board will monitor progress annually and assess whether revisions are required in light of actual conditions. Meanwhile, the Group continues to improve its target-setting, data accounting and disclosure mechanisms to enhance the transparency and credibility of its decarbonisation actions.

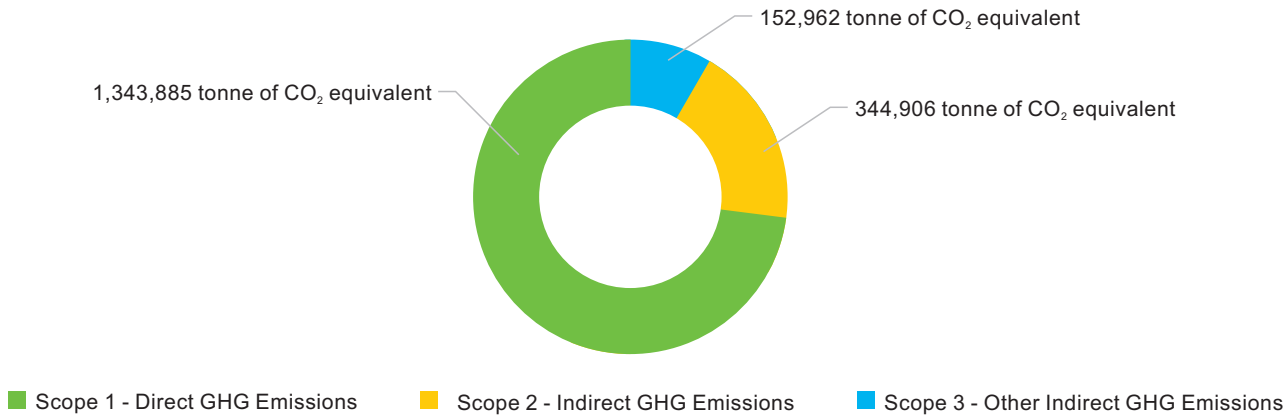
In terms of our emission reduction pathway, the Group focuses on achieving substantial decarbonisation through energy efficiency improvement, energy substitution, and process optimisation, taking energy-saving technological retrofits, green electricity application, and circular economy as core levers. It is worth noting that the Group participates in the national carbon emissions trading scheme in accordance with national policy requirements, and the purchase of carbon allowances is primarily intended to meet annual compliance obligations, rather than serving as the main means to offset its own operational emissions or achieve carbon neutrality. The Group has actively participated in and complied with the national carbon emissions trading scheme for six consecutive years. During the Reporting Period, we purchased 53,683 tonnes of carbon allowances and fulfilled our compliance obligations on schedule. We will continue to monitor the development of carbon market mechanisms and voluntary emission reduction policies, so as to use them as supplementary support for achieving our long-term carbon neutrality goals at an appropriate time in the future. The specific targets are as follows:

Target Category	Target Description
GHG Emissions	• Taking 2025 as the base year, reduce total greenhouse gas emission intensity (emissions per tonne of product) by 17% by 2030 (covering Scope 1, Scope 2 and Scope 3).
Energy Management	• Taking 2025 as the base year, reduce energy consumption intensity (energy use per tonne of product) by 5% by 2030. • Increase the proportion of green electricity use year by year by 2030.
Water Management	• Taking 2025 as the base year, steadily reduce production water consumption intensity (water consumption per tonne of product) by 2030. • Maintain 100% compliant treatment and reuse of production wastewater.
Waste Management	• In 2026, hazardous waste intensity (generation per tonne of product) shall not exceed 8.5 tonnes.
Ecological Protection	• Continue to carry out ecological protection activities such as afforestation to enhance carbon sink capacity.
Carbon Assets and Market Mechanisms	• Continue to support and comply with the national carbon emissions trading scheme.

The Group is committed to deeply integrating sustainability principles into its operations and value chain, reducing its carbon footprint through substantive measures such as improving energy efficiency, applying renewable energy, and optimising processes.

The year 2025 marks a critical year for the Group in establishing quantitative baselines for climate-related targets, signifying our transition from non-quantified management to a more systematic and trackable target management model. The Board of Directors will oversee progress against these targets annually, conducting evaluations and making necessary revisions based on actual circumstances. We will also continue to improve our target setting, assessment, and verification mechanisms, and regularly disclose progress and emissions data to maintain transparent and credible communication.

In 2025, the Group carried out identification, assessment, and verification work to effectively manage its own GHG emissions. Our verification scope covers the Group and its subordinate production bases. We have established carbon emission accounting and management rules covering Scope 1 and Scope 2, and completed GHG inventory in accordance with the requirements of the "Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004)". Meanwhile, following the "Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)", we re-evaluated and refined the identification and accounting scope of Scope 3 emission categories during the Year. This scope involves a total of 15 categories. After reviewing and analysing them in light of the Group's actual business operations, and considering the materiality of emissions, data availability, and stakeholder concerns, the Group identified 6 categories closely related to our operations as the current focus of Scope 3 GHG emission accounting and management. These categories mainly cover upstream and downstream value chain activities, specifically: Category 1 (Purchased goods and services), Category 2 (Capital goods), Category 4 (Upstream transportation and distribution), Category 5 (Waste generated in operations), Category 6 (Business travel), and Category 9 (Downstream transportation and distribution). In the future, the Group will continue to improve the statistics, accounting, and management of GHG emissions data, continuously enhancing data accuracy and transparency to provide a scientific basis for subsequent emission reduction target setting and performance tracking. During the Reporting Period, the Group's GHG emissions are presented in the figure below. For more detailed data and notes, please refer to the Environmental Key Performance Index in Appendix I: Key Performance Index.



The Group systematically integrates climate-related factors into its daily operational management and performance assessment system, ensuring effective alignment between carbon reduction targets and employee incentives. The Group has formally established the "Sustainability and Climate-Linked Remuneration Management System", which formally incorporates climate performance into the remuneration assessment system of senior management at the group level, achieving a deep linkage between carbon reduction responsibilities and incentive and constraint mechanisms. This system explicitly designates "Climate and Environmental Core KPIs" as an important component of the special "Sustainability Performance" module. Within this module, which accounts for no less than 20% of the annual performance bonus, climate and environmental indicators account for no less than 60%, equivalent to no less than 12% of the total performance bonus. Specific assessment indicators include the annual reduction rate of greenhouse gas emission intensity, the reduction rate of water consumption and energy consumption per unit of output value, and forward-looking indicators such as progress in green R&D and laboratory certification are also included for tracking purposes, guiding management to continuously focus on both operational carbon reduction and green innovation. For detailed provisions of this system, please refer to section 4.3.2 "Compensation Linkage Mechanism" of the Report.

In addition, Inner Mongolia Company has fully incorporated energy management targets into the performance assessment system of each workshop and functional department, ranking them alongside production indicators as core dimensions of performance evaluation. The achievement of energy performance directly affects the bonus calculation for employees and teams, ensuring that climate-related responsibilities are cascaded down and cover all employees. For the specific mechanisms, weight settings, and incentive schemes of energy assessment, please refer to section 7.2 "Energy and Water Resource Management" of the Report.

The Group also continuously monitors the evolution and application of climate management tools. At present, an internal carbon pricing mechanism has not been proven to have a direct and material relevance to the Group's industry, current operational priorities, and financial decision-making needs; therefore, it has not yet been introduced. We will continue to follow the development trends of carbon pricing mechanisms and industry best practices, and proactively assess the feasibility of incorporating them into our management framework when conditions mature.

07

Environmental Governance

Protecting Lucid Waters and Lush Mountains

Our Focus

Resource utilisation
Pollution control
Green operation

Our Actions

Improving energy and water efficiency
Managing the treatment of wastewater, exhaust gas and waste
Eestablishing a circular economy industrial chain

The United Laboratories firmly believes that corporate development and ecological protection are not a zero-sum game but a mutually reinforcing symbiosis. As a pharmaceutical manufacturing enterprise, we are fully aware of the potential environmental impact of our production operations. Therefore, we have always regarded environmental governance as the cornerstone of our sustainable development, adhering to the environmental policy of "Law Abidance and Integrity, Prevention and Control, Environmental Protection, Continuous Improvement, and Harmonious Development", and integrating green concepts into every aspect of strategic decision-making, process innovation, and daily management. We strictly comply with all applicable environmental laws and regulations in the locations where we operate, and have established and continuously improved our environmental management system. Through systematic institutional building and rigorous implementation supervision, we ensure that all production and business activities are legal and compliant. At the same time, we are not satisfied with mere baseline compliance; we hold ourselves to higher standards, making sustained efforts in areas such as energy conservation, water management, waste reduction, and resource recycling, striving to minimise our environmental footprint and taking concrete actions to protect our planet. The relevant laws, regulations, and internal policies that the Group complied with in this chapter are shown in the following table:

Area	Relevant laws, regulations and standards	Internal policies
Environmental protection	Environmental Protection Law of the PRC Environmental Protection Tax Law of the PRC	List of Environmental Protection Laws, Regulations and Other Requirements
Energy and resource management	Energy Conservation Law of the PRC Water Law of the PRC Regulation on the Administration of Water Abstraction Permits and Water Resource Fees Collection	Energy Management System
Wastewater treatment	Water Pollution Prevention and Control Law of the PRC Integrated Wastewater Discharge Standard Technical Guidelines for Environmental Impact Assessment – Groundwater Environment	Water Treatment Management Procedures
Exhaust gas treatment	Air Pollution Prevention and Control Law of the PRC Emission Standard of Air Pollutants for Thermal Power Plants Emission Standard of Air Pollutants for Pharmaceutical Industry Standard for Fugitive Emission Control of Volatile Organic Compounds Technical Guidelines for Environmental Impact Assessment – Atmospheric Environment	Air Pollution Management System
Waste management	Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste Soil Pollution Prevention and Control Law of the PRC Technical Code for Anti-seepage of Petrochemical Engineering Technical Guidelines for Solid Waste Treatment and Disposal Engineering Pollution Control Standard for Storage and Disposal Sites of General Industrial Solid Waste	Solid Waste Management Procedures Responsibility System for the Prevention and Control of Environmental Pollution by Hazardous Waste Detailed Rules for Workshop Hazardous Waste Management
Ecology and biodiversity protection	Forest Law of the PRC Implementing Regulations of the Forest Law of the PRC Regulations of the PRC on the Protection of Wild Plants Wildlife Protection Law of the PRC Convention on Biological Diversity	Biodiversity Protection Management Procedures

7.1 Environmental Management System

The United Laboratories consistently regards environmental protection as a cornerstone of sustainable development. Guided by the environmental policy of compliance and integrity, prevention and control, environmental protection, continuous improvement and harmonious development, we have embedded environmental management into daily operations and strategic decision-making. To systematically advance environmental management, Inner Mongolia Company has established sound environmental management system and has obtained ISO 14001:2015 certification for its environmental management system and GB/T 23331-2020 / ISO 50001:2018 certification for its energy management system. The company strictly complies with national and local environmental laws and regulations, formulates internal environmental management rules and continuously improves its environmental performance.

7.1.1 Internal Environmental Audits

To ensure the effective operation of both the environmental management system and the energy management system, the Group has established a routine internal audit mechanism and organises qualified audit teams each year to comprehensively assess the conformity and effectiveness of system operation. During the Reporting Period, the Group completed the annual internal audits of both systems as summarised below.

Environmental management system internal audit	Energy management system internal audit
Audit Basis ISO 14001:2015 environmental management system certification requirements	**Audit Basis** GB/T 23331-2020 / ISO 50001:2018 Requirements for Energy Management Systems
Scope Environmental management of the production of bulk medicine and intermediate products and related supporting activities, covering environmental factor identification, compliance obligations, targets and indicators, operational control and emergency preparedness	**Scope** Energy management activities involved in the production of products such as amoxicillin and ampicillin bulk medicine, 6-APA and clavulanic acid per annum
Audit Approach Site inspections, document review and staff interviews	**Audit Approach** Site inspections, document review and staff interviews
Audit Team Composition Audit teams A, B, C and D, covering workshops and functional departments	**Audit Team Composition** 21 internal auditors divided into four groups
Audit Conclusion The system met relevant requirements, environmental responsibilities were effectively implemented by workshops and departments, and environmental performance continued to improve. Corrective measures were formulated for identified issues and follow-up actions were implemented.	**Audit Conclusion** The system operated in good condition. Personnel at all levels demonstrated an appropriate understanding of the energy policy and objectives, facilities and equipment were properly managed, emergency preparedness was adequate, and energy performance was continuously improved. One minor non-conformity was identified and rectified as required.

7.1.2 External Environmental Audits

The Group proactively introduces external oversight from authoritative third-party institutions and government regulators to verify the effectiveness of its management systems. In 2025, the Inner Mongolia Company successfully completed two important external reviews.

"Four Systems" Supervision Audit and Re-certification of the Energy Management System

In November 2025, six experts delegated by the Beijing Standard Certification Center conducted surveillance audits of the Group's quality, environmental, and occupational health and safety management systems, while simultaneously completing the re-certification of the energy management system. Based on the requirements of GB/T 19001-2016, GB/T 24001-2016, GB/T 45001-2020 and GB/T 23331-2020, the expert team conducted a comprehensive review through presentations, document review and on-site inspections. The experts fully recognised the Group's solid efforts in product quality control, environmental responsibility, employee health protection and energy efficiency enhancement. After five days of detailed review, the expert team formally concluded that the Company's "four systems" were operating compliantly and effectively, and the surveillance audit and re-certification were successfully passed.

Special Audit on Energy Metering

In September 2025, an expert panel jointly formed by market regulation authorities and the municipal testing centre at the autonomous region and Bayannur city levels conducted a special review of the Group's energy metering practices. Based on relevant national standards and specifications, the panel examined 52 items covering metering compliance, energy metering management systems, metering instrument allocation and personnel qualifications. With the coordinated support of multiple departments, the Group comprehensively demonstrated the operation of its energy metering management system. Following the overall assessment, the expert panel confirmed that the Group had effectively fulfilled its principal responsibilities in energy metering management, and that its management level met the foundational requirements of the national dual carbon agenda. The Group therefore successfully passed the special review.

7.2 Energy and Water Resources Management

Energy and water are fundamental resources for pharmaceutical production and are also core topics in the Group's environmental management. Through the establishment of comprehensive energy and water resources management systems, quantitative targets and strengthened process control, we continuously improve resource efficiency and reduce the environmental impacts arising from operations.

7.2.1 Energy management

The United Laboratories treats energy management as an important lever for promoting low-carbon operations. In accordance with GB/T 23331-2020 / ISO 50001:2018, we have established the Energy Management System and operate an energy management system under the energy policy of "compliance and innovation, energy conservation and consumption reduction, cleaner production and continuous improvement". Energy targets are fully integrated into production performance assessment. The Group implements a three-tier energy management structure at the company, department and team levels so as to ensure that energy responsibilities are clearly assigned and effectively implemented.

Decision-making level

Body / role

Energy Management Leading Group (headed by the General Manager)

Core responsibilities

Reviews energy conservation plans and annual targets

Approves major energy-saving technical renovation projects

Provides direction and coordination for energy-saving work

Coordination level

Body / role

Energy-saving Office (under the Production Technology Department)

Core responsibilities

Organises implementation of energy-saving work

Formulates energy management systems and assessment measures

Convenes regular energy analysis meetings

Supervises implementation

Execution level

Body / role

Energy administrators in workshops / departments

Core responsibilities

Supervise rational energy use in workshops

Complete original energy records

Compile and analyse energy consumption data

Collect suggestions for energy-saving improvements

Supervision level

Body / role

Energy conservation inspection group

Core responsibilities

Carries out on-site inspections of energy use

Promptly reports abnormal energy consumption

Conducts assessments in accordance with reward and penalty measures

Energy management has been embedded into daily operations through the dual drivers of performance assessment and metering-based monitoring. Workshops apply unit quota management to key energy consumption categories such as water, electricity and steam, and conduct monthly statistical analysis. Assessment results are directly linked to monthly and annual performance bonuses: where actual unit consumption outperforms targets, proportional rewards are granted; where consumption is worse than target, corresponding deductions are made. At the same time, metering instruments are installed across the power distribution system, major energy-using equipment and energy entry points, enabling hierarchical and itemised real-time monitoring of energy consumption and supporting precise scheduling and continuous optimisation.

Through ongoing technical renovation and refined management, the Company steadily improved its energy efficiency in 2025. A number of energy-saving retrofit projects covering waste heat recovery, frequency conversion upgrades and process optimisation were completed and put into operation. During the Year, these projects delivered annual electricity savings of 14.25 million kWh, steam savings of 180,000 tonnes and natural gas savings of 9.17 million cubic metres, equivalent to approximately 29,700 tonnes of standard coal saved, with total investment of approximately RMB75.95 million.

Energy-saving retrofit project

- New energy-efficient agitator retrofit for the discharge tank in Workshop 105，electricity savings of 4.85 million kWh/year
- Waste acid water waste-heat utilisation project in Workshop 507，steam savings of 35,000 tonnes/year
- Waste-heat utilisation project for hazardous waste incineration in Workshop 508，natural gas savings of 9.17 million Nm³/year
- Waste-heat recovery project for hot-water lithium bromide units in Workshop 505，electricity savings of 13.57 million kWh/year
- Energy-saving retrofit of acid water towers in Workshops 102/104，steam savings of 64,000 tonnes/year
- Waste-heat recovery project for the acid water tower in Workshop 106，steam savings of 96,000 tonnes/year
- Exhaust steam recovery project for the condensate tank in Workshop 503，steam recovery of 24,000 tonnes/year
- Variable-frequency retrofit for the slurry circulation pump in Workshop 503，electricity savings of 680,000 kWh/year

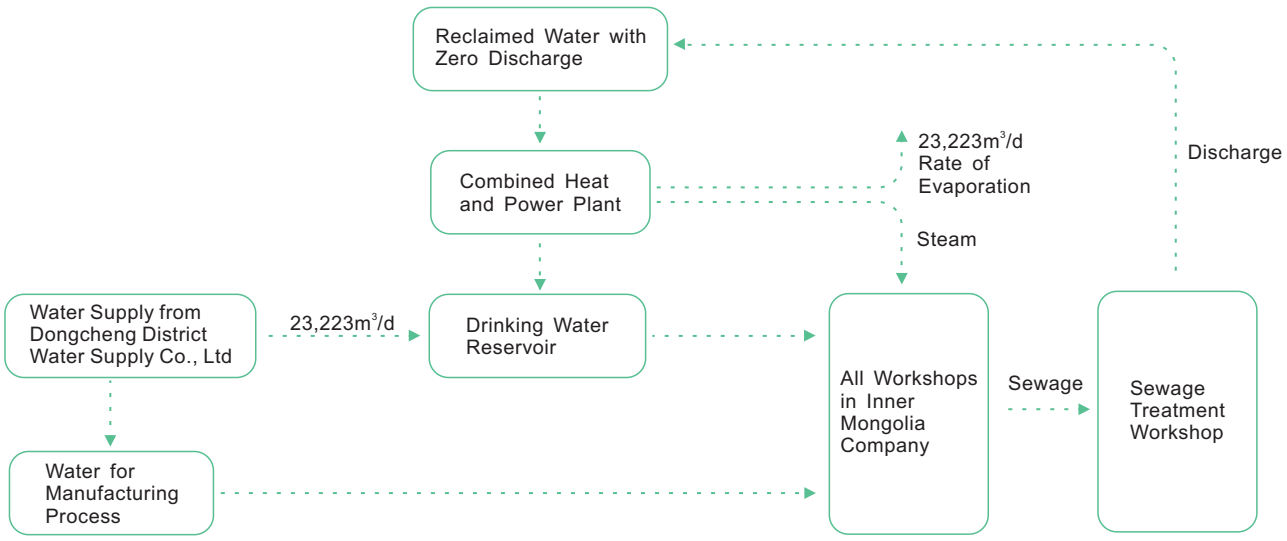
The successful implementation of the above projects strongly supported the achievement of the Company's energy performance targets. In 2025, the comprehensive energy consumption per unit of product decreased by 4.8% compared with 2024.

7.2.2 Water resources management

Water is an indispensable resource for pharmaceutical production. The United Laboratories adheres to the management philosophy of "zero wastewater discharge, full resource recycling", integrating water conservation and pollution reduction throughout the entire production process. The Group's "Energy Management System" also sets out clear provisions for water supply and usage management, covering requirements such as water metering, planned water use, quota assessment, and facility maintenance, and incorporates water consumption into the workshop bonus assessment system. Inner Mongolia Company has made a public commitment to maintain 100% reuse of production wastewater and not to discharge any production wastewater into the external environment.

From 2018 to 2020, Inner Mongolia Company constructed a zero-discharge reclaimed water reuse system with a total treatment capacity of 37,000 cubic metres per day, built in three phases. All treated wastewater is reused in production and in the circulating cooling system, achieving a closed-loop wastewater cycle at source. This system employs advanced membrane treatment technology to deeply treat and recycle production wastewater, serving as the core infrastructure for achieving the Company's zero-wastewater-discharge target. During the Reporting Period, the zero-discharge reclaimed water reuse system treated 11.4 million cubic metres of water, significantly reducing fresh water intake while cutting pollutant emissions at source and protecting regional water environment quality.

To ensure the long-term stable and efficient operation of the reclaimed water reuse system, the workshop implements refined whole-process control across three dimensions: process, water quality, and equipment. Parameters such as chemical dosing, membrane operating pressure, and backwash frequency are adjusted in real time according to fluctuations in influent water quality to keep the system under optimal operating conditions. Water quality at the influent and intermediate stages is regularly monitored to precisely control various indicators, enabling timely detection of anomalies and adjustments. Strict adherence to operating procedures is enforced, with real-time monitoring of core equipment parameters such as pumps, membranes, and dosing devices. Closed-loop management of inspections, maintenance, and record-keeping is implemented, forming a virtuous cycle of "operation – monitoring – maintenance – optimisation".



Water Balance Diagram

Based on the above system guarantees and refined management, the Company has achieved significant results in water resource management. In 2025, the total volume of purchased municipal drinking water was 5.8 million cubic metres, a decrease of 21% compared with 2024. The water supplier was Linhe Dongcheng District Tap Water Co., Ltd. of Bayannur City. During the Reporting Period, Inner Mongolia Company invested more than RMB25 million in water resources. The reclaimed water reuse rate remained at 100%, and the zero-wastewater-discharge target has been steadily achieved for five consecutive years.

Amount of Water (Cubic Metre)	2025	2024	2023
Non-water-stressed Location: Water Purchased of the Inner Mongolia Company[1]	5,793,389	7,349,392	7,893,952
Water-stressed Location:	N/A	N/A	N/A

Note:
1: The source of water withdrawal for all of the water purchased of the Inner Mongolia Company is municipal potable water, with no water withdrawn from sources such as groundwater from wells and boreholes, used quarry water collected in the quarry, surface water, external wastewater, harvester rainwater, and sea water and water extracted from the sea or the ocean.

Amount of Water (Cubic Metre)	2025	2024	2023
Amount of Recycled Wastewater	12,884,428	15,707,118	17,961,933
Amount of Discharged water	N/A	N/A	N/A

The Group's water resource utilisation efficiency has continued to improve, and our water conservation achievements have been recognised multiple times by government authorities. We have been awarded the titles of “Linhe District Benchmark Water-Saving Advanced Enterprise” and Inner Mongolia Autonomous Region “Water-Saving Enterprise”.

Regional Model Enterprise for Water Saving

In March 2025, the Bayannur City Water Resources Bureau and the Linhe District Water Resources Bureau visited the Inner Mongolia Company to conduct water conservation promotion activities. They fully affirmed the Inner Mongolia Company's long-standing water conservation performance and promoted it as a regional model enterprise for water saving.

7.3 Pollution Control and Treatment

While making prudent use of resources, The United Laboratories also focuses on reducing emissions and properly treating various forms of waste generated in production and daily operations. We strictly comply with laws and regulations relating to air pollution, water pollution and solid waste, and have established internal emissions management systems to manage and reduce emissions in a systematic manner and mitigate adverse environmental impacts.

7.3.1 Wastewater treatment

The United Laboratories attaches great importance to wastewater management. Since 2007, the Group has built a sewage treatment station, which has been continuously expanded and renovated in line with production development needs, now covering a total area of 500 acres. Through the treatment process of "pretreatment + hydrolytic acidification + anaerobic system (UASB) + aerobic system (CASS) + contact oxidation (catalytic oxidation) + secondary sedimentation tank", the sewage treatment station effectively treats various types of wastewater generated during production, including waste acid water, cloth-washing water, phenylacetic acid wastewater, crystalline mother liquor, circulating cooling water, and equipment cleaning water. The treated wastewater is then discharged to the reclaimed water reuse system for further treatment, achieving zero wastewater discharge. The sewage treatment station is operated by professional technicians, and the system has a designed treatment capacity of nearly 50,000 cubic metres per day.

To further enhance wastewater treatment capacity and resource recovery, in 2022 the Group invested RMB 12 million to construct a new three-effect evaporation system with a treatment capacity of 300 tonnes per day, used to treat concentrated drainage water generated from the production processes of various workshops, thereby reducing the operating load of the sewage treatment system and stabilising the operation of the reclaimed water membrane system. At the same time, a new multi-functional high-efficiency mechanical vapour recompression (MVR) system was built as a backup facility to ensure the stable operation of the sewage treatment system and the reclaimed water reuse system.

The Group has installed an online monitoring system for water pollutants, which closely monitors the concentrations of chemical oxygen demand (COD) and ammonia nitrogen (NH_3–N) in the wastewater treatment system, preventing groundwater pollution caused by "running, emitting, dropping and leakage" during wastewater treatment. During the Reporting Period, all wastewater discharge complied with national and local standards, and no discharge exceedance incidents occurred.

High-Concentration Brine Salt Separation and Acid-Base Recovery Project

In the area of advanced wastewater treatment and resource utilisation, The United Laboratories continues to promote the high-concentration brine salt separation and acid-base recovery project, adopting the green production process technology of "nanofiltration for salt separation + membrane concentration + freeze crystallisation separation + bipolar membrane conversion of acid and base" to convert high-salt wastewater into dilute acid and dilute alkali for reuse in production. In 2025, the project treated 836,000 tonnes of high-concentration brine, recovered and reused 510,000 tonnes of water, and simultaneously reduced the stockpile of salt in the salt storage yard by approximately 20,000 tonnes, achieving full resource recycling. Since the project began operation, the separated acid and alkali have been returned to production for use, cumulatively reducing the external purchase of liquid caustic soda by 22,327 tonnes and sulphuric acid by 5,993 tonnes, delivering significant ecological and economic benefits. The self-produced dilute acid and dilute alkali system has achieved automated production, one-button start-up, online monitoring, and real-time alarming, operating stably and reliably.

7.3.2 Exhaust gas treatment

Various air pollutants may be generated during production, including malodorous exhaust gas from wastewater treatment, process exhaust gas, phenylacetic acid exhaust gas from fermentation and phenylacetic acid recovery, flue gas from coal-fired boilers and exhaust emissions from vehicle use. For different categories of exhaust gas, the Group has established corresponding treatment facilities and systems and continues to implement exhaust gas governance projects to ensure that all emissions meet national discharge requirements before release.

The Group has established pollutant monitoring systems. In addition to installing automatic monitoring systems for relevant exhaust outlets, we also engage qualified third-party monitoring institutions to carry out regular source monitoring, so as to ensure compliance with requirements including the "Emission Standard of Air Pollutants for Pharmaceutical Industry" (GB 37823-2019). During the Year, all exhaust gas outlets were monitored in accordance with the self-monitoring plan, all results were compliant with the standard, and no incidents of excessive gaseous emissions occurred.

Malodorous exhaust gas

Main source

Wastewater treatment process

Treatment process

Enclosed collection, multi-stage alkali scrubbing, ozone oxidation

Organic process exhaust gas

Main source

Production processes in various workshops

Treatment process

Activated carbon adsorption and regeneration, activated carbon fibre adsorption, low-temperature plasma, alkali scrubbing, catalytic oxidation, acetone tail-gas recovery systems, etc.

Boiler flue gas

Main source

Coal-fired boilers

Treatment process

Dust removal, desulphurisation and denitrification treatment

Process tail-gas recovery and treatment project

For volatile organic compounds in process tail gas from workshops, we implemented a recovery and treatment project that effectively improved the workshop production environment and significantly reduced VOC emissions. Based on calculations, the project reduced VOC emissions by 11.12 tonnes per year.

Technical upgrade project for exhaust gas treatment in wastewater treatment

By removing hydrogen sulphide from wastewater treatment tail gas and optimising the operation of the anaerobic deodorisation system, the project significantly reduced liquid caustic soda consumption. In 2025, liquid caustic soda consumption during the project's operation amounted to 3,980 tonnes, representing a saving of 66.7% compared with 2024.

Leak Detection and Repair (LDAR) for volatile organic compounds

To effectively control fugitive emissions, we continued to carry out leak detection and repair work for volatile organic compounds. In June and October 2025, comprehensive leak inspections were conducted on pipelines, valves, flanges and other connecting components involving the conveyance of VOCs, and detected leak points were repaired promptly, thereby significantly reducing fugitive VOC emissions.

7.3.3 Waste management

The United Laboratories strictly supervises and controls waste generated during the production process, and formulates corresponding management measures and emergency plans for different categories of waste. Waste generated by the Group is classified into two categories, namely non-hazardous waste and hazardous waste.

Waste category	Main source	Treatment method
Non-hazardous waste	Waste diatomaceous earth, sludge, glass and domestic waste, etc.	Handled by qualified parties for recycling and reuse (for example, waste diatomaceous earth and sludge are used in the production of organic fertiliser, and waste glass is recycled for remanufacture)
Hazardous waste	Mycelium residue, waste activated carbon, waste enzymes, concentrated phenylacetic acid liquor, waste mineral oil, MVR concentrate, etc.	Reused in production where reusable (such as concentrated phenylacetic acid); where reuse is not possible, harmless treatment is carried out through the Group's integrated boiler disposal system or by qualified external parties

We adhere to the goal of ensuring that all waste is safely and harmlessly treated or utilised, and during the Reporting Period all waste generated was safely and harmlessly treated or utilised. To reduce sludge generation, in 2022 we invested RMB4 million to upgrade the original sludge horizontal screw centrifuge dewatering technology to a concentration plus high-pressure diaphragm filter press dewatering technology, and constructed a high-pressure plate-and-frame sludge dewatering project with a designed treatment capacity of 2,000 tonnes per day (sludge-water mixture), thereby effectively reducing sludge generation and external disposal costs. During the Year, the hazardous waste intensity (generation per tonne of product) of the Inner Mongolia Company was 5.58 tonnes, outperforming the target value of 8.50 tonnes.

7.4 Green Operation

The United Laboratories integrates clean production and green operation principles into daily management and continues to reduce the environmental impact of production and operations through multi-dimensional measures such as process optimisation, resource circulation and employee training.

7.4.1 Green factory

Inner Mongolia Company has been recognised as a national-level “Green Factory”. It vigorously promotes cleaner production, improves production processes, formulates emergency response plans for environmental incidents, and provides environmental protection training, actively fostering environmental protection and gradually infusing the concept of green production into the corporate culture. Inner Mongolia Company has established a green factory construction implementation plan, investing substantial resources in areas such as “intensive land use, harmless raw materials, clean production, waste resource recovery, and low-carbon energy”. It systematically develops corresponding work measures and targets, normalising the operation mode of the green factory and green development management, aiming to achieve industry-advanced levels across various green factory goals. To effectively manage and maintain the characteristics of the green factory, the Company implements assessment and reward measures for employees, carrying out green environmental protection work in an orderly and efficient manner. The Group ensures capital investment in Inner Mongolia Company, strengthens technological innovation, and ensures that production technology, equipment, energy and resource inputs, products, environmental emissions, and performance all meet national green factory standards.

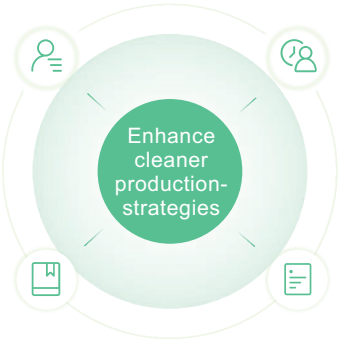
We have always attached great importance to energy metering management, advocating energy conservation, emission reduction, and dual control of energy consumption. From standardising the data collection network to internal audits of energy metering and flow, Inner Mongolia Company adopts a rigorous approach and has established a comprehensive energy management system. During the Reporting Period, the energy metering evaluation team jointly formed by the Inner Mongolia Autonomous Region Institute of Metrology and Testing and the BayanNur Municipal Administration for Market Regulation conducted an on-site review of Inner Mongolia Company's energy metering and gave high praise to the Company's energy metering management.

To cultivate energy-saving habits among all employees, the Group regularly organises electricity saving campaigns. Leaders of each subsidiary take the lead in promoting electricity conservation, setting an example and raising all employees' awareness of saving and using electricity scientifically. When lighting is sufficient, lighting power is turned off or the number of light sources is reduced, and lights are turned off when leaving a room to eliminate unnecessary lighting. Air conditioners are set at 26°C or above, and their usage time is reduced. When offices are unoccupied, office equipment and household appliances are promptly turned off to reduce standby power consumption; elevator use is minimised. The Group also avoids using high-power electrical equipment during peak electricity hours. The Group rationally controls street lighting and excess lighting, promotes the use of energy-saving products, and phases out high-energy-consumption equipment. The Group supports and cooperates with various workshops and departments in the scientific management of electricity use. For office equipment such as copiers and printers, power is turned off when not in use for extended periods. Staff turn off lights, air conditioners, office equipment, and instrument equipment when leaving the office. During the day, corridor lights and bathroom lights on each floor are turned off in a timely manner. Energy-efficient lamps and appliances are used as much as possible, and all electrical equipment is adjusted to the optimal energy-saving state.

To better manage the Group's pollutant discharge process, strive to reduce pollutant emissions, and avoid adverse environmental impacts, Inner Mongolia Company continues to implement various cleaner production management requirements and continuously improves its cleaner production strategy, which focuses on the following four key areas:

Incorporate the results of cleaner production audit into the daily management of the company and integrate the cleaner production awareness and methods into the company's production and quality management.

Establish a special fund for cleaner production of enterprises and use the economic benefits generated by the implementation of cleaner production for cleaner production in the future, so as to secure the source of funds for cleaner production. This can continuously facilitate the work of cleaner production.



Through the implementation of performance appraisal and post duty system, we establish a cleaner production incentive mechanism, and link the reward and punishment measures such as employee bonuses, wage distribution, criticism and recognition to cleaner production performance, so as to enhance employees' eagerness to participate in cleaner production.

Establish long-term cleaner production planning, and further reduce material consumption and energy consumption according to the specific conditions of the enterprise, and hence gradually recycle various energy and waste generated in the production process. Production, energy conservation and environmental protection can be equally valued.

7.4.2 Circular economy industrial chain

The United Laboratories has independently designed a circular economy industrial chain linking corn fermentation, 6-APA intermediate and amoxicillin bulk medicine. Through this model, waste mycelium residue generated during production is converted into organic fertiliser and returned to crops cultivation, thereby achieving efficient resource circulation. During the Year, we continued to optimise and advance this industrial chain, reducing resource use and improving energy efficiency while increasing output. We also successfully shortened the fermentation cycle of strains and reduced energy and resource inputs during fermentation.

7.4.3 Environmental training

Employee environmental awareness is the foundation for achieving green operations. The United Laboratories attaches great importance to environmental protection training. Following the annual environmental protection training plan, the Group has established a training system that covers all employees and is organised by tier and category, aiming to ensure that every employee deeply understands the potential environmental impact of the Company's operations and masters corresponding mitigation measures.

Induction Training - New Employees

- Basic environmental knowledge
- The Group's environmental management system

Specialised Training - Environmental Specialists

- Interpretation of environmental regulations
- Hazardous waste storage regulations
- Emergency response plan for environmental incidents

Skills Training - Employees in relevant positions

- Pollutant treatment processes
- Air sampling methods, water treatment processes
- Soil pollution emergency response

Thematic Activities - All Employees

- Energy conservation awareness week activities
- Environmental protection knowledge competition

Strengthening environmental capabilities and building a solid compliance management defence line

During the Year, Inner Mongolia Company organised systematic special training sessions focused on key areas such as hazardous waste standardised management, continuous emission monitoring system technical specifications, and environmental assessment mechanisms, comprehensively enhancing employees' environmental compliance awareness and professional operational capabilities. Through systematic learning, employees have become proficient in the whole-process control requirements for hazardous waste and online monitoring specifications, ensuring that exhaust gas monitoring data are authentic, accurate, and valid, thereby providing strong support for stable pollutant discharge compliance. This training has further reinforced environmental responsibilities, improved internal assessment and supervision mechanisms, effectively enhanced environmental risk prevention and control capabilities, and raised the overall level of environmental management, laying a solid foundation for the Company's green and sustainable development.

7.5 Biodiversity protection

Biodiversity is a core component of ecosystems, providing indispensable natural resources and ecological services to humanity. The United Laboratories strictly complies with relevant laws and regulations such as the “Forest Law of the People's Republic of China”, the “Wildlife Protection Law of the People's Republic of China”, and the United Nations “Convention on Biological Diversity”, and has formulated the “Biodiversity Protection Management Procedures”, specifying that the Environmental Protection Department and the ESG Working Group are responsible for developing measures and conducting supervision and inspections.

Strictly observing ecological red lines

Site selection for operations avoids biodiversity-sensitive areas and endangered species habitats. The Group neither disturbs nor destroys endangered species or their living environments. Its business operations do not involve deforestation, and it commits to maintaining zero deforestation in the future.

Practising green production

Through initiatives such as continuously promoting zero wastewater discharge, the Group protects the aquatic ecological environment in its operational areas and effectively reduces adverse impacts on biodiversity.

Standardising supply chain management

The Group commits not to use any animal or plant materials derived from species listed in the “Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)” for product manufacturing. Raw materials provided by suppliers are strictly verified to ensure their sources are compliant and not covered by the above list.

Raising conservation awareness

Across all business operations, the Group continuously strengthens internal publicity and training on biodiversity protection, enhancing the conservation awareness of employees and suppliers, and jointly fulfilling the biodiversity protection commitment.

Continuous Protection of Ulan Suhai Lake

Ulan Suhai Lake is the largest lakeside lake in the Yellow River Basin and plays a significant role in maintaining the ecological balance of Northwest China. In response to the government's call for the “construction of an ecological security barrier in Western China”, the Group completed the reclaimed water reuse project in 2019, achieving zero wastewater discharge and full reuse across the plant. As of the Reporting Period, the Group has achieved zero wastewater discharge for five consecutive years, making positive contributions to the governance and species diversity protection of Ulan Suhai Lake.

08

Innovation-Driven Nurturing Life and Health

Our Focus

R&D and Innovation
Advancing the Pharmaceutical Industry
Quality Management
Customer Service
Pharmacovigilance

Our Actions

Strengthening scientific research and innovation
Enhancing drug accessibility and affordability
Fair pricing
Raising the standard of medical healthcare
Optimising quality management system
Improving customer service quality

The United Laboratories has always upheld its corporate mission of "To Make Life More Valuable" and regards product quality and patient safety as the lifeline of corporate development. This chapter systematically sets out the Group's responsibilities and management practices across the pharmaceutical product life cycle from six perspectives, namely R&D and innovation, access to medicines, product responsibility, responsible marketing, customer service and pharmacovigilance, demonstrating our firm commitment to safeguarding human health with quality products.

Area	Relevant Laws, Regulations and Guidelines	Internal Policies
Fair Pricing	Price Law of the People's Republic of China Opinions on Promoting Drug Price Reform	The United Laboratories Fair Pricing Policy
Drug Quality	Drug Administration Law of the People's Republic of China Implementation Regulations of the Drug Administration Law of the People's Republic of China Good Laboratory Practice for Non-clinical Studies Good Manufacturing Practice for Drugs Measures for the Supervision and Administration of Drug Production ICH Guidelines FDA Pharmaceutical cGMPs for the 21st Century – A Risk-Based Approach EU Good Manufacturing Practice for Medicinal Products ISO 9001:2015 Quality Management System Certification	Quality Risk Management Procedure Annual Product Quality Review and Analysis Management Procedure Document Management Procedure Deviation Handling Procedure Out-of-Specification (OOS) Investigation Procedure Corrective and Preventive Action (CAPA) Management Procedure Validation Management Procedure Product Review and Release Management Procedure Change Control Management Procedure
Customer Service	Measures for the Recall of Drugs	User Complaint Management Procedure Product Recall Procedure
Marketing and Promotion	Advertising Law of the People's Republic of China Standards for Examination and Release of Drug Advertisements Measures for the Examination of Drug Advertisements	Compliance Department Unannounced Inspection Process (Marketing Promotion) Sales Conduct Code Compliance Promotion Guidelines Corporate Culture Brand Communication Management System Online Platform Management and Information Release Regulations Pharmaceutical Representative Filing and Review Management System Compliance Unannounced Inspection System Compliance Incident Reporting System
Pharmacovigilance	Good Practice for Pharmacovigilance	Management Procedure for Pharmacovigilance System Documents, Records and Data

8.1 R&D and Innovation

In the global pharmaceutical and intellectual property landscape, drug innovation and access to medicines have long attracted widespread attention, as these issues directly affect the balance between public health and pharmaceutical intellectual property rights. In order to enhance the Laboratories' independent innovation capability and strengthen market competitiveness, we continued to invest in innovative research and development, established multiple R&D platforms and remained committed to developing and improving medicines to respond to changing market needs. At the same time, the Group actively promoted industry development by disseminating medical knowledge and practical experience through academic promotion initiatives.

The Group continued to increase investment in R&D and innovation resources, established diversified pharmaceutical R&D platforms and focused on developing and optimising more high-quality and safe medicines to contribute further to the cause of health. Our R&D priorities cover innovative drugs and high-value generic drugs, with core areas including endocrine/metabolism therapies, autoimmune disease therapies, ophthalmic drugs and anti-infectives. Upgrading pharmaceutical manufacturing processes, technological advancement, environmental retrofitting and intelligent transformation also form important components of our R&D and innovation agenda. We strive to apply more advanced technologies to deliver safer, more effective and more affordable treatment solutions.

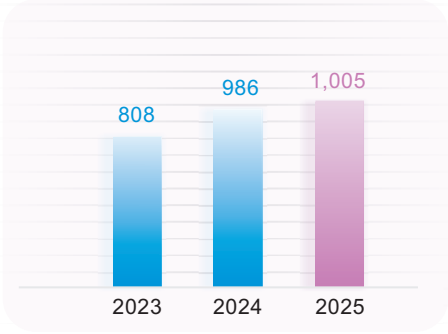
8.1.1 R&D Platforms

The United Laboratories has established multiple R&D platforms, including Biopharmaceutical R&D, Chemical Drug R&D, Biological Fermentation and Chemistry, Enzymatic Synthesis Research, Animal Healthcare R&D, and the Clinical Research Center. These platforms work collaboratively to carry out R&D activities. Each platform is equipped with professional scientific research teams and leading R&D equipment from both domestic and international sources, employing over 1,000 scientific and technical personnel who comprehensively cover the research and development of products and technologies in innovative drugs, generic drugs, animal healthcare products, intermediates and bulk medicines. The Clinical Research Center is responsible for the clinical research and development of all drugs/medical devices of the Group, including the formulation of development strategies and pathways, design of study protocols, organisation and implementation of trials, project management and monitoring, quality management and related work. It works closely with nearly 300 domestic institutions that possess national qualifications for drug clinical trials and are authoritative in relevant therapeutic areas, and under the guidance of renowned experts at home and abroad, has jointly organised and completed nearly 120 drug clinical trials. In addition, the Group also collaborates with well-known universities, research institutes and laboratories both domestically and internationally on drug R&D.

8.1.2 R&D Investment and Achievements

The United Laboratories is committed to innovative R&D, continuously increasing resource investment and gradually raising the amount of R&D expenditure. During the Year, the Group invested RMB1,005 million in R&D, representing a 2% increase year-on-year.

As at the end of the Year, the Group had 42 generic and new drug projects under development, of which 13 had entered the clinical stage, 4 had been submitted for production approval, 6 had been submitted for/obtained clinical trial approval, and 19 were in the pre-clinical stage. In addition, the Group has fully cooperated with the national requirements for generic drug quality and efficacy consistency evaluation. To date, a cumulative total of 35 products have passed the consistency evaluation. The Group currently has a number of key R&D products, and their therapeutic areas and development stages are shown in the figure below. These products are expected to lay a solid foundation for the Group's sustainable development in its future operations.



Investment in R&D (RMB million)

R&D Pipeline

NDA

- Semaglutide Injection — Diabetes
- Sodium Hyaluronate Eye Drops — Xerophthalmia
- Acetylcysteine Effervescent Tablets — Respiratory Infection
- Tadalafil Tablets — Male Dysfunction

Clinical Phase III

- TUL01101Tablets ★ — Moderate to severe Atopic Dermatitis
- TUL01101Ointment ★ — Atopic Dermatitis
- Semaglutide Injection — Overweight/Obesity
- Insulin Degludec/Liraglutide Injection — Diabetes
- Insulin Degludec and Insulin Aspart Injection — Diabetes

Clinical Phase II

- UBT251 Injection ★ — Diabetes
- UBT251 Injection ★ — Overweight/Obesity
- UBT251 Injection ★ — MASH
- UBT251 Injection ★ — CKD
- UBT251 Injection ★ — OSA
- TUL01101 Tablets ★ — Rheumatoid Arthritis
- TUL12101 Eye Drops ★ — Xerophthalmia

Clinical Phase I

- UBT37034 ★ — Overweight/Obesity

IND

- UBT38006 ★ — Diabetes
- UBT37034 ★ — Overweight/Obesity — Approved
- TUL108 for Injection ★ — Bacterial Infection — Approved
- TUL108 for Injection ★ — Bacterial Infection
- TUL321 Capsules ★ — IgA Nephropathy
- Romosozumab Injection — Osteoporosis — Approved
- Dupilumab — Moderate to severe eczema, asthma

Pre-Clinical

- UBT48128 ★ — Diabetes & Obesity
- Lp (a) Hypolipidemic Drug ★ — Hyperlipoproteinemia, etc.
- Interleukin-2 Fusion Protein ★ — Vitiligo, SLE, etc
- UBT49003 ★ — ALI, ARDS, etc.
- UBT506 ★ — Moderate to severe eczema, asthma
- LB2237 ★ — Hyperlipemia
- LB2249 ★ — Fat Loss and Muscle Gain
- LB2332 ★ — Fungal Infection
- LB2343 ★ — Bacterial Infection
- Eneboparatide Injection — Chronic hypoparathyroidism
- LB2149 — Demodex Blepharitis
- Clenbuterol Ointment — Atopic Dermatitis
- Olopatadine Hydrochloride Eye Drops — Conjunctivitis
- Sivelestat Sodium for injection — Acute Lung Injury, etc.
- Finerenone Tablets — Diabetic Nephropathy
- Mabrasvir Tablets — Type A/B Influenza
- Dolutegravir Tablets — Hyperuricemia and Gout
- Alendronate Sodium Vitamin D3 Tablets — Osteoporosis
- Multi-Vitamin Tablets — Dietary Supplements

★ Class I New Drug Progress in China Progress in the U. S.

In addition, leveraging outstanding product quality, advanced production processes and equipment, the Group continued to pursue innovation and breakthroughs and generated notable benefits. We have achieved a number of scientific research results, which not only bring more quality pharmaceutical products to the public, but also significantly enhance the Group's operating efficiency and production effectiveness.

Annual Scientific Research Achievements

UBT251 Injection Approved for Clinical Trial for New Indication

The Group's self-developed innovative drug UBT251 Injection achieved successive breakthroughs: following approval by the National Medical Products Administration (NMPA) in January 2025 to conduct a Phase II clinical trial for chronic kidney disease, it received permission from the US FDA in February to proceed with a Phase II trial for the same indication. This product is a long-acting GLP-1/GIP/GCG triple-target receptor agonist that regulates appetite and energy metabolism, lowers blood glucose and body weight, and improves hepatic steatosis.

UBT37034 for Injection Approved for Clinical Trial

The Group's self-developed Class 1 innovative drug UBT37034 for Injection has obtained clinical trial authorisation from both the NMPA and the US FDA for the treatment of overweight or obesity. This product is a novel peptide receptor agonist that exerts weight-reducing effects through selective action on neuropeptide Y2 receptors (Y2R). Pre-clinical studies have shown that its combination with GLP-1 analogues significantly enhances weight loss, offering a new treatment option for overweight or obese patients and further enriching the Company's innovative drug pipeline in metabolic diseases.

New Drug Application for Semaglutide Injection Accepted

The new drug application for the Group's Semaglutide Injection has been accepted by the NMPA, marking another important milestone for the Group in the field of diabetes treatment. As a long-acting GLP-1 analogue developed on the basis of mature technology, this product is expected to provide a new treatment option for diabetic patients and further expand the Company's product portfolio in the endocrine and metabolic therapeutic area.

Liraglutide Injection Approved for Marketing

The Group's Liraglutide Injection (聯邦優利泰®) has been officially approved for marketing by the NMPA for the treatment of type 2 diabetes in adults. As the first approved product under the pilot program for segmented production of biological products in Guangdong Province, the launch of this drug not only enriches the Group's product layout targeting GLP-1 but also signifies the continuous enhancement of the Group's competitiveness in the diabetes treatment field.

Multiple Eye Drop Products Approved for Marketing

The Group has made successive progress in the ophthalmic field. Polyvinyl Alcohol Eye Drops for relieving dry eyes, as well as two anti-infective drugs – Moxifloxacin Hydrochloride Eye Drops and Levofloxacin Eye Drops – have been approved for marketing by the NMPA. The latter two are both fluoroquinolone antibiotics with a broad antibacterial spectrum and are included in the National Medical Insurance Drug List. The approval of these products further enriches the Company's product pipeline in the ophthalmic field, providing more clinical treatment options.

Consistency Evaluation of Generic Drug

The Group's product R&D work strictly complies with national drug laws, regulations and technical guidelines. The R&D teams conduct comprehensive studies on pharmaceutical quality and bioequivalence in accordance with the technical requirements for drug marketing applications and generic drug consistency evaluation, ensuring that the drugs meet the standards of safety, efficacy and quality control. During the Year, the Group's Ceftriaxone Sodium for Injection (specifications: 1.0g; 2.0g), Cefotaxime Sodium for Injection (specifications: 1.0g; 2.0g), Amoxicillin Sodium and Clavulanate Potassium for Injection (specifications: 0.6g; 1.2g) and Cefoperazone Sodium and Sulbactam Sodium for Injection (specification: 2.0g) passed the generic drug quality and efficacy consistency evaluation. The successful passage of the consistency evaluation for the above products has further strengthened the Group's competitiveness in the market. As at the end of the Year, the Group had accumulated 35 products that have passed (including deemed to have passed) the consistency evaluation. The Group will continue to advance the generic drug consistency evaluation work, providing patients with more high-quality medication options.

R&D Progress of Animal Healthcare

The Group's self-developed Cefovecin Sodium and Cefovecin Sodium for Injection have obtained National Class II New Veterinary Drug Certificates. This product is a third-generation cephalosporin broad-spectrum antibiotic primarily used for the treatment of skin infections and urinary tract infections in dogs and cats caused by susceptible bacteria.

The Enrofloxacin Granules submitted by the Group have been officially approved with a National Class IV New Veterinary Drug Certificate, mainly used for the treatment of respiratory tract diseases in pigs caused by susceptible bacteria.

The self-developed Robenacoxib Chewable Tablets have obtained a Class II New Veterinary Drug Certificate. This product is a highly effective non-steroidal anti-inflammatory drug (NSAID) primarily indicated for the relief of pain caused by chronic inflammation such as osteoarthritis in dogs, further enriching the Company's product line in the pet healthcare field.

The self-developed Polyhexamethylene Biguanide Hydrochloride Solution has obtained a Class III New Veterinary Drug Certificate. This product is a novel, highly effective, low-toxicity disinfectant widely used for water disinfection and pathogen control in aquaculture, as well as for disinfection and protection in pet clinic environments, helping to reduce the risk of cross-infection.

8.2 Enhancing Medical Accessibility

The United Laboratories has always upheld the mission of bringing safe and effective products to patients around the world and has actively participated in the activities of various chambers of commerce and associations to facilitate industry development and exchanges. At present, we are an executive council member of the China Chamber of Commerce for Import & Export of Medicines & Health Products ("CCCMHPIE"), assisting the chamber in promoting pharmaceutical trade and investment, serving as a bridge between the government and enterprises, connecting domestic and overseas markets and advancing the international development of China's healthcare industry. In addition, the Group is also a member organisation of the China Chemical Pharmaceutical Association and other industry bodies, actively supporting policy dialogue and industry collaboration.

8.2.1 Product Footprint and Business Progress

The Group's business covers finished products, bulk medicine and intermediate products, with a pipeline spanning endocrine, metabolic, autoimmune, ophthalmic and anti-infective therapeutic areas.

Intermediate Products and Bulk Medicine

Intermediate products
- 6-aminopenicillanic acid (6-APA)
- T-Octylammonium Clavulanate
- Penicillin G Potassium First Crystal

Bulk medicine
- Semi-synthetic penicillins
- Cephalosporins
- β-lactamase inhibitors and combinations
- Carbapenems

Finished Products

Human Pharmaceuticals
- Antibacterials
- Antidiabetic drugs
- Antiallergic drugs
- Antiviral drugs
- Cold and cough remedies
- Ophthalmic drugs
- Topical dermatologicals
- Cardiovascular and cerebrovvascular drugs
- Nervous system drugs
- Health & Wellness Products, etc.

Animal Healthcare
- Livestock products
- Poultry products
- Pet products
- Aquatic products

Domestic Market

In the domestic market, the Group is principally engaged in the R&D, production and sales of bulk medicine and intermediate products, finished products, veterinary drugs, pharmaceutical capsules and medical devices, and is one of China's leading integrated modern pharmaceutical enterprises. The Group has a well-established business development team and an extensive business network throughout the country.

Number of terminals covered by finished products

Medical Market
36,000

OTC Market
170,000

Broad Market
140,000

Intermediate products & bulk medicine serving
200 customers

Animal healthcare serving
400 customers

Number of products available for sale in China
273

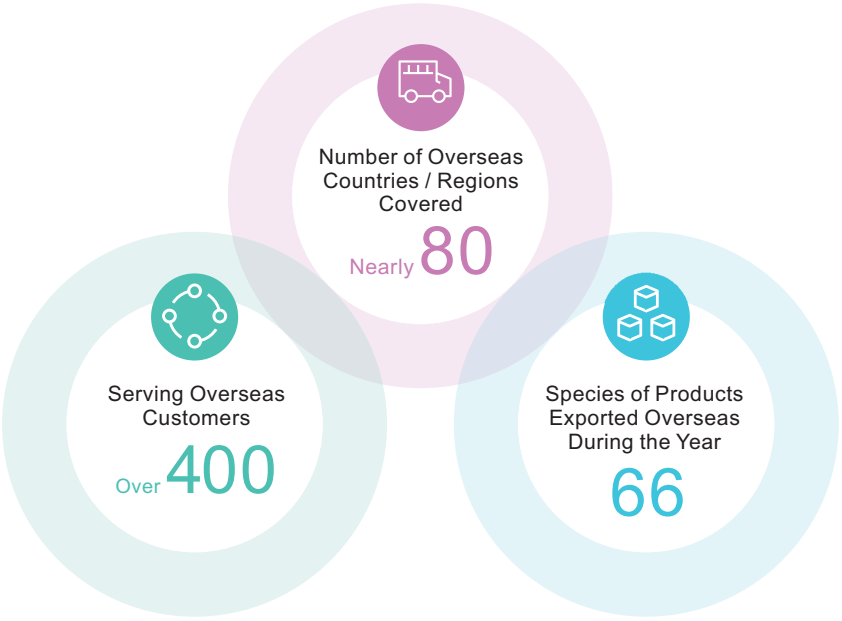
Global Market

In the global market, the Group continued to advance its internationalisation strategy with the core objective of improving global access to medicines and contributing to public health capacity building. We placed particular focus on the healthcare needs of low- and middle-income and developing countries and empowered local healthcare development through diversified initiatives.

Overseas Business Revenue
RMB 4.01 billion

Number of Overseas Certifications
66

Number of Overseas Registrations
151



In its bulk medicine segment, the Group has identified low-income and developing countries as core markets and formulated a clear market expansion plan. Currently, its sales network covers nearly 80 countries and regions, including Europe, India, the Middle East, South America and Southeast Asia, serving over 400 overseas customers, and holds a leading position in the global upstream penicillin antibiotic industry. The Group's intermediate products and bulk medicine have obtained official certifications from multiple countries, including EU CEP, US FDA, and approvals from Germany, India, South Korea, Japan, Brazil, Mexico, etc., reflecting international market recognition of the Group's product quality.

In the human-used finished products segment, the Group possesses a wide range of generic drugs including antibiotics, insulin and GLP-1 analogues, with competitive advantages across the industrial chain, brand and quality. During the Year, the Group's finished products business achieved its first overseas revenue, successfully winning a tender from the Brazilian Ministry of Health for human insulin injection, with export volumes setting a record for similar Chinese products.

TUL Insulin Exported to Brazil

According to data from the International Diabetes Federation and the Federal Pharmacy Council of Brazil, Brazil ranks sixth globally in the number of adults with diabetes, with approximately 16 million patients and a prevalence rate of about 11%. Brazil has long relied on imported insulin, facing the dual challenges of rising drug costs and supply chain instability. The cost of diabetes treatment imposes a heavy economic burden on Brazil's healthcare system.

The successful entry of the Group's insulin products into the Brazilian market will provide local patients with more affordable treatment options. In the future, the Group will align with the national "Belt and Road" development strategy, focusing on diabetes products to continuously expand the overseas presence of its human formulation products in countries and regions along the route.

In addition, the Group has accelerated the global expansion of its animal healthcare business, progressively advancing or completing product registrations in multiple countries and regions worldwide, covering both food-producing and companion animal medicines. The Group is committed to becoming a global leader in animal healthcare and contributing to improving the accessibility of animal medicines.

In the innovative drug field, the Group's internationalisation strategy continues to deepen. Following the successful overseas licensing of UBT251 injection, several other key innovative drug projects are actively seeking and exploring opportunities for external collaboration. The Group will continue to deepen its global strategic layout, striving to provide more comprehensive treatment options and drug choices for patients worldwide, and making active contributions to enhancing drug accessibility.

UBT251 Injection Achieves Out-Licensing

In March 2025, the Group entered into an exclusive licensing agreement with Novo Nordisk A/S. Under the licence agreement, Novo Nordisk will obtain exclusive rights to develop, manufacture and commercialise UBT251 worldwide, excluding Mainland China, Hong Kong, Macau and Taiwan, while United Bio will retain the rights to UBT251 in Mainland China, Hong Kong, Macau and Taiwan.

UBT251 is a Class 1 innovative drug developed by United Bio. It is a long-acting GLP-1/GIP/GCG triple-target receptor agonist with potent activity at the glucagon-like peptide-1, glucose-dependent insulinotropic polypeptide and glucagon receptors, regulating appetite and energy metabolism, lowering blood glucose and body weight, and improving hepatic steatosis. To date, UBT251 has received approval in China and/or the United States to conduct clinical trials for the treatment of type 2 diabetes mellitus, overweight or obesity, metabolic dysfunction-associated steatohepatitis (MASH), chronic kidney disease (CKD) and obstructive sleep apnoea (OSA).

8.2.2 Medical Affordability

The United Laboratories is fully aware that pharmaceutical pricing is directly related to patients' access to and affordability of medicines and is a key part of fulfilling our mission of "To Make Life More Valuable". We insist on balancing sustainable corporate development with social value by establishing a scientific, transparent and fair pricing mechanism so that quality medicines can benefit more patients. To this end, during the Year the Group formally formulated and issued the United Laboratories Fair Pricing Policy, systematically establishing the core principles and management mechanisms for product pricing.

Summary of "The United Laboratories Fair Pricing Policy"

- Fair Pricing Principles

  1.Principle of Legal Compliance: Comply with relevant laws, regulations and other regulatory requirements, strictly follow internal and external approval procedures, and shall not harm the public interest or the legitimate rights and interests of relevant individuals.

  2.Principle of Fairness: Based on the concept of product affordability, set product prices fairly both domestically and internationally.

  3.Principle of Accessibility: As a special commodity, the accessibility of medicines relates to health and human rights. The Group pays attention to health equity among different countries and regions and is committed to providing safe and effective medicines.

  4.Principle of Sustainable Innovation: The value-based product pricing strategy is the foundation of the Group's pricing model. The pricing mechanism should support and incentivise the Group's continuous investment in product innovation and R&D.

- Fair Pricing Measures

  1.Adopt a value-based product pricing strategy to ensure that drug pricing reflects its value to patients, healthcare systems and the broader local society.

  2.For different product types, adopt scientific, reasonable and differentiated pricing strategies that are consistent with the above fair pricing principles.

  3.Based on the concept of product affordability, set product prices fairly both domestically and internationally.

  ✓ The Group adopts a differentiated pricing mechanism based on national and regional development levels. That is, when pricing products in different countries or in different regions within the same country, factors such as the GDP level, the United Nations Human Development Index, and public healthcare expenditure of the relevant country/region shall be taken into account to ensure that product prices are relatively consistent across countries/regions at the same development level and across markets of the same level within the same country.

  ✓ Develop more accessible product pricing strategies according to the needs and affordability of patients in different countries/regions, serving more patients worldwide.

  4.Periodically review the current product pricing system and make reasonable adjustments based on market changes, cost fluctuations, policy impacts and other factors.

- Review and Supervision

  The Group's relevant departments – including medical, marketing, finance and legal – evaluate and review product pricing to ensure the effectiveness of this policy. The Group's Board of Directors supervises the implementation of the Fair Pricing Policy.

- Employee Training

  The Group provides relevant training on this policy to all employees each year. All Group employees shall participate in such training, understand, master and comply with all provisions of this policy.

Based on the above principles, the Group implements reasonable pricing and partial profit-sharing. In some African countries, the average price of core anti-infective APIs is approximately 10%-20% lower than in developed markets. In addition, the Group provides humanitarian profit-sharing support to developing countries affected by natural disasters or wars, assisting in local post-disaster reconstruction and public health emergency response.

The Group also actively participates in the national healthcare system reform, further improving the affordability of medicines in the Chinese market by being included in the National Medical Insurance Drug List and the national volume-based procurement (VBP) of drugs. A total of 71 products of the Group have been included in the National Medical Insurance Drug List for Basic Medical Insurance, Work-related Injury Insurance and Maternity Insurance (2024 Edition), of which 26 are Category A and 45 are Category B. In addition, a total of 32 products of the Group have been included in the National Essential Medicines List (2018 Edition).

The Group actively responds to national policy calls and participates voluntarily in the national volume-based drug procurement. To alleviate the long-term medication burden on diabetic patients in China, the National Healthcare Security Administration organised a national volume-based drug procurement (special renewal for insulin), with the procurement period from May 2024 to December 2027. This round of procurement covers the insulin needs of medical institutions nationwide, with a total demand exceeding 240 million units, and the price of selected products decreased by an additional 3.8% compared with the first round. All of the Group's insulin products were successfully selected in this round of procurement. Taking this as an opportunity, we will continue to enhance the accessibility of insulin products, strive to expand market share, and effectively reduce the economic burden on diabetic patients, so that more patients can benefit.

The Group will continue to align with the direction of national healthcare reform, enabling more patients to access high-quality treatment at more affordable prices through the volume-based procurement channel, thereby fulfilling the corporate commitment to improving drug accessibility.

8.2.3 Enhancement of Healthcare Standards

Improving healthcare standards is not only about providing high-quality medicines, but also about promoting the dissemination of medical knowledge and capacity-building in medical technology. The United Laboratories continuously provides professional training for primary healthcare workers at home, while also assisting overseas customers in upgrading their pharmaceutical technology standards, thereby supporting the development of global healthcare from multiple perspectives.

The Group, adhering to its mission of “To Make Life More Valuable”, attaches great importance to public health and fully supports the provisions of the “Doha Declaration on the TRIPS Agreement and Public Health” concerning the protection of public health and the granting of compulsory licences for patents in emergency situations. As a manufacturer of generic drugs, the Group is also committed to promoting fair competition in the generic drug market, providing the public with more affordable and high-quality drug options.

In terms of healthcare professional training, the Group actively facilitates pharmaceutical academic exchange and information dissemination. During the Reporting Period, the Group participated in 22 large-scale academic conferences, with a cumulative attendance of over 2,500 participants, including the Annual Meeting of the Diabetes Professional Committee of the Chinese Research Hospital Association, the Conference of the Diabetes and Endocrinology Professional Committee of the Chinese Medical Women's Association, and the Academic Conference on Diabetes Education and Management of the Chinese Medical Association.

“Dual Action Initiative” – Primary Diabetes Prevention and Management Training Programme

The nationwide public welfare training programme – the “Dual Action Initiative” Primary Diabetes Prevention and Management Training Course, jointly launched by The United Laboratories and the Diabetes Professional Committee of the Chinese Research Hospital Association – continues to be implemented. Since its launch in 2019, this programme has been held for seven consecutive years, with over 110 training sessions cumulatively delivered, covering more than 50 provinces, municipalities, and regions nationwide, and providing training to over 80,000 person-times of primary-level diabetes physicians. By inviting renowned domestic diabetes experts to deliver lectures and share the latest clinical guidelines and experience, the programme aims to enhance the diagnostic and treatment capabilities of primary doctors for diabetes and their ability to use medicines rationally, contributing to improving the quality of primary diabetes prevention and treatment and supporting the implementation of tiered healthcare.

In terms of assisting overseas customers in upgrading their pharmaceutical standards, the Group, as a globally leading supplier of antibiotic APIs, not only provides high-quality APIs and intermediates to large pharmaceutical companies in developed countries, but is also committed to helping pharmaceutical companies in developing and less developed countries raise their pharmaceutical manufacturing standards. By providing detailed formulation documentation, attaching samples and working reference standards with shipments, and offering process technology improvement support, the Group helps local formulation manufacturers improve production efficiency and effectively control drug quality and stability.

On-site Technical Support for Overseas Customers

During the Reporting Period, while accompanying visits to overseas customers, technical personnel of The United Laboratories provided on-site technical support to address quality issues encountered by customers in their production processes. The technical personnel gained an in-depth understanding of the root causes of the issues and provided professional advice based on the customer's specific circumstances, helping them optimise quality control processes and improve product quality stability.

The rise of antimicrobial resistance due to antibiotic overuse poses a serious threat to public health. Therefore, the Group actively advocates the rational use of antibiotics. Antibacterial drugs are among the Group's core products. The Group strictly follows the national “Administrative Measures for the Clinical Use of Antimicrobials” and the “Catalogue for Classified Management of the Clinical Use of Antimicrobials”, actively cooperates with efforts to control antibiotic overuse, and is committed to reducing unnecessary antibiotic use. To address the issue of antimicrobial resistance, the Group is developing two Class 1 new drug projects, TUL108 for injection and LB2332, for drug-resistant bacterial and fungal infections. As at the end of the Reporting Period, these projects are in the pre-clinical stage.

8.2.4 Focus on Rare Diseases

Under the guidance and support of relevant policies such as the "Drug Registration Management Measures" and "Rare Disease Diagnosis and Treatment Guidelines", the Group has fully leveraged the advantages of its own research system, proactively responded to the national call, conducted in-depth analyses of the market demand for rare diseases, and substantially increased the investment in the research and development of medicines for rare diseases. This aims to improve the clinical treatment landscape in our country. The Group focuses on enhancing the accessibility of innovative therapeutic drugs to rare disease patients with rare diseases so as to benefit more patients.

Paroxysmal Nocturnal Hemoglobinuria (PNH)

PNH is an acquired hemolytic disease in which a mutation in the PIG-A gene of hematopoietic stem cells leads to the loss of a group of membrane proteins anchored to the cell surface through glycosylphosphatidylinositol (GPI). This results in changes in cellular properties and sensitivity to complement, leading to intravascular hemolysis, potential bone marrow failure, and thrombosis. The incidence rate of PNH in Western countries is (1-2)/million population/year, with a standardised rate of 1.3/million population/year. In our country, the overall incidence rate is around 1/100,000, which is higher than in Europe and America.

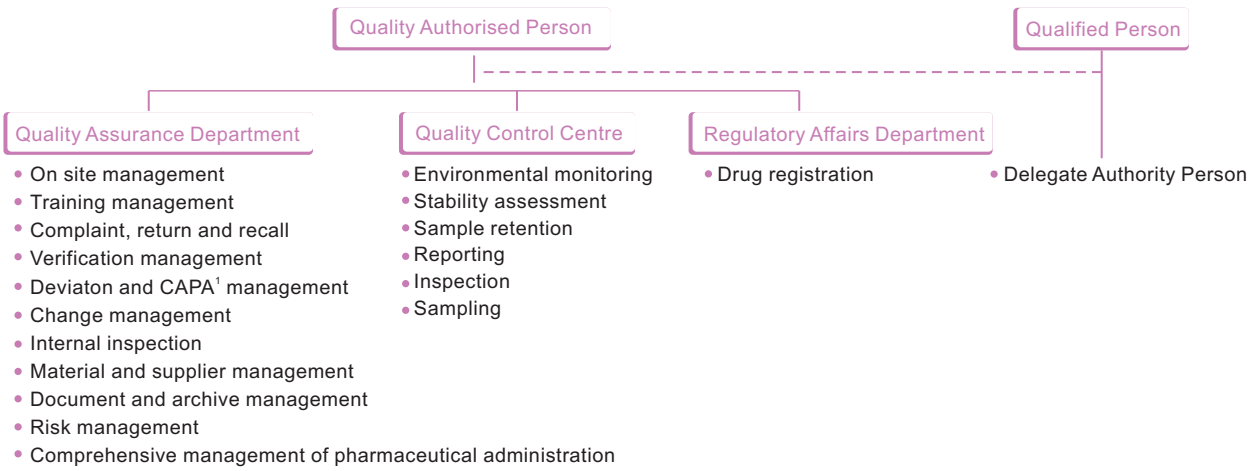
At present, the treatment for PNH is to inhibit complement C3 or C5 monoclonal antibodies, which can effectively reduce their levels in PNH patients. However, these drugs have defects such as injection pain and infection risk. TUL321 Capsules, an oral small molecule new drug, which is to develop a compound that inhibits the complement pathway through the CFB target to achieve the inhibitory effect on complement in PNH patients. Compared with C3 and C5 monoclonal antibodies that completely inhibit the complement pathway, this drug will be safer and more compliant with medication. In December 2023, Novartis CFB target drug LNP023 became the world's first monotherapy drug approved by the FDA for treating PNH. Therefore, our new drug targeting the same target has an opportunity to be used for the treatment of rare diseases such as PNH in the future.

8.3 Product Responsibility

Pharmaceuticals are special products directly related to public health, product responsibility encompasses multiple dimensions including quality assurance, safety supervision, information disclosure and customer service. The United Laboratories strictly complies with laws and regulations relating to pharmaceutical administration and has established an end-to-end responsibility management system covering R&D, production and after-sales stages to ensure that every step meets the highest standards. In terms of quality management, we have built a quality governance framework directly supervised by the Board and senior management, achieving full-process traceability and control from incoming raw materials to outgoing finished products.

8.3.1 Quality Management System

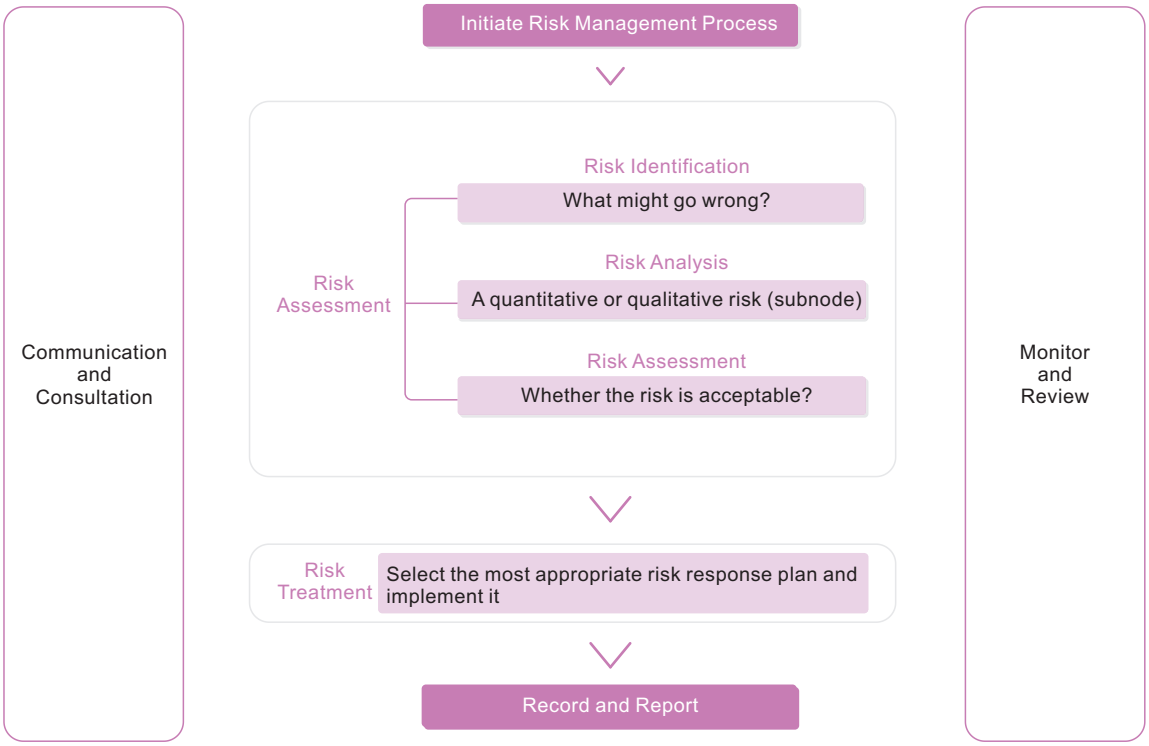
The United Laboratories has always regarded product quality as the lifeline of its corporate development and has established a quality management framework under the direct oversight of the Board of Directors and senior management. The Group's corporate officer, as the primary responsible person for drug quality, is fully accountable for providing the necessary resource support and ensuring that the quality management department performs its duties independently. Under the coordination of the quality officer, the Quality Assurance Department, the Quality Control Centre, the Pharmacovigilance Department and the Drug Registration Department work together to form a top-down quality management system, cascading quality objectives down to each production base, workshop and position, ensuring that every employee has a clear responsibility for product quality.



Note:
1. CAPA (Corrective and Preventive Actions) management refers to the measures taken to eliminate the occurrence of detected non-conformities or other undesired conditions, as well as the measures taken to eliminate the occurrence of potential non-conformities or other potential undesired conditions.

The Group's quality management system is established and implemented in strict compliance with the national “Quality Management System Requirements” (GB/T 19001-2016 / ISO 9001:2015), covering the entire product lifecycle from R&D, technology transfer and commercial production to product discontinuation. In terms of system architecture, we have established a four-level documentation system consisting of a management manual, guiding documents, standard operating procedures (SOPs) and records/certificates, ensuring that every aspect of quality management is guided by documented procedures and supported by verifiable evidence. From the receipt and storage of raw and auxiliary materials to the release of finished products, we implement strict quality control: upon receipt, we confirm that the supplier is an approved supplier, and check item by item the packaging integrity, batch number, specification, storage conditions and date of manufacture; we sign quality agreements with suppliers and require them to provide safety assessment reports; we establish detailed temperature and humidity control specifications for warehousing to ensure proper storage of materials; and we sign quality agreements with logistics companies to ensure that product quality is not compromised during transportation.

In terms of risk management, the Group has established comprehensive quality risk management procedures, employing tools such as Failure Mode and Effects Analysis (FMEA) and Hazard Analysis and Critical Control Points (HACCP) to identify, analyse, assess and control risks at each stage from R&D, technology transfer and commercial production to product discontinuation. Risk management activities cover key areas such as process design, production process control, change control, deviation management, validation, self-inspection, auditing and product quality review, ensuring that products released to the market are safe, stable and effective. The Quality Assurance Department regularly organises risk assessment meetings, inviting relevant departments such as production, engineering and technology to participate, conducting cross-departmental reviews of potential risk points, and developing and tracking the implementation of control measures. The Group's quality risk management process is illustrated in the figure below.



Product release is the last line of defence in quality control. The Group has established a stringent product review and release procedure, stipulating that only raw materials, semi-finished and finished products that have passed quality testing may proceed to the next production stage or be released for sale. The Qualified Person (QP) bears the final responsibility for release, ensuring that the production and testing of each batch of released product comply with relevant regulations, drug registration requirements and quality standards. Before release, the Qualified Person must review the batch production records, batch testing records, change control status, deviation investigation results, etc., and confirm that all required checks and tests have been completed and meet the requirements. For non-conforming raw materials and finished products, we strictly follow the non-conforming product management procedure for identification, investigation, return or centralised destruction, preventing any quality risk from entering the market.

To continuously improve the quality management system, the Group conducts an annual product quality review, led by the Quality Assurance Department and with the participation of production workshops, the Quality Control Centre, equipment management and other relevant departments. The review covers all quality indicators, deviations during production, equipment changes, stability study results, complaints and returns, etc. Trend analysis of key quality attributes is performed using control charts, and process capability indices are calculated to evaluate process control levels. After the review report is approved by the quality officer, corrective and preventive actions are developed for identified issues, forming a complete closed loop from problem identification to action implementation and effectiveness evaluation.

8.3.2 Quality Supervision

"Quality builds the enterprise; quality strengthens the enterprise" is the core production philosophy of The United Laboratories. Obtaining authoritative quality certification not only ensures that drugs safeguard customer health, but also enhances customer trust and confidence in our products. During the Reporting Period, the Group had nine production bases in operation, of which 44.4% had obtained GB/T 19001-2016 / ISO 9001:2015 quality management system certification, further consolidating our leading position in the industry. As one of the first comprehensive pharmaceutical enterprises in China to fully pass GMP certification, the Group has always strictly complied with relevant regulations and continuously met certification standards. During the Reporting Period, the Group successfully passed multiple quality certifications from authoritative domestic and international bodies. Throughout the year, the Group received a total of 34 inspections from external regulatory authorities at home and abroad, covering approximately 60 products, with no critical non-conformities found in any inspection, fully demonstrating our excellence in quality management. The external regulatory inspections received by the Group during the Reporting Period are shown in the figure below.

International GMP Certification and Inspection

- The sterile API products of Zhuhai Company passed the on-site GMP inspection of the Brazilian National Health Surveillance Agency (ANVISA).
- Inner Mongolia Company's Amoxicillin API successfully passed the ANVISA on-site GMP inspection.

Veterinary GMP Certification and Inspection

- Over 10 bulk medicine production lines of United Animal Healthcare passed the on-site veterinary GMP inspection.
- The powder for injection, tablets, disinfectants and several core production lines of Henan Lianmu passed the veterinary GMP inspection.
- Inner Mongolia Animal Healthcare obtained the new-version veterinary GMP certificate issued by the Inner Mongolia Autonomous Region Department of Agriculture and Animal Husbandry.
- Inner Mongolia Company passed the Ampicillin veterinary drug production licence and GMP inspection.

International Standard Certification

- The sterile Ampicillin Sodium API manufactured by Zhuhai Company obtained the Certificate of Suitability to the European Pharmacopoeia (CEP) issued by the European Directorate for the Quality of Medicines & HealthCare (EDQM).

Testing Capability Accreditation

- The Quality Control Centre of Zhuhai Company passed the expansion assessment of its testing capabilities for the United States Pharmacopeia (USP) and the British Pharmacopoeia (BP) by the China National Accreditation Service for Conformity Assessment (CNAS).

Inner Mongolia Company's Amoxicillin API Passes Brazil ANVISA GMP Inspection

In March 2025, Inner Mongolia Company's Amoxicillin API successfully passed the ANVISA on-site GMP inspection. During the five-day inspection, the auditors conducted a comprehensive and rigorous review of the quality management system, workshop facilities, material control, production and validation processes, covering the API production workshop, quality control laboratory and warehousing facilities. The Company's sound quality management system and standardised production operations were highly praised by the auditors, who concluded that the Company's quality management level complied with Brazilian GMP standards. This certification has laid a solid foundation for expanding the Amoxicillin product into the South American market.

Zhuhai Company's Quality Control Centre Passes CNAS Expansion Assessment of USP and BP Testing Capabilities

In November 2025, a CNAS expert team conducted an on-site assessment of Zhuhai Company's Quality Control Centre. During the assessment, the expert team comprehensively evaluated the laboratory's management system and technical capabilities through blind sample testing, on-site experiments, document review, proficiency testing evaluation and authorised signatory assessment, and conducted detailed reviews of personnel operations, original records, instruments and equipment, and reference material management. Ultimately, all 29 USP testing capability expansion items, 29 BP testing capability expansion items and 27 Chinese Pharmacopoeia standard change items applied for by the Quality Control Centre were confirmed. The total number of testing items accredited by domestic and international pharmacopoeias reached 121. The successful passage of this assessment signifies that the Centre's testing capabilities have received international authoritative recognition, and the test reports issued can be mutually recognised globally, providing strong support for overseas product registration and international market expansion.

8.3.3 Talent Development in Quality Management

Professional quality management personnel are a key force in ensuring the drug quality of The United Laboratories. To enhance the professional capabilities of quality management staff, the Group regularly carries out various forms of training to help them gain a deeper understanding of the operating mechanisms and key steps of each procedure, further strengthening the professionalism and completeness of quality control. The training content is extensive, covering new pharmacopoeia requirements, production processes, quality control, product testing and release standards. The training method is primarily lecture-based, with assessments conducted through oral or written examinations to ensure that quality management staff fully master the required knowledge, thereby maintaining the high standard of the Group's quality management. In addition, the Group's WeChat account features a special “Quality TUL” section, providing legal knowledge, quality requirements, training materials and a discussion forum, creating an online knowledge base and learning exchange platform for all employees, further optimising the channels and effectiveness of quality training.

To enhance employees' quality management capabilities and awareness, the Group has organised a series of quality training sessions aimed at strengthening employees' understanding and practice of quality standards. These training programmes mainly cover regulatory knowledge, job-specific know-how, operational skills and management capabilities, thereby comprehensively improving employees' professional competence and practical work ability.

Inner Mongolia Company Launches the Fourth Phase of Inspector Training Programme

In October 2025, Inner Mongolia Company officially launched its fourth phase of inspector training programme. Through the collaborative efforts of the Company's central control laboratory, quality inspection department and human resources department, the previous phases of training have achieved remarkable results. New employees, through systematic learning, quickly improved their skills and, after taking up their posts, were able to independently complete position-specific inspection operations, injecting solid momentum into product quality control. This phase of the training course will continue to focus on enhancing professional skills and comprehensive qualities, empowering trainees through systematic training, helping them grow into quality guardians with both professional competence and a sense of responsibility, and building a reliable “quality firewall” for the Company's development.

8.3.4 Labelling and Leaflets

The United Laboratories formulates and implements management systems for label-type packaging materials in accordance with legal and regulatory requirements. All drug leaflets and labels comply with the requirements of the “Regulations on the Management of Drug Leaflets and Labels” and are approved, filed or authorised by the National Medical Products Administration (NMPA).

The Group has established strict internal systems to ensure that drug labels and leaflets comply with relevant regulatory requirements. Drug labels must clearly display key information such as the drug name, ingredients, indications and directions for use, dosage and administration, and date of manufacture, so that users fully understand the usage and potential risks of the drug. In addition, the Group has clear requirements for packaging labels on transport, storage and APIs, including necessary information such as the drug name, packaging quantity, expiry date, and storage and transport precautions, to reduce the risk of product quality being affected by improper storage or transport. Furthermore, drug leaflets must specify detailed information on usage, safety and efficacy data, adverse reactions, etc., to guide users in the correct and rational use of the drug. The Group continuously monitors drug usage and, when necessary, submits applications to the NMPA for modifications to drug leaflets, providing users with the most complete information.

At the same time, the Group has established management procedures for the plate-making, printing and acceptance of product labels, leaflets and packaging materials. The quality management department conducts acceptance and inspection at each step, from sample design and sample plate printing to formal printing, ensuring that materials are only put into use in the workshop after confirmation of no errors, thereby minimising the possibility of product quality problems caused by printing errors.

8.4 Responsible Marketing

The United Laboratories strictly complies with laws and regulations such as the “Advertising Law of the People's Republic of China”, the “Drug Administration Law” and the “Anti-Unfair Competition Law”, and carries out drug promotion and sales activities in accordance with the principles of integrity, compliance and transparency. The Group has established a comprehensive marketing compliance management system. Under the leadership of the Board of Directors, the Group's Brand Culture Department provides guidance and supervision, while each subsidiary establishes a cultural publicity working group, implementing a tiered management structure to ensure that all marketing activities are legal and compliant, effectively safeguarding patient interests and corporate reputation.

To standardise promotional conduct, the Group has formulated the “Sales Conduct Code” and the “Compliance Promotion Guidelines”, which provide clear behavioural guidance in areas such as academic visit exchanges, academic conference standards, speaker fees, gifts and hospitality, equipment placement, retail terminal sales, patient information protection, and donations and sponsorships. These policies draw clear compliance red lines for all sales and promotion personnel, explicitly prohibiting the sale of drugs in unauthorised locations, interference with physicians' prescribing decisions, exaggeration or concealment of adverse reaction information, improper transfer of benefits, and other misconduct. They also set specific rules on the standard for lecturer fees, the maximum value of gifts, and the collection and protection of patient information, ensuring the transparency and integrity of promotional activities. The Group's sales team covers the entire country. The recruitment, performance appraisal, training and occupational safety management of sales personnel are centrally managed and supervised by the Group's headquarters, ensuring that all managers and front-line promotion personnel receive the necessary training, thereby achieving a uniform professional standard and providing customers with the highest quality service.

Summary of the "Compliance Promotion Guidelines"

- Production of Promotional Materials:
  1.Promotional materials must be produced through the relevant application process of the Corporate Culture and Publicity Department and may only be distributed after review and approval by the Marketing Department and the Legal Department. Under normal circumstances, regions or departments may not produce promotional materials on their own.
  2.Promotional materials for public display and publicity at trade shows, exhibitions and similar events shall be submitted by the Company for an advertising approval number.
  3.Unsubstantiated data or descriptions, or promotional statements beyond the approved scope, shall not be used.
  4.Unauthorised third-party fonts and images shall not be used.
  5.Assertions or guarantees of efficacy or safety shall not be included.
  6.Content such as free gifts, prize-based sales, buy-one-get-one offers or tie-in sales of drugs shall not be included.
- Use of Promotional Materials:
  1.All promotional materials must be displayed and used in accordance with the approved content, purpose and use, and must not be arbitrarily altered.
  2.Prescription drug advertisements shall not be publicly displayed.
  3.Materials for over-the-counter (OTC) drugs and health products bearing an advertising approval number may be displayed and used in permitted scenarios.
  4.Promotional materials intended solely for internal training, academic conferences and similar purposes shall be promptly retrieved after the event.
- Donation Practices:
  1.Donation recipients are limited to public welfare social organisations or non-profit institutions with legal personality; donations shall not be made to any department or individual of any organisation.
  2.Donations must be made in the Company's name through a donation agreement signed with the recipient organisation, which shall clearly specify the type, quantity, quality, value and purpose of the donated property, as well as the rights and obligations of both parties.
  3.If the donated items are drugs, the national regulations on drug quality control shall be observed, ensuring that the drug quality meets the release standards and that the remaining shelf life is more than six months.
  4.Public welfare donations shall not be linked to the Company's sales business. It is strictly prohibited to make donation conditional on the recommendation, purchase or use of the Company's products or any other form of benefit.
- Training and Assessment:
  1.All sales and promotion personnel must receive compliance training and comply with the compliance system. The Compliance Department is responsible for the training and for maintaining records.
  2.The Compliance Department will conduct inspections of promotional activities, and compliance performance will be incorporated into performance appraisals. For those engaged in illegal conduct such as commercial bribery, the Company will restrict their eligibility for awards and promotions; in serious cases, employment contracts will be terminated, compensation liability will be pursued, the pharmaceutical representative's filing information will be deleted, and the reason will be publicly disclosed.

8.4.1 Management of Publicity and Promotion

In terms of publicity and promotion management, The United Laboratories implements unified planning and compliance review for all promotional materials. Given that the Company's core products are mostly prescription drugs, we strictly comply with the regulation that prescription drug advertisements shall not be published in mass media, and we do not issue any prescription drug advertisements through public media. All drug advertisements and promotional materials are independently designed by the Company's internal Brand and Culture Department, and are released after review by the Marketing Department and the Legal Compliance Department. If a third party is commissioned for design, the design plan and content must also be reviewed by the Group's Corporate Culture and Publicity Department and Legal Centre, ensuring the accuracy and legality of promotional content from the source. Regarding the use of materials, we insist on using original works or materials for which usage rights have been legally obtained, and we explicitly stipulate intellectual property ownership and infringement liability in contracts with advertising producers to mitigate intellectual property risks.

In terms of distribution channel management, the Group implements unified registration and filing management for all online platforms bearing the words “The United Laboratories” or having an official promotional nature. Any subsidiary establishing a platform must obtain approval from the Group's Brand Culture Department, following the principle of “no registration unless necessary”. In principle, only one official account may be registered on the same platform. Platform administrators and review responsible persons must strictly verify the authenticity and legality of published information. Each subsidiary must establish an information release review process, clearly designate review responsible persons, and report important content to the Group's Brand Culture Department for record.

To ensure that all externally published information complies with regulatory requirements, the Group has established a compliance review system for information release. All documents for external release (including promotional materials, official website articles, notices and announcements) must be submitted to the Compliance Department for review through the “Information Release Review Application” process before release. The review covers drug business compliance, advertising legality, unfair competition, personal information protection, intellectual property infringement risks, etc. Documents that have not been reviewed or have failed the review shall not be released. Externally released information must complete the “Information Release Review Registration Form” and may only be released after approval by the review responsible person, ensuring the truthfulness, accuracy and compliance of the information content.

In terms of partner management, the Group strictly verifies the qualifications and credit records of distributors or advertising partners when selecting them, and excludes those with adverse records from cooperation. The contracts signed with distributors include an integrity cooperation agreement, specifying the obligations of both parties in areas such as anti-commercial bribery and compliance promotion, ensuring that the cooperation process is compliant and controllable.

8.4.2 Training and Inspection

To ensure the implementation of all compliance requirements, The United Laboratories has established a routine marketing compliance training and inspection mechanism.

The Group's sales team covers the entire country. The recruitment, performance appraisal, training and occupational safety management of sales personnel are centrally managed and supervised by the Group's headquarters, ensuring that all managers and front-line promotion personnel receive the necessary training, thereby achieving a uniform professional standard and providing customers with the highest quality service. The Group conducts a full-staff centralised training at least once every two years, focusing on the “Advertising Law”, the “Drug Administration Law” and the Company's internal compliance systems. Through internal knowledge bases, case notifications and other means, we continuously strengthen employees' compliance awareness. During the Reporting Period, responsible marketing training covered all sales personnel, with a total of 5,200 individuals trained and a cumulative training duration of 4,200 hours.

In terms of compliance inspections, the Compliance Department, in accordance with the “Compliance Unannounced Inspection System”, regularly conducts systematic reviews of promotional activities carried out by the Company and commissioned sales personnel in various regions, with inspection times not disclosed in advance. Inspection methods include accompanying sales personnel in their daily work, on-site office inspections, logging into the OA platform to review work reports, interviews or questionnaire surveys. The inspection content covers promotional conduct at academic events, event notifications, interactions with relevant organisational personnel, etc. After the inspection, a “Compliance Inspection Report” is prepared. The inspected department must submit a corrective action report within seven working days, and the Compliance Department follows up on the implementation of corrective actions. In terms of expense control, the Compliance Department conducts annual random audits of financial vouchers, reviewing whether promotion fee payments comply with Company standards in terms of “legality, authenticity and reasonableness”, and eliminating issues such as “fictitious expenses or cash extraction”. The unannounced inspection checklist for the Group's sales personnel is shown in the table below.

Inspection Dimension	Key Inspection Area
Compliance of Drug Advertising and Publicity	• Verify the types of drugs promoted in retail pharmacies; check whether prescription drugs are being promoted as OTC drugs • Check whether promotional materials are compliant, have been reviewed by the Company, and whether any region has produced unapproved materials • Assess whether there is any false advertising, exaggerated efficacy or other improper conduct • Confirm whether the form and duration of promotional activities meet requirements
Good Sales Practice for Drug Distribution	• Verify whether there is any tampering with product flow data • Check whether there is any illegal recall and resale of drugs • Review whether there is any promotion of drugs to merchants without drug distribution qualifications
Daily Promotion Compliance	• Verify whether there is any improper transfer of benefits to medical professionals • Check whether there is any improper conduct such as using a doctor's name to carry out activities • Confirm whether the venue for promotional activities is compliant • Review whether there are improper activities such as giving away drugs as a promotion

During the Reporting Period, the Group received no complaints or legal proceedings regarding misleading or deceptive information in its promotional content.

8.5 Customer Service

Customer feedback is an important driving force for the continuous improvement of The United Laboratories. The Group attaches great importance to customers' evaluations and suggestions, handles each customer complaint with due diligence, and responds and improves in strict accordance with established procedures. In the event of adverse drug reactions or similar incidents, the Group will take serious action in accordance with relevant regulations and internal systems to safeguard the health and safety of users.

8.5.1 Customer Feedback

The United Laboratories has established a comprehensive user complaint handling procedure system, enabling coordination among different departments in the receipt, communication, assessment and response to complaints. When a user complaint is received, the complaint handling responsible person first contacts the user, understands and analyses the complaint content to determine the type of complaint. The relevant departments then conduct internal and external investigations, collate the findings to decide on the direction of further investigation (such as reviewing production records, raw and auxiliary material quality, or environmental factors in the production process), and subsequently develop corrective and preventive actions, which are submitted to the quality officer for approval. After the complaint handling is completed, the complaint handling responsible person must reply to the customer, follow up on the outcome of the complaint, and archive the complaint records. In addition, the Group has formulated the “Customer Satisfaction Survey Procedure”, which aims to assess customer satisfaction with product quality and service levels, promptly identify and resolve potential issues, continuously meet customer needs and expectations, and further improve service quality and customer experience.

During the Reporting Period, the Group received a total of 26 product quality complaint cases directly attributable to the Group's production and quality factors, and no service-related complaint cases were received. We take every customer feedback seriously. All complaint cases undergo root cause analysis and investigation to ensure that every issue is properly resolved, achieving a 100% complaint response rate and effective resolution rate. The relevant corrective and preventive actions have been fully implemented and have received customer acknowledgment.

Customer	Person in Charge of Complaint	Relevant Department	Person in Charge of Quality	Person in Charge of Quality
• Complaint information	• Contact, thoroughly understand and grasp the relevant information • Identify the type of complaint	• Carry out internal and external investigations • Sort out the investigation and suggest solutions • Formulate corrective and preventive measures	• Approve suggested solutions/ corrective and preventive measures	• Reply to customers • Track the results of complaint processing • Track the effectiveness of assessment and corrective and preventive measures • File the complaint record

8.5.2 Product Recall Regulations

The United Laboratories strictly complies with the "Measures for the Recall of Drugs" issued by the National Medical Products Administration (NMPA) and has established the "Product Recall Procedure" in accordance with the law. The Group investigates and assesses drugs that may have potential safety risks, and initiates a recall process when necessary. Depending on the severity of drug quality issues or other safety hazards, recalls are classified into three levels: Level 1, Level 2 and Level 3. The Quality Assurance Department, the Drug Safety Committee and the Recall Working Group collaborate according to their respective duties to manage the entire recall process. To ensure the effectiveness of the recall system, the Group conducts a mock recall for both finished products and bulk medicine active pharmaceutical ingredients (APIs) every two years. The mock recall covers the entire process, including recall application, plan formulation, notification issuance, process follow-up, effectiveness evaluation and product disposition, and is controlled in accordance with the time limit requirements for a Level 1 recall. All recall records and related investigation documents are archived for long-term preservation.

During the Reporting Period, the Group did not experience any product recall incidents.

Product Recall Procedure	Quality Authorised Person	Recall Working Group
• Collect information on adverse product reactions and potential product safety hazards • Provide safety hazard investigation and assessment report or recall notice letter • Complete the "Product Recall Application"	• Review and approve "Product • Decide whether to recall • If a recall is decided, the type of recall shall be determined and a Recall Working Group shall be formed	• Develop a recall plan • Implement procedures according to the severity of recall • Follow up on the final outcome • Complete the "Product Recall Record" • Evaluate the effectiveness of the recall and submit a recall summary report to the drug regulatory authority

8.6 Pharmacovigilance

The United Laboratories has always placed public drug safety as its highest priority, strictly complies with the "Good Practice for Pharmacovigilance" and other relevant regulatory requirements, and has established a sound pharmacovigilance management system to continuously monitor and evaluate the safety of drugs throughout their entire lifecycle. Through a systematic risk management mechanism, we are committed to ensuring that the benefits of drugs outweigh their risks, providing patients with safe and effective treatment options.

8.6.1 Pharmacovigilance Management System

All drug marketing authorisation holder companies under The United Laboratories have established independent pharmacovigilance departments, with team members possessing professional backgrounds in medicine, pharmacy or related fields, ensuring the professionalism and reliability of pharmacovigilance work. The core responsibilities of the pharmacovigilance department include:

1. Systematically collecting, processing and reporting suspected adverse drug reaction information;
2. Conducting signal detection and risk assessment, promptly identifying and controlling potential drug risks;
3. Organising and implementing post-marketing safety studies of drugs, continuously tracking the long-term safety profiles of drugs;
4. Coordinating pharmacovigilance-related education and training, preparing and updating management documents, and continuously improving the overall management standard.

In addition, the Group has established a Drug Safety Committee, composed of representatives from multiple relevant departments, which is responsible for the assessment and decision-making of major drug risks, emergency response to major or urgent drug safety incidents, approval of risk control measures, and deliberation of significant pharmacovigilance-related matters. All departments maintain efficient collaboration and information exchange, forming a closed loop for the monitoring, identification, assessment and control of adverse drug reactions and other harmful reactions related to drug use.

8.6.2 Adverse Reaction Monitoring and Risk Control

The United Laboratories has established a multi-channel, multi-dimensional information collection network for adverse drug reactions, ensuring full-process coverage of relevant parties including doctors, pharmacists and patients:

1. Sales personnel interact with medical institutions and drug distributors in their daily work to collect clinical feedback in a timely manner;
2. The drug leaflets clearly display contact telephone numbers and fax numbers to facilitate direct feedback from medical professionals and patients;
3. A suspected adverse reaction feedback email address has been set up on the official website, with designated personnel responsible for receiving and processing submissions;
4. Dedicated personnel are assigned to answer adverse reaction feedback telephone calls, ensuring that information channels remain open;
5. Domestic and international academic literature and relevant websites are regularly searched to proactively capture safety information from clinical applications and academic research.

In terms of risk identification and control, the Group conducts a systematic safety analysis of adverse reaction monitoring for each product category annually, and prepares an analysis report accordingly. At the same time, in accordance with the internally developed schedule for the submission of periodic safety reports and the annual plan, the Group completes the preparation and submission of reports within the prescribed time limits, ensuring continuous compliance with regulatory requirements.

For collected adverse drug reaction events, the Group strictly follows the procedures for recording, analysing and handling. Depending on the severity of the event, reports are submitted to the national adverse drug reaction monitoring agency, the drug regulatory authority or the health administrative authority within the time limits prescribed by laws and regulations. In the event of a serious adverse drug reaction or a cluster adverse event, the Group will immediately initiate the drug recall procedure, issue a public announcement in a timely manner, and submit a summary report of the drug recall, ensuring that public health risks are minimised.

09

Tracing Back to the Source

Shouldering Our Responsibility

Our Focus

Supply chain management
Responsible procurement
Green procurement

Our Actions

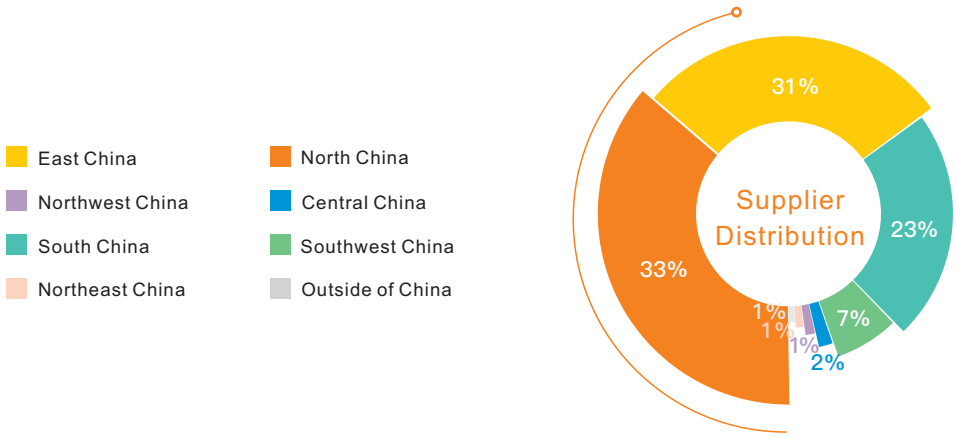
Improving supplier admission and dynamic management requirements
Continuing supplier inspections and audits
Safeguarding the sustainable development of the supply chain

Efficient, robust and resilient supply chain management is an important foundation for The United Laboratories to safeguard stable production, product quality and sustainable development. As a pharmaceutical enterprise, the timeliness, reliability and traceability of the supply of raw materials and key materials directly affect product quality, safety performance and operational efficiency. Leveraging the vertically integrated production and operation model of "pharmaceutical intermediates – bulk medicines – finished products", the Group continues to strengthen its overall control over raw material sourcing, production coordination and supply chain operations, reducing the risks arising from external market volatility and unstable supply while enhancing source traceability and whole-process management capabilities. The relevant laws, regulations and internal policies observed by the Group in this chapter are set out below.

Area	Relevant laws, regulations and standards	Internal policies
Supply chain management	Good Manufacturing Practice for Pharmaceutical Products Measures for the Supervision and Administration of Drug Production Contract Law of the People's Republic of China Measures for the Supervision and Administration of Drug Distribution	Sustainable Procurement Policy Supplier Code of Conduct Management and Audit Procedures Integrity Cooperation Agreement Procurement Process Management Document Sustainable Development Procurement Policy and Green Engineering

9.1 Supplier Distribution

During the Year, The United Laboratories had a total of 160 major suppliers, with their geographical distribution shown in the chart below.



9.2 Supplier Admission

To ensure procurement quality, supply security and compliance from the source, United Laboratories continuously improves its supplier admission management mechanism by incorporating supplier screening, qualification review, comprehensive evaluation, and approval into a standardised process, thereby strengthening supply chain risk control at the outset. During supplier development and onboarding, United Laboratories not only considers supply capability and cost competitiveness, but also integrates requirements related to business ethics, product quality, labor rights, occupational health and safety, environmental protection, and climate resilience into its cooperation standards. This approach promotes a fair, just and transparent business environment and fosters long-term, stable, and sustainable partnerships with suppliers.

During the Year, all new suppliers were required to submit the relevant qualification documents and undergo admission assessments. Only upon passing the review could they be included in the pool of potential suppliers or the list of qualified suppliers. For different types of suppliers, The United Laboratories adopts tiered and categorised admission requirements based on material categories, supply risks and actual business needs, so as to enhance the relevance and effectiveness of supplier management.

9.2.1 Supplier Admission Assessment

During the selection process, suppliers are required to submit relevant qualification documents and complete the assessment materials required by the Group. The assessment focuses on their overall qualifications and management capabilities, including business information, financial position, core competencies, human resources and enterprise management, supply cycle, inventory turnover rate, safety management, quality management, environmental facilities and sustainability goals. Only suppliers that satisfy the relevant requirements may be admitted into the corresponding supplier pool.

Supplier Admission Assessment Contents

Financial Information

- Revenue and profit performance
- Cash flow
- Asset-liability ratio

Core Competencies

- Company's main business
- Major raw material suppliers
- Key customers
- Competing enterprises

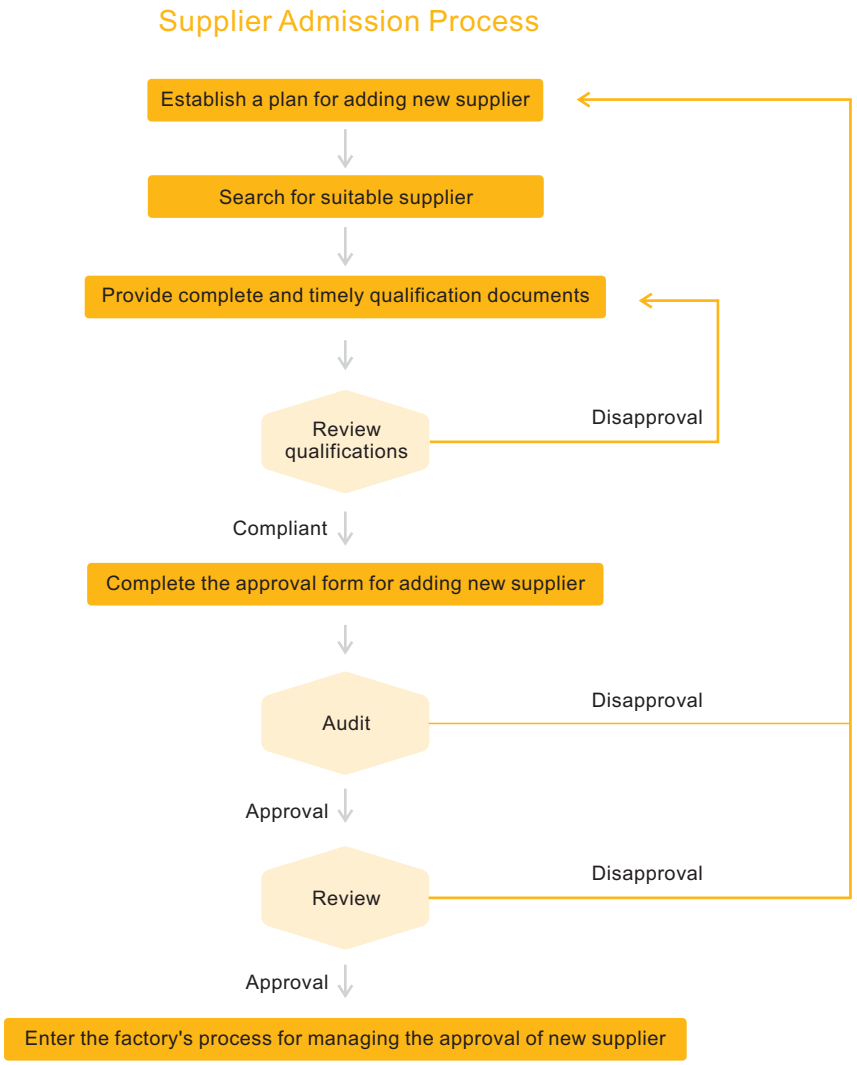
Human Resources and Enterprise Management

- Total number of employees in the company
- Percentage of technical and managerial personnel
- Supply cycle
- Inventory turnover rate
- Safety management
- Quality management
- Environmental facilities
- Sustainability goals

9.2.2 Supplier Approval Process

The United Laboratories has established a standardised approval mechanism for new suppliers. In general, the procurement department formulates a plan for adding new suppliers based on procurement needs, and identifies suitable sources of supply through relevant websites, industry exhibitions, information enquiries and market development activities. Potential suppliers must provide complete qualification documents as required. After preliminary verification, the responsible personnel complete the approval form for adding new suppliers and proceed with review and approval in accordance with the established workflow.

To improve objectivity and comparability in the approval process, The United Laboratories usually introduces two or more potential suppliers for horizontal comparison when selecting new sources of supply, taking into account their qualifications, level of cooperation, integrity and supply capacity as the basis for subsequent decisions. Suppliers that fail to meet the requirements will not be admitted, while approved suppliers will be included in the relevant supplier database and managed in accordance with the factory's new supplier management process for subsequent cooperation.



9.3 Dynamic Supply Chain Management

The United Laboratories does not stop at one-off supplier screening. Instead, the Group continuously tracks supplier performance in quality, delivery, business ethics, social responsibility, occupational health and safety, and environmental management through a dynamic, tiered and risk-oriented management approach. For The United Laboratories, supply chain management is not only about the stable supply of raw materials and key materials, but also about safeguarding product quality, enhancing operational resilience and implementing sustainable development objectives. Accordingly, the Group continues to improve its full life-cycle supplier management mechanism by incorporating risk identification, due diligence and audit, communication and training, and supply stability assurance into daily procurement management, thereby promoting the supply chain towards greater transparency, robustness and responsibility.

9.3.1 Supplier Risk Management

The United Laboratories attaches importance to the forward-looking identification and continuous control of supplier risks, and manages suppliers by category and tier in accordance with the risk-oriented principle. In the course of risk assessment, the Group comprehensively considers factors such as the importance of the supplied materials, procurement amount, the labour and environmental risk level of the industry in which the supplier operates, the supplier's own management foundation, and whether it has obtained relevant third-party management system certifications, so as to identify and assess the supplier's risk level and formulate corresponding management measures, thereby improving the precision of resource allocation and the effectiveness of risk prevention and control.

In terms of management requirements, the Group has issued and implemented the "Supplier Code of Conduct of The United Laboratories", which clearly requires all cooperating suppliers to comply with the Group's basic standards in business ethics, product quality, social responsibility, occupational health, environmental protection and climate resilience. The Code applies to all types of business partners, including suppliers of raw and auxiliary materials, packaging materials and reagents, equipment and instruments, hardware materials, service providers and contractors. Suppliers are also required to implement the relevant responsibilities in their own operations and upstream supply chains, so that risk management requirements may gradually extend further upstream.

Summary of "The United Laboratories Supplier Code of Conduct"

- Business Ethics
  1.Strictly comply with applicable laws, regulations, and internal policies including the Integrity Cooperation Agreement; uphold integrity-based business conduct; prohibit any form of bribery or undue benefit transfer.
  2.Provide fair and effective pricing mechanisms; prohibit price fixing, bid rigging, monopolies, and other commercial fraud. Suppliers must strictly comply with the Integrity Cooperation Agreement. Any form of bribery or improper transfer of benefits is strictly forbidden.

- Quality Management
  1.Manufacture in accordance with national standards and industry standards; establish an effective quality management system; promptly correct and prevent quality issues to ensure stable supply and product conformance.
  2.Notify the Group in advance of any changes to production processes, finished product specifications, key equipment, or production sites. Major changes involving key equipment, sites, or processes require 3 months' prior notice and submission of three consecutive batches of samples.

- Labour Management and Human Rights
  1.Respect employees' dignity, privacy, and rights; prohibit discrimination based on race, gender, age, etc.; provide a transparent, collaborative, equal, and harassment-free work environment.
  2.Forced, bonded, or involuntary labour is strictly prohibited. Child labour under 16 years (or below the legal working age) is forbidden. Special protection for minors aged 16–18.
  3.Working hours shall not exceed legal limits; overtime must be compensated. Wages shall not fall below the statutory minimum and shall cover basic living needs.
  4.Respect employees' rights to form and join trade unions and to engage in collective bargaining, as permitted by law.

- Occupational Health and Safety
  1.Establish and periodically assess an occupational health and safety management system; continuously provide a safe and healthy work environment.
  2.Provide necessary safety facilities and protective equipment; conduct regular safety training and drills; establish emergency measures for accident prevention, emergency evacuation, reporting and investigation; ensure products and services meet safety standards.

- Environmental Protection and Climate Resilience
  1.Comply with environmental laws and regulations; obtain and maintain required permits; encourage ISO 14001 certification.
  2.Identify and assess climate-related risks; set environmental improvement targets; develop a business continuity plan.
  3.Manage waste according to the "reduce, reuse, recycle" principle. Hazardous waste shall be safely handled and disposed of by licensed operators; prevent leakage and contamination. Prioritise recyclable and eco-friendly materials, reduce packaging, and minimise negative impacts on ecosystems.
  4.Improve energy and water efficiency; measure and track carbon emissions; develop emission reduction plans; explore energy efficiency improvements and renewable energy sources.

- Breach of Obligations and Management Mechanism
  For suppliers in violation, corrective actions and suspension of cooperation may be imposed. Where losses are caused, penalties may include contract termination and legal compensation, depending on the severity.

The United Laboratories also incorporates risk management requirements into its day-to-day cooperation processes and continuously monitors suppliers' performance in areas such as quality consistency, delivery capability, change management and compliance. For example, in the case of major changes that may affect product quality or safety, including changes in manufacturing processes, types of raw materials, key equipment and production sites, The United Laboratories requires suppliers to give prior notice and submit relevant information so that potential impacts can be assessed in a timely manner and corresponding management measures can be taken to reduce the risks of supply disruption or quality issues.

At the same time, the Group pays close attention to social and environmental risks within the supply chain. It expressly prohibits suppliers from using child labour, forced labour or engaging in any other practices that infringe labour rights, and requires suppliers to provide employees with a safe and healthy working environment, as well as to establish mechanisms for accident prevention, emergency management and continuous improvement. In terms of environmental management, The United Laboratories encourages suppliers to establish effective environmental management systems, identify and assess climate-related risks, and formulate necessary business continuity arrangements in order to enhance operational resilience and supply stability.

For suppliers identified as posing relatively high risks or violating The United Laboratories' management requirements, the Group will, depending on the circumstances, adopt measures such as issuing rectification notices, conducting continuous follow-up, suspending cooperation or terminating cooperation, and reserves the right to pursue liability in accordance with contracts and relevant agreements. Through the above mechanisms, The United Laboratories continues to promote a shift in supplier risk management from a purely reactive approach to a management model that combines prevention in advance, monitoring during the process and improvement afterwards, thereby laying a solid foundation for the stable operation and sustainable development of the supply chain.

9.3.2 Supplier Review and Audit

To further verify suppliers' fulfilment capability, quality management standards and sustainability performance, the Group continues to conduct reviews and audits after supplier admission. Based on the importance of the supplied materials, the level of supply risk and actual cooperation circumstances, the Group adopts document review, on-site inspection and special audits to dynamically monitor suppliers' operating and management conditions and ensure that they continue to meet the cooperation requirements of The United Laboratories.

In terms of review content, The United Laboratories focuses on suppliers' production and supply capabilities, quality management systems, on-site management standards, delivery stability and compliance performance. Based on actual needs, the Group also examines their raw material control, management of key processes, inspection capability, warehousing and logistics conditions, change management and exception handling mechanisms. For key suppliers involving product quality, safety or stable supply, the Group further pays attention to their management measures relating to labour rights and interests, occupational health and safety, environmental protection and business ethics, with a view to continuously improving suppliers' overall management standards.

Supplier Monthly Assessment Form

01 Comprehensive Indicators

- Whether there are material returns or exchanges that affect the quality acceptance rate
- Whether there have been complaints arising from product use due to quality issues
- Compliance with the company's qualifications, transportation services, delivery documentation requirements, etc.
- Timeliness and quantity of deliveries in accordance with specified requirements
- Whether the lead time for commonly used materials exceeds one month

02 Management Indicators

- Whether there have been instances where the supplier was unable to accept orders due to financial constraints or only partially fulfilled orders
- Timely and accurate issuance of invoices
- Instances of delayed after-sales service, communication difficulties, lack of honesty and integrity, etc.

03 Additional Indicator

- Willingness to independently provide energy-saving and environmentally friendly materials, collaborative development, and energy-saving measures to enhance factory efficiency

In terms of audit approach, the Group arranges supplier inspections and audit frequency in accordance with the principle of risk orientation, strengthening on-site verification and follow-up for newly introduced suppliers, suppliers in critical categories or those presenting relatively high risks. For suppliers with established business relationships, the Group continuously evaluates the stability of cooperation and compliance performance based on factors such as the quality of daily supplies, delivery performance, customer complaint records, change matters and results of previous audits. For issues identified during audits, The United Laboratories requires suppliers to submit rectification plans within a specified timeframe and implement improvement measures. Where necessary, re-audits or ongoing follow-up will be conducted to verify the effectiveness of rectification and promote closed-loop management of the issues identified.

Supplier On-Site Evaluation Form Contents

Qualification Audit	• Completeness and validity of business license, operating permits, production permits, authorised agencies, etc.
Resource Management	• Company scale: financial situation, personnel, organisational structure, etc. • Sales revenue in the recent three years, market share of the product, industry position • Percentage of The United Laboratories' annual order volume in relation to the supplier's annual revenue • Any legal disputes over the recent three years, with a brief description of the reasons and judgment outcomes
Production and Procurement Management	• Understanding the origin of raw material sources and whether the supply can guarantee stable production • Number of production lines, specialisation or shared lines, batch quantities, monthly production volume • Compliance of production site management and sophistication of equipment • Existence of environmentally friendly facilities and advanced technologies to meet national (or local) environmental requirements
Quality Control	• Establishment of a comprehensive quality control system: process specifications, production records, deviation management, change management, batch management, quality standards, inspection methods, stability testing, quality reviews, etc. • Complaints, returns and exchanges, rework rates, product acceptance rate
Warehouse Management	• Adequate inventory management for normal operations • Sound warehouse management systems for raw materials, packaging materials, and finished products, including proper zoning • Management and handling procedures for non-conforming products
Design and Development Management	• Acquisition of patents, specific patent projects, and provision of patent documentation • Improvement projects related to The United Laboratories • Company development plans and vision, research and development of new projects

At the same time, the Group uses the results of supplier inspections and audits as an important basis for subsequent cooperation decisions, and aligns them with supplier classification management, procurement strategy adjustments and risk control measures. For suppliers with strong management foundations, high levels of cooperation and stable performance, The United Laboratories will prioritise maintaining and deepening cooperation. For suppliers that fail to continuously meet requirements or do not implement rectification effectively, measures such as suspension of cooperation, removal from the list of qualified suppliers or termination of cooperation will be taken as appropriate, in order to safeguard the overall stability of the supply chain.

During the Year, The United Laboratories also conducted a total of 1,777 online and on-site audits of all major cooperating suppliers. Details are as follows:

Supplier category	Audit frequency requirements	2025 Online Audit Quantity		2025 Offline Audit Quantity	
		Quantity	Qualification Rate	Quantity	Qualification Rate
Raw and auxiliary materials	Annually / once every three years / once every 3–5 years (by risk category)	458	99.4%	105	96.2%
Reagents	Annually / irregular	7	100%	2	100%
Packaging materials	Annually / irregular	146	99.3%	49	94.7%
Hardware and labour protection materials	Annually / irregular	423	100%	80	100%
Equipment	Annually / irregular	416	99.8%	91	100%

For suppliers identified as non-compliant during the audits conducted in the Year, the Group has taken corresponding actions based on the actual circumstances. New applicants that failed to pass the audit were not included in the list of qualified suppliers, while existing qualified suppliers that were found to be non-compliant upon audit have had their cooperation terminated. The Group will continue to strictly implement supplier audit and risk control measures to ensure the overall stable operation of the supply chain.

9.3.3 Supplier Training

To enhance suppliers' understanding of the Group's management requirements and consistency in execution, the Group regards supplier training as an important part of dynamic supply chain management. Taking into account supplier type, stage of cooperation and risk characteristics, the Group continuously conducts targeted communication and awareness-raising activities, promoting consistent standards between suppliers and the Group in quality management, delivery coordination, safety and environmental protection, and compliant operations.

The training content mainly focuses on the Supplier Code of Conduct, product quality requirements, incoming material standards, change management, delivery requirements and sustainability concepts, helping suppliers to gain a clearer understanding of The United Laboratories' cooperation standards and management priorities. For key suppliers or newly introduced suppliers, the Group also strengthens communication on quality risk control, exception handling mechanisms and continuous improvement requirements in light of actual cooperation circumstances, thereby deepening suppliers' understanding of the cooperation requirements and enhancing execution capability.

At the same time, The United Laboratories also appropriately communicates basic requirements relating to business ethics, integrity compliance and anti-corruption during supplier communication and training, emphasising that both parties must jointly uphold a fair, just and honest business environment and encouraging suppliers to integrate such concepts into their daily operations and internal management.

Through the continuous implementation of supplier training and engagement activities, the Group not only strengthens information exchange and collaboration with suppliers, but also enables suppliers to promptly identify and respond to the Group's management requirements in areas such as quality, delivery and sustainability, thereby promoting the steady enhancement of overall supply chain management standards.

9.3.4 Supply Chain Stability Assurance

A stable and reliable supply chain is a critical foundation for The United Laboratories to ensure production continuity and product supply capability. In the face of market fluctuations, changes in logistics and external uncertainties, the Group continues to enhance its supply assurance mechanisms. It strengthens supply chain resilience from multiple aspects, including procurement planning, supplier allocation, inventory management and collaborative communication, so as to mitigate the impact of raw material shortages, delivery delays or unexpected disruptions on production and operations.

In terms of supplier allocation, the Group promotes an appropriate diversification of supply sources based on material criticality, procurement frequency and supply risk levels, thereby avoiding excessive reliance on any single supplier. For key raw and auxiliary materials, packaging materials and equipment-related materials, the Group continues to develop and reserve alternative supply resources to enhance supply flexibility and emergency allocation capabilities. Leveraging its vertically integrated business model covering pharmaceutical intermediates, bulk medicine and finished products, The United Laboratories has also strengthened its overall control over the supply of key raw materials and production scheduling to a certain extent, thereby supporting the stable operation of the supply chain.

With respect to procurement and inventory management, the Group continuously optimises procurement arrangements and stocking strategies based on production plans, material consumption and market supply dynamics. It implements dynamic monitoring for critical materials and sets reasonable safety stock levels to balance supply assurance with inventory efficiency. For materials that may be affected by market volatility, seasonal factors or logistics conditions, the Group conducts advance assessments of supply risks and adjusts procurement schedules in a timely manner to reduce the risk of supply disruptions.

At the same time, the Group places emphasis on establishing stable and transparent collaborative relationships with suppliers. Through routine communication, demand forecasting alerts and delivery coordination, it maintains timely visibility over suppliers' production, delivery and inventory status, thereby enhancing the efficiency of information sharing. In the event of anomalies that may affect supply stability—such as fluctuations in production capacity, delivery delays, logistics disruptions or significant raw material price volatility—The United Laboratories will promptly activate coordination mechanisms, engaging procurement, quality, production and relevant business units to formulate response plans. Where necessary, measures such as alternative sourcing, adjustment of delivery schedules or optimisation of inventory allocation will be implemented to ensure the continuity of production and supply.

9.4 Green Supply Chain

The United Laboratories recognises that the supply chain is not only critical to the stable supply of raw materials and key inputs, but also has a direct impact on the Group's environmental performance, resource efficiency and overall sustainability. Accordingly, the Group continues to integrate green principles throughout the entire procurement and supplier management process, encouraging suppliers to enhance their performance in compliant operations, environmental protection, product safety and resource management, and working together to build a more responsible, resilient and sustainable supply chain.

At the Group level, The United Laboratories has established a "Sustainable Procurement Policy", and has explicitly incorporated requirements relating to environmental protection and climate resilience in its "Supplier Code of Conduct", embedding sustainability principles into supplier management and procurement decision-making processes. These requirements cover, among others, suppliers' compliance with applicable environmental laws, regulations and standards; the acquisition and maintenance of necessary environmental permits, licences and registrations; and the encouragement for suppliers to identify and assess environmental and climate-related risks in their operations, and progressively enhance resource efficiency and business continuity management capabilities. Through these Group-level frameworks, the Group continues to extend its green supply chain philosophy from its own operations to the management of its business partners.

Summary of Sustainable Procurement Policy

- We strive to select and utilise suppliers' products and services in a manner that minimises adverse impacts on society and the environment, thereby contributing to social well-being.
- We choose suppliers who can effectively utilise resources and implement robust supplier management systems to address environmental and social risks.
- We ensure the quality of procured products and services and strengthen communication with suppliers. Where feasible, we provide feedback on their social and environmental performance.
- We procure and use more energy-efficient products and services that support sustainable procurement practices.
- We are committed to enhancing suppliers' awareness of sustainable procurement and encouraging innovation by widely adopting new technologies and designs.
- Throughout our collaboration with suppliers, we adhere to ethical standards and responsible codes of conduct, seeking to establish long-term relationships based on trust and cooperation.

At the same time, individual business units develop tailored green procurement and sustainable supply chain management practices based on their specific operational characteristics and procurement needs, thereby enhancing the relevance and practicability of such measures. For example, Kendor Company prioritises suppliers that are able to provide documentation such as Certificates of Analysis (COA), certification materials and Material Safety Data Sheets (MSDS) during the supplier selection process, in order to strengthen upstream control over product quality, safety and compliance. Meanwhile, the Inner Mongolia operations integrate green engineering and corporate social responsibility principles into supplier management and procurement practices, further promoting the implementation of environmental protection, resource conservation and compliance requirements across the supply chain.

In practice, the Group encourages suppliers to reduce environmental impacts at source by adopting energy-saving, water-saving, waste reduction and pollution control measures in their production and operational processes, and to properly manage chemicals and waste in accordance with regulatory requirements, thereby minimising potential impacts on the surrounding environment and ecosystems. At the same time, the Group encourages suppliers, where feasible, to adopt more environmentally friendly raw materials, packaging materials and process solutions, gradually enhancing the overall level of green development across the supply chain.

Looking ahead, The United Laboratories will continue to integrate Group-level policy requirements with the specific practices of individual business units, further strengthening the development of a green supply chain. It will work with more suppliers to enhance environmental management capabilities and sustainability performance, achieving source traceability, shared responsibility and green collaboration, and thereby laying a more solid supply chain foundation for the Group’s long-term development.

10

People-Oriented Building a Healthy Workplace Together

Our Focus

Talent development
Human rights protection
Occupational health

Our Actions

Establishing a diversified training system
Enhancing and safeguarding diversity
Improving employee communication mechanisms
Implementing workplace safety measures

Adhering to the "People-Oriented" philosophy, The United Laboratories strictly complies with national laws and regulations relating to employment, labour protection, equal employment, remuneration and benefits, and social insurance. The Group continues to improve its internal management systems and employee protection mechanisms, and is committed to fostering a safe, healthy, equal and harmonious workplace, safeguarding the lawful rights and interests of employees, and working together with them to build a healthy workplace that is caring, protective and growth-oriented. The relevant laws, regulations and internal policies complied with by the Group in this chapter are set out below.

Area	Relevant Laws, Regulations and Guidelines	Internal Policies
Employment	Labour Law of the People's Republic of China Labour Contract Law of the People's Republic of China Employment Promotion Law of the People's Republic of China	Measures for Personnel Recruitment Management Measures for Labour Contract Management Employee Handbook Cadre Management System of The United Laboratories Group Organisational Management System of The United Laboratories Group Group Retirement Management System Measures for Employee Re-employment Management
Protection of Lawful Rights and Interests	Labour Law of the People's Republic of China Labour Contract Law of the People's Republic of China Law of the People's Republic of China on the Protection of Women's Rights and Interests Special Provisions on Labour Protection for Female Employees Special Provisions on the Protection of Underage Workers Labour Dispute Mediation and Arbitration Law of the People's Republic of China Trade Union Law of the People's Republic of China Constitution of the Chinese Trade Unions Provisions on Minimum Wages	Complaint and Mediation System Code of Business Conduct
Safety Requirements	Work Safety Law of the People's Republic of China Law of the People's Republic of China on the Prevention and Control of Occupational Diseases Fire Protection Law of the People's Republic of China Code for Fire Protection Design of Buildings Regulations on the Reporting, Investigation and Handling of Work Safety Accidents Interim Provisions on the Investigation and Governance of Hidden Hazards of Work Safety Accidents Provisions on Occupational Health Management in the Workplace	Safety Management System Manual
Hazardous Materials and Work-Injury Handling	Regulations on the Safety Management of Hazardous Chemicals Regulations on Work-Related Injury Insurance Classification and Catalogue of Occupational Diseases	Material Warehouse Safety Management System Hazardous Waste Management Plan
Employee Benefits	Orders of the Ministry of Human Resources andSocial Security of the People's Republic of China Social Insurance Law of the People's Republic of China Regulations on the Administration of Housing Provident Fund	Policy on Employee Care Subsidies and Welfare Support Mechanism for the Group and Headquarters Policy on Team-building Activity Expenses

10.1 Talent Team Building

10.1.1 Talent Strategy

The United Laboratories strictly complies with applicable labour and employment laws and regulations. We have established and continuously improve our policies covering recruitment and hiring, labour contracts, management cadre administration, organisational management, re-employment, and retirement. Through institutionalised, processdriven, and traceable management arrangements, the Group ensures that employment management is compliant, transparent, and consistently applied. In addition, the Group institutionalises requirements such as lawful employment, maintaining work order, employee training, and joint development through policy documents including the Employee Handbook, and clearly specifies routine management, disciplinary requirements, and relevant procedures. These serve as important foundations for daily management and labour relations handling, supporting the stable operation and longterm development.

The Group has always believed that employees' contributions are the cornerstone of the Group's continuous growth. Building a professional, efficient, and reliable workforce is also the key to the Group's business success and sustainable development. To consolidate our foundation for growth, the Group is committed to creating a safe, efficient workplace with abundant opportunities for career development. We will continue to invest resources in training and developing our employees, aiming to drive the Group's future sustainable development through "professionalism" and "efficiency".

The United Laboratories has formulated strategic objectives for human resources development with an enterprise-wide perspective, focusing on four directions: optimising team allocation, enhancing management capability, strengthening the reserve of outstanding talents and introducing high-end talents. The Group has also received honours such as the "Hong Kong and Macao Youth Talent Internship and Practice Base", demonstrating its continued investment and achievements in talent cultivation and talent ecosystem development.

At the same time, as an enterprise whose core competitiveness lies in innovative R&D and high-quality products, the knowledge level, creativity and job performance of employees are vital to the Group's competitive advantage. The Group therefore relies on institutionalised recruitment, performance appraisal and promotion mechanisms to support the attraction, motivation and retention of key talents.

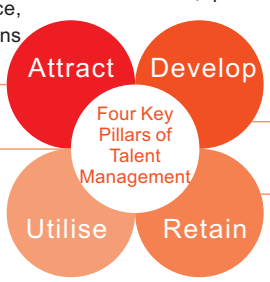
Diversified Channels and Precise Selection to Enhance Talent Fit

To improve talent quality and job matching, the Group conducts preliminary interviews, written tests and second-round interviews for candidates based on the requirements of different positions. Where necessary, practical skill assessments are arranged to ensure that new hires possess the fundamental knowledge and competencies required for the role, and meet standards in terms of academic qualifications, work experience, capabilities, psychological attributes, health conditions and professional ethics.

Institutional Safeguards for Fairness and Consistency to Enhance Organisational Effectiveness

To attract new talent and retain high-performing employees, the Group strictly complies with relevant laws and regulations, establishes a comprehensive recruitment system, and implements performance appraisal and promotion mechanisms. These provide employees with clear career development pathways and advancement opportunities, motivating them to continuously improve.

The Group also continues to refine its internal management framework, including policies such as the "Labour Contract Management Measures", "Employee Handbook", as well as systems governing cadre management, organisational arrangements, re-employment and retirement. These measures enhance the standardisation, consistency and traceability of human resources management, ensuring effective job–person matching and personnel deployment.



Strengthening Talent Pipeline and Management Talent Reserves

The Group implements a Management Trainee Programme, recruiting trainees from both the market and universities, and selecting suitable candidates as future management reserves, thereby gradually building a sustainable talent pipeline.

Meanwhile, the Group actively establishes partnerships with multiple universities, signs talent development agreements and regularly conducts campus recruitment presentations. It has also launched internship training programmes to expand talent channels and strengthen talent reserves.

In terms of industry–academia–research collaboration, the Group promotes exchanges and cooperation with academic institutions, focusing on topics such as optimisation of intermediate synthesis routes, process improvements, technological upgrades, and talent cultivation. Through these efforts, it facilitates research breakthroughs and the commercialisation of outcomes, establishes long-term cooperation mechanisms, and supports high-quality development.

Enhancing Employee Experience to Strengthen Employer Attractiveness and Organisational Cohesion

To further enhance employee retention and organisational cohesion, the Group focuses on optimising the employee lifecycle experience. Through initiatives such as employee satisfaction surveys, improved routine communication and feedback mechanisms, strengthened employee care and turnover risk monitoring, attention to the stability of key positions, and continuous enhancement of career development support and management empowerment, the Group seeks to improve employees' sense of identity, belonging and engagement, thereby further strengthening its employer attractiveness and organisational cohesion.

10.1.2 Talent Acquisition

The United Laboratories adopts compliance-first, transparency and quality-oriented principles in talent acquisition, aiming to ensure that recruitment and hiring processes are conducted in a fair and consistent environment, while enhancing selection quality and employer credibility through standardised procedures.

In terms of recruitment compliance, the Group strictly prohibits all forms of child labour, forced labour and human trafficking. During the recruitment and onboarding process, identity documents are required to verify candidates' age, thereby preventing the inadvertent employment of underage workers. If any related risk is identified, the Group will immediately suspend work arrangements and initiate remedial and investigation procedures to prevent recurrence. At the same time, the Group requires all new employees to enter into employment contracts in accordance with applicable laws and regulations, clearly specifying key terms such as job responsibilities, remuneration, insurance, benefits, working hours and leave arrangements. This ensures that employment arrangements are transparent, traceable and protective of the rights and interests of both parties.

To continuously improve recruitment efficiency and experience, the Group promotes the professionalisation and data-driven management of recruitment practices. Through measures such as market intelligence gathering, analysis of recruitment data for hard-to-fill positions, and interviewer capability enhancement, the Group strengthens its understanding of hiring needs and its ability to assess candidates. In addition, feedback mechanisms are established to collect evaluations from hiring departments regarding process efficiency, CV quality and follow-up services, which serve as a basis for continuous improvement, thereby enhancing recruitment quality and internal collaboration efficiency.

Expanding Talent Reserves through University–Enterprise Collaboration

In September 2025, The United Laboratories hosted a delegation from the International Business School of Ji'nan University. Both parties engaged in in-depth discussions on high-quality talent cultivation and the co-development of internship and practical training platforms. This exchange further strengthened university–enterprise collaboration, expanded channels for high-potential talent acquisition and internship opportunities, and provided support for the Group's medium- to long-term talent pipeline.

10.1.3 Talent Retention

The United Laboratories regards talent retention as a critical foundation for organisational resilience and long-term competitiveness. Through mechanisms such as career development pathways, performance and incentive systems, key talent and succession planning, and employee engagement, the Group continuously enhances employee engagement and organisational effectiveness, building a sustainable talent pipeline.

In terms of career development, the Group supports employee growth through a multi-track development approach, establishing different career pathways based on job functions and responsibilities, and providing clear development opportunities for both professional and managerial talent. Promotions are assessed through multiple dimensions, including job qualifications, professional competencies and interviews, and are supported by internal recruitment, nominations or external hiring, thereby promoting job – person alignment and effective talent pipeline succession.

Regarding performance and incentives, the Group has established a relatively comprehensive performance appraisal and promotion system. Employees are regularly evaluated based on work performance, training records and individual competencies, with assessment results serving as key references for salary adjustments, promotions and rewards, thereby reinforcing a positive cycle of "performance-driven development". In addition, the Group promotes a share award scheme as a long-term incentive mechanism. During the Year, a total of 3,369,800 awarded shares were vested to relevant grantees in accordance with the terms of the 2024 Share Award Scheme and the achievement of performance targets.

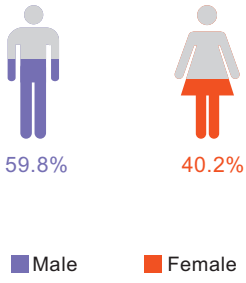
To better understand retention drivers and continuously improve, the Group gathers employee feedback through channels such as employee satisfaction surveys. These surveys cover areas including job satisfaction, workplace and career development satisfaction, and remuneration and benefits satisfaction. Based on the results, the Group implements improvement initiatives (such as enhanced employee welfare, training and management empowerment, and diversity and cultural activities), with the aim of improving employee experience and strengthening human resources management capabilities.

10.1.4 Employee Diversity

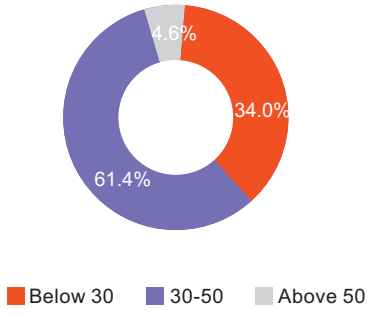
The United Laboratories is committed to building a diverse workforce. The Group adopts a merit-based approach to talent utilisation, assigning employees to appropriate positions based on their professional skills, expertise, industry experience, background, ethnicity, age and gender, with the aim of fostering a high-performing, service-oriented, learning-driven and innovative talent team.

The Group strives to cultivate a diverse and inclusive workplace, adhering to the principle of "placing the right people in the right roles". By aligning job assignments with employees' competencies and attributes, the Group builds an efficient, service-oriented, learning-focused and innovation-driven workforce. To further promote diversity and inclusion, the Group actively recruits retired personnel, senior employees and persons with disabilities, and provides necessary facilities and support to employees with disabilities or chronic illnesses. This ensures that all employees can realise their potential in a fair and inclusive environment, achieving mutual growth for both individuals and the organisation.

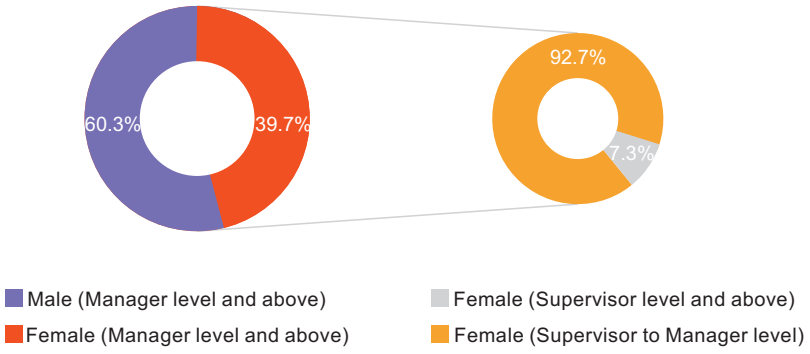
The Group's workforce composition by gender and age is as follows:



Gender Distribution



Age Distribution



Gender Composition of Management

10.2 Human Rights Protection and a Fair Workplace

10.2.1 DEI and Human Rights Commitment

The United Laboratories is committed to building a diverse, equitable and inclusive workplace. The principles of equal opportunity and anti-discrimination are embedded in daily management and employment practices to ensure that employees are treated fairly in recruitment, remuneration, training opportunities, work arrangements, promotion, disciplinary action and dismissal. Human rights issues constitute a standing component of the Group's annual enterprise risk assessment and ESG materiality analysis. In identifying and assessing relevant issues, the Group systematically considers the views and expectations of internal and external stakeholders, with particular attention to groups generally regarded as facing higher risks within the industry.

At the governance level, the Sustainability Committee assumes oversight responsibility for human-rights-related matters to ensure that human rights protection is incorporated into the Group's governance framework. On a day-to-day basis, the Human Resources Centre is the responsible department and is equipped with dedicated resources to implement and continuously improve relevant policies.

The Group, in accordance with the employee rights commitments set out in the "Code of Business Conduct of The United Laboratories", supports and upholds the principles and values established in the "United Nations International Bill of Human Rights" and the "International Labour Organization's Declaration on Fundamental Principles and Rights at Work". We promote a diverse workforce and strictly prohibit discrimination on the basis of race, colour, religion, gender, nationality, age, pregnancy, physical disability or illness, marital or family status, sexual orientation, political views or social status. At the same time, we respect employees' rights to join independent trade unions, engage in collective bargaining and exercise freedom of association. We are committed to providing reasonable remuneration and favourable employment conditions, as well as properly handling and safeguarding employees' personal data. Our expectations regarding human rights protection are clearly communicated to all employees and business partners through policy documents, contractual terms and cooperation agreements, ensuring respect for human rights across all stages of the value chain.

In our business processes, we proactively assess the potential human rights impacts of our operations and formulate preventive and mitigation measures for identified risks, ensuring that human rights considerations are embedded into core activities such as research and development, production and supply chain management. To translate our human rights commitments into practice, we regularly provide human rights-related training to employees and management, covering topics such as anti-discrimination, anti-harassment and workplace respect. These initiatives help employees understand policies and procedures, clarify their responsibilities and acquire practical tools to foster a respectful working environment.

The Group has established formal grievance mechanisms covering human rights-related issues. These mechanisms are accessible to both internal and external stakeholders through multiple channels, including telephone, email, written correspondence and the internal "Smart United" office platform, while ensuring confidentiality and anonymity of reports. Further details of these mechanisms are provided later in this section. For any identified cases that cause or contribute to human rights impacts, we are committed to taking appropriate remedial actions to effectively safeguard the legitimate rights and interests of affected parties. During the Year, the Group did not record any incidents of human rights violations.

10.2.2 Fair Employment

The United Laboratories upholds the principle of fairness across all human resources management activities, ensuring that employees are treated consistently and equitably in areas such as recruitment, remuneration, work arrangements, promotion, disciplinary actions and termination. The Group explicitly prohibits discrimination on the basis of race, gender, nationality, age, physical or mental condition, marital or family status, sexual orientation or other such factors. At the same time, the Group respects employees' personal development and dignity, and handles and protects employees' personal data in accordance with established requirements.

In practice, the Group promotes talent deployment and incentive arrangements based on competencies and job performance. Its remuneration system follows the principles of fairness, equity and motivation, with compensation determined according to job responsibilities and performance, thereby enabling employees to realise their potential within a fair working environment.

The Group also places strong emphasis on workplace respect and professional conduct, requiring employees to maintain appropriate behaviour and communication in the workplace. Inappropriate conduct, including the use of offensive language, is strictly prohibited, in order to foster a respectful and harmonious working environment.

10.2.3 Pay Equity

The United Laboratories adheres to the remuneration management principles of fairness, equity and incentive alignment. Compensation standards are reasonably determined based on factors such as job responsibilities and value, individual capabilities and performance. Through a structured remuneration framework comprising base salary, position allowances and performance-based bonuses, the Group addresses the needs of different functions and roles, thereby enhancing the consistency and transparency of remuneration management.

In terms of equal treatment and rights protection, the Group explicitly prohibits discrimination based on gender or other factors within its relevant policies, and implements equal pay for equal work, ensuring that male and female employees in the same positions receive equal remuneration. To further strengthen governance on pay equity, the Group formally introduced the "Equal Pay for Equal Work and Fair Compensation Management Policy" during the Year. This policy clearly defines "equal pay for equal work" as providing equal remuneration, after excluding reasonable performance-based differences, to employees within the same employing entity who perform work of the same job evaluation grade and possess comparable levels of skill, effort and responsibility. This policy applies to all employees of the Group and its subsidiaries, including full-time employees, probationary employees and other legally recognised forms of employment. It institutionalises the Group's commitment to fair remuneration and establishes a robust foundation for building a value-driven, transparent and competitive remuneration system.

Summary of the Equal Pay for Equal Work and Fair Remuneration Management Policy

- Core Principles
  1. Fairness: Based on the principles of "equal pay for equal work" and "equal pay for work of equal value", with zero tolerance for any form of unlawful discrimination.
  2. Competitiveness: Benchmarked against the pharmaceutical talent market to ensure competitiveness in attracting and retaining talent, particularly for key positions.
  3. Incentive Alignment: Remuneration is closely linked to company, team and individual performance, reflecting differentiation and rewarding contributions.
  4. Compliance: Strict adherence to all applicable national and local laws and regulations related to remuneration.
  5. Transparency: Clear disclosure of remuneration policies, structures and decision-making mechanisms to ensure employees understand how their compensation is determined.

- Remuneration Determination Mechanism and Fairness Assurance
  1. Job Evaluation System: A systematic evaluation of all positions, with roles classified into a unified job grading framework.
  2. Prohibited Factors for Pay Differentiation: Strict prohibition of any pay differentials arising from factors unrelated to job capability and performance.

- External Commitments and Social Responsibility
  1. Legal Baseline Commitment: Strict compliance with minimum wage requirements stipulated by applicable laws and regulations in all operating locations globally.
  2. Living Wage Aspiration: Through annual remuneration reviews and adjustments, the Group aims to progressively ensure that total cash compensation for all full-time employees reaches or approaches the local living wage level.

- Employee Communication and Grievance Channels
  Employees who have concerns regarding the fairness of their remuneration may raise complaints through confidential channels. The Company is committed to conducting timely and impartial investigations and providing feedback on the handling results.

To better understand employees' perceptions of the remuneration system and identify priorities for improvement, the Group also refers to employee survey results as an input for management optimisation. For example, under the remuneration and benefits dimension, employees gave relatively positive ratings to statements such as "I understand the Company's remuneration system" and "Compared with colleagues performing the same job and holding the same position, my pay is reasonable," providing a basis for further enhancing remuneration communication and improving the system.

In addition, to review gender pay equity in a more systematic manner, the Group piloted an analysis at its headquarters and formulation marketing centre, examining the average remuneration of female and male employees by job grade sequence and presenting the results as "average pay ratio (female/male)" (with a ratio closer to 1 indicating a smaller gap):

Job Grade Sequence	Average Base Salary Ratio (Female/Male)	Average Total Salary Ratio (Female/Male)
Management Sequence	1.433	1.266
Professional Sequence	1.395	1.015
Marketing Sequence	0.953	1.181

Based on the above results, the Group will continue to incorporate gender pay gap analysis into its annual remuneration review process. In conjunction with job evaluation and performance management requirements, it will conduct further analysis of the underlying causes and implement necessary management improvements for job grade sequences or role groups where the ratios deviate significantly. This is intended to ensure that remuneration decisions are compliant, traceable and fair, while continuously improving the institutional framework for equal pay for equal work and related external disclosures.

10.3 Employee Communication

The United Laboratories has always regarded its employees as the most valuable asset driving the Company's development, and is committed to fostering an open, equitable and harmonious communication environment. Through a well-established trade union system, regular satisfaction surveys, diversified grievance channels and thoughtful logistical support platforms, the Group has built a smooth and effective two-way communication bridge between the enterprise and its employees. We believe that only by fully listening to employees' voices and responding promptly to their concerns can we continuously enhance their sense of belonging and well-being, and in turn promote the Company's high-quality development.

10.3.1 Labour Union

As a bridge of communication between employees and the enterprise, the Group attaches great importance to and fully respects employees' right to establish labour unions. The Group strictly adheres to the rights and obligations granted to employees under the Trade Union Law of the People's Republic of China and the Constitution of the Chinese Trade Unions, and endeavours to build a union team dedicated to serving employees wholeheartedly. At present, the Group has established sound labour union systems, which are mainly responsible for safeguarding employees' legitimate rights and interests, promoting democratic management and administering employee welfare. Employee representative congresses are convened annually to deliberate on and approve major corporate decisions, with a view to enhancing democratic management and fostering harmonious labour relations. The unions have also established a number of specialised committees, as well as grassroots organisations such as union groups and employee associations, to pay attention to the circumstances of employees and their families, solicit and listen to employees' views, and regularly organise a wide range of sports, cultural and mutual support activities.

At present, the labour union participation rate among the Group's employees has reached 100%.

Employee Mutual Aid Fund

Established in 2001 and administered by the labour union, the Employee Mutual Aid Fund operates on the principles of voluntary participation and mutual assistance, offering timely support to employees and their families in times of critical illness or unexpected hardship. Beyond managing the approval and disbursement of relief funds, the labour union proactively identifies employees facing exceptional difficulties and assists them in applying for supplementary aid, thereby extending both the reach and impact of the support provided. As at the end of the Reporting Period, the fund had cumulatively assisted over 450 employees in need. Through this mechanism, the labour union acts as an effective bridge and safeguard, translating the Group's care for employees into tangible assistance.

10.3.2 Employee Satisfaction Survey

The employee satisfaction survey serves as an important channel for listening to employees' voices and collecting feedback extensively, playing a positive role in continuously improving the working environment and enhancing employee well-being. During the Year, the Group conducted an annual satisfaction survey covering all employees, providing a comprehensive reflection of employees' overall perceptions of the Company.

The survey results indicate that the Company received relatively high recognition from employees across multiple dimensions:

Employer Image
Employees expressed a strong sense of pride and trust in the Company's products, services and brand.
Working Environment
The collaborative atmosphere among colleagues and the leadership capabilities of the management team were positively evaluated.
Corporate Culture
Employees demonstrated a high level of alignment with the Company's values and development goals.

In response to areas identified for improvement in the survey, such as employee incentives, promotion mechanisms and remuneration competitiveness, the Group has attached great importance. During the Year, we actively responded to employee concerns by optimising benefits, enriching the training system, strengthening management empowerment and organising diverse cultural activities, thereby promoting the continuous enhancement of human resources management capabilities.

10.3.3 Grievance Mechanism

The United Laboratories values fostering a diverse workforce through an inclusive culture, advocating a workplace environment characterised by mutual respect, collaborative spirit and shared growth. Through its corporate values and daily management practices, the Group encourages open communication, mutual support and a safe environment where employees feel confident to express their views.

To enhance employee participation and organisational transparency, and to create a safe, reliable and responsive workplace, the Group has established diversified and accessible communication, grievance and whistleblowing channels. Employees are encouraged to raise concerns and provide feedback on matters related to work, daily life and occupational health and safety (such as safety hazards, operational risks, exposure to occupational hazards and inappropriate conduct). The Group ensures that all reported matters are properly recorded, followed up and resolved through a closed-loop process. Employees may submit feedback or suggestions through online platforms, suggestion boxes, email and hotline channels. All feedback is centrally managed by designated functional departments, which are responsible for consolidation, reporting and coordinated handling, in order to respond to employee concerns and improve communication efficiency.

To strengthen positive oversight and foster a culture of compliance, the Group has also introduced incentive mechanisms for reporting misconduct, including abuse of authority, damage to collective interests, malpractice, fraud or theft of property. Where allegations are verified through investigation, the case will be formally reported in accordance with procedures, and whistleblowers will be rewarded, encouraging employees to jointly uphold a safe, compliant and ethical working environment. Zhongshan Company has established and implemented a "Grievance and Mediation Policy", which sets out specific procedures and requirements for handling complaints, reports and dispute resolution. In addition, the Group is in the process of establishing an "Employee Grievance, Whistleblowing and Communication Mechanism", which will standardise procedures for case intake, investigation, feedback, resolution and follow-up, while ensuring confidentiality and prohibiting retaliation, thereby enhancing the consistency, accessibility and credibility of the mechanism.

Summary of the Grievance and Mediation Policy

- Complaint and Whistleblowing Handling

  1. For real name complaints and reports submitted by employees, the receiving department shall, in principle, complete investigation and handling within 5 working days and provide a response to the employee. For major or exceptional cases, the timeframe may be extended to within 20 working days.
  2. The receiving department must ensure strict confidentiality of the complainant or whistleblower. Any personnel responsible for breaches of confidentiality will be subject to strict disciplinary actions by the Human Resources and Administration Department or the Company.
  3. For reports involving misconduct such as abuse of authority, damage to the Company's collective interests, malpractice or theft of property, where the allegations are substantiated upon investigation, the Human Resources and Administration Department will apply to the Company to grant rewards to the whistleblower.

- Dispute Mediation

  1. The Company has established a labour relations coordination platform and set up a Labour Dispute Mediation Committee comprising employee representatives and employer representatives. Employee representatives are either trade union members or elected by employees, while employer representatives are appointed by the Company. The chairperson of the Committee is held by the trade union chairperson.
  2. Upon receipt of a mediation application, the Committee will arrange mediation between the parties within 10 working days. During the process, the Committee will fully hear statements from both parties regarding facts and reasons, provide guidance and facilitate the reaching of an agreement.
  3. If no mediation agreement is reached within 15 working days from the date the application is received, either the employee or the Company may, in accordance with the law, apply to the local labour dispute arbitration authority for arbitration.

10.4 Occupational Health and Safety

10.4.1 Work Safety Management

The United Laboratories adheres to the management philosophy of "safety first, prevention-oriented", and regards work safety as a key operational priority. The Group continuously enhances its occupational health and safety (OHS) management framework and system, and requires all units to strictly comply with applicable laws, regulations and internal policies. Through mechanisms such as risk identification, training and education, emergency management and continuous improvement, the Group seeks to reduce accident risks and safeguard employees' health and operational safety.

The Group has established an occupational health and safety management system and obtained relevant third-party certifications. Among them, Inner Mongolia Company has been certified to the ISO 45001:2018 Occupational Health and Safety Management System and has also passed the Level II Work Safety Standardisation assessment, providing a methodological foundation and management framework for system implementation and on-site control. Under the guidance of this management system, all departments are required to comply strictly with legal and regulatory requirements as well as internal policies, conduct regular safety risk assessments, identify potential risks across different work areas and job functions, and formulate corresponding risk control measures.

The Group promotes the effective implementation of management requirements across all levels and functions through structured governance. Taking Inner Mongolia Company as an example, safety risk and hazard identification and inspection are coordinated and supervised by the Safety Department under the authorisation of the Safety Committee. Functional departments carry out specialised inspections based on their respective responsibilities and maintain inspection records, while relevant departments/workshops continuously track rectification actions and ensure closed-loop management.

To ensure the effective implementation of occupational health and safety measures, the Group has established a closed-loop management mechanism of "Plan – Do – Check – Act (PDCA)." The Safety Production Committee provides overall supervision, while the safety and environmental protection departments organise all units to conduct on-site inspections, specialised checks and management audits on an annual and quarterly basis. These activities cover key areas such as high-risk operations, equipment and facility inspections, use of personal protective equipment, hazardous chemicals management and contractor operations. For issues identified during inspections, responsible departments and personnel, rectification deadlines and acceptance requirements are clearly defined, and follow-up actions are tracked to ensure effectiveness. At the same time, trend analysis is conducted based on indicators such as accident and near-miss reporting, occupational hazard monitoring results, employee health examinations and training completion. Findings are regularly reported to management and incorporated into management reviews to update control measures and drive continuous improvement.

Summary of the Safety Management System Manual

- Risk Assessment Management System
  1. Comprehensive Risk Identification: Utilises both qualitative and quantitative methods (including on-site inspections, data analysis and expert judgement) to systematically identify occupational health and safety risks arising from physical, chemical, biological, human and environmental factors.
  2. Scientific Assessment and Analysis: Evaluates potential accidents, occupational diseases and other health impacts associated with identified risk factors, and determines risk levels.
  3. Closed-loop Control Measures: Timely records assessment results and formulates targeted control measures and emergency response plans to ensure workplace safety.

- Safety Risk and Hazard Identification and Management System
  1. Occupational Hazard Investigation: Covers all workplaces to comprehensively identify occupational hazards, including physical, chemical, biological and human-related factors, with findings promptly recorded and reported.
  2. Tiered Control Measures: Establishes prioritisation based on risk level, potential impact and urgency, and formulates corresponding control measures for different hazards, with clearly defined responsibilities and timelines.
  3. Dynamic Monitoring and Improvement: Conducts ongoing supervision, inspection and evaluation of control measures to ensure effectiveness and drive continuous optimisation.

- Supplier and Contractor Safety Management System
  1. Pre-qualification Assessment: Evaluates suppliers' and contractors' safety management capabilities, training programmes and emergency response capacity to ensure compliance with occupational health and safety standards.
  2. Contractual Requirements: Clearly defines the occupational health and safety responsibilities of both parties in contracts, including specific safety standards and requirements.
  Process Supervision: Conducts regular monitoring and inspections of suppliers' and contractors' safety management
  3. practices to ensure continuous compliance with required standards.

To ensure that annual management priorities are clearly defined and measurable, Inner Mongolia Company has formulated and issued its occupational health and safety (OHS) objectives and control indicators for 2025, and has implemented them in accordance with the annual deployment requirements of the Safety Committee, taking into account actual operating conditions. These objectives have also been cascaded to all units through a responsibility allocation mechanism to drive aligned execution and process control. Based on annual statistics and performance assessments, all OHS objectives and control indicators set for 2025 by Inner Mongolia Company have been fully achieved, with safety management performance meeting expectations.

Occupational Health and Safety Objectives and Control Indicators for 2025 (Inner Mongolia Company)

Occupational Health and Safety Objectives	• Zero fatalities and serious injury incidents • Zero Level II or above fire and explosion incidents • Zero incidents of acute poisoning and occupational diseases • Minor injury incidents (and below) not exceeding 2‰

Occupational Health and Safety Objectives and Control Indicators for 2025 (Inner Mongolia Company)

Control Indicators for Workshops/Departments	• Completion rate of safety education and training plans and team activity plans: 100%; training pass rate: ≥96% • Completion rate of emergency response drill plans: 100%; pass rate: ≥95% • Compliance rate of safety facilities: ≥96% • Compliance rate of fire protection equipment and facilities: ≥98% • Compliance rate for storage and use of hazardous chemicals: ≥93% • Completion rate of safety risk and hazard identification and management plans: 100%; rectification rate of identified hazards: ≥99%; documentation compliance rate: ≥93% • Permit issuance rate for special operations (including hot work, confined space operations, blind plate operations, work at height, lifting operations, road breaking, excavation works and temporary electricity use): 100%; compliance rate: ≥96% • Implementation rate of occupational health examinations (medical checks): ≥98%; integrity rate of occupational disease prevention facilities and equipment: ≥93% • Zero alarms triggered due to oxygen concentration falling below 17.5%

Work Safety Month

In June 2025, all production bases of The United Laboratories actively aligned with the theme of the 24th National "Work Safety Month" — "Everyone Talks About Safety, Everyone Knows Emergency Response – Identifying Safety Hazards Around Us" — and carried out a series of diverse safety initiatives in a coordinated manner. From awareness campaigns and hazard identification to emergency drills and skills competitions, each company translated safety concepts into concrete actions, cascading them to every employee and fostering a strong culture of full participation in safeguarding workplace safety.

Work Safety Month serves not only as a comprehensive review of annual safety performance, but also as an important vehicle for strengthening the Company's safety culture. Through these initiatives, employees' safety awareness and emergency response capabilities were significantly enhanced, with hazard identification evolving from a "passive response" to "proactive detection", and safety management transitioning from "activity-driven" to a more "systematic and sustained" approach. Leveraging this opportunity, The United Laboratories will continue to reinforce the foundations of work safety, ensuring that safety remains a cornerstone of its high-quality development.

10.4.2 Risk Identification and Accident Prevention

The United Laboratories places the dual prevention mechanism of "risk classification control + hazard identification and management" at the core of its safety management approach, integrating risk identification, assessment and control into its day-to-day operations management in advance. In annual planning and on-site management, each unit, in accordance with the requirements of the dual prevention mechanism for hazardous chemicals and the Group's relevant policies, identifies safety risk events across dimensions such as engineering controls, equipment maintenance, operational behaviour and emergency measures. Corresponding control measures are then translated into actionable inspection checkpoints, with responsible positions/personnel and inspection frequency clearly defined, so as to ensure full staff coverage, clear accountability and explicit inspection cycles, while integrating such measures with routine activities such as daily inspections.

In terms of accident prevention, the Group implements planned and specialised hazard identification arrangements. Taking Inner Mongolia Company as an example, its annual safety inspections and hazard identification and management plan covers routine work such as safety facilities, electrical equipment, comprehensive workshop safety inspections and specialised inspections of risk sources. Based on operational characteristics, it also carries out specialised inspections relating to dust and toxic substance prevention, fire and explosion prevention, fire-fighting facilities, ladders and elevated platforms, hazardous chemicals, pressure vessels and pressure pipelines, and mechanical equipment. In this way, key risk points are distributed across periodic inspections throughout the year, improving the effectiveness of early risk identification and early intervention.

The Group has also established a closed-loop rectification mechanism for hazards, emphasising that "hazards that can be rectified immediately must be rectified immediately". For issues that cannot be fully addressed on the spot, preventive measures must be formulated before remediation, monitoring responsibilities and rectification deadlines must be assigned, and adequate resources and accountable personnel must be put in place, so as to prevent hazards from escalating into accidents.

For high-risk operations and typical accident scenarios, the Group strengthens risk identification and control requirements for confined space operations, special operations and other high-risk activities. Through targeted training, it enhances employees' understanding and execution of hazard factors, protection procedures, emergency response and permit-to-work management, thereby reducing the risks of non-compliant operations and operational errors at source. At the same time, the Group regards emergency drills as an important means of accident prevention and capability verification. Taking Inner Mongolia Company as an example, its annual emergency drill plan covers scenarios such as poisoning/asphyxiation in confined spaces, falls from height, electric shock, mechanical injuries, vehicle-related injuries, chemical leakage, fire-fighting and emergency evacuation, and is implemented by workshops/departments according to plan, thereby continuously improving on-site emergency response capabilities.

To ensure the quality and traceability of drills, the Group requires pre-drill training on emergency plans and drill procedures for all participants, and drills may only be carried out after participants have passed the training. Upon completion of each drill, the relevant materials must be properly archived. In organising fire-fighting and evacuation drills, relevant departments or third-party personnel are also included, so as to enhance coordinated response and collaboration.

Enhancing On-site Emergency Response Capabilities through Fire Drills Integrated with Hazard Identification

To strengthen fire prevention and emergency response, the Group implements its annual emergency drill plan by organising all units to carry out drills as scheduled. It requires pre-drill training on emergency plans and key precautions, proper documentation and archiving after drills, and the inclusion of relevant departments or third-party participants in fire-fighting and evacuation drills, thereby enhancing coordinated response capabilities.

In April 2025, the Quality Control Centre of Inner Mongolia Company conducted its first fire emergency response drill. The drill focused on key procedures including incident reporting, initial fire response, personnel evacuation and assembly, as well as site control and restoration. It emphasised enhancing employees' capabilities in fire prevention, evacuation and escape, self-rescue and mutual aid, as well as the proper use and maintenance of fire-fighting equipment. Following the drill, relevant units reviewed process coordination and on-site management practices, converting identified weaknesses into targeted follow-up rectification and training priorities, thereby promoting continuous improvement in emergency response capabilities.

In November 2025, Zhongshan Company organised a fire drill in conjunction with a safety hazard identification campaign, advancing both "capability verification through drills" and "risk elimination through inspections" simultaneously. The hazard identification activities focused on key aspects such as the condition of fire hydrants, fire cabinets and extinguishers, as well as the accessibility of fire passages and communication systems, ensuring that fire protection facilities are capable of responding effectively to emergency situations. Non-compliances identified during inspections were promptly rectified and tracked through a closed-loop process. Through this integrated approach of "drills + inspections", the Group further enhanced employees' emergency response and evacuation capabilities, while strengthening risk control at source through systematic hazard identification and management, thereby reinforcing the foundation of safe production.

10.4.3 Occupational Health Management

The United Laboratories continues to enhance its occupational health management mechanisms in line with the characteristics of pharmaceutical production and R&D activities. It has established a closed-loop management system covering hazard identification, operational control, health surveillance, communication and training, as well as the management of personal protective equipment (PPE), with the aim of providing employees with a healthy and safe working environment.

In terms of system development, the Group has established internal policies and operating procedures related to occupational health, including the "Post-specific Occupational Hygiene Operating Procedures", the "Occupational Disease Protective Equipment Management Policy", and the "Occupational Hazard Monitoring and Evaluation Management Policy". In conjunction with its annual safety training programmes, the Group incorporates content such as occupational health laws and regulations, internal occupational health management policies and procedures, job-specific occupational hazard factors, and the proper use and maintenance of protective equipment into training and awareness initiatives, thereby enhancing employees' ability to identify occupational hazards and their awareness of self-protection.

With regard to occupational hazard monitoring and communication, the Group identifies potential occupational disease hazards based on job roles and operational activities, and promotes the communication of annual occupational hazard monitoring results and exposure limit values. This ensures that employees are well informed of the key hazards in their workplace, as well as the corresponding control and preventive measures. Taking Inner Mongolia Company as an example, its annual safety training plan includes topics such as national occupational disease prevention laws and regulations, the Company's occupational health management systems and procedures, job-specific hazard factors and preventive measures, annual occupational hazard monitoring results, and exposure limit values. It also emphasises the proper use and maintenance of personal protective equipment, as well as employees' rights and obligations in occupational health.

In terms of health surveillance, the Group arranges health examinations and health management programmes based on employees' job characteristics and health needs, helping employees to better understand their health status and strengthen early disease prevention. For example, at Zhuhai Company, the Group works with medical institutions to establish physical examination plans and procedures. Examination items include general internal medicine checks, blood tests, chest X-rays, liver function tests and fasting blood glucose tests. Additional screening programmes for women's health (including breast and cervical cancer screening) are also provided, reflecting the Group's attention to the health needs of employees, particularly female employees.

Strengthening Occupational Disease Prevention through Work Injury Prevention and Occupational Health Awareness

The United Laboratories advances occupational health management under the principle of "prevention first, awareness-led", enhancing employees' understanding of occupational hazards and disease prevention through external professional exchanges, targeted training and health promotion activities. These initiatives also strengthen the risk identification and protection capabilities of both management personnel and frontline employees.

Inner Mongolia Company continues to deepen the implementation of occupational health and safety management systems and on-site management practices. In October 2025, it was awarded the title of "Outstanding Member Unit of 2025" by the Inner Mongolia Association for Work Safety and Occupational Health, reflecting the Company's sustained commitment to occupational health and safety management and recognition from external professional bodies. Subsequently, in November, the Safety Department of Inner Mongolia Company organised specialised training under a work injury prevention programme. By integrating practical scenarios and typical risk cases, the training communicated key points and protection requirements for work injury prevention, further enhancing employees' safety awareness and self-protection capabilities, and reinforcing the foundation of occupational health protection.

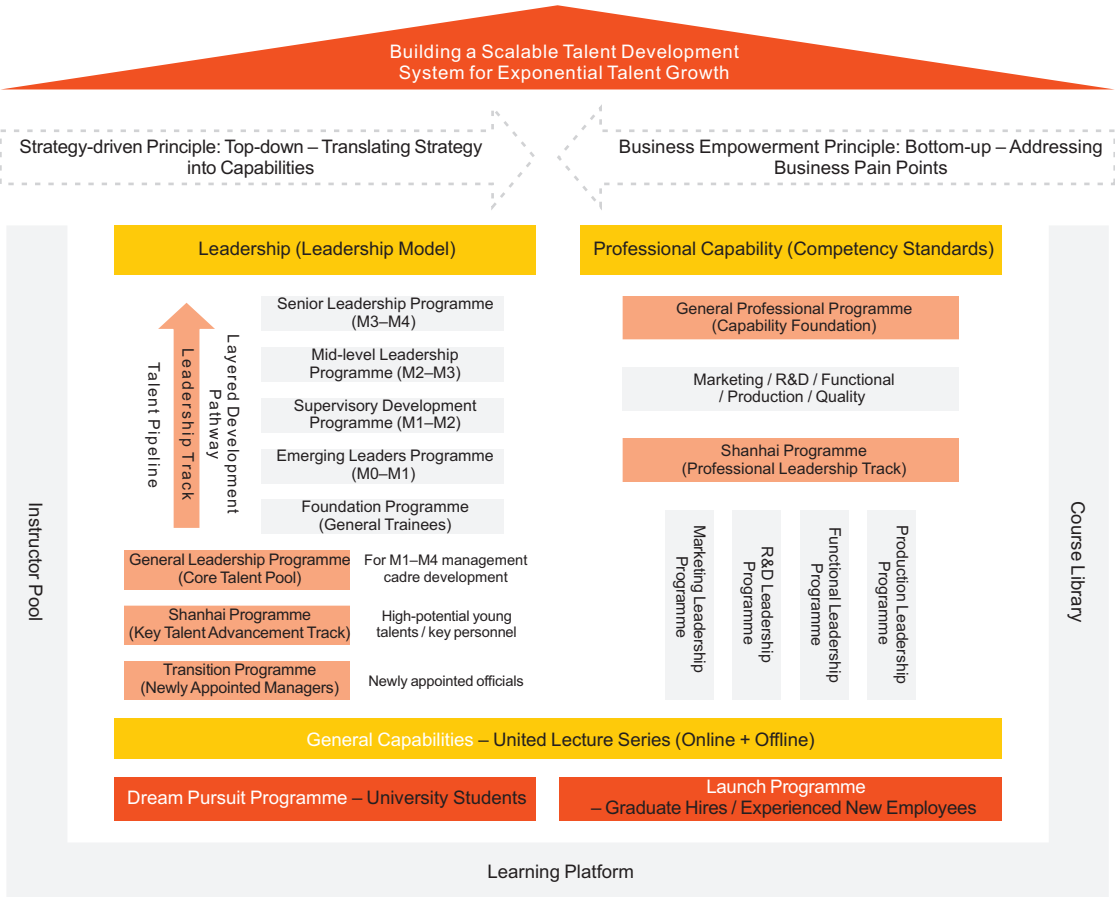
10.5 Employee Development and Training

10.5.1 Talent Development

The Group adopts a "job competency-based" approach as the core of its talent development framework, aligning training planning with its job grade management system. Based on the competency requirements corresponding to different job families and grades, the Group designs tailored learning content, practical assignments and assessment methods, thereby establishing a structured and traceable employee development pathway. A multi-track job grading system (including management, R&D, professional, marketing and operational tracks) has been established, supported by clearly defined grade hierarchies to enable employees to deepen expertise within professional pathways or transition into management roles, enhancing consistency in talent development and workforce management.

To ensure that training is closely aligned with role-specific competency requirements and effectively supports employee career progression, the Group follows a structured framework of "competency models – training programmes – practical application". It promotes the implementation of tiered and track-based key training initiatives across its business units, covering critical talent groups such as frontline supervisors, R&D technical personnel, skilled workers and core business staff, thereby continuously building a scalable and replicable closed-loop capability development system.

Overview of The United Laboratories Talent Development System



In terms of key talent and organisational succession, the Group has established the "Succession Management Policy". Employees selected for the succession pool are provided with additional attention and support, and their leadership development and readiness for key positions are enhanced through dedicated training, evaluation of development effectiveness and practical assignments (including job rotation). These efforts aim to strengthen organisational stability and the sustainability of the talent pipeline.

Summary of the Group Succession Management Policy

- Selection and Nomination of Successors
  1. Channels for successor nomination: nominations may be made by the current position holder, the supervising leader, the human resources department, or through other designated recommendation channels.
  2. Management responsibility for successor development: every incumbent manager at middle management level and above has the responsibility to cultivate follow-on talent to meet the Company's development needs. When any incumbent manager is within three years of retirement or is otherwise unable to perform duties due to special circumstances, no fewer than two successor candidates shall be recommended.
  3. Principle of openness and fairness: the selection process shall adhere to openness and fairness, while encouraging employee oversight.
  4. Selection ratio: as a general principle, successor candidates shall be identified at a ratio of 1:2.

- Successor Development
  1. Development direction and plan: define development directions and plans, implement development measures, evaluate development effectiveness, and provide tailored development based on individual circumstances.
  2. Practical development opportunities: strengthen practical training for successors through job rotation and assignments to relevant key positions.

- Successor Tracking and Management
  1. Ongoing monitoring and assessment: Group Human Resources shall keep abreast of employees approaching retirement and the status of successor candidates across the Group, while the human resources function shall follow up specifically on successors' development progress. Relevant departments shall, where appropriate, conduct assessments of qualified successor candidates, with particular focus on leadership capability and management potential, job performance, values and cultural fit, and submit assessment reports accordingly.
  2. Establishment of successor files: the human resources department shall establish successor files. These files shall include the successor list, resumes, assessment materials and development plans, annual performance appraisal records, training and learning records, and other relevant information.

Safety Production Training

Safety is a core requirement in manufacturing. Therefore, we provide targeted training for workshop safety management personnel and high-risk special operations staff. This training includes regulations on hazardous chemical management, fire safety techniques for chemical enterprises, and safety knowledge for special operations, equipping employees to handle various potential safety risks.

Quality Management Training

Quality management is equally crucial in production. We offer training on quality risk management and quality inspection for workshop supervisors and quality personnel to enhance their capabilities in quality management and execution, ensuring that product quality meets standards.

Environmental Protection Training

To strengthen employees' awareness and execution capabilities regarding environmental protection, our Environmental Protection Department regularly conducts training for environmental specialists. The training covers requirements of environmental management systems, pollutant discharge standards, hazardous waste disposal regulations, environmental performance assessment plans, and emergency response to environmental incidents, enhancing overall environmental management levels.

Technical Support Training

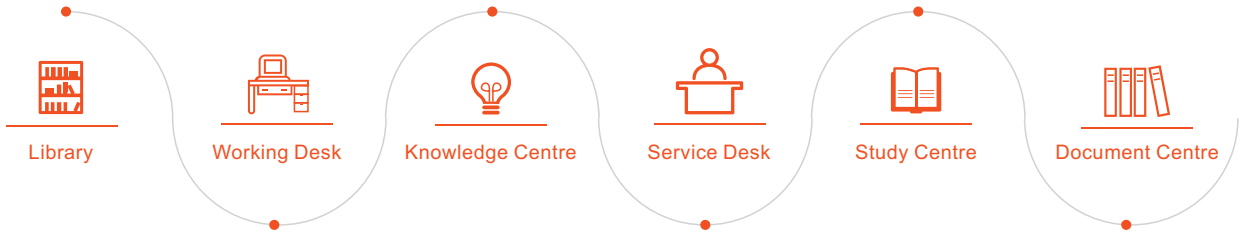
For support positions such as equipment management and engineering employees, we provide specialised technical training to ensure employees possess sufficient technical skills to effectively support daily production operations.

Sales Capability Training

Sales are key to the Group's business development. We strive to provide exceptional marketing and sales training for our sales personnel, ensuring that every customer experiences our high-quality service. Training covers a wide range of marketing techniques and strategies, including communication channel development, customer demands analysis, and customer service training, enhancing employees' sales abilities and customer interaction skills.

In terms of learning resource allocation, the Group provides employees with online learning resources in the form of videos, documents and other materials through the Learning Centre on its mobile office platform, “Smart United”, and is gradually building an internal learning ecosystem in which “content can be accumulated, knowledge can be shared, and learning can be tracked.” The platform also integrates modules including the Library, Workbench, Knowledge Centre, Service Desk, Learning Centre and Archive Centre, thereby enhancing employees’ convenience in accessing information and participating in training. To broaden training coverage and ensure closer alignment with business needs, the Group’s human resources function promotes learning initiatives such as “Micro Lessons” and “One Lesson a Day”. Relevant functional departments, including legal and compliance, digitalisation and marketing, also deliver thematic courses based on business scenarios, covering topics such as legal compliance, information security, and product and business knowledge. At the same time, departments are encouraged to develop and upload their own courses to the Learning Centre for shared access, thereby promoting cross-departmental exchange and knowledge dissemination.

Smart United Laboratories



Launch of the “United Craftsman Training School” to Strengthen Offline Practical Training Capacity

To further reinforce its “online learning + offline practical training” development system, the Group launched the construction project of the United Craftsman Training School in 2025 and held a groundbreaking ceremony. Guided by the principles of being “role-oriented, skill-oriented and practice-oriented”, the project focuses on cultivating talent in work safety and professional skills. By creating regularised and replicable practical training scenarios, it aims to enhance employees’ ability to identify risks, perform standardised operations and respond to emergencies, thereby providing stronger talent support for production operations and safety management.

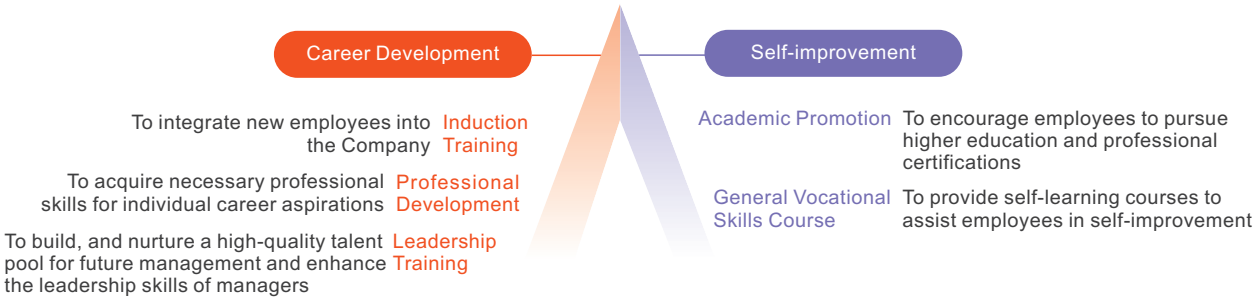
The project is led by Inner Mongolia Company, which coordinates resource integration and construction planning, and is being implemented in line with the approach of “school-enterprise co-construction, integration of teaching and practice, and alignment of training and assessment.” On the one hand, it enhances teaching spaces and the configuration of practical training facilities and equipment, forming a training platform that covers theoretical instruction, skills training and practical drills. On the other hand, it is supported by a curriculum system aligned with job requirements. The first-phase courses focus on practical areas such as welding and thermal cutting, electrical operations, work at height, refrigeration and air-conditioning operation and maintenance, hazardous chemical process operations, and qualification training for safety management personnel. These courses enable employees to strengthen their technical proficiency and cultivate safe work behaviours in real or near-real operating environments.

In terms of operating model, the training school is also exploring an integrated online-offline approach, linking online courses and standardised training materials with offline practical training and assessment, and gradually promoting traceable training processes and verifiable learning outcomes. It also plans to expand practical training modules in areas such as emergency rescue and chemical inspection and control, while introducing digital evaluation and intelligent assessment methods to continuously improve the professionalism and precision of training provision. Through these initiatives, the Group aims to build a more stable internal talent development pipeline, while at the same time enhancing frontline skills and advancing management capabilities, thereby promoting the Growing together of employees and the organisation.

10.5.2 Diversified Training

In terms of supporting employees "from onboarding to full job competence", The United Laboratories has established tiered training and mentoring arrangements for employees from different recruitment channels. For fresh graduates, the Group strengthens their integration into the corporate culture and builds core workplace, compliance and safety capabilities through systematic training programmes, combining online learning with offline intensive training to support their transition from campus to the workplace. For experienced hires, the Group combines Level 1 onboarding training with Level 2 department-specific training provided by employing departments, supplemented by onboarding mentorship and face-to-face communication. Training records, assessments and course material updates are also required to ensure that new employees achieve basic job competence during the probation period.

Training and Development System



2025 New Employee Onboarding Training

During the Year, Zhongshan Company organised onboarding training for new employees, covering modules such as corporate culture, work safety, company overview and professional skills, helping them complete the transition from "campus students" to "United employees". During the training, Chairman of the Board Tsoi Hoi Shan personally delivered the "First Lesson at United," encouraging new joiners to pursue and realise their aspirations on the United platform. In addition, outstanding senior employees from various departments formed a "United Support Team" to engage in face-to-face exchanges with new employees on topics such as workplace adaptation and personal growth, using experience-sharing to promote cultural inheritance. In an atmosphere of "happiness, openness and enlightenment", the new employees actively integrated into the Company and built momentum for the start of their professional journeys.

Release of the Competency Model for the R&D Technical Team

United Biotechnology Company held a briefing session on the competency model for R&D professional positions, closely integrating competency requirements with practical R&D scenarios. The initiative clarified directions for capability enhancement, enabling R&D personnel to address skill gaps more precisely, strengthen their advantages and improve the overall professional effectiveness of the team.

In terms of strengthening professional capabilities, the Group is guided by business scenarios and risk control requirements, and encourages employees to continuously enhance their professional skills and qualifications. The Group has established the "Detailed Rules for the Learning Management of Professional Skills and Qualifications at Group Headquarters", which applies to all employees of the Group and regulates the application, review, assessment and expense reimbursement for the pursuit of professional skills and qualifications (including academic degrees). Through this institutional framework, the Group supports employees in obtaining occupational skills and professional qualifications that match job requirements, thereby enhancing the verifiability and transferability of employees' professional capabilities.

Specialised Training in Electrical Engineering and Automation

Inner Mongolia Company organised specialised training programmes in areas such as electrical engineering and automation, and completed the corresponding graduation recognition. Targeting key technical positions, the training strengthened hands-on capabilities and problem-solving skills, thereby reinforcing the technical foundation for equipment operation and production support.

"AI Empowering the Future" Training Series

Zhuhai Sales Company launched the "AI Empowering the Future" training series for key employees across core business lines such as sales management, market operations and customer service. The programme promoted the application of digital tools and the upgrading of working methods, driving simultaneous improvement in employee capabilities and business efficiency.

In terms of leadership development, the Group focuses on supporting newly appointed managers in role transition and performance effectiveness, and has established a development arrangement driven by both institutional guidance and task-based implementation. Through the "Measures for the Management of Newly Appointed Cadres", the Group clarifies the development and management requirements for newly appointed managers, and sets out phased tasks and coaching mechanisms. These arrangements focus on capability modules such as role awareness, team management, core business advancement and self-management, helping new managers quickly establish management approaches and working rhythms during the initial stage of their appointment.

90-day Transition Bootcamp for Frontline Managers

During the Year, the 90-day Transition Bootcamp for Frontline Managers organised by United Biotechnology Company was successfully completed. Adopting a dual-track model of online learning + offline practice, the programme focused on core management capabilities such as team management, task allocation and cross-department collaboration. It supported newly promoted frontline managers in 2025 in accelerating role transition, establishing management approaches and developing effective working rhythms, thereby injecting more stable organisational momentum into the frontline management pipeline.

In terms of internal empowerment, the Group has always placed talent development at the core of its strategy. By building a systematic knowledge transfer mechanism, it enables experience to be retained, skills to be replicated, and craftsmanship to be sustained. During the Year, the Group advanced its efforts along two key dimensions — standardised mentoring and internal trainer development — with the aim of transforming tacit knowledge into explicit know-how and systematising visible outcomes, thereby building a learning organisation ecosystem that covers all employees and spans the entire employee lifecycle. As frontline experience is distilled into reusable tools and methodologies, and core business personnel are developed into internal trainers capable of delivering knowledge, the Group further strengthens the endogenous momentum of organisational learning.

Mentorship Training

In 2025, Zhuhai Company organised six dedicated mentorship training sessions, with a total of 746 mentoring supervisors participating. Using the self-developed Mentorship Handbook as the key training tool, the programme promoted the transformation of skills transfer from an "experience-driven" approach to a "standards-driven" model, laying a solid foundation for building a skilled talent pipeline.

Internal Trainer Competition

The Group successfully held its first Internal Trainer Competition. The competition lasted for seven months, covering 10 units across the Group, with the participation of 77 employees and the submission of 60 proposed training topics. Following a five-stage selection process, 28 employees were formally certified as Group internal trainers, establishing a full-chain development mechanism of "identification – cultivation – certification – empowerment – incentives" and injecting new momentum into knowledge transfer and organisational learning.

During the Year, the training coverage rate of The United Laboratories reached 100%, with total training hours amounting to 337,360 hours and an average of 18.7 training hours per employee.

10.5.3 Supporting Employee Development

The United Laboratories firmly believes that the continuous growth of its employees is the fundamental cornerstone of the Company's high-quality development. From multiple dimensions, including institutional safeguards, resource integration and platform building, the Group systematically plans and provides a comprehensive development support system for all employees, encouraging them to continuously improve throughout their careers and achieve alignment between personal value and the Company's vision.

In terms of academic advancement, the Group actively expands external resources at the corporate level and has established regular collaboration mechanisms with well-known domestic universities. During the Year, the Group Human Resources Centre introduced part-time master's degree programmes offered by Shenyang Pharmaceutical University and Jinan University to all employees, covering disciplines such as pharmacy and international business. The Group not only provides employees with direct channels for consultation and application, but has also secured tuition discounts from certain universities, effectively lowering the barriers to further study and helping aspiring employees pursue advanced education.

In terms of professional skills certification, the Group headquarters has formulated and implemented the "Detailed Rules for the Learning Management of Professional/Skill Qualifications", which provide employees with clear guidance and financial support for obtaining certificates at the institutional level. Applicable to all employees, the policy specifies that certificates must be verified through authoritative channels such as the official website of the Ministry of Human Resources and Social Security and the China Personnel Examination Network, in order to ensure their authenticity and validity. After obtaining job-related professional certificates, employees may apply for annual reimbursement of up to RMB5,000, with differentiated reimbursement caps set for junior, intermediate and senior levels. This mechanism has effectively stimulated employees' enthusiasm for learning and transformed the Company's support into a tangible driving force for personal development.

In terms of support for professional title applications, subsidiaries actively respond to employees' needs and provide targeted empowerment. During the Year, following the introduction of the new "Standard Conditions for the Evaluation of Professional Titles for Professional and Technical Talent in Guangdong Province's Biopharmaceutical Industry", the Human Resources Department of Zhuhai Company promptly organised a dedicated training session. The session was delivered by a Vice President with experience as an expert on a municipal review committee, and provided in-depth guidance to more than 50 key technical personnel on practical aspects such as the matching of professional categories, the preparation of performance supporting materials and the operation of the online application system, thereby offering ongoing support for professional title applications.

Through the above initiatives, The United Laboratories is gradually building a comprehensive employee development support system covering academic advancement, skills certification, trainer development and professional title applications. We believe that when every employee is able to find a pathway for growth on the platform provided by the Company, the Group's innovative vitality and core competitiveness will continue to flourish.

10.6 Employee Benefits and Care

The United Laboratories adheres to the "People-Oriented" philosophy and regards employee well-being as a core foundation for building a healthy workplace. The Group provides a comprehensive system of non-remuneration benefits across dimensions such as housing support, health protection, leave benefits, learning and development, care and condolences, and workplace facilities, so that every employee can feel warmth and support at work and thereby enhance their sense of belonging and well-being.

Category	Benefit Items
Housing Support	Employee dormitories, rental subsidies, assistance with household registration for talent introduction
Health and Protection	Five social insurances and one housing fund, commercial insurance, annual health examinations, medical subsidies, high-temperature allowances
Leave Benefits	Statutory holidays, paid annual leave, marriage leave, maternity leave, paternity leave, breastfeeding leave, childcare leave, only-child care leave, bereavement leave, sick leave, work injury leave
Learning and Development	External training reimbursement, training subsidies, assistance with talent subsidy applications
Care and Condolences	Marriage subsidies, childbirth subsidies, hospital visitation condolences, condolences for the death of immediate family members, birthday condolences
Workplace Facilities	Staff library, staff activity room, mother-and-baby room, tea room, staff canteen, cultural and sports centre
Other Benefits	Business travel subsidies, compensatory leave for overtime work, trade union activities

10.6.1 Support for Physical and Mental Well-being

The Group attaches great importance to the physical and mental well-being of its employees, and helps them maintain a healthy state of body and mind through institutionalised health management and diversified psychological support.

At the level of physical health, the Company has established an annual health examination mechanism, regularly organises health awareness and free medical consultation activities, and continues to improve health-related workplace facilities, helping employees identify health risks at an early stage and develop healthy lifestyle habits.

Annual Health Examination

To help employees better understand their health status in a timely manner, Zhongshan Company organised annual health examinations in September 2025, covering more than ten items including blood pressure, blood lipids, blood glucose, liver function, kidney function and chest X-rays. Through these examinations, employees are able to identify potential health risks at an early stage and receive targeted health advice, reflecting the Company's ongoing concern for employees' physical health.

Free Health Consultation Activities

In June 2025, the Jinwan Grassroots Committee conducted an occupational health free consultation activity at United Biotechnology Company. Through on-site consultation and awareness promotion, the activity enhanced employees' understanding of occupational disease prevention and health risks, and encouraged them to pay greater attention to occupational health and develop the habit of identifying health risks early. In addition, Zhuhai Company also implemented a series of employee health care activities during the Year. By focusing on health promotion and health management advocacy, these initiatives enhanced overall employee awareness of health management and strengthened their ability to proactively identify and manage health risks, thereby supporting the "awareness – prevention – improvement" closed loop of occupational health management.

At the level of mental health, the Group actively introduces professional resources to help employees manage stress scientifically and improve their emotional adjustment capabilities. Through activities such as mental health lectures and experiential workshops, employees are supported in mastering stress management techniques and emotional regulation methods, thereby building sustainable self-care capabilities.

Stress Management Seminar

In August 2025, Zhuhai United Laboratories Sales Co., Ltd. organised a mental health seminar entitled "Starting from the Heart: Decoding Stress", delivered by an expert from the Mental Health Committee of the Zhuhai Primary Healthcare Association. The seminar guided employees in responding to stress scientifically from four dimensions, namely the nature of stress, analysis of stress sources, emotion management and the cultivation of a healthy mindset. It also introduced practical coping techniques such as deep breathing and perspective shifting. The session was highly interactive, and participants reported that they had benefited greatly.

Mind-Body Empowerment Workshop

In October 2025, Zhongshan Company launched a "Mind-Body Empowerment Workshop", in which a professional facilitator guided employees through meditation, role play and "congruent communication" exercises to face negative emotions directly and improve their expression and communication skills. During the workshop, employees used "inner observation" to visualise stress and carry out a deep "mind-body clean-up". They also learned communication techniques such as stating facts objectively, expressing feelings, explaining needs and making requests, which effectively promoted self-awareness and interpersonal harmony.

10.6.2 Work-Life Balance

The United Laboratories recognises that maintaining a healthy balance between work and life is essential to sustaining employees' long-term vitality. To this end, the Company creates opportunities for relaxation and emotional connection beyond work through regular cultural and sports activities, diverse interest-based communities and thoughtful festive care, thereby fostering an organisational atmosphere that is both dynamic and balanced, and where employees feel a strong sense of belonging.

Holiday Garden Fairs Convey Organisational Warmth

During the National Day and Mid-Autumn Festival period, the Group's various units organised a range of festive activities centred on the concepts of "accessible care, engaging participation and emotional resonance". Inner Mongolia Company's 2025 National Day and Mid-Autumn Garden Fair attracted more than 500 employees and their family members; Zhuhai Company's themed event "A Full Moon for Mid-Autumn, A Grand Celebration for National Day" reached nearly 700 participants; and United Biotechnology Company held the "Mid-Autumn Immersive Garden Fair under the Full Moon", enriching employees' leisure lives through creative and interactive activities. These events created high-quality opportunities for emotional interaction and relaxation, further enhancing team cohesion and employees' sense of belonging.

Sports Competitions Showcase Team Spirit

To promote employees' physical and mental well-being and strengthen team cohesion, the Group's subsidiaries regularly organise a wide range of sports competitions throughout the year. Inner Mongolia United successively held its 17th Basketball Tournament and 12th Table Tennis Tournament, while Zhongshan Company successfully concluded its 11th "United Cup" Badminton Tournament. These events not only provided employees with a platform to demonstrate vitality and skills, but also promoted cross-departmental communication and reflected the spirit of perseverance and teamwork.

"Two Hours After Work" Brightens Everyday Life

The labour union of Zhuhai Company has carefully developed the "Enjoy Life Circle – Two Hours After Work" series of activities, offering diverse classes and vibrant interest communities. Programmes range from practical courses such as healthy light meal preparation, seasonal home organisation, makeup and photography, to exercise sessions including yoga and Zumba. In addition, eleven major labour union-affiliated clubs remain active throughout the year, organising events such as poetry appreciation, book salons and red-themed script games, enabling employees to meet like-minded colleagues through shared interests and enjoy more happiness beyond work.

10.6.3 Caring for Female Employees

The United Laboratories consistently cares for the physical and mental health and career well-being of its female employees. Through diversified health services and cultural activities, the Group integrates care into everyday practices and fosters a workplace atmosphere characterised by respect, support and warmth.

Special "Two Cancers" Screening Campaign Safeguards Women's Health

In August 2025, the labour union of Zhuhai Company, leveraging the free screening quota provided by the Jinwan District Federation of Trade Unions, organised a "two cancers" screening campaign for female employees, focusing on breast cancer and cervical cancer, with nearly 300 participants. The activity centred on the early prevention and treatment of these two major women's health risks, promoting early prevention, early detection and early treatment, and demonstrating the Group's special care and health protection for female employees through concrete action.

"Blooming Grace" Themed Flower Arrangement Salon Delivers Festive Warmth

In March 2025, the labour union of United Biotechnology Company specially organised the "Blooming Grace" themed flower arrangement salon, creating a relaxing and enjoyable afternoon for female employees. Under the guidance of a professional florist, participants immersed themselves in floral fragrance and artistic creation. While experiencing the charm of flower arrangement, they also received festive blessings and felt the warmth and care of the organisation.

11

Public Welfare as Bridge

Advancing Community Development Together

Our Focus

Social service initiatives
Supporting educational development
Dedication to volunteer services

Our Actions

The “Filial Piety Swallows” Charity
Public welfare activities
United Medical Education Scholarship
Caring for the community
Public welfare for stray animals

Since its establishment, the Group has remained committed to its corporate original aspiration of being rooted in China and mindful of society. While pursuing steady business growth, it has always regarded social responsibility as a cornerstone of its development. We firmly believe that the true value of an enterprise lies in creating positive change for society. Upholding this conviction, the Group has long invested resources to advance the development of China's medical and health industry, striving to provide the public with safer, higher-quality medical products and services. At the same time, we extend our care to broader social spheres, responding to the needs of different groups through concrete actions.

During the Reporting Period, the Group's public welfare efforts have spanned multiple areas, including educational support, volunteer services, poverty alleviation, and assistance to those in need, actively contributing to community development. We have also gone deep into communities to promote healthy lifestyles, hoping that through sustained action, we can work hand in hand with all sectors of society to build a better and more resilient future.

11.1 The "Filial Piety Swallows" Charity

Activities carried out since the launch	Total number of people benefited	Public welfare activities in the year
114	8,400	25

Turning care into action and goodwill into tangible impact is how the Group gives back to society. Since 2019, the Zhuhai Company has run the "Filial Piety Swallows" public welfare program, delivering the Group's social commitment through sustained investment and genuine service.

As of the end of this reporting period, the program had organised 114 public welfare events, reaching approximately 8,400 person-times of beneficiaries. These efforts have covered multiple community groups, including the elderly, children, people with special needs, sanitation workers, and veterans. Each event reflects the Group's principle of giving back to society what it has drawn from society. Over time, this approach has become embedded in the corporate culture.

During the Year, the "Filial Piety Swallows" program continued to expand its work with 25 events. In addition to maintaining support for the elderly and community workers—providing material assistance to seniors at home-based care service stations and to sanitation workers—the team further developed a targeted assistance initiative. This program assesses individual circumstances, identifies specific needs, and implements increasingly focused and sustainable support measures. Investment has increased each year, providing ongoing support to beneficiaries as they move forward.

"Filial Piety Swallows" - Targeted assistance

During the Year, the United Laboratories public welfare team visited three households with special needs, providing customised supplies and care based on the "one family, one plan" approach. The team delivered daily necessities to the family of Xiao Zhuo, a child with autism, to ease their financial burden and gather information for future support. For Li Tu and Li Ze, two brothers with autism under ongoing care, their verbal responses were noticeably clearer than the previous year, and the team provided GPS calling watches based on parent feedback. In a household with twin children with special needs, the team offered material support while listening to the parents' challenges and providing encouragement. The team remains committed to these families through sustained care and support.

Each visit brings hearts closer together. United Laboratories' public welfare initiatives will continue to focus on the needs of these special families, through sustained acts of care to bring warmth and strength to their journey ahead.

"Filial Piety Swallows" - Public Welfare Initiative

In September 2025, the "Filial Piety Swallows" public welfare team received an emergency student aid request. Xiao Min, a ninth-grade student at Jingshan Experimental School, was at risk of dropping out due to a sudden family crisis. Upon learning of the situation, the program team responded immediately. Management quickly decided to activate the assistance mechanism, and within one day, a total of 14,000 RMB was raised. Daily necessities were also prepared alongside the funds. On September 3, the team visited the school to attend a donation ceremony, where the financial aid and supplies were formally presented to the student and her parents. The funds were subsequently used to support her continued education, ensuring that financial hardship would not interrupt her schooling. This response demonstrated the program's commitment to addressing the educational needs of students in difficult circumstances, as well as its belief that education should not be stopped by hardship. Going forward, "Filial Piety Swallows" will continue to monitor similar cases, providing timely support to students in need through its student aid initiatives, and helping protect more children's access to education through concrete action.

On the eve of the Spring Festival, the "Filial Piety Swallows" public welfare team visited the Qianwu Town Home-Based Elderly Care Service Center and the Sanban Community Home-Based Elderly Care Service Station to carry out Spring Festival outreach activities, delivering holiday greetings and care to the elderly. At Qianwu Town, the team presented each senior with a framed personal photograph, capturing their warm smiles. Team members joined the seniors in pasting "Fu" characters and hanging Spring Festival couplets, helping to create a festive atmosphere in the activity space. The following day, the team arrived at Sanban Community, where a Spring Festival couplet event was taking place. The volunteers immediately joined in, writing "Fu" characters together with the seniors to welcome the new year. After the event, accompanied by community staff, the team visited elderly individuals living alone and families of honor in the community, personally delivering Spring Festival greetings and supplies to them. Through these actions, the team aims to ensure that seniors feel the warmth of the holiday not only from their families but also from the care and companionship of the community.

During the Year, the "Filial Piety Swallows" public welfare team carried out a cross-regional supply delivery initiative, providing winter essentials to elderly individuals in need across several remote villages and communities in Nanshui Town. Prior to the event, the team conducted an assessment to identify the specific needs of elderly individuals living alone and persons with disabilities in Shabashi Village, Gaolan Village, Feisha Village, Nanchang Village, and Bayi Community. A list of requested items was compiled accordingly. Subsequently, volunteers traveled to these four villages and one community in separate groups, delivering items such as wheelchairs, walking sticks, rice cookers, adult diapers, non-slip mats, and knee pads to the elderly recipients. At each household, the volunteers not only provided these supplies but also took time to listen to the residents about their daily lives, helping to address both the material and emotional challenges of living in remote areas.

The Group aims to sustain the spirit of "Filial Piety Swallows" through ongoing public welfare work, bringing warmth and care to those in need and offering hope to more communities.

11.2 Supporting Education

The United Laboratories has long been committed to the field of medical education. Since 1998, the "United Medical Education Scholarship" was established by the Group's founder, Mr. Choy Kam Lok, to provide ongoing support for the development of medical talent in the country. Over the years, this public welfare program has supported more than 50 higher education institutions, with total donations approaching RMB50 million. At the same time, the Group has actively deepened technical exchanges and talent collaboration with universities and colleges. Through industry-academia interaction, it has strengthened university-enterprise linkages, not only promoting the integrated development of education and industry but also laying a solid foundation for building a stable talent pipeline for the Group.

Campus-Enterprise Talent Development

The Group continues to promote the integration of industry, academia, and research, supporting the development of pharmaceutical talent in the Greater Bay Area. In May 2025, Zhuhai United Laboratories Co., Ltd. hosted a visit for over 90 faculty members and students from the Faculty of Pharmacy of Macau University of Science and Technology. During the visit, the group toured the Group's modern exhibition hall and intelligent production workshops, gaining insight into the pharmaceutical enterprise's development history, core business operations, and advanced technologies. The Group's human resources team and research staff from United Laboratories Biomedical shared industry experience, technological innovation, and career development topics with the students, offering the younger generation of pharmacy students an opportunity to engage directly with industry practice.

The Group recognises that the future of the pharmaceutical industry depends on the participation of talented individuals. This type of exchange not only allows students to observe the operations and responsibilities of a pharmaceutical company firsthand but also helps inspire their enthusiasm and sense of purpose in pharmaceutical research. This event reflects the Group's ongoing commitment to supporting pharmaceutical education and cultivating new talent for the industry, while also laying the groundwork for deeper university-enterprise collaboration and building a pharmaceutical research ecosystem in the Greater Bay Area. Looking ahead, the Group will continue to uphold its principle of open collaboration, welcoming more young students to The United Laboratories and working together to contribute to the advancement of the pharmaceutical industry.

11.3 Volunteer Care

11.3.1 Blood Donation

Caring for communities and responding to local needs is a key pathway through which the Group implements sustainable development. The Group has always regarded the communities surrounding its subsidiaries and production bases as key stakeholders, maintaining long-term and stable connections with them. In the healthcare field, the Group not only continues to invest in pharmaceutical research and development and accessibility, working to improve the availability of medicines, but also actively mobilises employees to participate in community blood donation activities, supporting those in need through concrete action. The Group believes that corporate growth is nurtured by the community, and giving back to the community while safeguarding health is a tangible reflection of the Group's fulfillment of its social responsibilities.

Blood Donation Initiative

During the Year, the Inner Mongolia Company and the Zhongshan Company respectively organised blood donation activities, supporting community medical blood supply needs through concrete action and demonstrating the Group's ongoing commitment to public welfare.

The labour union of Inner Mongolia Company, in collaboration with the local central blood station, carried out a blood donation drive. A total of 87 employees participated, donating 28,800 milliliters of blood. The event proceeded in an orderly manner, with participants completing registration, medical checks, and blood collection under the guidance of staff, while volunteers prepared food and sugar water to help donors replenish their energy. The Zhongshan Company also received an active response from its employees. Participants included young employees donating blood for the first time as well as familiar faces who had consistently donated for over a decade. According to statistics, the cumulative blood donation volume by Zhongshan Company employees over the past five years reached 167,420 milliliters. Employees at both locations expressed that blood donation not only benefits personal health but also allows them to extend care to others, and that they would be willing to continue participating in such public welfare activities in the future.

Beyond blood donation, the Inner Mongolia Company has for many years continued to support community projects such as disaster relief donations and visits to the elderly. Meanwhile, The United Laboratories has actively invested in areas including educational funding, medicine donations, and volunteer services, integrating social responsibility into daily operations and demonstrating corporate commitment through ongoing contributions.

11.3.2 Caring for People in Need

Turning care into action and ensuring warmth reaches every corner that needs to be seen — the Group consistently responds to the needs of vulnerable groups through concrete efforts, fulfilling its corporate social responsibility and contributing to an inclusive and harmonious society.

Disaster Relief for Affected Communities

During the Year, Bayannur City experienced rare heavy rainfall, leading to severe flooding and windstorm disasters. In Wuyuan County, multiple villages suffered from flooded farmlands and damaged homes, causing significant difficulties to the production and daily lives of local residents. Following the disaster, the Inner Mongolia Company's Party Committee and Trade Union quickly responded to the call of local government authorities and immediately launched a donation appeal to all employees to support affected residents in overcoming the crisis. After the appeal was issued, the Group acted swiftly. The Group's Executive Director, who was attending a mid-year summary meeting, led the donation effort. Management and employees of the Inner Mongolia Company also extended their support, contributing through concrete actions to deliver care and warmth. A total of more than RMB630,000 was raised to support post-disaster recovery and reconstruction, helping affected residents restore normal living conditions as soon as possible.

This donation drive demonstrated the sense of responsibility embodied by employees, standing together in times of difficulty. While natural disasters strike without mercy, human compassion prevails. The Group believes that every contribution, when combined, will bring confidence and hope to affected residents as they rebuild their homes.

11.4 Pet Welfare

During the Year, The United Animal Healthcare continued to focus on animal welfare, responding to the needs of stray animals through both material donations and public advocacy, demonstrating its professional commitment in the field of animal healthcare. As a player in the animal healthcare industry, The United Animal Healthcare remains dedicated to its business while also addressing animal-related social issues, striving to contribute to animal welfare through concrete action.

Supporting Stray Animal Welfare

In terms of material support, The United Animal Healthcare partnered with Shanghai Dingjia Biotechnology to donate 12,600 veterinary powder injection products to the Shanghai station of the China Small Animal Protection Association. These products were used to prevent and treat common diseases among stray animals, providing material support for the station's medical operations. Alongside the donation, the Group sent a professional technical team to the station to conduct on-site medication guidance and training, helping to improve the scientific and standardised approach of the rescue efforts. This initiative reflects The United Animal Healthcare's commitment to stray animal welfare and its ability to apply professional expertise in response to social needs. Going forward, the Group will continue to work with its partners to advance medical care for stray animals, protecting more lives through concrete action.

During the "99 Public Welfare Day" initiative, The United Animal Healthcare partnered with the China Small Animal Protection Association to jointly promote stray animal welfare actions. The Group called on the public to participate in the "Pocket of Love – Share a Meal" food collection program, raising food supplies for stray animals at shelters including the Dagang Oilfield Stray Dog Rescue Station in Binhai New Area, Tianjin. The public could also participate by lighting "Little Red Flowers" to help secure matching public welfare funds for the program, multiplying the impact of their kindness. As a company dedicated to animal healthcare, The United Animal Healthcare has always regarded "protecting every life" as a core responsibility. From developing high-quality pharmaceutical products to addressing the survival challenges faced by stray animals, the Group understands that "animal protection" represents not only products and services but also respect and care for all living beings. This partnership with a public welfare organisation reflects the Group's desire to apply its professional expertise to support rescue efforts, while also bringing together broader public goodwill. Through these efforts, every small act of kindness can help stray animals endure hardship and move toward a more stable future.

Appendix 1: Key Performance Index

Social Key Performance Index

As at 31 December 2025, the Group employed 18,086 employees, representing an increase of 5.4% compared with the same period last year. During the Year, the Group did not have any work-related fatalities or any confirmed violations or complaints relating to human rights, labour practice, occupational health and safety that have significant impact on the Group.

Indicators		2025	2024	2023
Number of employees		18,086	17,165	15,611
By gender	Male	10,821	10,280	9,298
	Female	7,265	6,885	6,313
By age group	<30	6,147	5,549	4,997
	30-50	11,104	10,840	9,956
	>50	835	776	658
By geographical region	Mainland China	17,997	17,080	15,522
	Hong Kong, China	89	85	89
By employment type	Full-time	17,351	16,698	14,385
	Interns	735	467	1,226
Employee Turnover Rate		21.0%	17.6%	17.8%
By gender	Male	23.2%	17.8%	18.1%
	Female	17.6%	17.3%	17.2%
By age group	<30	33.8%	28.7%	28.7%
	30-50	14.8%	12.4%	12.7%
	>50	11.3%	11.0%	11.0%
By geographical region	Mainland China	21.0%	17.7%	17.8%
	Hong Kong, China	4.6%	3.4%	3.4%
Number and Rate of New Hired Employees		2,388 (13.2%)	2,762 (16.1%)	2,453 (15.7%)
By gender	Male	1,511 (14.0%)	1,623 (15.8%)	1,333 (14.3%)
	Female	877 (12.1%)	1,139 (16.5%)	1,120 (17.7%)
By age group	<30	1,418 (23.1%)	1,375 (24.8%)	1,175 (23.5%)
	30-50	962 (8.7%)	1,369 (12.6%)	1,263 (12.7%)
	>50	8 (1.0%)	18 (2.3%)	15 (2.3%)
By geographical region	Mainland China	2,385 (13.3%)	2,761 (16.2%)	2,449 (15.8%)
	Hong Kong, China	3 (3.4%)	1 (1.2%)	4 (4.5%)

Indicators		2025	2024	2023
Average number of training hours (hours) and percentage of employees trained		18.7 (100%)	28.7 (100%)	36.0 (75.0%)
By gender	Male	20.6 (100%)	28.6 (100%)	40.2 (81.0%)
	Female	15.7 (100%)	28.8 (100%)	30.0 (66.2%)
By employee level	Senior	1.9 (100%)	17.0 (100%)	24.3 (75.7%)
	Middle level	3.3 (100%)	13.0 (100%)	23.2 (68.2%)
	Basic level	20.1 (100%)	30.4 (100%)	37.4 (76.2%)
Occupational Health and Safety				
	Number of work-related death	0	0	0
	Number of working days lost due to work-related injuries	1,249	378	984
	Lost-time injuries frequency rate (LTIFR) [1]	0.70	0.47[2]	N/A
Number of major suppliers[3]		160	139	137
By geographical region	East China	50	40	50
	South China	37	31	27
	Central China	4	4	3
	North China	52	50	42
	Southwest China	11	10	9
	Northwest China	3	2	3
	Northeast China	2	2	2
	Outside of China	1	0	1

Notes:
1. The lost-time injury frequency rate (LTIFR) is calculated on the basis of per million hours worked. The calculation formula is as follows: LTIFR = number of work-related lost-time injuries ÷ total hours worked during the Reporting Period × 1,000,000.
2. During the Year, the Group re-verified and recompiled the working hours and work-related injury data, and recalculated the lost-time injury frequency rate (LTIFR) based on the unified calculation methodology stated above. Accordingly, the relevant 2024 data has been restated to enhance the accuracy and comparability of the data.
3. Major suppliers are analysed by the amount of supplier purchases from all of the Group's production sites.

Environmental Key Performance Index

Unless otherwise stated, environmental data covers only the production workshops of Inner Mongolia Company as it is the Group's production base of largest scale and highest production output. We will continue to monitor the environmental impacts of related operations and will include relevant environmental data in future reports as appropriate. During the Year, the Group did not have any confirmed violations or complaints relating to environmental protection that had a significant impact on the Group.

Indicators	2025	2024	2023
Exhaust gas (tonnes)[1,2]			
Nitrogen oxides (NO_x)	240	273	284
Sulphur oxides (SO_x)	167	183	149
Particulate Matter (PM)	21	24	22
Waste (tonnes)			
Total non-hazardous waste[3]	26,039	27,688	23,701
Non-hazardous waste produced per tonne of products	0.55	0.55	0.48
Total hazardous waste[4]	262,956	287,434	281,811
Hazardous waste produced per tonne of products	5.58	5.72	5.69

Indicators	2025	2024	2023
Greenhouse Gas (tonnes of CO_2e)[5]			
Total emission	1,841,753	1,921,234	1,793,319
Scope 1 – direct emissions[6]	1,343,885	1,528,572	1,412,549
Scope 2 – energy indirect emissions[7]	344,906	389,473	377,650
Scope 3 – other indirect emissions[8]	152,962	3,190	3,120
Greenhouse gas emissions per tonne of products	39.07	38.25	36.21
Energy Consumption (MWh)[9]			
Total Consumption	4,673,615	5,229,950	4,858,007
Direct energy consumption	4,131,396	4,682,938	4,327,601
Fuel combustion for stationary sources	4,131,125	4,682,680	4,327,355
Fuel combustion for vehicles	271	259	246
Indirect energy consumption	542,219	547,012	530,407
Purchased electricity	542,219	547,012	530,407
Energy consumption per tonne of products	99.14	104.12	98.09
Water Consumption (m^3)			
Total Consumption[9]	5,793,389	6,561,763	6,410,983
Water consumption per tonne of products	122.89	130.63	129.45
Amount of reclaimed water	12, 884, 428	15,707,118	17,961,933
Amount of purchased water saved[10]	11,430,960	10,585,906	10,434,312
Packaging Materials Consumption			
Total consumption (tonnes)[11]	3,612	3,679	3,372
Plastic products	495	655	491
Paper products	2,772	2,834	2,734
Metals	346	191	148
Consumption of packaging materials per tonne of products (kg)			
Plastic products	10.49	13.04	9.91
Paper products	58.80	56.41	55.20
Metals	7.33	3.80	2.98

Notes:
1.The standard of exhaust gas based on the amount of air emission stated on the pollutant discharge license. The parameter standard for exhaust gas: Nitrogen Oxides (Nox): 820, Sulphur Oxides (Sox): 805, Particulate Matter (PM): 246.
2.The sources of exhaust gas emission includes the exhaust gas emission from production and vehicles. The data is calculated based on the actual amount of emission and the Reporting guidance on Environmental KPIs published by HKEX.
3.The data refers to the actual amount of non-hazardous wastes generated.
4.The data refers to the actual amount of hazardous waste generated.
5.To achieve greater consistency between greenhouse gas accounting and operational accounting, and to ensure comprehensive coverage of relevant responsibilities and potential risks, the Group has adopted the operational control approach for greenhouse gas emission accounting. This method determines the accounting boundary based on the enterprise's control over the implementation of operational policies, thereby more accurately reflecting the enterprise's actual responsibility in carbon emission management. This approach supports the Group in strengthening its monitoring and management of greenhouse gas emissions and ensures that the related accounting results align with our sustainable development goals. The greenhouse gas categories covered include carbon dioxide, methane, and nitrous oxide.
6.Sources of Scope 1 – direct greenhouse gas emission includes the fuel combustion for stationary sources and vehicle, and the consumption of refrigerants, while the reduction of greenhouse gas comes from tree planting in the production base. The data is calculated based on the Chinese national standards GB/T32151.10 - 2015 Requirements of the greenhouse gas emissions accounting and reporting – Part 10: Chemical production enterprise and the Reporting guidance on Environmental KPIs published by the HKEX. The conversion factors used in the calculation of emissions from the combustion of fuels in stationary sources, vehicles, and refrigeration and air conditioning equipment are based on the "Guidelines for Greenhouse Gas Emissions Accounting and Reporting for Chemical Production Enterprises" and "Guidelines for Greenhouse Gas Emissions Accounting and Reporting for Land Transportation Enterprises" provided by the National Development and Reform Commission ("NDRC") as well as the Sixth Assessment Report provided by the Intergovernmental Panel on Climate Change (IPCC).
7.Sources of Scope 2 – indirect greenhouse gas emission of energy includes the greenhouse gas emission involved in purchased electricity. The data is calculated based on "2021Carbon Dioxide Emission Factor of Electricity" issued by the Ministry of Ecology and Environment of PRC and National Bureau of Statistics of China on 12th April 2024. The conversion factors used in the calculation are based on the Guidelines for Greenhouse Gas Emissions Accounting and Reporting for Enterprises, Power Generation Facilities (Revised in 2022).
8.Sources of Scope 3 –indirect greenhouse gas emissions generated from Category 1 (Purchased Goods and Services), Category 2 (Capital Goods), Category 4 (Upstream Transportation and Distribution), Category 5 (Waste Generated in Operations), Category 6 (Business Travel), and Category 9 (Downstream Transportation and Distribution). The emission factors used for calculating emissions were derived from the following sources: China Product Life Cycle Greenhouse Gas Emission Factors Database (lca.cityghg.com), the ecoinvent database, the U.S. Environmental Protection Agency's Supply Chain Greenhouse Gas Emission Factors, the UK Department for Energy Security and Net Zero's "Greenhouse Gas Reporting: Conversion Factors 2025," and the Carbon Emissions Calculator published by the International Civil Aviation Organization (ICAO). The increase in Scope 3 greenhouse gas emissions for the Year is primarily due to the expansion of reporting categories compared to the previous year, with more emission sources that were previously not included being brought into the calculation scope. Expanding the calculation boundary of Scope 3 helps to more clearly define the attribution of emission responsibilities across the upstream and downstream of the value chain, reflecting our commitment to our own environmental footprint and our transparent accountability.
9.The data refers to actual water consumption record.
10.The saved volume of purchased water is the amount of water saved through water reuse.
11.The data is based on the Group's actual usage records of packaging materials.

Appendix 2: Content Index of Environmental, Social and Governance Reporting Code

ESG Indicators	Overview	Chapter	Page
Environment			
A1 Emissions	General disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Hazardous wastes are those defined by national regulations.	Metrics and Targets Pollution Control and Treatment	38 47
A1.1	Types of emissions and respective emissions data.	Energy and Water Resources Management Pollution Control and Treatment Key Performance Index	43 47 115
A1.2	Repealed on January 1, 2025		
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key Performance Index	115
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key Performance Index	115
A1.5	Description of the emission targets set and the steps taken to achieve them.	Metrics and Targets Energy and Water Resources Management Pollution Control and Treatment Green Operation	38 43 47 49
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Metrics and Targets Pollution Control and Treatment Green Operation	38 47 49
A2 Resource Use	General disclosure Policies on effective use of resources (including energy, water and other raw materials). Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Energy and Water Resources Management Pollution Control and Treatment	43 47
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Key Performance Index	115
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Key Performance Index	115
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Metrics and Targets Energy and Water Resources Management Green Operation	38 43 49
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Metrics and Targets Energy and Water Resources Management Green Operation	38 43 49
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Key Performance Index	115
A3 Environmental and Natural Resources	General disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	Green Operation Biodiversity Protection	49 51
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Green Operation Biodiversity Protection	49 51
A4 Climate Change	Repealed on January 1, 2025		

ESG Indicators	Overview	Chapter	Page
Environment			
Part D Climate Change Disclosure		Climate Action: Towards a Low-Carbon Future	27
Part D (I)	Governance	Climate Governance	28
Part D (II)	Strategy	Climate Strategy	29
Part D (III)	Risk Management	Climate Risk Management	33
Part D (IV)	Metrics and Targets	Climate Metrics and Targets	38
Social			
B1 Employment	General disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Talent Team Building Human Rights Protection and a Fair Workplace Employee Benefits and Care	86 89 104
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Key Performance Index	115
B1.2	Employee turnover rate by gender, age group and geographical region.	Key Performance Index	115
B2 Health and Safety	General disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Occupational Health and Safety	93
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Key Performance Index	115
B2.2	Lost days due to work injury.	Key Performance Index	115
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational Health and Safety	93
B3 Development and Training	General disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	Employee Development and Training	98
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Key Performance Index	115
B3.2	The average training hours completed per employee by gender and employee category.	Key Performance Index	115
B4 Labour Standards	General disclosure Information on (a) policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Human Rights Protection and a Fair Workplace	89
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Human Rights Protection and a Fair Workplace	89
B4.2	Description of steps taken to eliminate such practices when discovered.	Human Rights Protection and a Fair Workplace	89
B5 Supply Chain Management	General disclosure Policies on managing environmental and social risks of the supply chain.	Dynamic Supply Chain Management	77

ESG Indicators	Overview	Chapter	Page
Social			
B5.1	Number of suppliers by geographical region.	Key Performance Index	115
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supplier Distribution Supplier Admission Dynamic Supply Chain Management	75 75 77
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Dynamic Supply Chain Management	77
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Dynamic Supply Chain Management	77
B6 Product Responsibility	General disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Enhancing Medical Accessibility Product Responsibility Responsible Marketing Customer Service Pharmacovigilance	57 64 68 71 72
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Customer Service	71
B6.2	Number of products and service related complaints received and how they are dealt with.	Customer Service	71
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property Management	26
B6.4	Description of quality assurance process and recall procedures.	Product Responsibility Customer Service	64 71
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Information Security and Data Protection	22
B7 Anti-corruption	General disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Business Ethics	18
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Business Ethics	18
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Business Ethics	18
B7.3	Description of anti-corruption training provided to directors and staff.	Business Ethics	18
B8 Community Investment	General disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	The “Filial Piety Swallows” Charity Supporting Education Volunteer Care Pet Welfare	110 112 112 114
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	The “Filial Piety Swallows” Charity Supporting Education Volunteer Care Pet Welfare	110 112 112 114
B8.2	Resources contributed (e.g. money or time) to the focus area.	The “Filial Piety Swallows” Charity Supporting Education Volunteer Care Pet Welfare	110 112 112 114

APPENDIX: VERIFICATION STATEMENT

SHINEWING
Sustainability Advisory Services Limited
17/F, Leighton Centre, 77 Leighton Road,
Causeway Bay, Hong Kong

INDEPENDENT LIMITED ASSURANCE REPORT

To the Board of Directors of The United Laboratories International Holdings Limited:

SHINEWING Sustainability Advisory Services Limited (hereinafter referred to as "SHINEWING Sustainability" or "we") has been engaged by The United Laboratories International Holdings Limited (HKSE Stock Code: 3933) and its subsidiaries (collectively referred to as "The United Laboratories") to undertake an independent verification with limited assurance on the Environmental, Social and Governance Report 2025 (the "ESG Report"). The ESG Report set out the environmental and social performance of The United Laboratories from 1 January 2025 to 31 December 2025. The scope of the verification statement is limited to the data and information in the ESG Report. The United Laboratories selected several specified performance information in the ESG Report for the verification purpose, which included:

- Scope 1 and Scope 2 greenhouse gas emissions data
- Energy consumption data
- Water consumption data
- Employment data
- Occupational health and safety data

Our assurance work is limited to the above-selected key performance indicators (collectively referred to as "Specified Performance Information") .

Reporting Criteria

The Specified Performance Information are presented in accordance with the criteria set out under "Reporting Standard, Principles and Scope" in the ESG Report ("Reporting Criteria"). Such Reporting Criteria are specifically designed for the purpose of the preparation of the Specified Performance Information included in the ESG Report and, as a result, those Specified Performance Information may not be suitable for another purpose.

Responsibilities of The United Laboratories

The United Laboratories is responsible for the data collection, calculation, making estimates and preparation of the ESG Report. The United Laboratories 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 and Quality Control

SHINEWING Sustainability has maintained our independence with reference to the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants. We have also taken reference to Hong Kong Standard on Quality Management 1 (HKSQM 1), Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, and maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have the required competencies and experience to conduct this engagement.

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.

Reporting Framework and Procedures Performed

We conducted our verification under limited assurance engagement with reference to International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 (Revised)") issued by the International Auditing and Assurance Standards Board. The standard requires that we plan and perform this engagement to obtain limited assurance about whether the Specified Performance Information is free from material misstatement. A limited assurance engagement undertaken with reference to ISAE 3000 (Revised) involves assessing the suitability in the circumstances of The United Laboratories' use of applicable criteria as the basis for the preparation of the Specified Performance Information, assessing the risks of material misstatement of the Specified Performance Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Specified Performance Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

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

- Interview the managers responsible for sustainability performance and data collection;
- Review the preparation process of the Specified Performance Information, including stakeholder engagement and materiality assessment;
- Verify the samples of the representative data and information selected, including review of conversion data and calculation as well as inspect the original data and supporting evidence of the data selected during the verification process;
- Perform analytical procedures over the Specified Performance Information; and
- Compare the definitions as included in the Reporting Criteria against the definitions used by The United Laboratories to prepare the Specified Performance Information.

Conclusion

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 prepared, in all material respects, in accordance with Reporting Criteria of the ESG Report.

SHINEWING Sustainability Advisory Services Limited
Hong Kong
28th April, 2026

Our mission is to make life more valuable