



2025

CSR and ESG Report



Professional concentrated juice producer



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About Andre

Yantai North Andre Juice Co., Ltd. was established on 30 March 1996. Its principal activity is the production, processing and sale of concentrated fruit juice. The Company is one of the earliest enterprises in China to engage in the production and processing of concentrated fruit juice. Concurrently, the Company ranks among the world's leading producers of concentrated fruit juice, is one of the world's primary manufacturers and suppliers of concentrated fruit juice, and is a national leading enterprise in agricultural industrialisation, a national model enterprise for agricultural product processing for export, and one of China's top 100 food industry exporters. The Company has established 10 concentrated fruit juice processing bases near raw fruit producing areas in Shandong, Shaanxi, Shanxi, Liaoning, Jiangsu, Sichuan, Xinjiang and other regions, equipped with 20 juice production lines. Its concentrated fruit juice processing capacity and production scale rank among the forefront of the global industry. In April 2003, the Company's H-shares were listed on The Stock Exchange of Hong Kong Limited; in September 2020, the Company's A-shares were listed on the Shanghai Stock Exchange, making it the first enterprise with an A+H dual listing in the domestic fruit juice beverage industry.

The Company's products are primarily concentrated fruit juices, including apple juice, pear juice, fruit pulp, NFC juice, peach juice, and others. The Company's products are sold across China, the United States, Russia, Japan, South Africa, and various other regions worldwide, holding a relatively high market share. It has established business relationships with numerous world-renowned food and beverage companies, and its export volume has ranked among the top in the national industry for many consecutive years. The Company has consistently been committed to promoting rural revitalisation and increasing the income of local fruit farmers, having disbursed over RMB 14 billion to fruit farmers for raw material purchases.

In April 2003

The Company's H-shares were listed on The Stock Exchange of Hong Kong Limited.

In September 2020

The Company's A-shares were listed on the Shanghai Stock Exchange, making it the **first** enterprise with an A+H dual listing in the domestic fruit juice beverage industry.



As a national leading enterprise in agricultural industrialisation, the Company invested over RMB 40 million in 2003 to build an internationally advanced R&D centre covering 2,200 square metres. It integrates functions including juice process development, product application research, and product safety analysis, the centre hosts a professional R&D and testing team. Its scientific research level and personnel competence are recognised within the domestic fruit juice industry. The Company has accumulated 11 national invention patents, and 14 scientific and technological achievements have passed provincial-level appraisals. It has participated in drafting three national standards and one industry standard, which have been implemented. It owns four registered trademarks domestically and internationally, has been recognised as a famous trademark in Shandong Province, and its concentrated clear apple juice has been certified as a "China Famous Brand Product". The R&D centre has been successively designated as the National Apple Processing Technology R&D Sub-centre and other provincial-level and higher R&D platforms. Its independently developed achievements have won several important awards, including the National Science and Technology Progress Second Prize and the China Patent Gold Award.





01 Robust Governance

The Company adheres to its core values of "Develop the Enterprise, Bring Happiness to Employees, Give Back to Society", deeply integrating ESG concepts into its strategy and governance. It has established a three-tier "Decision - Management - Execution" governance structure with clearly defined powers and responsibilities. Upholding the baseline of compliant operations and business ethics, it reinforces its anti-corruption framework and ensures governance is standardised and transparent. Through diverse channels, it engages with stakeholder concerns, focusing on core material topics. By maintaining a sound governance system, integrity-based business principles, and a sustainable development strategy, the Company solidifies its foundation for robust governance, achieving synergistic enhancement of corporate and social value.

Environmental, Social and Governance

Adhering to its core values of "Develop the Enterprise, Bring Happiness to Employees, Give Back to Society", the Company establishes open communication channels and cooperative relationships built on mutual trust with stakeholders. It identifies the Company's Environmental, Social and Governance (ESG) material topics based on the demands of key stakeholders, clarifies internal responsibilities, delivers key management initiatives, and strives to achieve high-quality corporate development through positive environmental and social impacts.

Board Statement

To further implement the Company's environmental, social and governance management work and promote the realisation of its sustainable development strategy, during the year, the Company reviewed its existing social responsibility management promotion mechanism. Considering the Company's operational status and the relevant environmental, social and governance requirements of The Stock Exchange of Hong Kong Limited, it enhanced its social responsibility governance structure. A tiered governance system has been established, comprising the Board, Audit Committee, senior management, the lead department for environmental, social and governance work, and all departments and subsidiaries, further enhancing the systematic and professional level of social responsibility management.

Governance Structure

The Company systematically integrates ESG concepts into its corporate governance framework, building an ESG governance structure around the three tiers of "Decision-Making, Management, and Execution" to embed ESG principles deeply into corporate systems and daily operations.



Stakeholder Communication

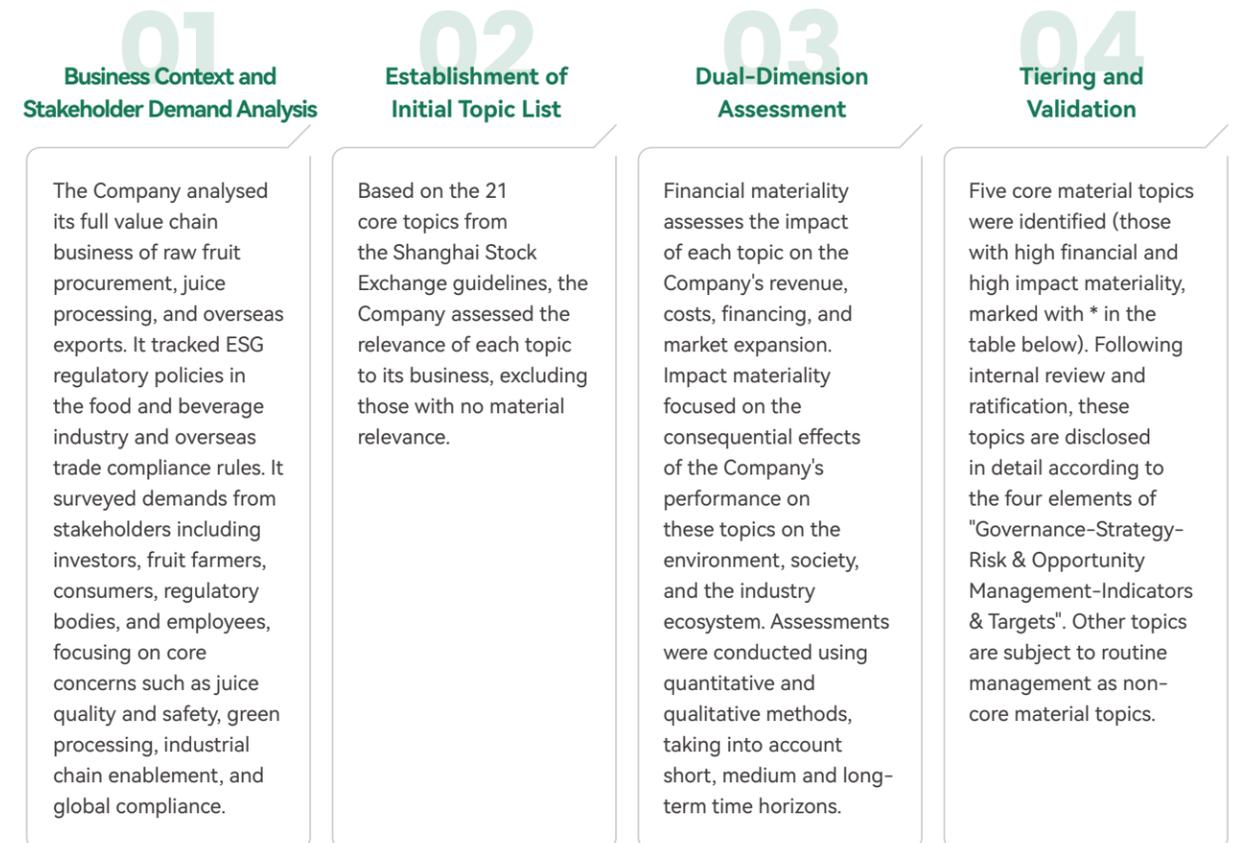
To gain a clearer understanding of the ESG issues prioritised by stakeholders, the Company maintains regular engagement with internal and external stakeholders, including employees, senior leadership, investors, customers, suppliers, government agencies, and other organisations. We strive to establish performance indicators and targets related to each key issue.

Key Stakeholders and Communication Methods

Key stakeholders	Topics of interest	Communication methods
 Shareholder	<ul style="list-style-type: none"> Corporate governance business ethics 	<ul style="list-style-type: none"> Shareholders' meeting financial report performance report roadshow, etc.
 Customer	<ul style="list-style-type: none"> Business ethics product quality employee safety and health environmental protection 	<ul style="list-style-type: none"> Product exhibitions customer surveys technical seminars B2B customer hotlines customer satisfaction surveys, etc.
 Employees	<ul style="list-style-type: none"> Business ethics talent attraction and retention talent development employee safety and health 	<ul style="list-style-type: none"> Employee activities employee training employee self-service systems employee handbooks, etc.
 Government and regulatory bodies	<ul style="list-style-type: none"> Corporate governance business ethics product quality employee safety and health support for local community development environmental protection 	<ul style="list-style-type: none"> Site inspections official correspondence policy implementation information disclosure, etc.
 Partners	<ul style="list-style-type: none"> Business ethics supplier management support for local community development environmental protection 	<ul style="list-style-type: none"> Public tender meetings strategic cooperation negotiations exchange visits, etc.

Materiality Assessment

In accordance with the ESG disclosure guidelines of the stock exchanges, and considering the operational characteristics of our full chain of raw fruit procurement-processing-sales, its overseas export destinations, and stakeholder demands, the Company conducted a double materiality assessment, drawing on best practice from peer companies. This involved evaluating both financial materiality and impact materiality, screening core material topics and analysing them in detail to provide a key basis for ESG management and report disclosure.



ESG theme	Specific topics	Financial materiality (level + rationale)	Impact materiality (level + rationale)	Impact period and extent
 Robust governance	Corporate governance and strategic planning	<p>Moderate;</p> <p>Short-term: execute strategic initiatives, cultivate ESG talents, and increase investments in compliance audits</p> <p>Medium-term: enhance operational efficiency, reduce compliance risks, and optimize financing costs</p> <p>Long-term: Stabilise profitability and enhance corporate valuation</p>	<p>High;</p> <p>Improve governance framework, enhance operational standardisation,,boost investor confidence, provide reference for industry ESG governance, and promote the effective implementation of sustainable development strategies in the juice industry.</p>	<p>Short-term: Moderate (system optimization, implementation of investments);</p> <p>Medium-term: High (improvement of efficiency, risk reduction);</p> <p>Long-term: High (establishment of a strategic system, enhancement of risk resilience).</p>
 High-quality products	* Juice quality and safety	<p>High;</p> <p>Short-term: increase investment in quality testing and tracing</p> <p>Medium-term: reduce waste loss caused by quality issues and improve production efficiency</p> <p>Long-term: expand market cooperation driven by high-quality reputation, avoid risks of market entry and ensure stable revenue</p>	<p>High;</p> <p>Full-chain traceability ensures product quality, with participation in the formulation of industry standards, enhances industry credibility, and sets a benchmark for quality control in the juice industry.</p>	<p>Short-term: High (assurance of stable orders and reduced quality loss);</p> <p>Medium term: Moderate (system optimization and brand consolidation);</p> <p>Long-term: High (accumulation of brand value and leadership of quality upgrades).</p>
	* Leading via standards	<p>High;</p> <p>Short-term: invest human and material resources in the involvement in standard formulation</p> <p>Medium-term: reduce costs and improve efficiency through standardized operations</p> <p>Long-term: ensure the stability of market expansion relying on industry influence</p>	<p>High;</p> <p>Participate in the formulation and revision of national and industry standards, promote the standardized development of the juice industry, provide references for peer operations, and enhance the overall development level of the industry.</p>	<p>Short-term: Moderate (participation in standard formulation and revision, completion of the adaptation and implementation of systems);</p> <p>Medium-term: High (reduced costs and improved efficiency through standardized operations, market expansion driven by enhanced industry influence);</p> <p>Long-term: High (enhanced industry leadership and achievement of sustainable operations in adapting to industry development).</p>
 Environmental management	* Green and low-carbon development	<p>High;</p> <p>Short-term: increas investment in energy-saving equipment and procurement of green electricity;</p> <p>Medium-term: improve energy efficiency and obtain green certification and subsidies;</p> <p>Long-term: achieve carbon neutrality, avoid carbon tariffs, capture low-carbon markets and enhance export competitiveness.</p>	<p>High;</p> <p>IRespond to the dual-carbon strategy, meet targets of carbon emissions per unit , reduce air and water pollution, enhance the international environmental image of China juice enterprises, and contribute to the improvement of regional ecology.</p>	<p>Short-term: Moderate (completion of equipment retrofitting and initiation of green certification);</p> <p>Medium-term: High (cost reduction and efficiency improvement, and implementation of subsidies);</p> <p>Long-term: High (low-carbon transition, lead of sustainable industry development).</p>
	* Resource utilisation	<p>High;</p> <p>Short-term: increased operating costs due to equipment investments while energy conservation and consumption reduction lead to initial cost savings; Medium-term: improvements in resource recovery may enable access to green subsidies;</p> <p>Long-term: formation of industrial chain barriers mitigates the risk of high-carbon asset impairment and facilitates overseas expansion.</p>	<p>High;</p> <p>Respondi to the dual-carbon and resource-recycling policies, the treatment of wastewater and solid waste is superior to national standards, reduce regional pollution, promote the green transformation of the juice industry, and provide replicable experience for peers.</p>	<p>Short-term: Moderate (result yielding of equipment investment , and initial cost reduction and revenue growth);</p> <p>Medium-term: High (revenue increase and materialization of policy dividends);</p> <p>Long-term: High (barrier formation and industry leadership).</p>
 Collaborative success	Rural revitalization and industrial-chain enablement	<p>High;</p> <p>Short-term: increased investment for fruit farmers;</p> <p>Medium-term: stable supply of raw materials, reduced fluctuations of procurement costs , product premium enabled by high-quality raw materials and eligibility for rural-revitalization subsidies;</p> <p>Long-term: establishment of a sustainable raw material ecosystem to mitigate risks of supply chain.</p>	<p>High;</p> <p>Promoting employment and income growth for fruit farmers, support rural revitalization in Yantai, standardize planting practices to promote the upgrade of the fruit industry, establish an "enterprise + fruit farmer" model and fulfill the social responsibility of food enterprises.</p>	<p>Short-term: High (strengthened raw-material foundations and enhanced social recognition);</p> <p>Medium-term: High (synergistic effects and release of policy dividends);</p> <p>Long-term: High (formation of a sustainable industrial chain ecosystem).</p>
	Employee care and health management	<p>Moderate;</p> <p>Short-term: increased investments in health management and skills training lead to rising labor costs;</p> <p>Medium term: improved employee efficiency and higher retention rates of core talents reduce the costs of recruitment and turnover;</p> <p>Long-term: human capital appreciation supports scaled production.</p>	<p>High;</p> <p>Safeguard employees' physical and mental health, enhance their sense of belonging and cohesion, establish a positive employer brand image, promote the improvement of the industry's employee-care system, and fulfill social responsibilities.</p>	<p>Short-term: Moderate (implementation of investments and initial improvement in employee satisfaction);</p> <p>Medium-term: High (improved efficiency and effective talent retention); Long-term: High (human capital appreciation and enhanced risk resilience).</p>

Shareholder Returns

In accordance with the requirements of the China Securities Regulatory Commission (CSRC) "Notice on Further Implementing Issues Concerning Cash Dividends of Listed Companies" and the "Guidelines for the Supervision of Listed Companies No. 3 --- Cash Dividends of Listed Companies", as well as the profit distribution policies stipulated in the "Articles of Association", the Company pursues its own development whilst prioritising reasonable investment returns for its shareholders. Since its listing, the Company's cumulative cash dividends have totaled approximately RMB 735 million (2003-2025).

Since its listing, the Company's cumulative cash dividends have totaled approximately RMB

735 million

(2003-2025)

Company's Cash Dividends in the Past Three Years (Unit: RMB 10,000)

	2023	2024	2025 (Proposed)
Cash dividend amount (tax included)	7,678	8,530	10,025.64
Dividend distribution plan	RMB 2.20 per 10 shares	RMB 2.50 per 10 shares	RMB 3.00 per 10 shares

Upholding Business Ethics

The Company has established an Anti-Corruption Management Committee as the core decision-making and delivery body for anti-corruption initiatives. The Committee is chaired by the Company's Chief Executive Officer (CEO), ensuring that anti-corruption initiatives are supported and coordinated at the highest decision-making level at the highest decision-making level, guaranteeing the effective implementation of various initiatives.

The Anti-Corruption Management Committee is guided by four core pillars: "System Improvement, Open Channels, Full-Chain Coverage, and Strengthened Supervision". At the institutional level, the Group expressly prohibits all forms of corrupt practice, including bribery, extortion, fraud, and money laundering. It strictly complies with relevant laws and regulations such as the "Anti-Unfair Competition Law of the People's Republic of China". It has formulated integrity business guidelines such as the "Sunshine Agreement" and the "Notice on Strict Prohibition of Bribery", which are published on the official website. Provisions on integrity and self-discipline are incorporated into the personnel management system, and anti-commercial bribery clauses are mandatory in all procurement contracts, establishing a robust institutional framework to prevent corruption. Regarding supervision channels, in addition to a dedicated whistleblowing email address and telephone line, the Company has established detailed whistleblowing policies and an incentive scheme for reports, encouraging employees and business partners to expose corrupt practices. The identity of whistleblowers is kept in strict confidence at all stages to alleviate concerns about supervision.

In terms of publicity and training, specialised training on business integrity and anti-corruption is conducted for all employees and management, using case studies to raise awareness of ethical conduct. Training metrics are reported to the Board of Directors, ensuring the decision-making layer is fully informed of the progress of anti-corruption work. In supply chain management, documents such as the Supplier Code of Conduct encourage business partners to adhere to the highest ethical standards, extending these ethical requirements across the entire supply chain. Regarding case handling, clear procedures have been established: in the event of serious breaches of statutory or regulatory requirements, or if the Company faces extortion or fraud, the Management Department promptly reports to the President and immediately notifies relevant government departments.



During the reporting period, through special inspections and reporting channels, the Company **received no** allegations of suspected corrupt practice; the Company **has not been subject to** any litigation or penalties arising from corruption, extortion, fraud, or money laundering.



Product Quality and Safety

Product quality and safety are fundamental to the food industry and a key component of the Company's core competitiveness. Juice quality and safety have a direct bearing on brand reputation and market share. From a double materiality perspective, financially, product quality and safety directly impact the Company's revenue stability, customer retention, and product premium capability; in terms of impact, it relates to industry credibility and market order, and is a core concern for regulatory bodies, clients, and investors. Therefore, this is a key priority for the Company's ESG governance.

Indicator	Target	Progress in reporting period
Product sampling pass rate	100%	100%
Traceability coverage rate	100%	100%

Governance

The Company has established a full-chain quality and safety management system covering all aspects from raw fruit procurement, processing, testing, storage, to finished product delivery. Clear quality accountabilities are assigned at each stage of the process, and quality and safety are incorporated into core performance assessments. A dedicated quality testing department is in place, with robust quality testing standards and product traceability systems. The Company is also subject to oversight by regulatory authorities and business partners, and continuously enhances its quality control processes to safeguard product quality and safety.

Strategy

This topic delivers key positive impacts, including enhancing brand credibility and market competitiveness, standardising industry quality order, as well as minimising losses arising from quality issues and underpinning revenue stability. Key risks include raw material contamination and quality control failures during production leading to product quality problems, which may harm the Company's brand reputation. Key opportunities include capitalising on the Company's reputation for high-quality products to increase market share and product premiums, enter high-end market segments, participate in setting industry quality standards, and strengthen its influence within the industry. The Company will prevent quality risks, ensure product quality, and enhance market recognition by strengthening full-chain quality control and enhancing its quality emergency response framework.

Management of impacts, risks and opportunities

The Company regards quality and safety as its core development strategy, anchored by the "Quality First" principle. It has continued to invest in enhancing its quality testing and product traceability systems, comprehensively enhancing full-chain quality control capabilities. Through the optimisation of production processes and rigorous quality control at every stage, it steadily improves product quality. Through standardised production and operational management, it builds a strong, reputable brand image. Strong product quality underpins the Company's market position, and supports the expansion of its domestic and international business partnerships.

The Company has established a full-chain quality and safety management system and management procedures including "Product Production Control Procedures", "Non-conforming Product Control Procedures", "Identification and Traceability Control Procedures", and "Food Safety and Quality Culture Control Procedures", covering all aspects from raw fruit procurement, processing, testing, storage, to finished product delivery. A dedicated quality testing department is in place, with sound quality testing standards and traceability systems. The Company also accepts supervision from regulatory bodies and partners, continuously optimising quality control processes to ensure product quality and safety.

02 Quality Products

The Company regards quality products as its core development strategy, adhering to the product philosophy of "From Nature, Concentrated Essence", with product quality and safety at the heart of its development strategy. It has established a full-chain quality control system covering the entire process from raw materials to finished product delivery, adhering strictly to compliance requirements and quality standards. It deeply engages in the formulation of industry standards, focusing on optimising juice processing and green production technologies. Through continuous R&D investment and industry-academia-research collaboration, and leverages high-quality products to strengthen its market competitiveness and lead the industry towards high-quality development.

During the reporting period, the Company obtained



Supply chain management

The Company has established a comprehensive control and supervision system to effectively mitigate a range of social risks across its supply chain. The Company's procurement activities are divided into two main segments: raw fruit procurement and other asset procurement. In accordance with its internal policies and procedures, including "Enterprise Internal Control Procedures --- Procurement Business", "Production Management System --- Weighbridge Procedures and Raw Fruit Procurement Process", "Raw Fruit Quality Monitoring and Management System", "Comprehensive Management System --- Approval Regulations for Tangible Asset Procurement, Disposal, and Service Fees", "Company Bidding Regulations", and "Contract Management System", clear accountabilities are assigned to the relevant teams for all categories of procurement activity. Formalised requirements apply to all aspects of procurement, including budget management, supplier admission system, price management, procurement applications, contract management, process monitoring and acceptance management, payment settlement, returns management, information management, and procurement business inspections, and strengthening the raw material supply chain through standardised procurement practices.

The Company conducts an annual review of all suppliers against a range of performance criteria, including delivery timeliness, incoming test results, service quality, environmental and safety behaviour, and integrity. Suppliers whose performance falls below the required standard are required to implement corrective actions; suppliers that fail to implement effective corrective actions are terminated. In 2025, the Company assessed all suppliers, with a 100% review coverage rate and 96.89% of suppliers meeting the required performance standards.

The Company also actively communicates its environmental requirements and expectations to its suppliers and other business partners, supports and encourages its suppliers to use certified environmentally friendly products and equipment, and seeks to build a sustainable green supply chain through long-term, collaborative partnerships.

In 2025, the Company had 981 auxiliary material suppliers, mainly distributed in Shandong, Shaanxi, Jiangsu, Xinjiang and other provinces.

In 2025, the Company had

981

auxiliary material suppliers



Product quality control

Customer satisfaction is central to the Company's long-term success. The Company strictly implements the ISO 9001 international standard, adheres to Good Sanitation Practice (GSP) standards, and operates robust quality and food safety management systems to ensure that product quality is consistently high and reliable.

During the production process, the Company adheres to the process control principle that "the final product can only be fully compliant if every production step meets the required standards". It strictly follows the Hazard Analysis and Critical Control Point (HACCP) system to establish scientific critical control points. For each critical control point, the Company closely monitors each CCP and conducts timely hazard analysis to eliminate food safety hazards and thereby minimise associated product quality and safety risks.

The finished product testing process strictly follows the HACCP system. In accordance with national and industry standards, as well as customer specifications, mandatory test items, third-party test items and random sampling test items are set for products. Each batch of products must pass testing before it is deemed suitable for dispatch, and samples are retained from each batch for future audit purposes.

The Company has established a robust product recall framework and dedicated customer feedback channels, including dedicated after-sales and customer complaint telephone lines. In compliance with applicable statutory and regulatory requirements, including the "Food Safety Law of the People's Republic of China", the "Product Quality Law of the People's Republic of China", and the "Law on the Protection of Consumer Rights and Interests", the Company has established the "Identification and Traceability Control Procedures". In the event of customer feedback regarding dispatched products, the Company will conduct a prompt investigation in accordance with these procedures. If an investigation confirms that a product recall is required due to a product defect, the product recall procedure will be initiated immediately, and full records will be maintained to ensure the prompt and full recall of all non-conforming products.

In 2025, there were **no** product recalls due to quality defects, **and no** customer complaints relating to product quality.

Customer data protection and privacy policy

In respect of the confidentiality of customer data, the Company strictly complies with relevant laws and regulations such as the Civil Code of the People's Republic of China, strictly adheres to its internal customer data management policies, assigns dedicated personnel to manage and maintain customer records, and has strict procedures in place for the access and retrieval of customer records, to ensure the robust protection of customer privacy.

Advertising and labeling policy

The Company complies with relevant provisions of the Advertising Law of the People's Republic of China. Where the Company has advertising requirements, the Marketing Division and Corporate Services Division develop advertising materials meeting company requirements based on market demands and the company's development strategy, in partnership with external advertising agencies. In respect of product labelling, the Company strictly complies with applicable statutory and regulatory requirements, including the Food Safety Law of the People's Republic of China and national standards.

Leading via Standards

The development and formulation of industry standards are key enablers of high-quality development in the juice processing industry, and a key strategic priority for the Company to strengthen its core competitiveness and consolidate its market position within the industry. Technological standards in the juice processing industry have a direct impact on product quality, production efficiency, and product added value, while the development of industry standards shapes market order and corporate influence. This strategic priority not only enables the Company to optimise its production processes, diversify its product range and improve profitability but also drives technological advancement across the industry and enhances market standardisation, and is a key focus for investors, industry associations and customers. It is therefore a material topic with high double materiality, and a key enabler for the Company to achieve high-end and diversified development.

Indicator	2025	2024
R&D expenditure to revenue ratio	1.44%	1.32%

Governance

The Company has established a sound management system for technological innovation and standard-setting. The Company has a dedicated R&D division, invests continuously in R&D, and recruits top technical talent, and has established a closed-loop process of "R&D - Testing - Commercialisation - Promotion". It collaborates closely with research institutions and industry associations, participates in the discussion and formulation of industry standards, and drives the translation of technological innovation outcomes into industry standards, it has also established an incentive scheme for technological innovation to encourage broad-based employee participation in innovation activities, and fostering a culture of innovation within the Company.

Strategy

The positive impacts of this topic are mainly reflected in participating in the development of industry standards and driving the standardisation of market practices, strengthening the Company's influence within the industry, and leveraging its proven juice processing technologies to ensure consistent product quality and production efficiency, consolidating the Company's industry position. Key risks include a loss of industry influence resulting from limited participation in the development of industry standards, and the Company's existing technological framework failing to keep pace with evolving industry requirements. Key opportunities include capitalising on the Company's role in the development of industry standards to further consolidate its position as an industry benchmark, and aligning its production and operational frameworks with evolving industry standards, boosting product market acceptance and compatibility, and supporting domestic and international market expansion. The Company mitigates these risks and capitalises on these opportunities by deepening industry collaboration, monitoring evolving industry trends on an ongoing basis, and optimising existing technology application systems.

Management of impacts, risks and opportunities

The Company has embedded the development of industry standards into its core development strategy. In response to the development needs of the juice processing industry, it actively participates in the discussion and formulation of national and industry standards. Drawing on its extensive practical experience in juice processing, it provides practical input to the development of industry standards and drives greater standardisation across the market. The Company also strictly adheres to all applicable national and industry standards, and embeds these standard requirements into all aspects of its production processes ensuring consistent product quality through standardised operations and further consolidating its position as an industry benchmark. In addition, the Company monitors updates to industry standards and evolving market trends on an ongoing basis, and promptly updates its production, operational and management frameworks to ensure full alignment with evolving industry requirements, thereby further strengthening the Company's industry influence and market competitiveness, supporting stable domestic and international market expansion.

Industry contribution

The Company has obtained **11** national invention patents, and **14** technological innovation outcomes have been certified at the provincial level.

The Company has participated in the development of three national standards and one industry standard to date: GB/T 18963-2012 Concentrated Apple Juice, GB/T 29373-2012 Requirements for Traceability of Agricultural Products - Fruits and Vegetables, GB/T 31121-2014 Fruit and Vegetable Juices and Their Beverages, and QB/T 5455-2019 Concentrated Pear Juice, all of which have since been issued and implemented. These technological innovation outcomes have been successfully commercialised and applied in production.



Respecting and protecting intellectual property rights

To strengthen its competitiveness, the Company recognises that technological innovation must be supported by the effective protection and management of intellectual property (IP) rights. The Company attaches great importance to the application for and protection of its IP rights, strictly complies with applicable statutory and regulatory requirements, including the Trademark Law and Patent Law of the People's Republic of China and market risks arising from the introduction of carbon tariff policies in overseas markets, fully leverages the incentive, guidance, protection and evaluation functions of IP in driving corporate innovation, and has established a robust IP management framework. It also fully respects the legitimate IP rights of third parties and prioritises the mitigation of IP infringement risks across its technology R&D, product innovation, business development and day-to-day operations.



No material IP infringement incidents were recorded during the reporting period.



Green and low-carbon development

Green low-carbon development is a key global trend and an essential requirement for the sustainable transformation of the food and beverage industry. It is closely linked to the Company's overseas market expansion, regulatory compliance and brand reputation. As a juice processing enterprise, energy consumption and carbon emissions from production activities have a direct impact on environmental performance and industry competitiveness. Regulatory authorities, overseas customers and investors are placing increasing emphasis on corporate low-carbon development capabilities. This topic impacts not only the Company's regulatory compliance and access to overseas markets but also the green transformation of the industry and the protection of the global ecological environment. It is therefore a material topic with high double materiality, and a key strategic focus for the Company's long-term development.



During the reporting period, the Company invested RMB **9.33 million** in environmental protection. All pollutants discharged by the Company **met** national and local emission standards. No environmental liability incidents or major regulatory breaches were recorded across the Company during the reporting period.

Indicator	Target	Progress in reporting period
Reduction in carbon emissions per unit revenue	15%	17.48%
Environmental investment	RMB 9 million	RMB 9.33 million

Governance

The Company operates a General Manager accountability system for health and safety, with weekly meetings and monthly comprehensive health and safety inspections conducted to review progress on key environmental priorities faced by the enterprise. The Company's EHS Officers from each production centre conduct assessments, set priorities and oversee the Company's environmental and safety activities, monitor the environmental compliance of the Company's operations and report regularly to the Safety Director.

The Company strictly complies with applicable environmental protection legislation, regulations and technical specifications, including the "Environmental Protection Law of the People's Republic of China" and the "Regulations on the Administration of Construction Project Environmental Protection". The Company regularly reviews and updates its Environmental Incident Emergency Response Plan, and delivers regular training and drills on the plan to strengthen the Company's emergency response capability for environmental incidents. The Company updates the register of significant environmental aspects for each production site in line with production process changes, and updates its environmental risk control measures and emergency response plans accordingly, thereby enhancing the rigor and systematic approach to the Company's overall environmental management.

Strategy

This topic delivers key positive impacts, including reducing environmental pollution, improving energy efficiency, strengthening the Company's international brand reputation and supporting the implementation of the national dual-carbon strategy, as well as driving the green transformation of the industry and boosting the international competitiveness of Chinese juice processing enterprises. Key risks include excessive capital expenditure on energy-saving equipment retrofits, unreliable clean energy supply, and overseas market risks brought by carbon tariff policies. Key opportunities include obtaining certifications and policy subsidies for green manufacturing and low-carbon enterprise status, participating in carbon trading to generate additional revenue, and capturing market share in the low-carbon juice product segment, and aligning with the global trend towards low-carbon consumption. The Company mitigates these risks and capitalises on low-carbon development opportunities through prudent investment planning, expanding its clean energy supply channels, and monitoring changes to overseas policies.

03 Environmental Management

The Company upholds the concept of "Green Environmental Protection, Circular Development", and has embedded environmental management into its core corporate strategy. It delivers sustainable operations through two key pillars: green low-carbon practices and resource circularity. The Company has established robust environmental management systems and emergency response plans, with a focus on pollution prevention and efficient resource utilisation, driving the optimisation of its energy mix and the adoption of clean energy alternatives. Through the whole-process control of pollutants, resource recovery from waste and water recycling, the Company minimises its environmental footprint and responds to the dual-carbon strategy. Technological innovation drives the Company's green production practices, positioning it as an industry benchmark for environmental protection and delivering balanced environmental, social and economic benefits.

Management of impacts, risks and opportunities

Green low-carbon development is a core medium-to-long-term strategic priority for the Company. Across its entire juice processing operations, the Company is driving energy-saving retrofits and the adoption of clean energy alternatives in production processes, with the long-term goal of achieving carbon neutrality. Leveraging its green low-carbon strengths, the Company is building a low-carbon brand reputation, meeting low-carbon access requirements in overseas markets and boosting its export competitiveness, while also driving the green transformation of the industry and establishing itself as a benchmark for low-carbon development in the juice processing industry, and delivering balanced environmental, social and economic benefits.

Greenhouse gas emissions

In 2025, the Company's total greenhouse gas emissions were 94,456 tonnes CO₂e, of which Scope 1 direct emissions were 74,103 tonnes CO₂e (78%), primarily from the direct combustion of fossil fuels including coal and natural gas; Scope 2 indirect emissions were 20,352 tonnes CO₂e (22%), from the consumption of electricity and steam. Compared to 2024, total emissions decreased by 2.37%, representing a trend of "overall reduction with minor structural adjustments", with Scope 1 increasing slightly by 0.88% and Scope 2 decreasing by 12.62%. The key driver of this reduction is the Company's focus on green production, ongoing optimisation of its energy mix and improvements in production efficiency: in 2025, a significant reduction in electricity and steam consumption has driven a material decrease in indirect energy use, which has led to a significant reduction in Scope 2 emissions, offsetting the modest increase in Scope 1 emissions, resulting in an overall reduction in total emissions and demonstrating the effectiveness of the Company's energy conservation and green sustainable development initiatives.

Unit: tons of carbon dioxide equivalent

Greenhouse gas emissions ¹	2025	2024
Scope 1 (direct energy)	74,103	73,457
Scope 2 (indirect energy)	20,352	23,291
Total emissions (Scope 1 + Scope 2)	94,456	96,748
Emissions per million revenues	56	68

Air pollutant management

The Company strictly complies with applicable legislation including the Environmental Protection Law, the Air Pollution Prevention and Control Law, Integrated Emission Standard of Air Pollutants, Water Pollution Prevention and Control Law, Wastewater Quality Standards for Discharge into Municipal Sewers, and the requirements of local environmental protection authorities. It exercises full control over all pollutants generated from its production and operational activities. It annually entrusts local environmental monitoring agencies to monitor exhaust gas and wastewater discharge.



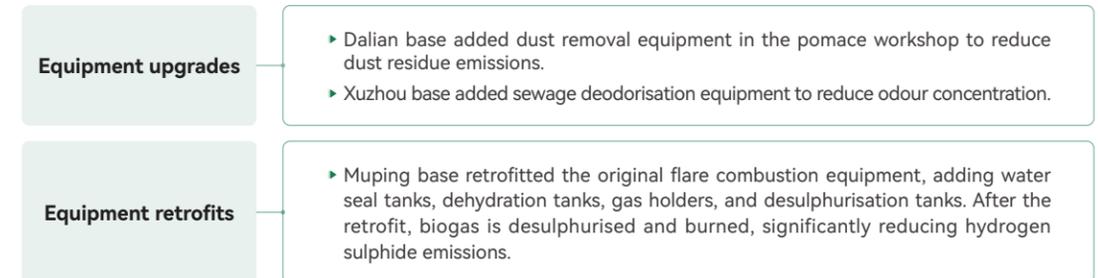
In 2025, the Company **received no** notices of violation or penalties from environmental protection departments.

The Company's air pollutants include particulate matter, sulphur dioxide, and nitrogen oxides, originating from fuel consumption in boilers at 7 of its production bases. To effectively control air pollution, the Company's boiler fuel is primarily natural gas (accounting for 99.9% of total boiler fuel consumption).

In terms of pollutant control, 4 core bases are equipped with online monitoring equipment for emission concentration, while other bases supplement with regular manual testing, forming an "online + manual" dual monitoring network to ensure effective control and reduction of air pollutants.

¹ To ensure data comparability and continuity, the emission coefficients for all direct energy and steam sources in 2024 and 2025 were derived from the Greenhouse Gas Protocol (GHG Protocol) calculation tool, while the power sector emission coefficients were based on the 2023 national average CO₂ emission factor for electricity (Announcement No.1 of 2025 by the Ministry of Ecology and Environment).

During the reporting period, the Company carried out environmental protection projects focused on equipment upgrades and retrofits for air pollutant control and equipment optimisation, covering 3 core production bases: Dalian, Xuzhou, and Muping, achieving dual improvements in environmental performance and production standardisation.



Unit: kilogram

Air pollutants ²	2025	2024
Particulate matter (PM)	35,668	495
Sulphur Oxides (SOx)	20,518	2,272
Nitrogen Oxides (NOx)	44,332	7,063

Wastewater management

The wastewater discharged by the Company mainly comes from cleaning raw fruits and production equipment. Wastewater discharge strictly follows relevant national environmental protection policies, regulations, and requirements of local environmental protection departments. It is treated to standards at the Company's wastewater treatment stations before being discharged into the municipal sewage network; no direct discharge occurs.



During the reporting period, the total volume of **compliantly treated** and discharged water was **1,393,143** tonnes.

Waste management

The non-hazardous waste generated by the Company mainly includes wastepaper and other domestic waste. In 2025, the total amount of non-hazardous waste generated was approximately 3,281 kg, with non-hazardous waste generation per million revenues approximately 1.96 kg. As domestic waste is collected and cleared by local sanitation departments, its quantity has not been measured and is therefore not included in this figure. The Company strictly classifies, collects, stores, and handles non-hazardous waste, with dedicated departments responsible for recycling and reuse.

The hazardous waste generated by the Company mainly includes printer toner cartridges, waste fluorescent lamps, and waste batteries. In 2025, the total amount of hazardous waste generated was approximately 108 kg, with emissions per million revenues approximately 0.06 kg. The Company strictly follows the requirements of the "Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste", establishing a management mechanism for the classified collection, standardised temporary storage, and unified disposal of hazardous waste, ensuring full-process environmental compliance and control.

Emissions related to the Group's business are not considered material; therefore, no emission reduction targets were set during the year.

² The 2025 statistical scope covers all production bases of the company (a total of 10), with the calculation method for atmospheric pollutants uniformly referencing the fuel emission factors specified in GB 13271-2020. This is further adjusted based on the boiler flue gas treatment facilities at each production base. Both the statistical scope and calculation methods have been refined compared to 2024.

Resource Utilisation

As a core environmental topic in the juice processing industry, circular economy and resource utilisation run through the entire production process and are closely related to the Company's cost reduction, efficiency enhancement, green development, and industry transformation. From the perspective of stakeholder demands, regulatory bodies focus on efficient resource use and pollutant reduction, investors are concerned about the appreciation potential of green assets, and the industry is concerned about replicable green processing models. Therefore, this topic possesses both high financial materiality and high impact materiality, making it a core focus of the Company's ESG management and a key pathway for implementing the dual-carbon strategy and achieving sustainable development.

Indicator	Target	Progress in reporting period
Green electricity usage ratio	6%	6.26%
Reclaimed water reuse rate	100%	100%

Governance

The Company strengthens internal training and communication to enhance staff's awareness of resource conservation and circular utilisation, continuously optimising governance processes to ensure the effective implementation of various management measures.

Strategy

The positive impacts of this topic are mainly reflected in improving resource utilisation efficiency, reducing production and operating costs, decreasing pollutant emissions during production, promoting the green transformation of the juice processing industry, providing replicable resource recycling experience for peers, and contributing to regional ecological environment improvement. Concurrently, through measures such as water resource recycling, energy structure optimisation, and photovoltaic green energy deployment, it consolidates the Company's green production foundation and enhances its green brand competitiveness. Potential risks include lagging technological upgrades in resource recycling leading to utilisation efficiency falling short of expectations, and unstable supply of clean energy sources like photovoltaic power due to natural conditions. Corresponding opportunities lie in leveraging green development advantages to seek policy subsidies and certifications related to green manufacturing and circular economy, further reducing energy and water consumption costs through self-generated photovoltaic power and water recycling, avoiding high-carbon asset impairment risks, and aligning global green consumption trends and low-carbon access requirements in overseas markets. The Company will strengthen risk prevention and seize green development opportunities through continuous technological innovation, enhancing clean energy supply security, conducting market research, and deepening policy engagement.

Management of impacts, risks and opportunities

The Company integrates efficient resource utilisation into its medium- to long-term development strategy. Based on the entire juice processing chain, it focuses on three main directions: energy structure optimisation, efficient water resource cycling, and clean energy development. It promotes energy conservation and consumption reduction in all production segments, aiming to create a sustainable operational model characterised by efficient resource use and green, low-carbon production. In energy management, it continuously optimises the traditional energy consumption structure and steadily advances clean energy substitution to reduce dependence on fossil fuels. In water resource management, relying on the characteristics of industry water usage, it builds a full-process water resource recovery and utilisation system, achieving recycling and reuse of production water and establishing a stable water balance system. The Company will continue to empower energy and water resource efficiency through technological innovation, deeply explore energy-saving and consumption-reduction potential, enhance brand competitiveness through green development, support domestic and international market expansion, and achieve synergistic development of environmental, social, and economic benefits.

Energy utilisation

The energy used in the Company's production and operation activities mainly includes natural gas, biomass pellet fuel, coal, gasoline, diesel, electricity, and steam. The Company has installed photovoltaic power generation facilities at its Longkou, Baishui, and Yongji bases, with a total generation capacity of 2,339 MWh, further optimising the Company's energy structure. The Group's main energy consumption is as follows:

Energy type	Subitem	2025	2024
Direct energy	Coal (tons)	6,952	6,231
	Natural gas (m ³)	16,711,774	16,977,508
	Biomass pellets (tons)	8,004	9,065
	Diesel (liters)	72,395	85,990
	Gasoline (liters)	32,728	22,456
Direct energy consumption (tons of standard coal)		32,899	32,568
Direct energy consumption (MWh)		96,419.07	95,448.99
Indirect energy	Electricity (kWh)	37,397,444	40,521,278
	Steam (tons)	83,805	133,955
Indirect energy consumption (tons of standard coal)		15,685	23,504
Indirect energy consumption (MWh)		45,968.97	68,884.58
Total energy consumption (tons of standard coal)		48,583	56,072
Total energy consumption (MW · h)		142,388.04	164,333.57
Energy consumption density (tons of standard coal per million revenue)		29	40
Energy consumption density (MW · h per million revenue)		84.88	115.89

Water utilisation

The Company's main business is concentrated fruit juice processing. Core processes such as fruit washing and production area cleaning and disinfection account for 90% of total production water usage. The wastewater generated from these processes has good water quality and high recovery value, providing favourable conditions for the Company to carry out large-scale water resource recycling and establish a stable water balance system. The Company legally obtains applicable water sources in accordance with relevant national environmental protection policies and regulations. No issues arose in obtaining applicable water sources during the year.

The Company has established a comprehensive water resource recovery and utilisation system across its 7 major production bases. Through 9 water recovery equipment and utilisation projects, it implements classified recovery, treatment, and targeted reuse of initial wash water and fine wash/spray water. In 2025, the total recovery and utilisation of recycled water reached 341,185 tonnes. The treated recycled water is reused in corresponding production processes, effectively replacing fresh municipal water supply, further optimising the balance between water intake, discharge, and recycling, and improving water resource utilisation efficiency.

Unit: tonnes

	2025	2024w
Water intake: municipal water	791,921	854,493
Water intensity per tonne of product	6.00	5.26
Recycled water	341,185	—
Discharge	1,393,143	—
Water consumption ³	0	—
Water consumption intensity per million revenues	0	—

Packaging material usage

The Company's main business is the production and sale of concentrated apple juice, concentrated pear juice, and related products. The packaging materials used for concentrated apple juice and concentrated pear juice are mainly steel drums, plastic bags, and aseptic bags; packaging materials used for pomace, etc., are mainly woven bags. In 2025, the total consumption of packaging materials was approximately 9,330,834.26 kg, with an average usage per tonne of product of approximately 70.74 kg.

In 2025, the total consumption of packaging materials was approximately

9,330,834.26 kg

with an average usage per tonne of product of approximately

70.74 kg

³Water consumption = Water intake (tap water) - Water discharge (excluding circulating water drainage) + Circulating water consumption × Circulating water loss rate. Based on standard operating conditions for industrial circulating water systems, core correction parameters are established: the circulating water loss rate is set at 3% (within the industry standard range of 2%-4% for concentrated juice production); it is estimated that 40% of the total drainage volume consists of circulating water drainage, meaning the actual production wastewater discharge equals the total drainage volume multiplied by (1-40%). Circulating water drainage is excluded from the deduction scope for production water consumption. As the calculated result is negative, the water consumption is determined as 0.



04 Collaborative Success

The Company upholds the development concept of "Cooperation and Win-Win", regarding industrial chain collaboration and employee development as core strategic directions. It deepens the "Enterprise + Fruit Farmer" model, enabling rural revitalisation through industry, solidifying the raw material supply foundation, and achieving shared value creation across the industrial chain. Simultaneously, it adheres to a people-oriented approach, building a fair employment and diverse development environment, improving compensation, benefits, and training systems, strengthening occupational health and safety, and supporting employee growth and development. By empowering upstream and downstream partners and caring for employees, it unites endeavors, achieving synergistic enhancement of corporate, social, and employee value.

Rural Revitalisation and Industrial Chain Enablement

Rural revitalisation and industrial chain enablement are core manifestations of the Company's fulfilment of social responsibility, and key topics for ensuring stable raw material supply and achieving coordinated industrial chain development. As a juice processing enterprise, the raw fruit procurement link is closely related to the vast number of fruit farmers. The income security of fruit farmers and the standardisation of planting practices directly impact product quality and production continuity. This topic relates not only to the Company's supply chain stability and profitability but also affects regional agricultural development and social stability, attracting attention from multiple parties including the government, fruit farmers, and consumers. Its double materiality is prominent, making it an important support for the Company's sustainable development.

Indicator	2025	2024
Payments to fruit farmers for raw materials	RMB 892.32 million	RMB 1,018.56 million

Governance

The Company deepens coordinated industrial chain development through the "Enterprise + Fruit Farmer" model. Focusing on the entire raw fruit procurement process, it establishes a fruit farmer cooperation and service system, concentrating on core aspects such as planting technical guidance and raw material quality control to carry out engagement and support work with fruit farmers. Relying on the layout of production bases in national raw fruit production areas, it establishes stable cooperative relationships with local fruit farmers. Simultaneously, it strengthens communication and collaboration with local governments and agricultural departments, aligning with regional fruit industry development characteristics to optimise cooperation models, effectively ensuring reasonable income for fruit farmers, steadily consolidating the high-quality raw material supply foundation, and promoting coordinated development upstream and downstream in the industrial chain.

Strategy

- The positive impacts of this topic are mainly reflected in driving fruit farmers' employment and income growth, standardising regional planting practices, promoting the upgrading of the fruit industry, contributing to rural revitalisation, while consolidating the Company's raw material foundation and enhancing its brand social recognition and credibility.
- Potential risks include fluctuations in fruit farmers' willingness to plant, obstacles in promoting planting techniques, and unstable raw material quality.
- Corresponding opportunities lie in leveraging industrial chain advantages to seek special subsidies for rural revitalisation, improving raw material quality to support product premiums, expanding into premium markets, and simultaneously setting an industry benchmark for industrial chain enablement, enhancing the Company's core competitiveness.

The Company will prevent various risks and explore development potential through technical training, support subsidies, order guarantees, and other means.

Management of impacts, risks and opportunities

The Company incorporates rural revitalisation and industrial chain enablement into its core development strategy. Based on regional agricultural resource advantages, it continuously increases support for fruit farmers, standardises planting practices, improves fruit quality, and creates stable, high-quality raw material supply bases. It promotes integrated industrial chain development, extends the value of the agricultural chain, drives fruit farmers to increase income and become prosperous, while relying on high-quality raw materials to support the development of premium products, achieving synergistic efficiency in the industrial chain and contributing to the deep integration of high-quality corporate development and regional rural revitalisation.

Industrial chain enablement is key to achieving high-quality industrial development. The Company focuses on the entire chain of "Raw Materials - Processing - Market". Through measures such as technological empowerment, layout optimisation, and standard output, it unblocks industrial chain bottlenecks and connects supply chain gaps, not only strengthening its own core competitiveness but also driving coordinated development upstream and downstream, building an industrial ecology of "Leading Enterprise Guidance, Full-Chain Resonance".

Taking root in counties, empowering farmers' income growth

The core of rural revitalisation is industrial revitalisation. As a leading enterprise in the concentrated juice industry, in 2025 the Company continued to focus on the concentrated juice sector, using "Project Implementation + Resource Integration" as dual engines to deeply bind the advantages of the industrial chain with county-level resource endowments. This ensures that rural industries have support and farmers have pathways to increase income, injecting lasting momentum into regional rural revitalisation. By the end of the reporting period, the Company's cumulative payments to fruit farmers for raw materials exceeded RMB 14 billion, becoming a solid linkage connecting the fields with the consumer market, achieving a win-win situation for industrial prosperity and rural revitalisation.

Promoting rural revitalisation through nearby processing and industrial linkage

Leveraging its national production capacity layout advantages of "10 Plants across 7 Provinces", Andre continued in 2025 to strengthen the connection between the raw material suppliers and rural communities. In core production areas like Yantai Muping, the Company establishes long-term stable cooperative relationships with local fruit farmers through measures such as standardised planting guidance and order-based procurement guarantees, promoting quality improvement of raw materials like apples and pears. This model of "nearby processing, on-site value addition" not only reduces farmers' transportation costs but also drives planting households to expand production scale through large-scale procurement. The technical guidance and quality control services also help farmers improve planting efficiency and income levels, enabling county-level villages to truly achieve "prosperity through industry, development through uniqueness".

Full-chain synergy upgrades, activating the industrial ecology

Industrial chain enablement is key to achieving high-quality industrial development. In 2025, the Company focused on the entire chain of "Raw Materials - Processing - Market". Through measures such as technological empowerment, layout optimisation, and standard output, it unblocked industrial chain bottlenecks and connected supply chain gaps, not only strengthening its own core competitiveness but also driving coordinated development upstream and downstream, building an industrial ecology of "Leading Enterprise Guidance, Full-Chain Resonance".

Optimising national production capacity layout, empowering regional industrial synergy development

To address the issue of uneven regional industrial development, Andre continued in 2025 to optimise its national production capacity layout, driving the improvement of regional industrial chains through project implementation. Leveraging the advantage of order growth in emerging markets along the "Belt and Road", the Company connects county-level processing bases with international markets, integrating rural industries into the global supply chain. This not only enhances regional industrial competitiveness but also creates broader development space for upstream and downstream players in the industrial chain.

Employee Care and Health Management

The Company has established a scientific talent selection mechanism, valuing and utilizing each individual according to his/her abilities, creating an excellent environment that respects knowledge and talent, and facilitates the emergence of outstanding talent.

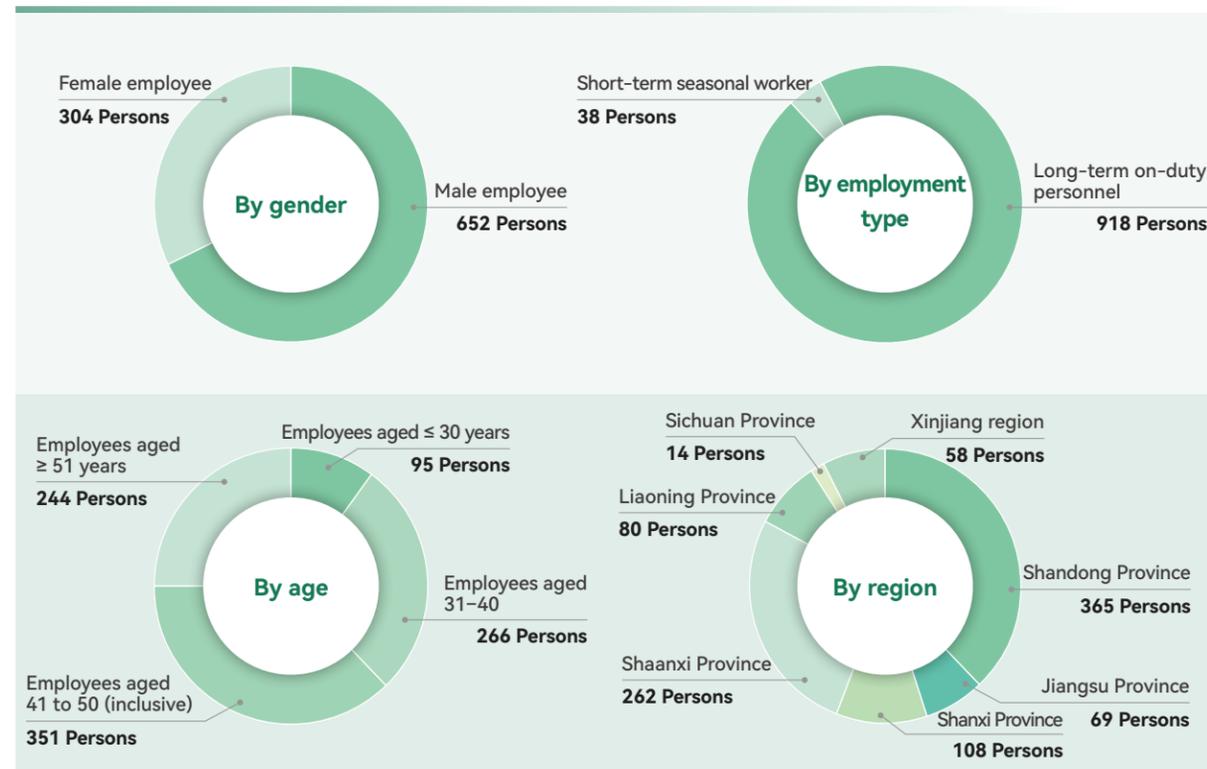
Employment practice

The Company strictly complies with relevant laws and regulations such as the Labour Law of the People's Republic of China and the Labour Contract Law of the People's Republic of China. According to actual production needs, the Company signs fixed-term or open-ended labour contracts with long-term employees in accordance with the law, and signs labour contracts with seasonal employees for the duration of specific tasks. For retired rehired long-term employees, the Company signs employment contracts. The labour contract or employment contract signing rate is 100%.

The Company strictly complies with relevant laws and regulations such as the "Labour Law of the People's Republic of China" and the "Provisions on the Prohibition of Using Child Labour" promulgated by the State Council, strictly prohibiting the employment of child labour and forced labour. It has formulated the "Management Procedures for Prohibiting the Use of Child Labour and Minor Workers", stipulating that recruitment must strictly verify identity documents such as ID cards; those without valid proof will not be hired. If a child is mistakenly hired, the Company will immediately report to the labour department, stop their work, arrange a health check, pay wages in full after verification, notify their family, provide financial assistance to the family as appropriate, and retain relevant supporting documents. In 2025, the Company did not employ any person under 18 years of age or use forced labour.

The Company has also formulated rules and regulations such as the "Management Procedures for Prohibiting Discrimination" and the "Management Procedures for the Protection of Female Workers", striving to ensure diversity and follow the principle of fairness. In recruitment, management, salary adjustments, promotion, training, resignation, and retirement, there is no differential treatment based on gender, age, ethnicity, religion, etc. The Company strictly complies with local and national laws and regulations to ensure the legitimate rights and interests of employees are effectively protected.

2025 Total number of employees by gender, type of employment, age group, and region
Total number of employees: 956 Persons



Employee turnover rate

		2025	2024
By gender	Male employee	3.07%	2.31%
	Female employee	1.32%	1.51%
By age	Employees aged ≤ 40 years	4.16%	2.57%
	Employees aged ≥ 41 years	1.51%	1.24%
By work location	Shandong Province	2.47%	1.06%
	Jiangsu Province	1.45%	0.53%
	Shanxi Province	1.85%	0.09%
	Shaanxi Province	3.05%	0.71%
	Liaoning Province	1.25%	0.44%
	Xinjiang region	5.17%	0.98%

Compensation and benefits

Employee compensation and dismissal strictly follow the Labour Law of the People's Republic of China. In addition, the Company has formulated a series of rules, regulations, and codes of conduct. Adhering to the principle of "fairness, justice, and openness", it has established clear job standards and performance appraisal systems. The performance of each position is directly reflected in the monthly performance bonus, while employees' year-end bonuses are linked to the Company's performance, product quality, production safety, and execution capability. This appraisal system promotes full attention to cost control, product quality, and safety awareness, forming a good management atmosphere. While ensuring the Company's profitability, employee income has also been increasing year by year. In 2025, all employees' income was at a medium to high level locally, and the Company had no labour disputes with employees.

The Company strives to establish a work-life balance for employees, ensuring that working hours do not exceed the statutory working hours. In addition to statutory holidays, the Company provides employees with paid leave including sick leave, maternity leave, marriage leave, and bereavement leave, while also providing overtime and night shift allowances, further safeguarding employees' legitimate rights and interests and work-life balance, improving work efficiency and employee welfare levels and satisfaction. Juice production has obvious seasonality; during shutdown periods, various training courses are held to improve employees' professional capabilities. On traditional festivals, employees receive holiday benefits. Birthday greetings and gifts are delivered. Annually, employees are provided with opportunities to enjoy free art exhibitions, cultural performances, etc., and the Company organises sports competitions, team-building activities, cultural performances, and other various employee cultural and recreational activities. Through a series of cultural and recreational activities, the Company promotes employees' physical and mental health, stimulates their vitality, and strengthens their team spirit and sense of collective honour.

Employee training

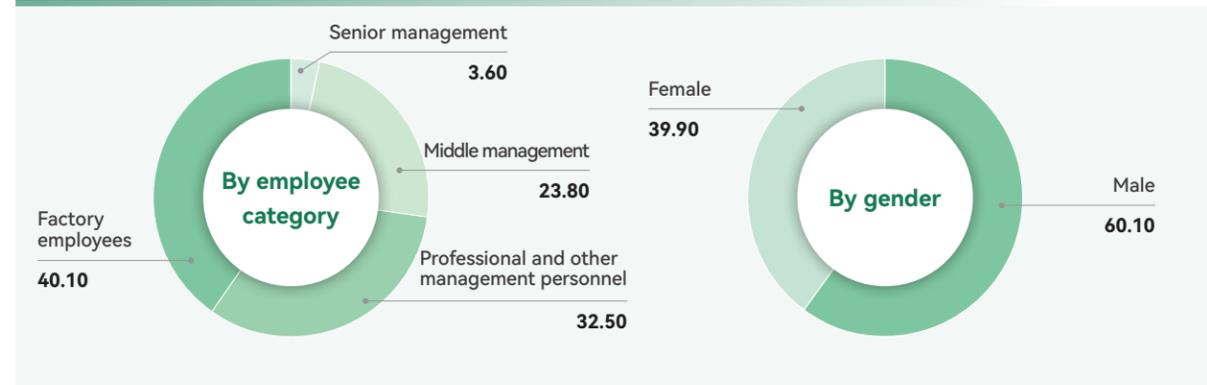
The Company highly values employee training. Centred on its talent cultivation strategy, it has built a systematic, multi-level training system, improved training management systems, and ensured sufficient training budgets. It provides comprehensive training support for employees at different levels and types, supporting employee growth and the Company's talent pipeline construction.

At the beginning of each year, the Comprehensive Management Department formulates an annual training plan based on the needs of various departments, arranging differentiated vocational training for different positions, covering laws and regulations, company systems, safety production, operational skills, etc. Pre-job skills, skills, and safety training are provided for short-term seasonal workers. Training formats are diverse, integrating on-the-job training, daily coaching, internal seminars, online learning, etc., achieving a combination of theory and practice.

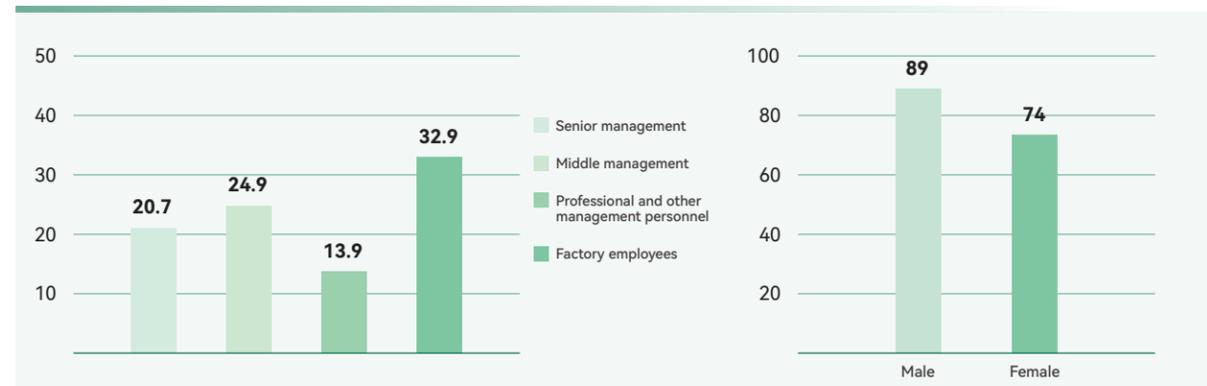
Training precisely targets groups such as new employees, professionals, and managers, with a focus on specialised training for new supervisors (covering all management levels) and successor training programmes. Through a combination of internal and external training, it enhances the capabilities of management personnel and reserves high-quality management talent.

The Company has built an internal knowledge resource base, integrating courses on general management, professional techniques, etc., providing a blended online and offline learning environment. Simultaneously, it provides professional qualification certification support for all employees, reimbursing examination fees in full or in part, without restrictions on length of service or position, stimulating employees' learning initiative.

Employee training ratio (%)



Average training hours per employee



Occupational health and safety

Protecting the health and safety of employees is the Company's foremost priority. The Company strictly complies with relevant laws and regulations such as the Production Safety Law of the People's Republic of China and the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases. The General Manager serves as the primary person responsible for work safety, overseeing both safety and occupational health initiatives to ensure effective implementation. A systematic management system for work safety and occupational health has been established, with clearly defined responsibilities, enhanced risk prevention measures, and intensified training and drills. These efforts are dedicated to safeguarding employees' physical and occupational well-being, ensuring the smooth operation of the company's production and business activities.

Regarding hazard source control, the Company has established a long-term identification and evaluation mechanism. It conducts annual company-wide hazard source identification, establishes tiered ledgers, and forms a closed-loop management of "identification-evaluation-control-review". It focuses on controlling five core risks: chemicals, equipment, mobile and transport, confined spaces, and electrical circuits. It formulates special measures for various risks, standardises operating procedures, and strengthens training and inspections. During the reporting period, no new chemicals or production equipment were introduced, and no related safety accidents occurred.

Regarding employee occupational health management, the Company has identified occupational health risks such as chemical exposure, strong light, and noise, and formulated special prevention and control plans: optimising the chemical operating environment, using low-noise, low-vibration equipment with vibration damping measures, implementing pre-employment health checks, annually entrusting professional institutions to test workplace hazards, and providing and supervising the correct use of protective equipment for relevant positions.

Regarding safety culture construction, the Company has built a comprehensive training system, conducting training for "three posts" personnel, pre-job "three-level safety education" for new employees, and company-wide safety training, achieving full training coverage. During the reporting period, it organised 25 emergency drills with 200 participants, simulating various emergency scenarios to enhance emergency response capabilities. Simultaneously, through safety knowledge competitions, warning signs, case presentations, etc., it creates a positive atmosphere of "safety first, prevention foremost", strengthening company-wide safety awareness.

During the reporting period, the total number of work-related days lost by employees was **324** days; in the past three years, there have been **no** work-related fatalities among employees.



Appendices

Explanation on Climate-Related Information Disclosure

Based on the Company's ESG double materiality assessment results, the Company has not disclosed climate-related information other than greenhouse gas emissions (Scope 1 and Scope 2) as required by Part D (Climate-related Disclosures) of The Stock Exchange of Hong Kong Limited's Environmental, Social and Governance Reporting Guide. The core reasons are as follows:

I. Compliance with the Materiality Screening Principle of the Double Materiality Assessment

The Company strictly follows the "financial materiality + impact materiality" dual-dimension assessment mechanism to screen disclosure topics. The aforementioned undisclosed clauses mostly involve specialised technical indicators related to climate, specific scenario risk assessments, and other specific content. After evaluation, the direct impact of these clauses' corresponding topics on the Company's financial performance (such as revenue, costs, financing) is relatively low, and their consequential impact on the environment and society has not reached the "core materiality" level. Therefore, they were not included in the Company's list of core ESG disclosure topics, consistent with the disclosure principle of "focusing on key topics, highlighting core value".

II. Core Climate-Related Concerns Already Adequately Covered by Core Topics

The Company has listed "Green and Low-Carbon Development" as one of its five core material topics. The disclosed content under this topic has comprehensively responded to stakeholders' core concerns regarding climate issues. In the Environmental Management chapter, the Company discloses in detail greenhouse gas emission data, energy-saving and consumption-reduction initiatives, clean energy substitution, pollution prevention equipment upgrades, and other key information, substantially covering the core disclosure objectives related to climate, eliminating the need for repetitive disclosure through additional sub-clauses.

III. Alignment with Industry Characteristics and Actual Business Scenarios

The Company's main business is concentrated fruit juice processing, with a relatively straightforward production process. Climate-related risks are primarily concentrated in common areas such as energy consumption and carbon emission control. Some content from the undisclosed climate-related information clauses (such as industry-specific climate scenario analysis, complex value chain climate transmission assessments) does not match the business characteristics of the juice processing industry and lacks practical disclosure scenarios. Based on the principle of "substance over form", the Company has not engaged in formalistic disclosure without actual business relevance.

IV. Adherence to the Principle of Balancing Disclosure Cost and Benefit

Collecting, calculating, and verifying information for the aforementioned undisclosed clauses would require significant additional resources, while their disclosure value does not align with the Company's ESG management priorities. The Company concentrates its resources on more substantive core topics such as juice quality and safety, industrial chain enablement, and circular economy, ensuring the precision and value density of disclosed information, consistent with the efficient disclosure orientation of ESG reporting.

Cross-reference Index for the Shanghai Stock Exchange Self-Regulatory Guidelines No. 14 — Sustainable Development Report

Disclosure requirement	Corresponding chapter of this report
Addressing climate change	Green and low-carbon development
Pollutant emissions	Green and low-carbon development
Waste management	Green and low-carbon development
Ecosystem and biodiversity protection	Not applicable
Environmental compliance management	Green and low-carbon development
Energy utilisation	Resource utilisation
Water utilisation	Resource utilisation
Circular economy	Resource utilisation
Rural revitalisation	Rural revitalisation and industrial chain enablement
Social contribution	Not applicable
Innovation-driven development	Leading via standards
Technology ethics	Not applicable
Supply chain security	Product quality and safety
Equal treatment of SMEs	Not applicable
Product and service safety and quality	Product quality and safety
Data security and customer privacy protection	Product quality and safety
Employees	Employee care and health management
Due Diligence	Environmental, social and corporate governance
Stakeholder communication	Environmental, social and corporate governance
Anti-commercial bribery and anti-corruption	Corporate governance
Anti-unfair competition	Leading via standards

Cross-reference Index for The Stock Exchange of Hong Kong Limited's Environmental, Social and Governance Reporting Code

Part B: Mandatory Disclosure Requirements			
Mandatory Disclosures	Corresponding chapter		
Governance Structure	Environmental, social and corporate governance		
Reporting Principles	Report Preparation Basis		
Reporting Boundary	Report Preparation Basis		

Part C: "Comply or explain" Provisions			
Subject Areas, Aspects, General Disclosures and KPIs	Corresponding chapter	Subject Areas, Aspects, General Disclosures and KPIs	Corresponding chapter
A.Environmental		B2. Health and Safety	Employee care and health management
A1. Emissions	Green and low-carbon development	B2.1	Employee care and health management
A1.1	Green and low-carbon development	B2.2	Employee care and health management
A1.3	Green and low-carbon development	B2.3	Employee care and health management
A1.4	Green and low-carbon development	B3. Development and Training	Employee care and health management
A1.5	Green and low-carbon development	B3.1	Employee care and health management
A1.6	Green and low-carbon development	B3.2	Employee care and health management
A2. Use of Resources	Resource utilisation	B4. Labour Standards	Employee care and health management
A2.1	Resource utilisation	B4.1	Employee care and health management
A2.2	Resource utilisation	B4.2	Employee care and health management
A2.3	Resource utilisation	Operating Practices	
A2.4	Resource utilisation	B5. Supply Chain Management	Product quality and safety
A2.5	Resource utilisation	B5.1	Product quality and safety
A3. Environment and Natural Resources	Resource utilisation	B5.2	Product quality and safety
A3.1	Resource utilisation	B5.3	Product quality and safety
B.Social		B5.4	Product quality and safety
Employment and Labour Practices		B6. Product Responsibility	Product quality and safety
B1. Employment	Employee care and health management	B6.1	Product quality and safety
B1.1	Employee care and health management	B6.2	Product quality and safety
B1.2	Employee care and health management	B6.3	Product quality and safety

Subject Areas, Aspects, General Disclosures and KPIs	Corresponding chapter	Subject Areas, Aspects, General Disclosures and KPIs	Corresponding chapter
B6.4	Product quality and safety	B7.3	Corporate governance
B6.5	Product quality and safety	Community	
B7. Anti-corruption	Corporate governance	B8. Community Investment	Rural revitalisation and industrial chain enablement
B7.1	Corporate governance	B8.1	Rural revitalisation and industrial chain enablement
B7.2	Corporate governance	B8.2	Rural revitalisation and industrial chain enablement

Part D: Climate-related Disclosures			
Subject Areas, Aspects, General Disclosures and KPIs	Corresponding chapter	Subject Areas, Aspects, General Disclosures and KPIs	Corresponding chapter
(I)Governance		28. Greenhouse gas emissions	Green and low-carbon development
19.	Environmental, social and corporate governance	29. Greenhouse gas emissions	Green and low-carbon development
(II)Strategy		30. Climate-related transition risks	Explanation on Climate-Related Information Disclosure
20. Climate-related risks and opportunities	Explanation on climate-related information disclosure	31. Climate-related physical risks	Explanation on climate-related information disclosure
21. Business model and value chain	Explanation on climate-related information disclosure	32. Climate-related opportunities	Explanation on climate-related information disclosure
22. Strategy and decision-making	Explanation on climate-related information disclosure	33. Capital deployment	Explanation on climate-related information disclosure
23. Strategy and decision-making	Explanation on climate-related information disclosure	34. Internal carbon prices	Explanation on climate-related information disclosure
24. Current financial effect	Explanation on climate-related information disclosure	35. Remuneration	Explanation on climate-related information disclosure
25. Anticipated financial effect	Explanation on climate-related information disclosure	36. Industry-based metrics	Explanation on climate-related information disclosure
26. Climate resilience	Explanation on climate-related information disclosure	37. Climate-related targets	Explanation on climate-related information disclosure
(III)Risk management		38. Climate-related targets	Explanation on climate-related information disclosure
27.	Explanation on climate-related information disclosure	39. Climate-related targets	Explanation on climate-related information disclosure
(IV)Metrics and Targets		40. Climate-related targets	Explanation on climate-related information disclosure

Report Preparation Basis

Reporting Scope ▶

This report covers Yantai North Andre Juice Co., Ltd. and its subsidiaries. Unless otherwise specified, the scope is consistent with the consolidated financial statements scope of Andre (Stock Code: 605198.SH/02218.HK) in the annual report.

Timeframe ▶

This is an annual report covering the period from 1 January 2025 to 31 December 2025. Some textual information may extend beyond this period, which is indicated where applicable.

Reporting Basis ▶

Prepared in accordance with the Shanghai Stock Exchange's "Self-Regulatory Guidelines No. 14 — Sustainable Development Report (Trial)" and The Stock Exchange of Hong Kong Limited's "Environmental, Social and Governance Reporting Code".

This report is prepared based on the reporting principles of "Materiality", "Quantification", and "Consistency".

Materiality Principle: This report discloses the process for determining material topics and stakeholder communication. For details, refer to "Stakeholder Communication" and "Materiality Assessment" in the "Environmental, Social and Governance" chapter.

Quantification Principle: Data and information disclosed in this report indicate the reference standards, calculation methods, and parameters used.

Consistency Principle: Unless otherwise specified, the methods used in this report are consistent with the past to facilitate a fair comparison of the Group's performance over time.

Data Explanation ▶

Data and case studies in the report originate from the Company's actual operational records or financial reports.

Financial data in the report are denominated in Renminbi (RMB). In case of discrepancies between financial data and the Company's annual financial report, the annual report shall prevail.

Terminology Explanation ▶

For your convenience, Yantai North Andre Juice Co., Ltd. is referred to as "Andre", "the Company", "we", or "us" in this report.

Reliability Assurance ▶

The Company undertakes to say that the content of this report contains no false records, misleading statements, or material omissions. The Board of Directors is responsible for the truthfulness, accuracy, and completeness of its content.

Feedback on this Report ▶

Thank you very much for reading. We sincerely welcome your feedback on this report. If you have any comments or suggestions regarding the Company's social responsibility performance or environmental, social and governance report work, please feel free to contact the Company via email at the following address:

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