



National SME Public Service
Demonstration Platform
National Specialized and New
“Little Giant” Enterprise

2025

Environmental, Social and Governance Report

凌雄科技集團有限公司
LX Technology Group Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 02436.HK

目錄 CONTENTS

Chairman's Statement	02
Statement of the Board	05
About LX Technology	Overview of LX Technology 06 Corporate Culture 08 Social Recognition 09
ESG Management System	ESG Governance Structure and System 11 Communications with Stakeholders 12 Identification and Analysis of Material Topics 13
Topic 1: Deepening the Green Circular Economy and Accelerating the Growth of New Quality Productive Forces	Building Green Ecological Closed-Loop and Promoting Green Development 14 Empowering Digital Transformation and Embracing the Digital-Intelligent Ecosystem 19 Strengthening Technological Capabilities and Building a Foundation for High-quality Services 23
Topic 2: Leading the Industry Forward and Expanding the Scope of High-quality Development	Setting Industry Benchmarks and Driving High-Quality Development Through Enhanced Standardisation 32 Deepening Mutual Benefit and Win-Win Cooperation to Build a Green and Sustainable Industry Ecosystem 37
1. Excellence in Governance and Compliant Operations	Scientific Management Drives Comprehensive Efficiency Improvements 43 Risk and Compliance Management 44 Supply Chain and Quality Management 46
2. Low-carbon Development and Green Transition	Commitment to Energy Conservation and Emissions Reduction 47 Response to Climate Change 49 ESG Targets and Measures 54
3. Empowering Growth and Cultivating Talent	Career Development 56 Caring for Employee Development 59
4. Contributing to Society and Upholding Sustained Benevolence	62
Key Quantitative Performance Tables	65
Report Standard Index	70
Report Preparation	75





Chairman's Statement

2025 marks the concluding year of the nation's "14th Five-Year" Plan, the year for laying out the "15th Five-Year" Plan, and the crucial year for further deepening reform comprehensively to advance Chinese modernization. In an era marked by surging technological waves and profound transformations in development paradigms, LX Technology has steadfastly pursued the path of high-quality development. Along this journey, we have not only continuously witnessed and participated in the magnificent progress of China's digital economy but have also centered its efforts on "digital innovation and circular development", deeply integrating its growth trajectory into the nation's grand blueprint for fostering new quality productive forces and promoting high-quality development. During the year, we addressed to the uncertainties of the external environment with strategic certainty, achieving the simultaneous deepening and mutual enhancement of commercial and social value as we continued to focus on the device lifecycle management (DLM) solution industry.

Standing at a new starting point, we clearly recognize that genuine development lies not merely in the growth of our own scale, but more importantly in whether we can build a win-win ecosystem through our own business model. To this end, we have defined our strategic path as "driving industrial cycles through digital closed loop and unlocking customer value via service-oriented empowerment". We have transformed our positioning from a single service provider to a builder and enabler of industry digital infrastructure. We open up willing partners across the entire industrial chain with our DLM service models and operational standards which have been refined over more than two decades, empowering them to lower the industry's digital threshold and service costs as a whole, thereby elevating the overall service quality, efficiency and credibility of the DLM industry to a new level. For our customers, especially the vast number of small and medium-sized enterprises, we offer far more than just hardware devices, but one-stop digital closed-loop DLM service solutions that are cost-effective, high-quality and flexible, as well as asset-light, high-efficiency and sustainable digital capabilities. This facilitates them to concentrate their valuable capital on core business innovation, thereby forming a powerful force that boosts the quality and efficiency of China's real economy. All

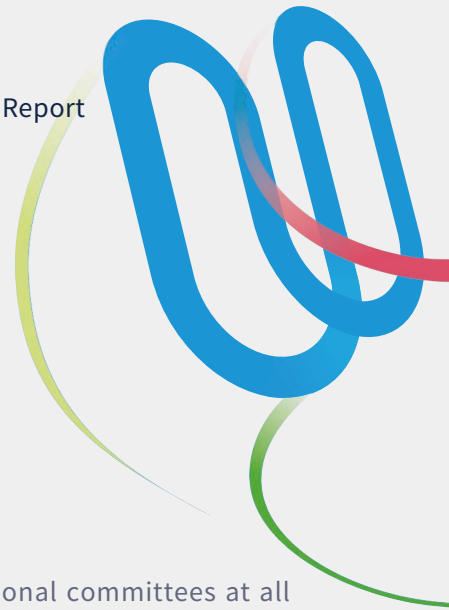


Chairman of the Board of
LX Technology Group Limited Hu Zuoxiong

of these initiatives ultimately contribute to a broader social goal: by maximizing the service life of each IT device, we systematically reduce electronic waste and resource consumption, and deliver measurable and sustainable carbon reduction value to society. This embodies the inherent green nature and social responsibility embedded in our business model.

Deepening the Green Circular Economy and Accelerating the Growth of New Quality Productive Forces

Amid the historical trend where the digital economy converges with green development, we firmly believe that the core essence of new quality productive forces lies in green productive forces. In 2025, we further integrated "digital innovation" with "circular development" at an in-depth level, and forged the digitally closed-loop DLM model into a green engine fueling the growth of new quality productive forces. We have not only continuously optimized the entire industrial chain of IT devices covering "procurement, leasing,



management, maintenance and recycling”, but also prospectively extended our services to high-growth sectors such as computing power and robotics, providing a flexible, efficient and low-carbon computing foundation for the intelligent upgrading of various industries. Empowered by our services, our customers are able to adopt asset-light operations and focus their core resources on business innovation. Meanwhile, the substantial improvement in device utilization efficiency and the scientific extension of device lifecycles reduce electronic waste and resource consumption at the source. In the year, we systematically calculated and disclosed the carbon reduction value generated by business operations, making the green benefits of every device circulation fully transparent and truly achieving the synchronized resonance of commercial value and environmental value.

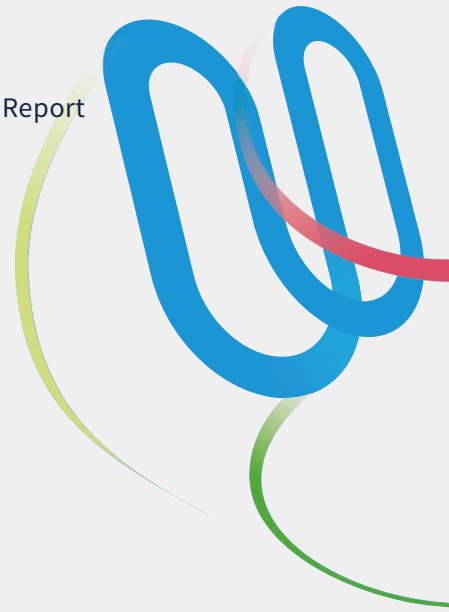
Leading the Industry Forward and Expanding the Scope of High-quality Development

As a pioneer and leader in the DLM solution industry, we have always taken the high-quality development of the industry as our due responsibility. In 2025, we further proactively assumed the role of a co-builder of industrial infrastructure. We have deeply participated in and led the formulation of multiple association, industrial and national standards, committing to translating more than two decades of practical experience into universally applicable industrial norms. Through the “LX Research Institute”, we have consistently published cutting-edge industrial research reports and generously shared our insights into technological trends and market rules. We have actively expressed our opinions within industrial

associations and professional committees at all levels to foster a sound and transparent industrial ecosystem. We believe that only the open sharing of knowledge and standards can lower the threshold for industrial innovation, empower more participants, and jointly expand the market scale, thereby leading the entire industry toward a new stage of higher-quality and more sustainable development.

Excellence in Governance and Compliant Operations

Excellent corporate governance is fundamental to an enterprise achieving long-term, stable development. In 2025, under the strong leadership of the Board of Directors (the “Board”), LX Technology further strengthened its comprehensive ESG governance system. We continued to improve our rigorous internal control and comprehensive risk management mechanisms to ensure strict compliance in all areas of our operations amid rapid development, while maintaining a high level of transparency and accountability. In an increasingly complex digital environment, we have always regarded information security and customer data privacy protection as a strategic pillar, and allocated resources to reinforce technical and management safeguards, upholding the foundation of trust with all partners and customers. This continuously optimized governance framework not only improves decision-making efficiency and operational resilience but also consolidates long-term confidence from the capital market and stakeholders. It serves as a solid foundation supporting the Company’s ability to navigate economic cycles and achieve sustained high-quality growth.



Low-carbon Development and Green Transition

The green transition is not an optional choice for the future but an imperative task to be implemented at present. LX Technology has deeply integrated green concepts into every aspect of its operations. In 2025, we have systematically promoted the low-carbon transformation of our in-house operations. In workplace management, we have fully implemented green office initiatives, ranging from energy-saving lighting to encouraging low-carbon commuting, to put emissions reduction into practice. We have closely monitored climate-related risks and opportunities and continuously improved the internal management framework for climate-related financial disclosures, as well as proactively assessed and addressed physical risks and transition challenges. We have set clear operational emission reduction targets, and continually lowered our carbon footprint through technological upgrading and refined management. These internal initiatives not only embody our concrete efforts in fulfilling environmental responsibilities but also accumulate valuable experience and credible commitments for delivering green solutions to our customers.

Empowering Growth and Cultivating Talent

Talent is the most valuable asset of LX Technology. We are committed to building a professional platform that inspires potential and fosters shared growth. In 2025, we have further improved our multi-level, comprehensive training and development system, mapping out clear career paths for every employee and enabling everyone to find their own growth path, whether in specialized expertise or managerial breadth. We foster an open, inclusive and diverse workplace culture that encourages innovative thinking and teamwork. This ensures all voices are heard and respected and that outstanding ideas can flourish. We also place great importance on the physical and mental health and wellbeing of our employees. Through diversified care initiatives and cultural activities, we strengthen employees' sense of belonging and team cohesion. We firmly believe that an enterprise's sustainable progress originates from its employees' all-round development. Only when employees and the enterprise empower and support each other can we gather the driving force needed for sustained high-quality development in the future.

Contributing to Society and Upholding Sustained Benevolence

An enterprise's value is ultimately reflected in its contribution to society. We are firmly committed to our responsibilities as a corporate citizen and actively give back to society. In 2025, we made our public welfare initiatives more focused and systematic. With a focus on digital inclusion, educational support and community care, we continually carried out and enhanced our philanthropic projects. These included helping to bridge the digital divide by donating refurbished and recycled computer equipment to regions lacking educational resources, and encouraging our employees to volunteer in the community with professionalism and dedication. We firmly believe that business for good embodies powerful value. Going forward, we will further explore more effective ways to align our professional strengths with social needs, integrate the spirit of public welfare into the long-term development of the Company, and collaborate with all sectors of society to promote community prosperity and progress, extending our journey of benevolence further still.



Statement of the Board

The Group continues to implement the social responsibility concept of “digital innovation and circular development”, actively promote ESG management work, respond to stakeholders’ demands on environmental, social and governance aspects of the Company, and promote the philosophy of sustainable operation. The Group supports the digitalization of thousands of small and medium-sized enterprises, contributing to the achievement of the dual-carbon objectives of China, and demonstrating the social value of the Group.

To achieve sustainable development of the Company and to fulfill our obligations to the environment, society and all stakeholders, the Group has integrated environmental, social and governance issues into our overall corporate strategy and has always taken environmental and social benefits into account as important considerations in our daily operation. The Group has established a special group (“**ESG working group**”) dedicated to our environmental, social and governance work to comprehensively identify, determine and assess the risks and opportunities of the Group in environmental, social and governance aspects, and report to the Board. The Group strives to reduce energy consumption, water consumption, exhaust-gas and greenhouse-gas emissions and waste generation year by year through further strengthening management measures such as energy saving, consumption reduction and making full use of resources, and thereby ultimately achieve higher economic returns with the least possible consumption of resources.

The ESG working group established by the Group is led by the Board while relevant functional and business departments are responsible for the implementation of ESG affairs. The ESG working group is responsible for (1) identifying, determining and assessing the ESG risks and opportunities of the Group, including climate-related risks and opportunities as well as ESG issues that are critical to the Group’s operations or stakeholders, and reporting to the Board; (2) formulating and establishing ESG policies and procedures to guide the implementation of relevant ESG plans; (3) reviewing the ESG policies and procedures of the Group to ensure their effectiveness and suitability for their purposes; (4) monitoring the implementation of the Group’s ESG strategies and plans, setting relevant targets to evaluate the implementation of ESG projects, and developing continuous improvement plans for ESG performance; (5) measuring and evaluating the Group’s environmental performance against the ESG targets and reporting to the Board, and making recommendations on necessary actions to improve the performance; (6) ensuring that sufficient ESG-related training is provided to relevant employees; (7) overseeing the stakeholder engagement and materiality assessment procedures to ensure effective communication with stakeholders while maintaining the Group’s reputation. Meanwhile, the Group attaches great importance to the management of climate-related risks and opportunities, and the Board and its ESG working group are clearly responsible for overseeing the relevant matters and have established corresponding procedures to ensure the effective fulfillment of their functions.

The Group considers that maintaining close relationships with our stakeholders is critical to our business operations and sustainable development. The Group’s stakeholders include investors/ shareholders, customers and potential customers, suppliers and partners, employees, government and regulatory authorities, the community and the public. Stakeholders, including customers and shareholders, were surveyed in the form of a questionnaire and the survey showed that stakeholders are most concerned about factors such as product quality, followed by business ethics, economic benefits, employees’ remuneration and benefits, compliance operation, climate change and environmental friendliness. The Company always considers stakeholders’ views as an important factor for sustainable development and incorporates their opinions into our long-term development plan.



About LX Technology

Overview of LX Technology

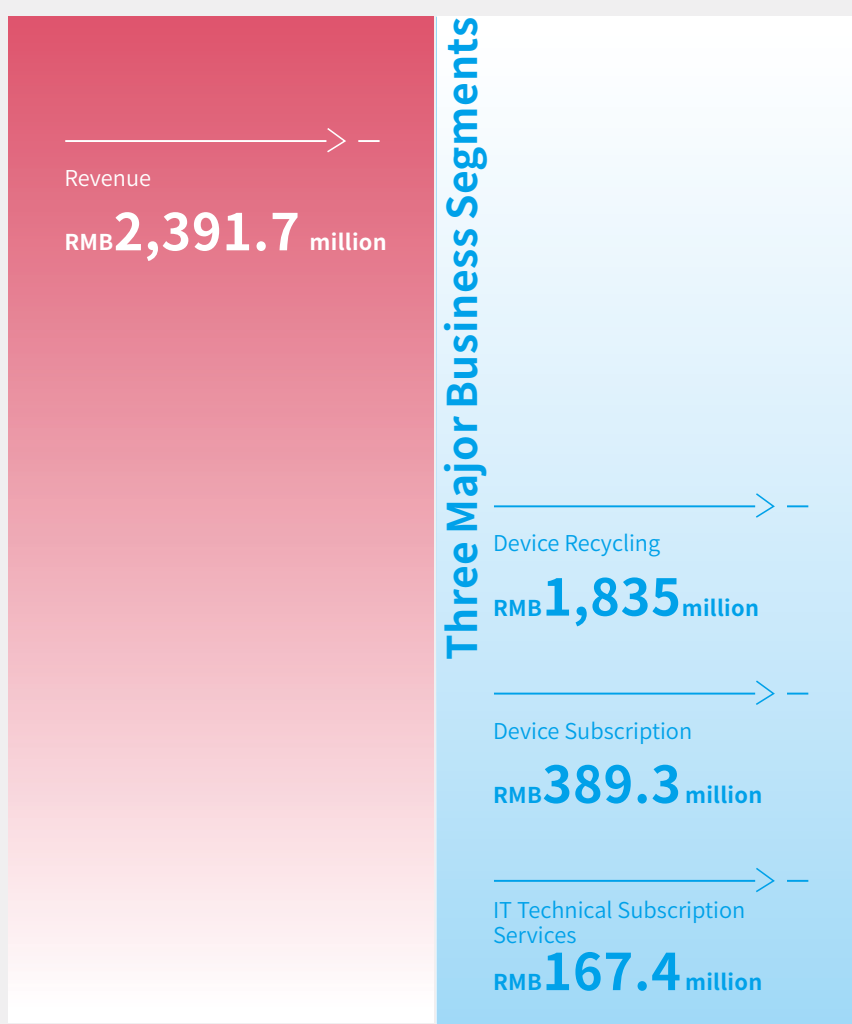
LX Technology Group Limited (“**LX Technology**”), owner of the brand Bear U-Rental and established in 2004 in Shenzhen, principally engages in, among others, the sales of refurbished de-commissioned IT devices to resellers of IT devices, and the provision of device and IT technical subscription services to small-and medium-enterprises (“**SMEs**”) in the People’s Republic of China (“**China**”) as a Device Lifecycle Management (“**DLM**”) solution provider. LX Technology’s service covers the management needs of SMEs across the lifecycle from device procurement, device maintenance, device management to device decommissioning and recycling, and helping enterprises in cost reduction and efficiency improvement, and transformation to asset-light operation.

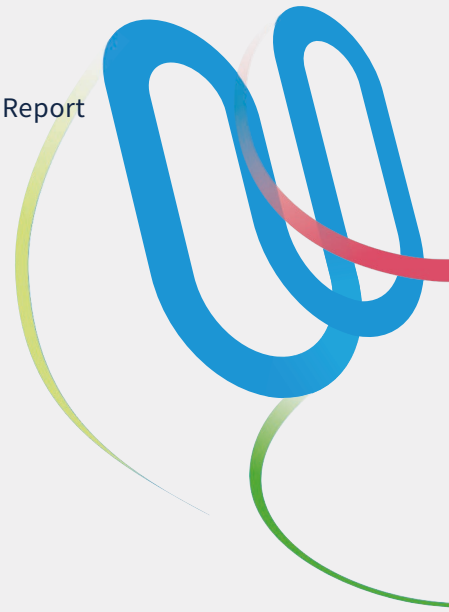
Over the past 21 years, LX Technology has been driven by the mission of “simplifying enterprise operations”, with a steadfast commitment to the core values of “customer-centric service, close and trustworthy collaboration, courage and responsibility, and persistent long-term effort”. LX Technology strives to empower enterprises to achieve excellence by providing innovative and comprehensive DLM solutions. Leveraging industry-leading service capabilities and outstanding contributions, LX Technology has been awarded the National SME Public Service Demonstration Platform (國家中小企業公共服務示範平台), and National Specialized and New “Little Giant” Enterprise (國家級專精特新「小巨人」企業) issued by the Ministry of Industry and Information Technology of the State Council, making us the only enterprise in the industry to hold “dual certification” which fully demonstrates its leading position in the industry.

As enterprises collectively strive to develop new quality productive forces and promote high-quality development, guided by “digital innovation and circular development”, LX Technology leverages its digitally closed-loop DLM services to not only help numerous SMEs efficiently build IT capabilities and lower the thresholds for digital and intelligent transformation but also achieve simultaneous growth in both scale and quality. LX Technology will continue to uphold its commitment to promoting the high-quality development of China’s digital economy, deeply cultivate the DLM solution industry, and strive to realize the coordinated advancement of commercial value and social value.



During the reporting period, the Group's revenue for the year was RMB2,391.7 million, representing an increase of 0.8% compared with the corresponding period of last year. The three major business segments performed outstandingly. The revenue from device recycling business, device subscription services and IT technical subscription services was RMB1,835 million, RMB389.3 million and RMB167.4 million.





Corporate Culture

The Group firmly believes that culture is the core driving force behind corporate development. Through the power of culture, we foster a positive and upward corporate atmosphere, strengthen team cohesion and a pioneering spirit, thereby delivering consistently high-quality services to our customers and creating enduring public value for community. Over the 20 years since our inception, we have been driven by the mission of “simplifying enterprise operations”, with a steadfast commitment to the core values of “customer-centric service, close and trustworthy collaboration, courage and responsibility, and persistent long-term effort”. Our goal is to establish ourselves as a leading DLM solution provider in China. In our service to corporate customers, we always adhere to the service tenet of “providing low-cost, high-quality, and highly flexible DLM solutions to enterprises”. We are committed to our service goal of “serving one million enterprises and providing user-friendly devices to ten million employees over the next decade”, continuing to drive industry progress and social development.



Mission

Simplifying enterprise operations



Vision

Becoming a leading DLM solution provider in China



Values

Customer-centric service
Close and trustworthy collaboration
Courage and responsibility
Persistent long-term effort



Service Tenet

Providing low-cost, high-quality, and highly flexible DLM solutions to enterprises



Service Goal

Serving one million enterprises and providing user-friendly devices to ten million employees over the next decade



Social Recognition

The Group has been focusing on the DLM solution industry and has accumulated over 20 years of service experience and has become a leader in the industry. While continuously driving development of business innovation, we have always placed environmental and social responsibility at the core of our operations, actively implementing sustainable development principles to cultivate an outstanding corporate image. Leveraging our industry-leading digital transformation achievements and exceptional service capabilities, the Group has been certified as the National SME Public Service Demonstration Platform (國家中小企業公共服務示範平台) by the Ministry of Industry and Information Technology of the State Council and was recertified in 2024 as National Specialized and New “Little Giant” Enterprise (國家級專精特新「小巨人」企業). As of the end of the reporting period, the Group was the only enterprise in the DLM solution industry in the PRC to have obtained the “dual certification”. In addition, in 2025, the Group has also been recognized by the Ministry of Commerce and State Administration for Market Regulation as the National Standardisation Pilot Enterprise for Service Industries (specialized in commercial circulation), by four government departments including the Ministry of Commerce and the National Development and Reform Commission as the first batch of National Pilot Enterprises for Second-hand Goods Circulation, by the China Resources Recycling Association as the Standardisation Pilot Enterprise for Recycling and Utilization of Renewable Resources, by the Shenzhen SME Service Bureau as the Shenzhen Gazelle Enterprise, by the Shenzhen Enterprise Confederation and Shenzhen Entrepreneur Association as the Top 500 Enterprises in Shenzhen, and by the Guangdong High-Tech Enterprise Association as Elite High-Tech Products in Guangdong Province. These major honors fully reflect our industry benchmark status and comprehensive capabilities.



National SME Public Service
Demonstration Platform



Specialized and New “Little Giant”
Enterprise



“National High-tech Enterprise”
Certificate



Shenzhen Gazelle Enterprise



National
Standardisation Pilot
Enterprise for Service
Industries (specialized
in commercial
circulation)



National Pilot
Enterprises for
Second-hand Goods
Circulation



Expert Member of the Domestic
Technical Counterpart
Working Group for the
International Organisation for
Standardisation Second-hand
Goods Cross-border Trade
Project Committee (ISO/PC 245)



2025 Standardisation
Pilot Enterprise
for Recycling and
Utilization of
Renewable Resources



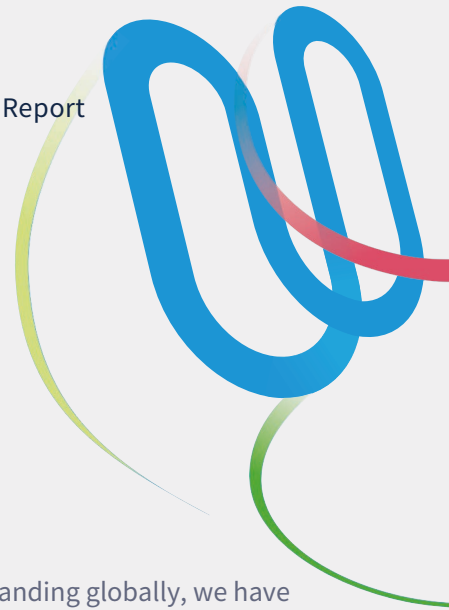
2025 Top 500
Enterprises in
Shenzhen



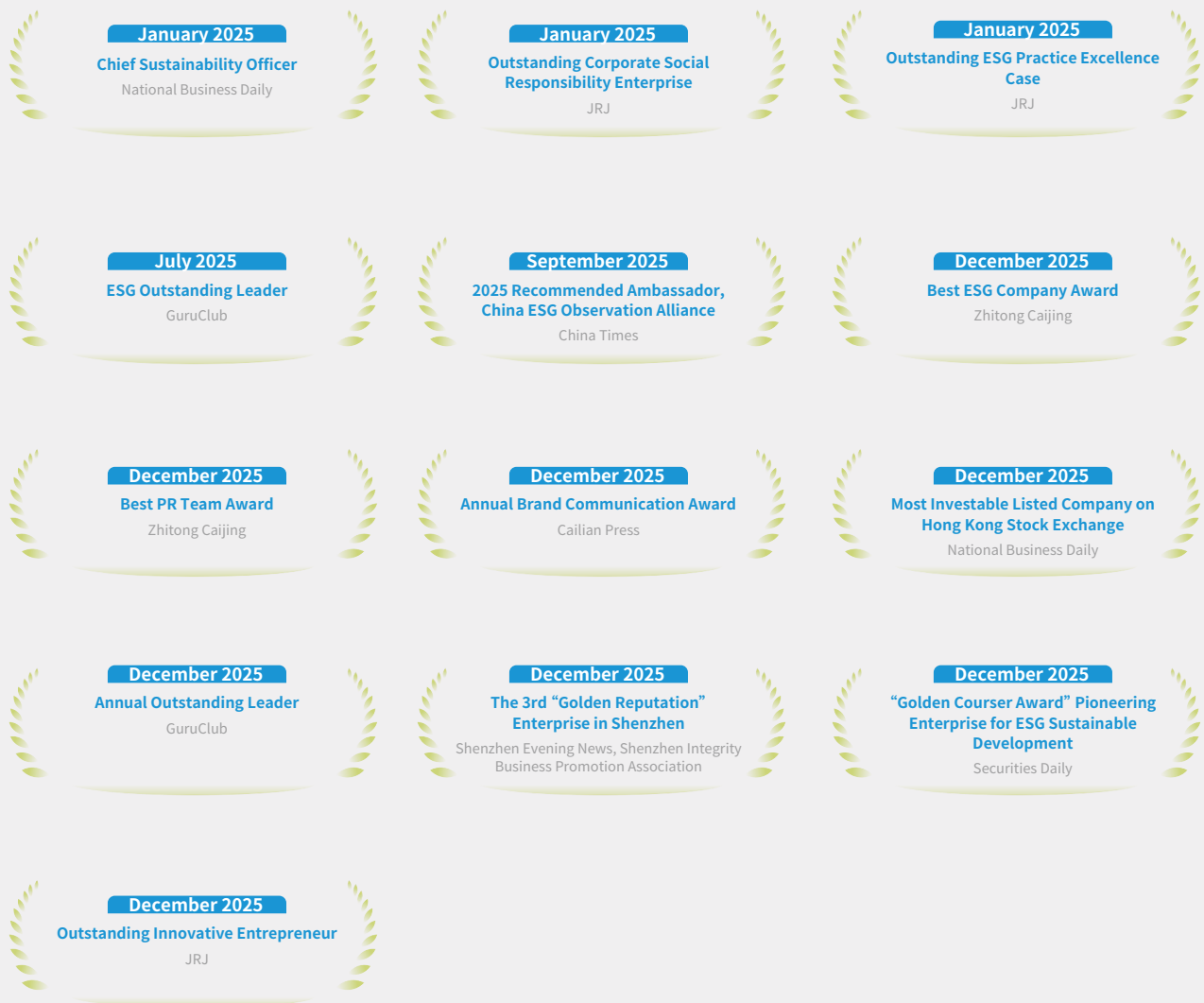
Elite High-Tech
Products in
Guangdong Province
— Bear U-Rental
Intelligent Warehouse
Terminal Management
System



Elite High-Tech
Products
in Guangdong
Province — Bear
U-Rental Intelligent
IT Equipment
Maintenance System



Furthermore, with our headquarters in Shenzhen serving nationwide and expanding globally, we have earned numerous honors from industry associations and media for our outstanding scale, operational efficiency, social contributions, innovation capabilities, and digital leadership. These honors further reinforce our corporate image as a technology-driven, service-excellent, and socially responsible industry leader. Details are as follows:

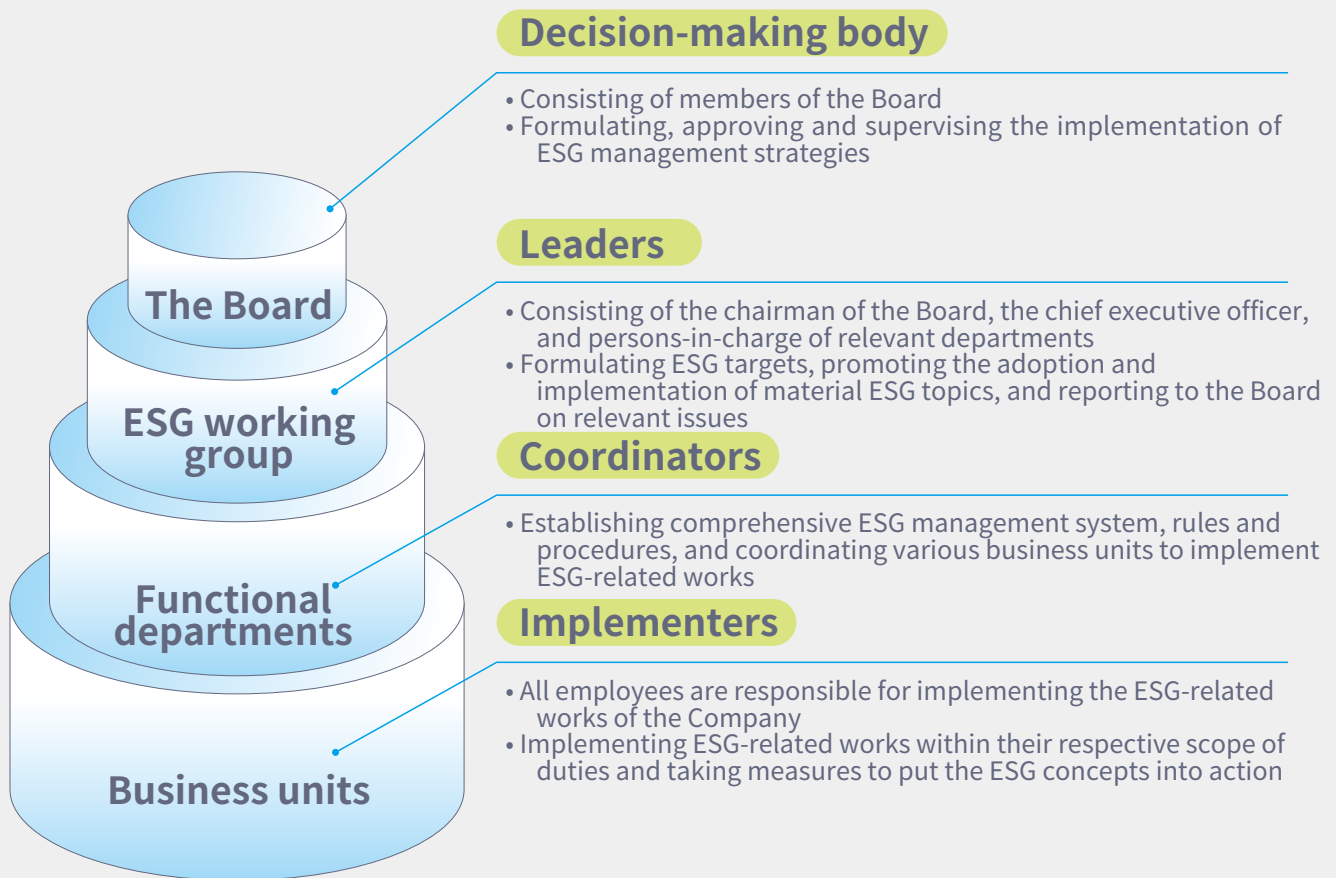




ESG Management System

ESG Governance Structure and System

The Group has established an ESG governance system which is overseen by the Board and managed by the ESG working group with the coordination of all functional departments and participation of all employees. During the reporting period, to establish more sustainable businesses and bring broader benefits to the society, the Group continuously reviewed the progress of environmental, social and governance issues of the Group according to our purposes and goals.

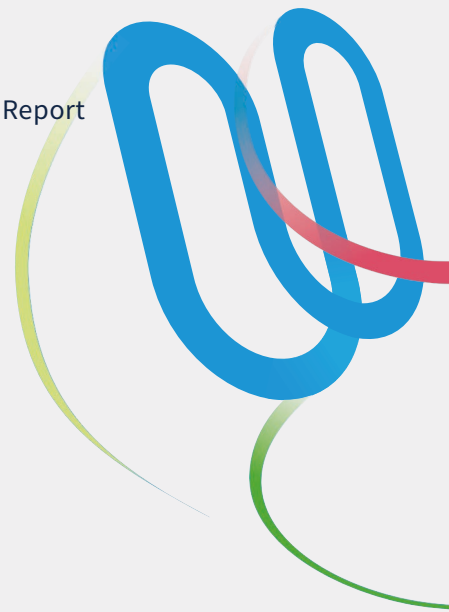




Communications with Stakeholders

Based on its industry characteristics and business operations, the Group identifies and determines our six major stakeholders, namely the investors/shareholders, customers and potential customers, suppliers and partners, employees, government and regulatory authorities, and communities and the public. The Group actively communicates with the stakeholders in various stages of daily operations, fully listens to their opinions and feedback, and continuously improves the diversified, stable and effective communication channels and feedback mechanisms between the Group and various stakeholders, constantly enhancing risk identification capabilities and strengthening important relationships. The Group communicates with its stakeholders through the following channels.

Key Stakeholders	Material Topics	Communication and Response
Investors/shareholders	— The necessity of corporate governance for sustainable operation — Stable economic benefits — Continuous business vitality — Good market reputation and performance	— Shareholders' meeting — Investors' conference — Information disclosure — Risk prevention and compliance operation management
Customers and potential customers	— Product and service quality — Service efficiency and effectiveness — Integrity and responsibility — Information security and privacy protection	— Customer satisfaction surveys — Online consultation, complaint, and follow-up — Field visits by sales representatives — Evidence of compliance with confidential disposal regulations
Suppliers and partners	— Supply chain management — Compliance operations — Business ethics	— Strict control of admission standards and dynamic evaluation — Bidding and tendering activities — Industry cooperation and communication
Employees	— Basic rights — Compensation and benefits — Career development — Health and safety — Diversity, equality and inclusion	— Employee satisfaction survey — Customized promotion channels and salary adjustment policies — Regular performance evaluations and skill enhancement — Internal complaint and reporting channels — Face-to-face communication with superiors or management
Government and regulatory authorities	— Compliance operation — Tax performance — Risk management — Environmentally friendly practices	— Transparency of business operating information — Risk management system development — Regular recognition of national qualifications — Research and dialogue
Community and public	— Community welfare — Rural revitalization — Credit building	— Public welfare enterprise services — Digital rural construction — Carrying out credit system building activities



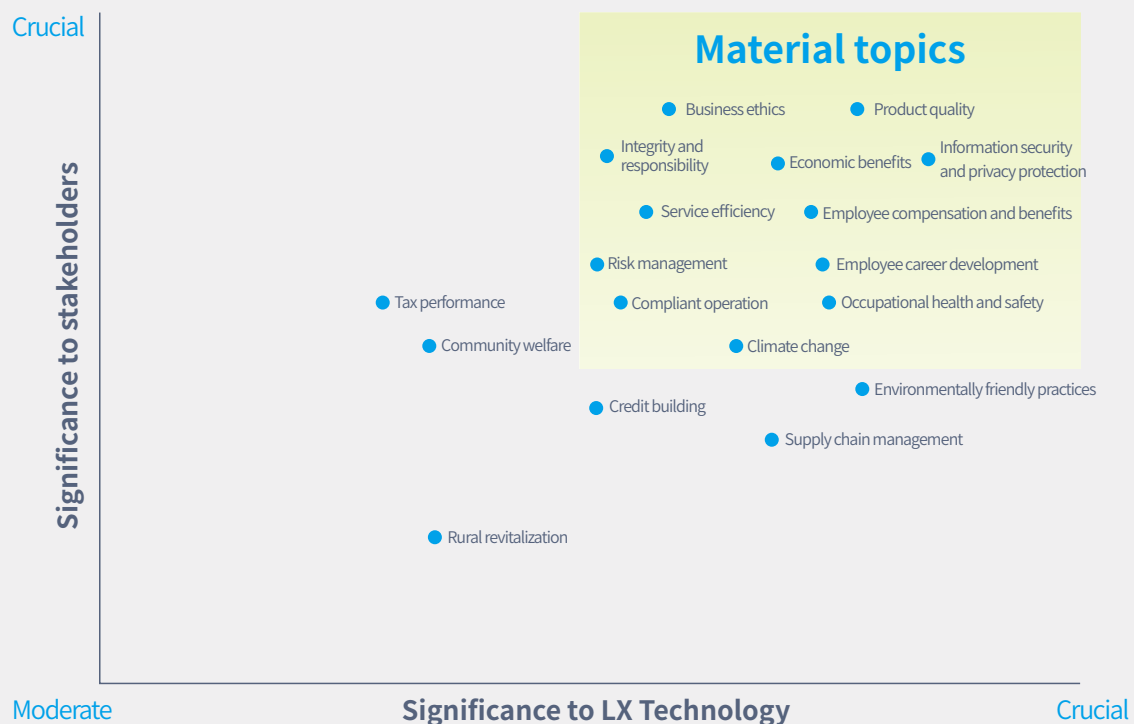
Identification and Analysis of Material Topics

The Group places great importance on identifying and managing ESG topics. During the reporting period, the Company reviewed potential ESG topics based on the latest social and economic changes, and identified them based on the extent of influence of the Company on its stakeholders. Considering the needs and expectations of various stakeholders, the Company evaluated the effectiveness of its ESG work, confirmed and revised the priority order on the materiality matrix.

Step 1: Identification. The Company collected ESG-related topics, screened a series of ESG topics closely related to the Company's business based on their importance to the industry in which the Group operates, and the opinions of various departments within the Company.

Step 2: Assessment. The Company collected key opinions from various stakeholders on each topic, understood the impact of each topic on stakeholders themselves, as well as its importance to the sustainable development of the Group. By reference to the identification of substantial topics by peers and the Group's management status, the relevance and importance of each topic were evaluated.

Step 3: Confirmation. Based on the results of the stakeholder survey and industry analysis, the Company identified substantial ESG topics, which were confirmed by the ESG management team of the Group to ensure that the evaluation results were consistent with the Company's business characteristics and development status.





Topic 1: Deepening the Green Circular Economy and Accelerating the Growth of New Quality Productive Forces

Building Green Ecological Closed-Loop and Promoting Green Development

In October 2025, the Fourth Plenary Session of the 20th Central Committee of the Communist Party of China adopted the Recommendations of the Central Committee of the Communist Party of China for Formulating the 15th Five-Year Plan for National Economic and Social Development (the “Recommendations”), which rolled out important arrangements for developing new quality productive forces in line with local conditions, setting the course for Chinese modernization during the “15th Five-Year” Plan period and beyond. The Recommendations emphasize that green development is a defining feature of Chinese modernization, which is a strong echo of the important thesis that “green development underpins high-quality development, and new quality productive forces are inherently green productive forces”. The Recommendations further articulate the intrinsically unified and mutually reinforcing relationship between developing new quality productive forces and promoting green development. The essence of this intrinsic connection lies in the fact that new quality productive forces are guided by scientific and technological innovation, rather than existing independently of the current development system. The new quality productive forces aim to decisively abandon the traditional growth model of high input, high consumption and high pollution, deeply integrating the principles of green, low-carbon and circular development into every aspect from technological R&D and industrial upgrading to business model innovation.

As the pioneer and market leader in enterprise DLM services across China, the Group has innovatively established a comprehensive DLM model covering three key segments: device recycling business, device subscription services and IT technical subscription under the long-term and in-depth practice of the circular economy concept. This model provides one-stop solution from device acquisition to green disposal for SMEs, forming a complete business closed loop and effectively reducing resource waste and enhancing resource utilization. This customer-centric model is dedicated to addressing customers’ diversified needs throughout the device lifecycle, helping them maximize value while building a customer-focused virtuous ecosystem. In addition to optimizing customers’ device resource allocation, the Group also actively provides green disposal and refurbishment businesses by extending device lifecycle through renewal processes before reintroducing them to sales or subscription services, thereby significantly improving device utilization rates and reducing resource waste. For the full year 2025, the number of device refurbished by the Group amounted to approximately 1.29 million units.

Compared to the traditional way of one-time procurement, the Group’s DLM business model has demonstrated its ability to significantly reduce the average annual carbon emissions per unit of device. At the same time, by professionally refurbishing the recycled device, we effectively extend the lifecycle of the device. This not only directly lowers customers’ reliance on new devices and reduces their procurement demand during operation but also reduces the total carbon emissions of the whole society at a systemic level. This model fully demonstrates the Group’s commitment and mission to the efficient recycling of resources. It also contributes positive efforts to pursuing the transition toward a low-carbon economy and achieving sustainable development goals.

Carbon footprint of new devices = carbon emissions from device production + carbon emissions during transportation

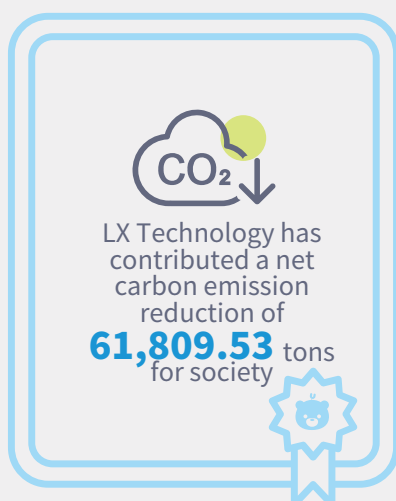


Average carbon emission from refurbished devices = annual average carbon emissions from new devices — (annual average carbon emissions from refurbished devices + carbon emissions during refurbishment processes of devices)

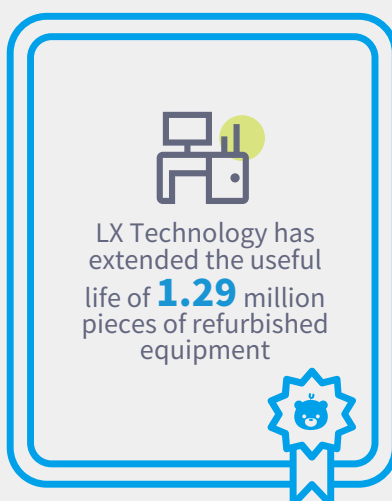




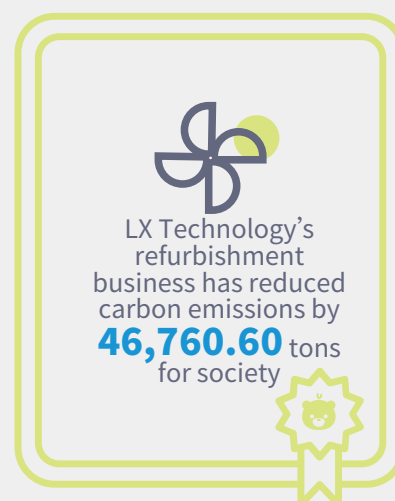
The Group contributes to a net carbon emission reduction¹ of 61,809.53 tons for society during the reporting period. In particular, the carbon emission reduction contributed by the Company's device refurbishment business amounted to 46,760.60 tons, while the actual carbon emission generated by the Company's daily operations was 1,403.78 tons.



Calculated based on the carbon emission reduction created by the Company's refurbishment business and IT technical subscription business minus the actual carbon emissions generated by the Company's daily operations during the reporting period



Only data from the reporting period is included



Only data from the reporting period is included

Category of major devices	Carbon emission reduction per unit over the lifecycle ² (kg)	Number of refurbished devices in 2025 (set)	Total carbon emission reduction in 2025 (ton)
Laptop computers	257	356,477	14,499.43
Desktop computers	479	150,953	11,440.16
Mobile phones and tablet computers	106	211,324	3,559.42
All-in-one computers	505	37,642	3,007.29
Servers	1,400	1,532	190.65
Printers and photocopiers	1,477	9,232	1,212.06
Others ³	276	524,492	12,851.58
Total		1,291,652	46,760.60

¹ During the reporting period, the measurement scope for carbon emission reduction included the related carbon emission reduction of the equipment refurbishment business and IT technical subscription services business

² Carbon emission reduction per unit over the lifecycle = (Annual average carbon emission per unit of new device — annual average carbon emission per unit of refurbished device) × average useful life of refurbished device

³ Others mainly include switches and routers, etc.



The Group's DLM business has contributed significantly to carbon emission reductions across the community, promoted the intensive utilization of device resources across the community, comprehensively empowered the development of new quality productive forces, and accelerated high-quality socio-economic development. As green development and circular economy principles continue to gain widespread acceptance, the Group's pioneering closed-loop ecosystem model for DLM is receiving increasing attention, recognition and high praise from society, which will inject positive momentum into the sustained achievement of high-quality economic development in China.

• ESG contribution widely recognized by society



Chief Sustainability Officer



Outstanding Corporate Social Responsibility Enterprise



Outstanding ESG Practice Excellence Case



ESG Outstanding Leader



2025 Recommended Ambassador, China ESG Observation Alliance



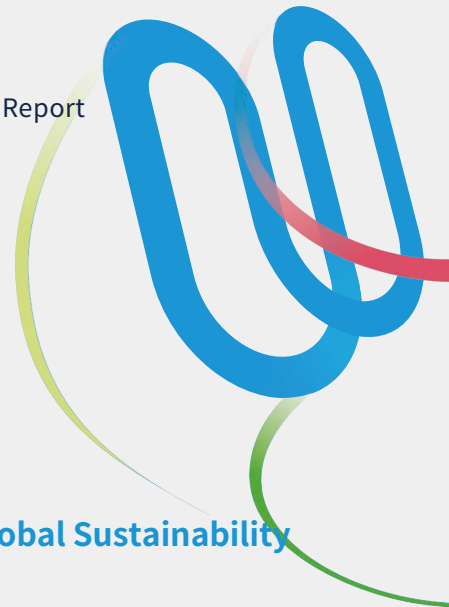
Best ESG Company Award



The 3rd "Golden Reputation" Enterprise in Shenzhen



"Golden Courser Award" Pioneering Enterprise for ESG Sustainable Development



Case 1: Invited to deliver keynote speech at the 2025 CSO Global Sustainability Forum



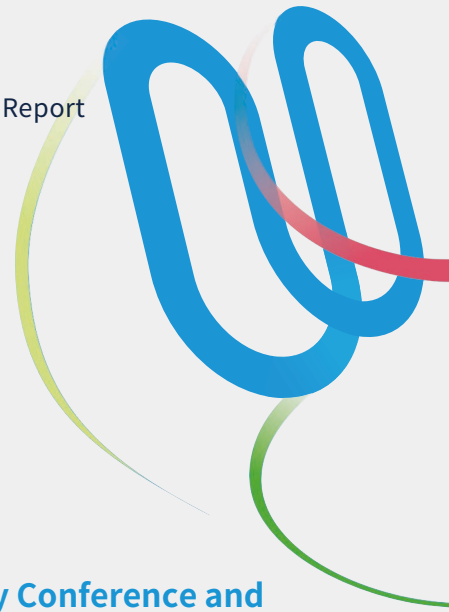
On January 14, 2025, the “2025 CSO Global Sustainability Forum”, jointly organized by BizDao Consulting and the National Business Daily, was held in Shenzhen. Hu Zuoxiong, the Chairman of the Board of LX Technology, was invited to attend the forum, where he shared LX Technology’s experience in promoting sustainable development through innovative business models, as well as how it has enhanced service efficiency through digital operations and advanced industry standardisation, thereby achieving a win-win outcome in terms of both economic and social benefits.



Case 2: Hosting the industry’s first Environment Day themed forum



On June 5, 2025, LX Technology Group co-hosted the first Environment Day themed forum in the DaaS industry, together with the DaaS Professional Committee of the China Association of Small and Medium Enterprises, China Resources Recycling Association, Shenzhen Enterprise Confederation, Shenzhen Entrepreneurs Association and other institutions. With the theme of “All in for Green: Empowering Sustainable Development Through Technological Innovation”, the forum gathered renowned industry experts, enterprises and media representatives. Focusing on technological innovation, participants conducted in-depth discussions on new models and pathways for the low-carbon economy and low-carbon industries, showcased practical achievements in industrial innovation, built consensus across the sector, and exchanged views on sustainable development.

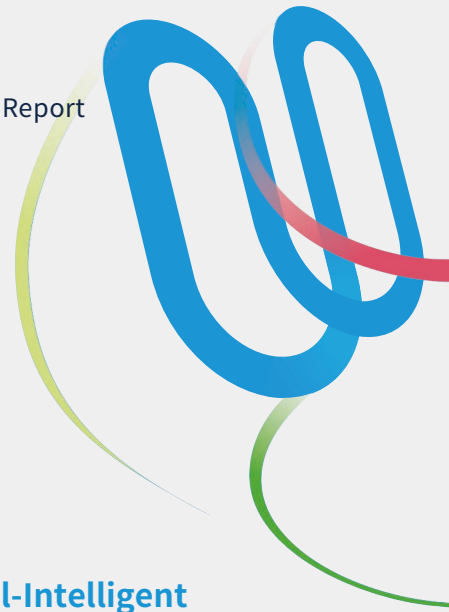


Case 3: Participating in the first New Rental & New Economy Conference and delivered a speech



On December 25, 2025, the first New Rental & New Economy Conference, supported by the China Association of Small and Medium Enterprises and hosted by the DaaS Professional Committee of the China Association of Small and Medium Enterprises, was held in Beijing. In his address, Hu Zuoxiong, the Director of the DaaS Professional Committee of the China Association of Small and Medium Enterprises and the Chairman of the Board of LX Technology, emphasized that new rental cannot simply be summarized as “renting instead of purchasing”, and its core essence lies in using digital technology as a driving force and a credit system as a foundation to fundamentally restructure the relationship between asset ownership and usage rights. Expanding from 3C electronic products and office device to a broader industrial ecosystem, new rental has become a “key variable” in cutting corporate operating costs, improving asset efficiency and accelerating technological iteration. It also serves as an important pathway to advance green, circular and low-carbon development.

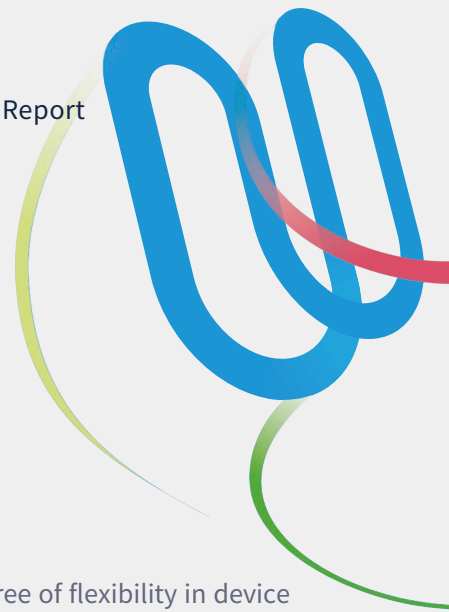




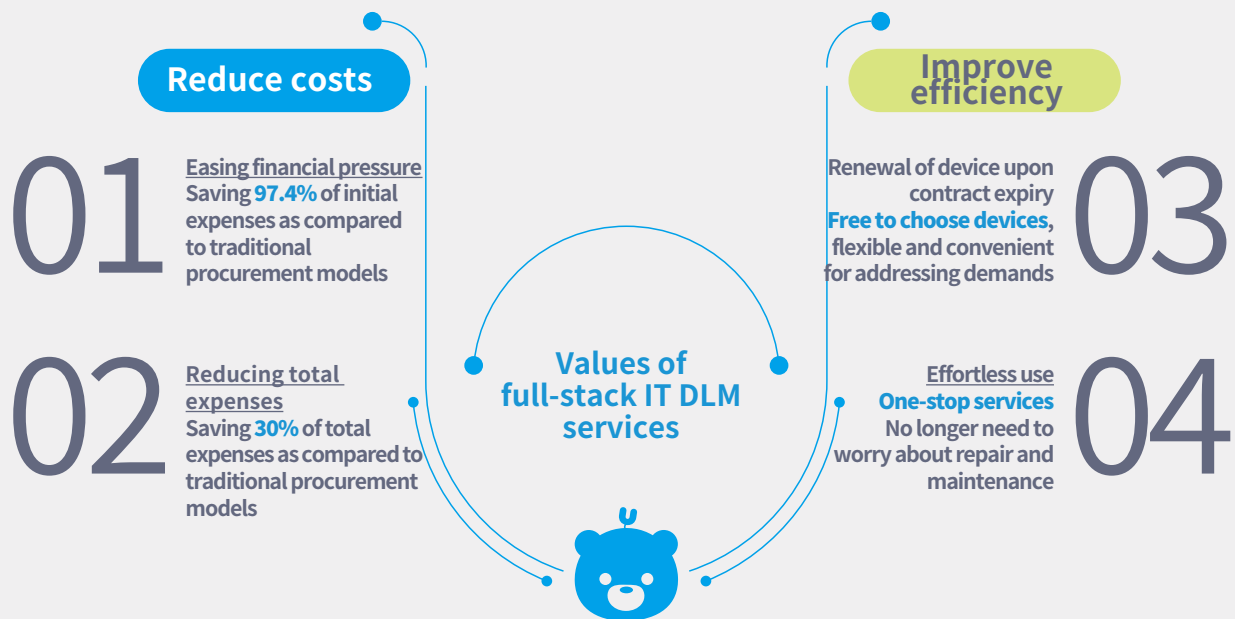
Empowering Digital Transformation and Embracing the Digital-Intelligent Ecosystem

During the 2025 National People's Congress and Chinese People's Political Consultative Conference, General Secretary Xi Jinping emphasized that “scientific and technological innovation and industrial innovation are the fundamental pathways to developing new quality productive forces” and called for “strengthening the role of enterprises as the main drivers of innovation.” The digital-intelligent transformation of enterprises serves as the technological foundation for realizing the development of new quality productive forces driven by scientific and technological innovation. The Group aligned with the nation's strategic deployment on “developing new quality productive forces to advance high-quality development.” Grounded in its own business operations and focusing on the practical needs and high-quality development goals of SMEs during their digital transformation, the Group has innovatively created and continuously enriched its DLM service model. Centered on the core infrastructure of digital transformation, namely IT device, the Group provides enterprises with a full-stack of services, including device recycling business, the device subscription and IT technical subscription, which systematically solve the major pain points in DLM faced by enterprises in China and empower them to realize digital transformation and high-quality development.

Specifically, the Group's DLM model effectively addresses the pain points of enterprises in IT device procurement, operation and maintenance, management and disposal, including the capital pressure of one-off device procurement, slow response in technical support, insufficient flexibility in device management, and low utilization, for which the Group provides a one-stop systematic solution. In addition, the Group has vigorously developed its computing power subscription business in recent years, successfully building a comprehensive intelligent computing ecological chain. The Group is committed to bridging the “computing power divide” for SMEs, fully empowering their digital transformation and helping them embrace the digital-intelligent ecosystem. This will continuously inject strong momentum into their high-quality development.



In addition, the Group's "rent and return" model gives customers a high degree of flexibility in device deployment, allowing them to dynamically adjust the number of device subscriptions according to actual business needs, realizing flexible allocation of device resources while significantly alleviating cash flow pressure. According to the actual operational experience of the Group, compared with the traditional procurement model, this service can help customers reduce initial investment by up to 97.4% and save approximately 30% of the total cost over a three-year cycle. At the same time, customers do not need to bear the cost of device decommissioning and disposal and subsequent maintenance, and can continue to use device that meets their business development needs by simply renewing the device when it expires, further optimizing the efficiency of resource utilization and reducing the burden of operation.





Since its establishment, the Group has consistently empowered enterprises, especially SMEs, by providing high-quality and professional DLM services, helping them accelerate digital-intelligent transformation. As the concept of “cultivating and developing new quality productive forces to stimulate new momentum for high-quality development” continues to deepen across industries, digital-intelligent transformation has become a critical path for enterprises to achieve high-quality growth. Against this backdrop, the DLM service model we have developed is demonstrating increasingly comprehensive value in supporting national strategies, social and economic benefits, and is poised to become an important driving force for the sustained high-quality development of China’s economy.

Case 1: Invited to attend the matchmarking conference on empowering enterprises with digital platforms for market expansion and deliver a thematic presentation



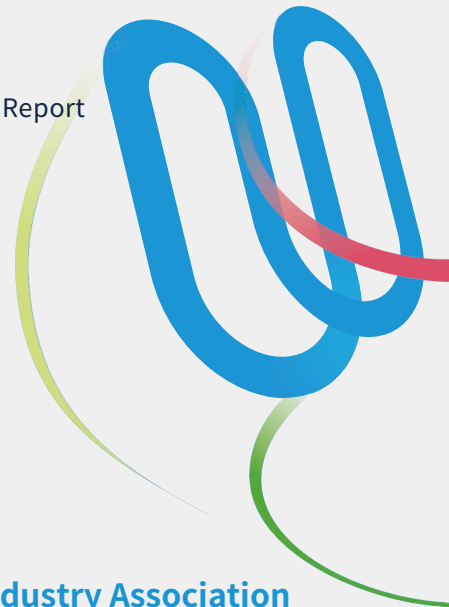
On April 28, 2025, the “Platform Empowerment, Win-win Future” matchmarking conference on empowering enterprises with digital platforms for market expansion, hosted by the Shenzhen Municipal Development and Reform Commission, was successfully held. LX Technology was invited to attend the conference and deliver a thematic presentation.



Case 2: Invited to participate in the dialogue session of the 2nd China SME Service Providers Conference



On September 11, 2025, the 2nd China SME Service Providers Conference, themed “Digital Intelligence Connects All Enterprises, Services Shape the Future”, was successfully held during the China International Fair for Trade in Services. Cao Weijun, the Executive Director of LX Technology, was invited to participate in the conference’s dialogue session, sharing LX Technology’s practical achievements in empowering high-quality development for SMEs.

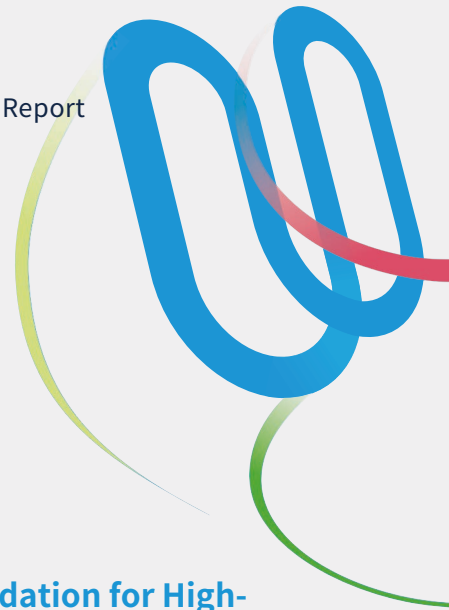


Case 3: Co-founding the Futian District Computing Power Industry Association with leading computing power enterprises



On October 17, 2025, the Shenzhen Artificial Intelligence Industry Association, under the guidance of the Science and Technology and Industry and Information Technology Bureau of Futian District in Shenzhen, together with LX Technology and other leading computing power enterprises, jointly initiated the establishment of the Futian District Computing Power Industry Association. The association also held its first general meeting of members and the first meeting of the board of directors. LX Technology was elected as a vice chairman member of the association. The Futian District Computing Power Industry Association aims to integrate local computing power resources across Futian District to provide robust computing support for AI terminal R&D and robotics deployment, enabling “AI + Robotics” to operate faster and more stably.





Strengthening Technological Capabilities and Building a Foundation for High-quality Services

While actively supporting enterprises in their digital-intelligent transformation, the Group has also been continuously deepening its internal digital and intelligent infrastructure, strengthening its technological capabilities to provide robust momentum for its long-term, high-quality development. Through the in-depth integration of digital and intelligent technology with core business development and internal operation management, we have constructed an integrated information management platform covering the entire value chain of procurement, supply chain logistics, product optimization, device management, sales channel management, customer risk control and credit, customer information security and financial management. We have been focusing on promoting the digital and intelligent upgrading of operation management for a long time, aiming to systematically enhance the operational efficiency of our own business and the effectiveness of customer services.

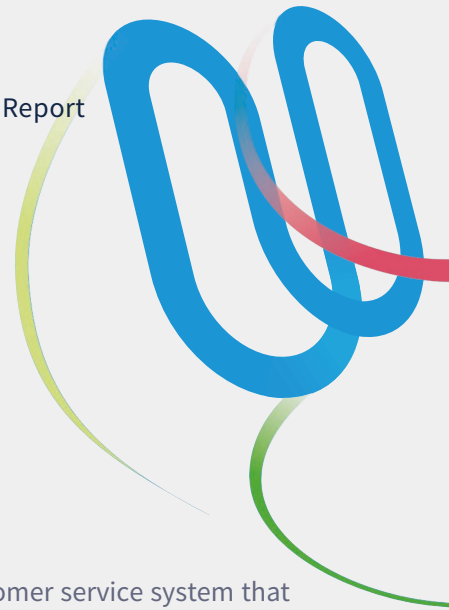
To enhance the efficiency of business operations and improve the quality of services, the Group has independently developed a digital supply chain management system, which realizes the digital management of the entire process from IT device selection, procurement, delivery to warehousing, and enables real-time tracking of the original value of the device asset, depreciation and estimation of the residual value to ensure the efficient allocation and utilization of resources. In addition, through the self-developed digital warehousing system, we can accurately formulate marketing and inventory strategies, assist corporate customers in matching suitable device, and dynamically combine the inventory level with real-time demand from customers to further optimize the allocation of resources and operational efficiency. In December 2025, the Group' self-developed IT device intelligent maintenance system and intelligent warehouse terminal management system were selected as the Elite High-Tech Products in Guangdong Province, marking the second consecutive year that our independent R&D capabilities and technological innovation have received provincial-level recognition.



In addition, as an industry-leading technology company, the Group has been actively developing new technologies such as AI, big data and blockchain to empower the efficiency of the products and services we provide. As of the end of 2025, the Group has obtained 82 software copyright registration certificates. In addition, in 2025, the Group applied for and obtained 3 invention patents issued by the State Intellectual Property Office, including “An intelligent management method and system for IT device asset maintenance” (一種IT設備資產維護智慧管理方法及系統), “A credit-based IT device leasing management system” (一種基於信用的IT設備租賃管理系統), and “An enterprise-level Device-as-a-Service (DaaS) system” (一種企業級設備即服務DaaS系統), and 1 utility model patent and 1 appearance patents, including “A remote-controlled electronic lock for IT device leasing” (一種IT設備租賃用遙控電子鎖) and “A graphical user interface for integrated mobile phone sales business” (手機的銷售業務整合圖形用戶介面). The acquisition of such software copyright registration certificates and patents fully demonstrates the Group’s commitment to the technical philosophy of “integrity, innovation and continuous improvement”, as well as its R&D capabilities. They will empower our business operations with high quality and efficiency in the long run and provide our customers with more quality and reliable services.



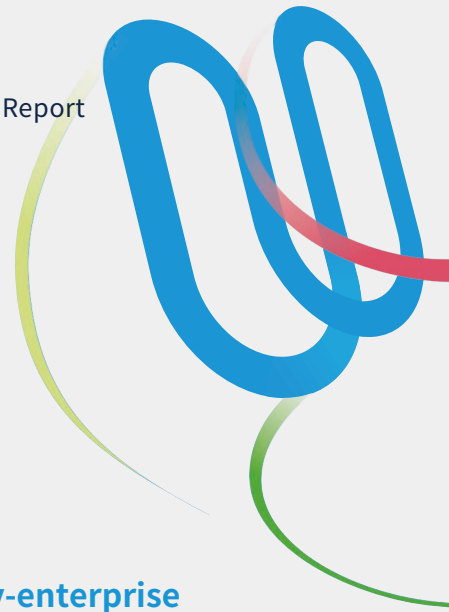
(Patents Obtained by LX Technology in 2025)



Additionally, the Group has successfully implemented an automated AI customer service system that operates 24/7, enabling instant responses and assistance anytime, anywhere and ensuring customers to receive support faster. This system continuously generates vast amounts of data during daily operations that can be used to analyze customer needs, trends and feedback, assisting the Group to proactively track customers' needs and optimize service effectiveness, significantly improving service efficiency while effectively reducing service costs.

To continuously enhance customer service efficiency and quality, the Group has been optimizing its risk control and credit systems. By collecting comprehensive lifecycle data and full-process service data during operations, the Group employs multi-dimensional factors to conduct automated risk evaluations, thereby providing lower subscription deposits or deposit-free for customers. This enables customers to further conserve cash flow and operate with a more asset-light model. At the same time, the Group has fully integrated AI facial recognition technology into its risk control system to ensure the accuracy and authenticity of customer data, allowing more corporate clients to efficiently access credit services without deposit requirements and helping them reduce costs and improve efficiency. In addition, the Group has continued to gain an in-depth understanding of the actual operating conditions of its customers through on-site visits by staff and regular return visits mechanism, providing a more comprehensive basis for risk assessment. This series of measures not only significantly enhanced customer experience, but also effectively reduced the business risks of the Group.

In terms of information security, the Group has strictly adhered to relevant laws and regulations such as the Data Security Law of the People's Republic of China (《中華人民共和國數據安全法》) and the Personal Information Protection Law of the People's Republic of China (《中華人民共和國個人信息保護法》). Leveraging our independently developed risk management information system, the Group has established a comprehensive information security protection system that covers the entire process. We continuously improve our information confidentiality mechanisms and technical measures to ensure the security and privacy of customer data, thereby providing more reliable and trustworthy service guarantees to our customers.

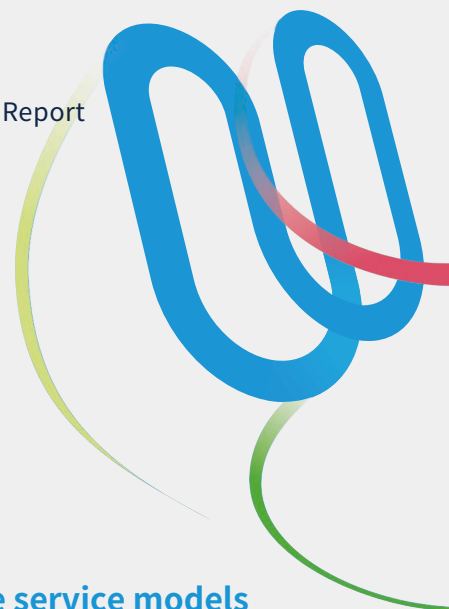


Case 1: LX Technology explored opportunities for university-enterprise cooperation with Shenzhen Institute of Information Technology



On July 7, 2025, Hu Zuoxiong, the Chairman of the Board of LX Technology Group, led a team to visit Shenzhen Institute of Information Technology to discuss university-enterprise cooperation in depth. During the discussion, Hu Zuoxiong stated that while consolidating the foundation for high-quality development, the Company is actively expanding new business scenarios and introducing advanced technologies such as artificial intelligence to continuously enrich the scope of DLM services and create new value for clients across various industries. He emphasized that this development urgently requires continuous introduction of high-quality talent. The Company hopes to take this exchange as an opportunity to explore practical, in-depth cooperation pathways with the university.





Case 2: Exploring new pathways for integrating full lifecycle service models of devices with AI together with the Shenzhen Artificial Intelligence Industry Association



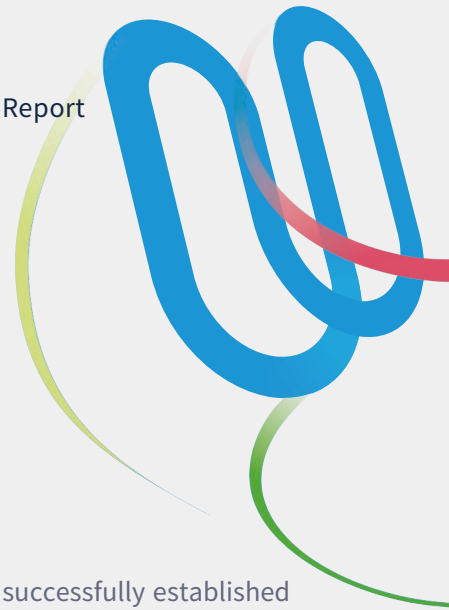
On October 21, 2025, Fan Congming, the Executive President of the Shenzhen Artificial Intelligence Industry Association, led a delegation in a visit to LX Technology Group for an exchange of views. Hu Zuoxiong, the Chairman of the Board of LX Technology, warmly received the delegation. Both parties engaged in in-depth discussions about the value of the DLM service model, the application of artificial intelligence technologies and industrial development trends. Fan Congming was extremely complimentary about LX Technology's forward-looking thinking and practical exploration in AI applications. He noted that LX Technology's practices serve as an outstanding example of the in-depth integration between AI technology and the real economy, especially modern service industries, delivering remarkable exemplary value to the sector.



Case 3: Invited to deliver a keynote speech at the “2025 Financial Annual Conference”



On December 26, 2025, the “Set Sail · 2025 Financial Annual Conference,” hosted by JRJ.com, was held in Beijing. Hu Zuoxiong, the Chairman of the Board of LX Technology, was invited to attend and deliver a keynote speech. He stated that LX Technology remains committed to driving business model innovation and industrial upgrading through technological innovation. Under policy guidance, LX Technology has continuously optimized its capital structure and enhanced its R&D capabilities, achieving growth in both revenue and market share, and forging a steady path of high-quality development empowered by technology.



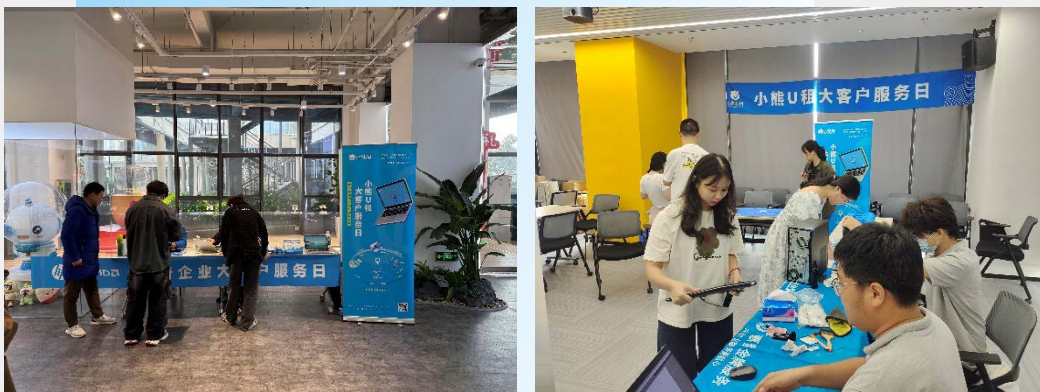
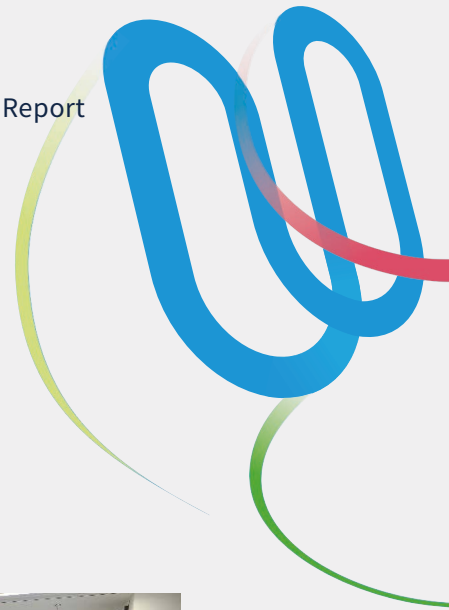
Building on a solid foundation of core technological capabilities, the Group successfully established a comprehensive, fast and reliable operational service system. During the reporting period, we focused on providing customers with one-stop, end-to-end services, covering all key stages such as on-site installation upon initial device subscription, maintenance and repair and device management of devices during usage, and onsite collection upon expiration of subscription. We consistently adhere to the principle of continuous improvement, prioritizing service quality and response efficiency. During the reporting period, the Group had no material complaints relating to any product or services. Regarding the customer feedback, we strive to respond quickly to customer's issue within 30 minutes and respond to customers at an efficient speed within two hours upon confirmation of the issue, with an aim to solve the customers' issues in the shortest possible time. In addition, we will arrange professional team to follow up with the customers within 3 to 5 working days after confirming the issues to evaluate their satisfaction. In cases where the customers are not satisfied, the complaint will be immediately escalated to relevant departments for further actions, with an aim to ensure that each customer ultimately receives a satisfactory solution.

With its headquarters in Shenzhen at the core, the Group has established branches or offices in 19 cities, including Beijing, Shanghai, Guangzhou, Shenzhen, Wuhan, Chengdu, Nanjing, Xiamen and Hangzhou, and has developed a self-operated digital and intelligent warehousing model. Our nationwide service network is continuously expanding; currently, our DLM service networks cover more than 380 cities and over 2,600 districts and counties across the country, supported by a team of 4,385⁴ certified engineers, who can respond within 30 minutes and provide on-site service within 4 hours in nine major cities with branches. For other cities, we can achieve a 30-minute response time and provide on-site service within 8 hours. We always care about our customers and closely monitor and pay close attention to maintaining customer relationship. Since 2025, "Bear U-Rental", a brand of the Group, has organized several "Customer Service Day" activities to proactively provide on-site service, such as IT device operation and maintenance for corporate customers, which have been well received by corporate customers.



LX Technology has a professional and responsible customer service team

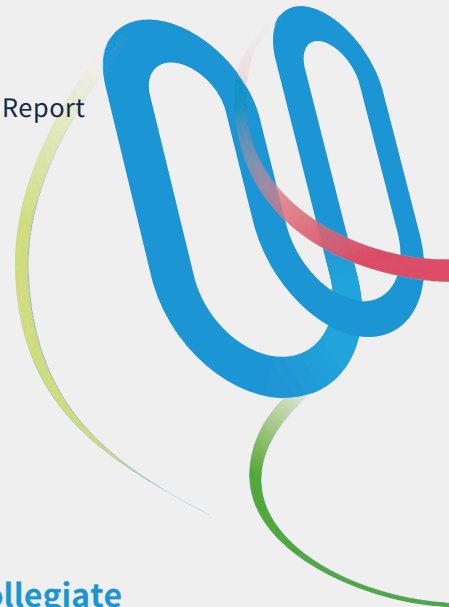
⁴ Some certified engineers are third-party engineers certified by the Group



Bear U-Rental, a brand of LX Technology, hosted multiple offline corporate customers service day events

The Group has strictly adhered to the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》) and regulatory requirements in terms of product and service offerings as well as advertising and marketing activities. The Group has continuously improved its brand promotion and marketing management mechanism to ensure that customers can fully, clearly and accurately understand its business and service characteristics, and to effectively safeguard customers' legal rights and interests.

By virtue of its high-quality, efficient service capabilities and system construction, the Group's service quality has gained widespread recognition from partners across sectors, establishing long-term, stable collaborations with numerous enterprises, platforms, and recurring events. Through its cost-efficient DLM services, the Group empowers businesses and events of all types to continuously achieve win-win results. Through the establishment of win-win partnerships, the Group has not only driven the continuous and high-quality development of its own business but also contributed positively to the sound development of the industry chain and the steady growth of the regional economy. Such synergy promotes the optimized allocation of resources, injecting new momentum into the sustainable development of the entire industry ecosystem.



Case 4: Supporting the smooth hosting of the 2025 China Collegiate Programming Contest National Invitational (Zhengzhou)



From June 1 to June 2, 2025, the 7th CCPC Henan Provincial Collegiate Programming Contest & 2025 China Collegiate Programming Contest National Invitational (Zhengzhou) was held at Huanghe Science and Technology College. CCPC, hosted by the China Collegiate Programming Contest Association, is an annual international competition open to college students worldwide. LX Technology provided a one-stop comprehensive examination support solution covering venue setup, device rental, network deployment and on-site technical support, fully ensuring the successful running of the event.

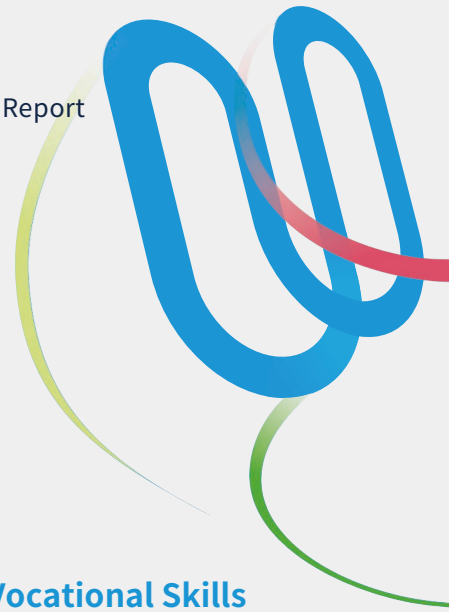


Case 5: Supporting the National Intermediate Accounting Examination for five consecutive years



From September 6 to September 7, 2025, the 2025 National Intermediate Qualification Examination for Accounting Professionals in Shenzhen (“Intermediate Accounting Examination”) was completed as scheduled. Bear U-Rental, a brand under LX Technology Group, provided a one-stop comprehensive examination support solution covering venue setup, device rental, network deployment and on-site technical support for a total of 245 examination rooms across 8 test centers in Shenzhen, fully ensuring the smooth running of the examination. Since 2021, Bear U-Rental has delivered integrated IT device solutions for this official examination for five consecutive years.





Case 6: Supporting the smooth hosting of the 3rd National Vocational Skills Competition



From September 19 to September 23, 2025, the 3rd Vocational Skills Competition of the People's Republic of China was successfully concluded in Zhengzhou. As an official support partner of the event, Bear U-Rental, a brand under LX Technology Group, provided a one-stop short-term device rental solution covering nearly 10,000 IT devices and supporting products for 70 events. It delivered solid technical support, ensuring the competition ran smoothly. This marks the second consecutive time since 2023 that Bear U-Rental has offered integrated IT device solutions for this national-level event.



Topic 2: Leading the Industry Forward and Expanding the Scope of High-quality Development

Setting Industry Benchmarks and Driving High-Quality Development Through Enhanced Standardisation

With the spirit of professionalism, expertise, connoisseurship and a strong sense of social responsibility, the Group has been committed to promoting the standardized construction, maturity and high-quality development of the industry for a long time. As a pioneer in China's DLM solutions and a trailblazer in standard implementation, the Group has not only successfully assisted numerous enterprises in reducing operating costs and enhancing operational efficiency over the past 20 years, but has also established profound technical specifications and operational models through its continuous professional services, which can serve as valuable references for the industry. We fully recognize that the standardisation and maturity of the industry cannot be achieved without the collective efforts of the entire sector, centered around leading enterprises. To this end, the Group actively fulfills its responsibilities as an industry leader and takes the promotion of industry standardisation and maturity as its mission, and continuously transforms our successful practices into industry consensus with its continuous efforts, focused research, integrity and innovation, providing a core driving force for the standardisation, normalization, and high-quality development of China's DLM solutions industry.

The Group continues to play a pioneering role in the DLM solutions industry, and its significant achievements in driving high-quality development in the industry have been widely recognized by all parties. In 2025, Hu Zuoxiong, the Chairman of the Board of Directors, was successfully appointed as an expert member of the domestic technical counterpart working group for the International Organisation for Standardisation Second-hand Goods Cross-border Trade Project Committee (ISO/PC 245) (國際標準組織二手商品跨境貿易項目委員會(ISO/PC 245)國內技術對口工作組專家). He also received major ESG awards from multiple media outlets, including "ESG Outstanding Leader" and "Annual Outstanding Leader" from GuruClub, "2025 Recommended Ambassador, China ESG Observation Alliance" from China Times, and "Outstanding Innovative Entrepreneur" from JRJ. The Group was recognized by four government departments including the Ministry of Commerce and the National Development and Reform Commission as the first batch of National Pilot Enterprises for Second-hand Goods Circulation, and was recognized by the Shenzhen SME Service Bureau as the Shenzhen Gazelle Enterprise. Furthermore, based on its innovative ESG practices in the DLM solutions industry, the Group has been honored with the "Chief Sustainability Officer" from the 2025 CSO Global Sustainability Forum and the "Golden Courser Award Pioneering Enterprise for ESG Sustainable Development" from the Securities Daily.



Chief Sustainability Officer



"Golden Courser Award" Pioneering Enterprise for ESG Sustainable Development



ESG Outstanding Leader



Annual Outstanding Leader



2025 Recommended Ambassador, China ESG Observation Alliance



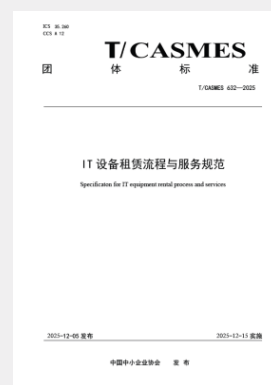
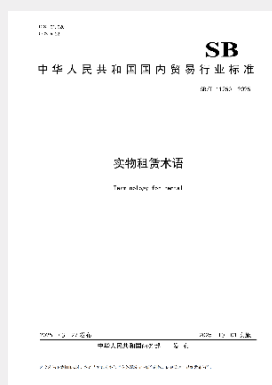
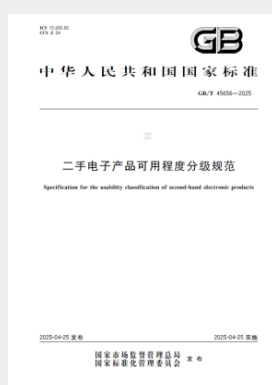
Outstanding Innovative Entrepreneur



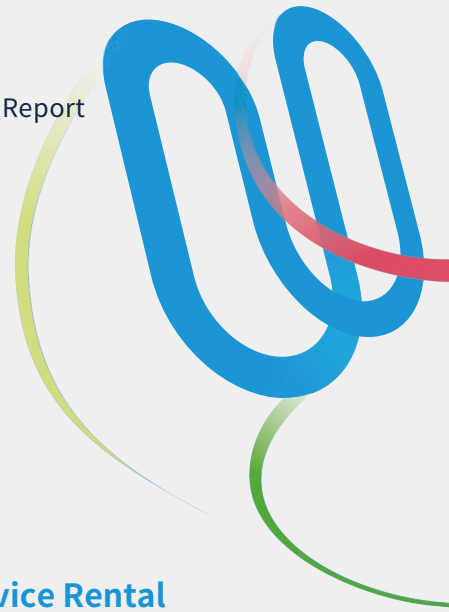
As a leading provider of the DLM solutions industry, the Group has always taken promoting the standardisation and maturity of the industry as its own responsibility, actively fulfilled corporate social responsibility, and deeply participated in the formulation of a number of national, industrial and association standards, making vital contributions to consolidating industrial norms and facilitating the mature development of the sector. In 2025, the Group led or participated in the formulation of 12 standards in total, including 2 national standards, 2 industrial standards, 2 association standards and 6 enterprise standards.

In December 2025, two association standards formulated under the leadership of the Group, namely Specification for IT device rental process and services (No. T/CASMES 632–2025) and Quality evaluation of IT device rental services (No. T/CASMES 631–2025), were officially issued and implemented. Specification for IT device rental process and services, as the first process standard in the industry, provides clear operational guidelines for both suppliers and demanders. Quality evaluation of IT device rental services fills the industry gap of “no unified criteria for service quality, no objective basis for enterprise self-evaluation and no reliable reference for customer selection”. It has established a grading system ranging from the 5A level to the unqualified level, making service quality quantifiable, comparable, and subject to oversight.

In addition, the Group participated in the formulation of two national standards: Specification for the usability classification of second-hand electronic and information products (No. GB/T 45656–2025) and Requirements of treatment for waste electrical and electronic product — Part 3: Server. The former was issued and implemented in April 2025. The Group also took part in drafting two industrial standards: Terminology for rental (No. SB/T 11250–2025) and Technical specification for remanufacturing — Server, among which the former was issued and implemented in March 2025.



National, industry and association standards led or co-developed by LX Technology and issued and implemented in 2025

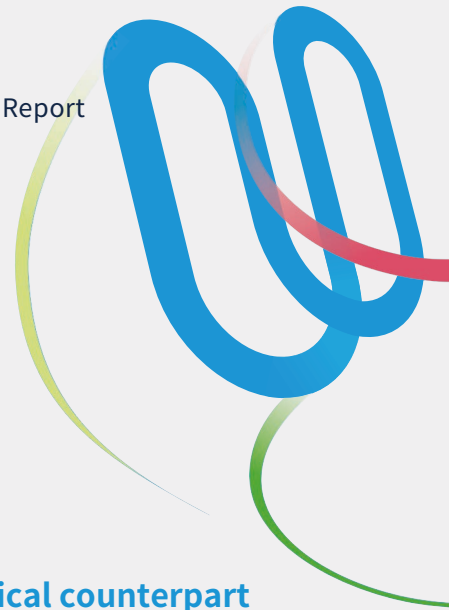


Case 1: Organizing the Seminar on Standardisation of IT Device Rental and Recycling themed “Trade-in for New Products to Lead Green Development”



On March 25, 2025, the Seminar on Standardisation of IT Device Rental and Recycling was held in Guangzhou. The seminar was co-hosted by the DaaS Professional Committee of the China Association of Small and Medium Enterprises, in collaboration with the Guangdong Association of Circular Economy and Comprehensive Resource Utilization, the Guangdong Remanufacturing Industry Alliance, the Guangdong Computer Chamber of Commerce, and the Shenzhen Office Equipment Leasing Industry Association, among others, supported by the China Culture & Office Equipment Association and organized by LX Technology (Shenzhen) Co., Ltd. Under the theme “Trade-in for New Products to Lead Green Development”, the seminar brought together 30 representatives from standardisation research institutions, industry associations, and enterprises to jointly explore pathways for standardisation in the IT device rental and recycling industry, thereby facilitating the development of the green circular economy.

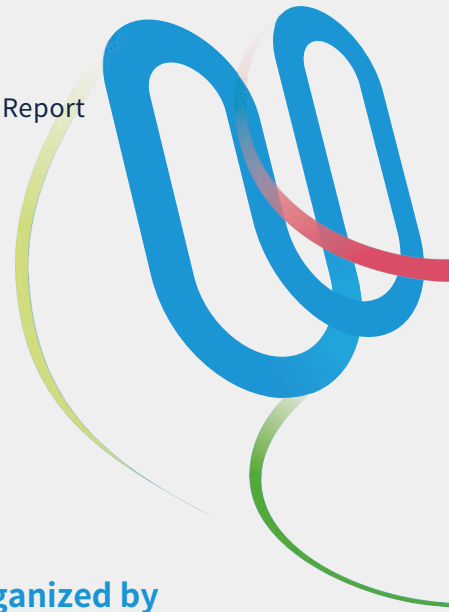




Case 2: Invited to attend the meeting of the domestic technical counterpart working group for the ISO/PC 245



On August 12, 2025, the meeting of the domestic technical counterpart working group for the International Organisation for Standardisation Second-hand Goods Cross-border Trade Project Committee (ISO/PC 245) was grandly held in Chengdu. LX Technology was invited to attend and, together with 30 expert representatives from government agencies, industry associations, research institutes, and leading enterprises, engaged in in-depth discussions on core issues related to the standardisation of cross-border trade in second-hand goods.



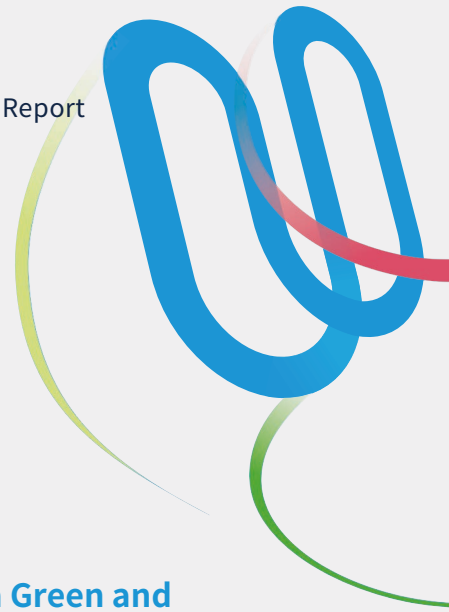
Case 3: Repeatedly invited to participate in symposiums organized by government departments at various levels to offer advice and suggestions for industry development



Since 2025, as a leading enterprise in the industry, LX Technology has been invited to participate in a series of forums, including the national symposium on pilot enterprises for second-hand goods circulation organized by the Department of Circulation Industry Development under the Ministry of Commerce, the symposium on the recycling and disposal of decommissioned servers organized by the Department of Solid Waste and Chemicals under the Ministry of Ecology and Environment, the exchange meeting for listed companies' delegations organized by the People's Government of Guizhou Province, and the symposium for pilot enterprises in service industry standardisation organized by the Shenzhen Municipal Bureau of Commerce. While actively sharing its practical experience, LX Technology has consistently offered advice and suggestions for the development of the industry.



In May 2025, senior leaders of the Guizhou Provincial Party Committee and Provincial Government met in Guiyang with a delegation of listed companies, including LX Technology (Photo Source: Guizhou Daily)

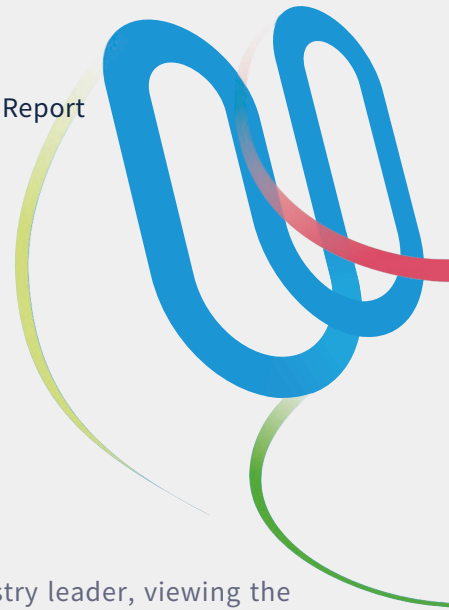


Deepening Mutual Benefit and Win-Win Cooperation to Build a Green and Sustainable Industry Ecosystem

While leading our own high-quality development, the Group has consistently taken the initiative to share its benchmark practices and industry insights accumulated over years, and is committed to building open, collaborative, and mutually beneficial partnerships. Through these efforts, we aim to empower the overall high-quality development of the DLM solutions industry. We firmly believe that by deepening mutual benefit and win-win cooperation, we can drive synergistic efficiency gains across the entire industry chain from upstream to downstream, and jointly build a green, sustainable industry ecosystem, thereby continuously creating greater value for industrial development and high-quality socio-economic growth.

Centered on the LX Research Institute, a think tank platform established under its leadership, the Group continuously delivers high-quality industry research outcomes to provide forward-looking guidance for the healthy and orderly development of China's DLM solution industry. Leveraging the Group's extensive service cases and data resources, the LX Research Institute, focusing closely on the macroeconomic operation trends, cutting-edge industry topics and key social concerns, successively released two authoritative in-depth research reports in 2025: Research Report on DaaS Market Opportunities in State-Owned Entities in China (《中國國有單位中的DaaS市場機遇研究報告》) and DaaS Market Opportunities Amid the Strategic Advancement of China's Producer Services Industry (《中國生產性服務業戰略升溫下的DaaS市場機遇》). Both reports have provided in-depth insights from a national strategic perspective into the positive factors and development opportunities emerging from China's economic operations that are conducive to the high-quality development of the DLM solutions industry. The former focuses on the DaaS market opportunities in state-owned entities, pointing out that the DLM service model can fully help state-owned entities effectively revitalize idle assets and boost the value preservation and appreciation of state-owned assets. The latter centers on the DaaS market opportunities contained in the booming producer services industry, indicating that the DLM service model will be widely applied in a number of emerging fields and gradually become an essential demand. With its continuous delivery of high-quality research achievements, the LX Research Institute has become the primary window for stakeholders to follow, observe and understand the DLM solution industry.





The Group is also committed to fulfilling its responsibilities as an industry leader, viewing the support of public platform development of the industry as its duty. It continues to actively contribute to the development of the industry ecosystem and promote high-quality growth within the sector. The Special Committee on DaaS (Device-as-a-Service) Service (the “DaaS Service Committee”) of the China Association of Small and Medium Enterprises was established in June 2024, with Hu Zuoxiong, the Chairman of the Board of the Group, serving as the Director of the DaaS Service Committee. As a branch of the China Association of Small and Medium Enterprises, a 5A-level social organization, the DaaS Service Committee serves as China’s first resource integration and innovation service platform for the DLM solution industry, aiming to enhance industry awareness, popularity and competitiveness of China’s DLM solution industry, and to promote the standardized, healthy and high-quality development of the industry, thereby contributing to the high-quality growth of China’s economy.

Under the Group’s active coordination and participation, the DaaS Service Committee organized and participated in multiple high-profile events in 2025. It collaborated with all stakeholders in the industry to actively advance the standardisation and maturity of the industry, and jointly build a mutually beneficial and win-win industrial cooperation ecosystem.

2025.2

In February 2025, the DaaS Service Committee co-organized and participated in the 2024 Annual Meeting of the Recycling Subcommittee (TC297-SC4) of the Environmental Standardization for Electrical and Electronic Products and Systems, actively exploring new models for the development of industry standardisation and charting a course for the industry’s high-quality development.





2025.3.25

On March 25, 2025, the DaaS Service Committee organized the Seminar on Standardisation of IT Device Rental and Recycling themed “Trade-in for New Products to Lead Green Development” to jointly explore pathways for standardisation in the IT device rental and recycling industry, thereby facilitating the development of the green circular economy.



2025.6.5

On June 5, 2025, the DaaS Service Committee, in collaboration with several organizations, hosted the first Environment Day themed forum in the DaaS industry of China, to thoroughly explore new models and pathways for a green, low-carbon economy and low-carbon industries.





2025.8.15

On August 15, 2025, the DaaS Service Committee, in collaboration with the Shenzhen Sustainable Development Research Association (深圳市可持續發展研究會), co-hosted the first meeting of the “DaaS Industry 30-Person Think Tank”.



2025.12.25

On December 25, 2025, the first “New Rental & New Economy” Conference, organized by the DaaS Service Committee, was successfully held in Beijing.





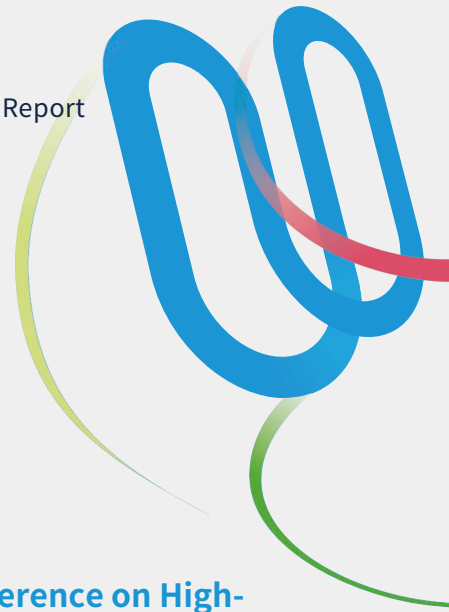
Case 1: Hosting the first “New Rental & New Economy” Conference to explore new pathways for SMEs’ asset-light development



On December 25, 2025, the first “New Rental & New Economy” Conference, hosted by the DaaS Service Committee, was held in Beijing. The conference brought together more than 400 attendees, including government representatives, industry leaders and representatives from innovative enterprises. In his speech, Hu Zuoxiong, the Director of the DaaS Service Committee and the Chairman of the Board of LX Technology, stated that the high-quality development of the service industry is a key arena for fostering new quality productive forces. The conference was held to actively respond to national strategies, and jointly explore how the innovative economic form of new rental can empower the transformation and upgrading of the service industry and stimulate new drivers of economic growth. Hu Zuoxiong emphasized that new rental cannot simply be summarized as “renting instead of purchasing”, and its core essence lies in using digital technology as a driving force and a credit system as a foundation to fundamentally restructure the relationship between asset ownership and usage rights. Expanding from 3C electronic products and office device to a broader industrial ecosystem, new rental has become a “key variable” in cutting corporate operating costs, improving asset efficiency and accelerating technological iteration. It also serves as an important pathway to advance green, circular and low-carbon development.

Hua Baocheng, a partner of LX Technology, highlighted the practical application of the DaaS model in empowering SMEs to adopt a light-asset operational model. He noted that the Company’s innovative, closed-loop digital DaaS service model provides enterprises with full-lifecycle device services, including device subscription services, IT technical subscription services, device management SaaS, and device recycling services, which can help businesses reduce initial investment by over 97% and save approximately 30% in operational costs within three years.





Case 2: Invited to deliver a keynote speech at the 2025 Conference on High-Quality Development of the Second-Hand Economy



On November 20, 2025, the 2025 Conference on High-Quality Development of the Second-Hand Economy was grandly held in Chongqing. Organized by the China Resale Goods Trading Association, the conference brought together representatives from relevant government departments, experts and scholars in the second-hand economy, and corporate representatives to discuss the high-quality development of the second-hand economy. LX Technology was invited to attend and shared the Company's proactive exploration and innovative practices in "empowering the second-hand IT device distribution industry through digital and intelligent technologies". During the keynote speech delivered by the head of LX Technology's Risk Control Management Center on behalf of the Company, it was stated that during the "15th Five-Year" Plan period, LX Technology will closely follow national strategic initiatives and deepen the implementation of digital and intelligent lean management. The Company anticipates that the transaction volume of second-hand IT device will continue to reach new heights, thereby contributing even more significantly to the sustainable development of China's second-hand goods distribution industry.





1. Excellence in Governance and Compliant Operations

Scientific Management Drives Comprehensive Efficiency Improvements

Amid global trends of digitalization and sustainable development, scientific management has become a critical driver for enterprises to enhance operational efficiency and core competitiveness, as well as a critical pathway for achieving ESG goals. In the face of an increasingly complex and volatile global economic environment, resource utilization efficiency and operational effectiveness have become key metrics for measuring corporate sustainable competitiveness. For the device lifecycle management (DLM) solution industry, efficient and scientific operational management are pivotal not only to ensuring robust and agile internal mechanisms, but also directly determining its service capabilities and quality to external parties, which in turn profoundly affect customers' IT device utilization experience and business outcomes. The Group has fully recognized that scientific management and operational excellence are the foundation for driving sustainable development of both the enterprise and society. Therefore, we have always prioritized the enhancement of operational quality and efficiency as a core strategy, actively responding to market changes and fulfilling social responsibilities through continuous management innovation and process optimization.

In the second half of 2025, the Group organized a series of thematic training programs, including the “Lateral Leadership” and “Management Communication Training” sessions for the Company’s mid-level and grassroots managers, the “Bear Vision” cross-functional training series, and the “Channel Utilization and Compliance Exchange” training for business personnel. These initiatives aimed to comprehensively enhance the in-depth collaborative capabilities of the Company’s mid-level and grassroots managers and business personnel, facilitate experience sharing across different functional departments, and achieve comprehensive efficiency improvement through scientific corporate management.



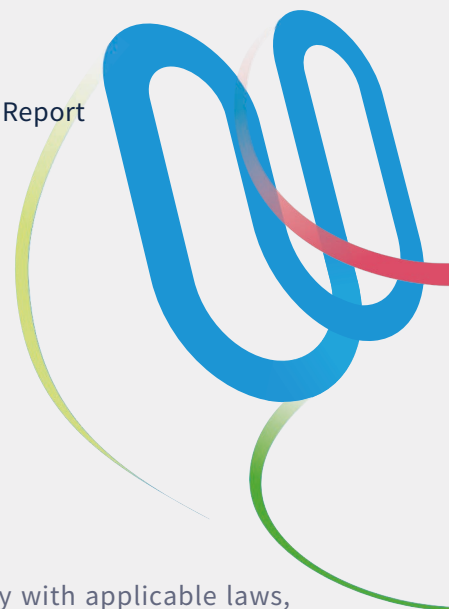
LX Technology organized the “Lateral Leadership” training series



LX Technology organized the “Channel Utilization and Compliance Exchange” training



LX Technology organized the “Bear Vision” training series



Risk and Compliance Management

• Risk management and internal control

The Group places enterprise risk management and control at a strategically important level, with the Audit Committee taking the lead and the Board overseeing to ensure the establishment and maintenance of a sound and efficient internal control and risk management system and related policies. Senior management of the Group is responsible for supervising the strict implementation of internal control procedures and related measures of subsidiaries and functional departments in daily operations.

To strengthen the risk management in a comprehensive manner, the Group has established and implemented a systematic internal risk control and management system, which covers the operating procedures standards, internal control procedures and other key policies and guidelines. At the same time, comprehensive risk management policies have been adopted and implemented in various aspects of business operations such as IT, financial report, compliance and human resources, to ensure effective identify and control of risks in all areas. In addition, the Group has continuously revised and improved relevant systems such as the Long-Term Lease Credit Management System (《長租授信管理制度》), the Management Measures for Bad Debts (《壞賬管理辦法》), and the Suspicious Risk Management Measures (《可疑風險管理辦法》) in accordance with actual business development needs, to continuously optimize the risk management mechanism and ensure that various risks in business operations are controllable and manageable, thereby providing a solid foundation for the Group's stable operations and long-term development.

• Compliance Management

In order to comprehensively and effectively manage the compliance and legal risks of the Group, the Group has established strict internal management procedures to ensure that all business

operations strictly comply with applicable laws, regulations and industry standards. According to these procedures, the Group's legal department is responsible for reviewing and updating the various forms of contracts entered into between the Group and its customers, partners and suppliers. Before the Group enters into any contracts or business arrangements, the legal department shall verify terms of relevant contracts and review all relevant documents related to business operations, including qualifications, licenses and permits obtained by any contracting party to fulfill its contractual obligations and all necessary due diligence documents.

In addition, the Group's legal department is responsible for completing necessary government approvals or consents within the deadlines, including preparing and submitting all necessary documents for filing with relevant government departments, to ensure that all the Group's business operations comply with legal and regulatory requirements at all times. In terms of daily operation and employee behavior management, the Group clearly defines and continuously deepens an accountability mechanism to address violations of laws, regulations and internal policies, ensuring that compliance management is embedded in all aspects of business operations. In 2025, the Group further strengthened its compliance management system, strictly adhering to the Reporting System of Significant Issues (《重大事項報告制度》), the Management Measures of Discloseable Transactions (《須予公佈的交易管理辦法》), and the Management Measures for Ongoing Obligations (《持續責任管理辦法》), thereby ensuring operational transparency and compliance of the Group.

To ensure the in-depth implementation of the Group's compliance management system, the Group actively conducts relevant training activities. In 2025, the Group continued to organize risk control and compliance governance training sessions for mid-to-senior management to enhance the Company's compliance governance standards.



Risk control and compliance governance training

• Intellectual property rights protection

The Group strictly complies with the requirements of laws and regulations, such as the Trademark Law of the People's Republic of China (《中華人民共和國商標法》), the Patent Law of the People's Republic of China (《中華人民共和國專利法》) and the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》), to avoid infringing on the intellectual property rights of others and effectively protect its own legitimate intellectual property rights. During the reporting period, the Group did not experience any events of infringement of others' intellectual property rights.

All of the Group's core business systems have completed software copyright registration and obtained legal software copyright registration certificates. As of the end of 2025, the Group has cumulatively obtained 82 software copyright registration certificates.

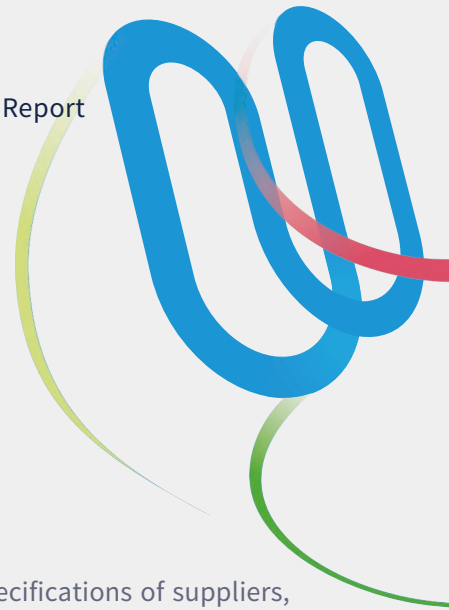
• Honesty and integrity

The Group strictly abides by local laws and regulations relating to, among others, bribery, extortion, fraud and money laundering that have a significant impact on the Group, including the Tendering and Bidding Law of the People's

Republic of China (《中華人民共和國招標投標法》), the Criminal Law of the People's Republic of China (《中華人民共和國刑法》), and the Audit Law of the People's Republic of China (《中華人民共和國審計法》). We place great importance on anti-corruption and anti-bribery efforts and have continuously implemented specific policies and internal control measures to prevent corruption and bribery. These policies include further updating and upgrading the procedures for identifying potential corrupt activities, specific steps for implementing anti-corruption actions and responsibilities for relevant personnel. In 2025, the Group has been further refining the internal Anti-bribery and Anti-corruption System in accordance with its own development. The Group has always strictly prohibited bribery or other improper payments in any of its business operations. The prohibited improper conduct includes bribes, kickbacks, excessive gifts or entertainment, and any other payments aimed at securing undue advantages. During the reporting period, there was no concluded legal case regarding corrupt practices brought against the Group or its employees.

To foster integrity culture, the Group continues to carry out integrity education and continuously enhances employees' awareness of anti-bribery and anti-corruption through regular meetings on the topic of self-reflection. All employees have signed the Undertakings on Integrity, pledging adherence to integrity standards. During major festivals and holidays when corruption easily occurs, the Group issues timely reminders to supervise and urge employees to adhere to self-discipline. At the same time, the Group establishes the open communication channels and encourages employees to actively seek guidance on anti-corruption policies. The Group regularly conducts anti-corruption compliance checks and reviews for employees and senior management.

In addition, the Group developed a comprehensive code of conduct for employees (《員工行為準則》), covering internal rules and



guidelines on basic working rules, professional ethics, confidentiality obligations, accountability for negligence, anti-bribery and anti-corruption, to provide clear guidelines for employees' behaviors. The Group also provided regular training and resources for employees to explain in detail the requirements provided in the employees' code of conduct. To strengthen oversight, the Group has stated reporting channels for reporting bribery and corruption in its official website and service contracts. These measures fully demonstrate the Group's strong commitment to integrity in its operations and lay a solid governance foundation for sustainable development.

For other risk and compliance management measures taken by the Group, please refer to the annual report of the Company.

Supply Chain and Quality Management

The Group is a DLM solution enterprise, and its suppliers mainly include IT office devices, information technology and other related service providers. Potential suppliers for the devices recycling business involve enterprises from various industries that provide recycling devices. The Group complies with laws and regulations such as the Government Procurement Law of the People's Republic of China (《中華人民共和國政府採購法》) and the Tendering and Bidding Law of the People's Republic of China (《中華人民共和國招標投標法》), constantly specifying the management responsibilities of relevant departments for suppliers, regulating the procurement process, and actively building a clean supply chain.

Supply chain is a critical foundation of sustainable development. For years, the Group has been practising responsible procurement behavior and has developed and continuously optimized the systems such as the Procurement Management System (《採購管理體系》), which specify the admission criteria, evaluation process

and daily management specifications of suppliers, ensuring systematic, standardized and compliant supply chain management. Simultaneously, the Group strictly monitors and prevents unethical practices such as commercial bribes by conducting regular inspections and evaluations of suppliers. All suppliers are required to regularly provide supporting documents to prove that they have not been involved in any corruption and other major illegal records, ensuring transparency and compliance across the supply chain.

As the business is expanding into green subscription, the Group has prioritized the procurement of low-carbon and eco-friendly IT devices, and has imposed stricter requirements in terms of safety, quality, energy saving and emission reduction on suppliers. In addition, we prioritize the green and eco-friendly water-based paint furniture as well as energy-and water-saving products to further implement the concept of sustainable development. During the reporting period, the Group did not discover any suppliers with significant, actual or potential, negative impacts on or violating commercial ethics, environmental protection, labor standards or other regulations.

The Group has formulated a set of completed quality assurance process and product recall procedures for device subscription services to ensure the product quality and protect customers' rights. The quality assurance process covers the examination of device appearance and usage performance and the component testing to ensure that all devices meet stringent quality standards. The recall procedures are initiated in the event of a defect or safety issue, which mainly comprise the identification of affected devices, return and repair of faulty devices, and the implementation of corrective actions to prevent the recurrence of issues. These measures not only effectively protect the interests of customers but also further enhance the Group's service quality and market reputation.



2. Low-carbon Development and Green Transition

Commitment to Energy Conservation and Emissions Reduction

In the daily operations of the Group, the concept of a green office is embedded in every aspect. The Group systematically optimizes energy structure through meticulous management to achieve energy conservation and emission reduction targets. The primary energy used in the operations of the Group includes electricity and gasoline consumed by owned vehicles. Through refined management practices, we control energy consumption at its source and promote efficient resource utilization, continuously contributing to sustainable development. In 2025, the greenhouse gas emissions generated by the operations of the Group amounted to 1,403.78 tons, including Scope 1 greenhouse gas emissions of 167.91 tons and Scope 2 greenhouse gas emissions of 1,235.87 tons. However, carbon pricing is currently not applied in our decision-making.

Scope	Unit	2025
Total greenhouse gas emission⁵	tCO ₂ e	1,403.78
— Scope 1	tCO ₂ e	167.91
— Scope 2	tCO ₂ e	1,235.87
Greenhouse gas emission per person	tCO ₂ e/person	1.48
Greenhouse gas emission per unit area	tCO ₂ e/square meter	0.03

To fully implement environmental protection requirements, the Group has established an organizational structure with clearly defined authorities and responsibilities to prevent adverse environmental impacts. In 2025, we have obtained ISO14001:2015 environmental management system certificate and ISO9001:2015 quality management system certificate, demonstrating the Group's commitment to and practice of environment and quality management. In terms of resource usage, the primary resource consumed by the Group is municipal water supply, which are stable and accessible without barriers. Emissions generated during operations mainly include greenhouse gases and non-hazardous waste such as office and food waste. During the reporting period, the Group did not generate any hazardous waste. To enhance waste management, we collaborated with professional institutions qualified for recycling renewable resources to ensure that special wastes, such as electronic waste, can be properly and professionally processed in a green manner, minimizing the impact on the environment. Through comprehensive and systematic optimization of resource utilization and waste management practices, the Group is steadily advancing the sustainable development of its operations while actively fulfilling its corporate environmental responsibilities.

⁵ Greenhouse gas emissions (Scope 1) refer to direct emissions from the consumption of gasoline, diesel, etc.; Greenhouse gas emissions (Scope 2) refer to indirect emissions from purchased electricity. The emission factors can be seen in the HKEX's *How to Prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs*.



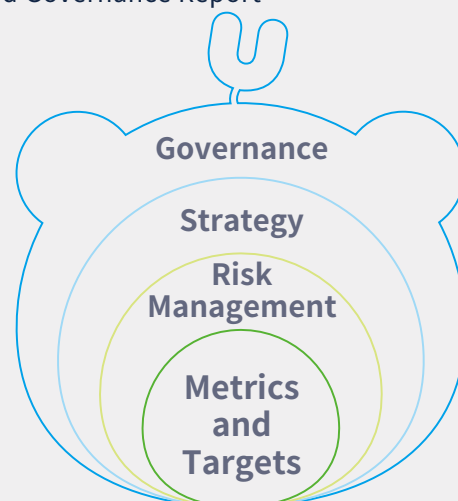
ISO14001:2015 environmental management system certificate



ISO9001:2015 quality management system certificate

Against the macro backdrop of China’s intensified efforts to fully achieve its “dual carbon” strategic goals, the Group strictly complies with the Environmental Protection Law of the People’s Republic of China (《中華人民共和國環境保護法》), the Water Pollution Prevention and Control Law of the People’s Republic of China (《中華人民共和國水污染防治法》), the Air Pollution Prevention and Control Law of the People’s Republic of China (《中華人民共和國大氣污染防治法》), the Implementation Measures for the Permit System of Pollutant Discharge Control (《控制污染物排放許可制實施方法》) and other relevant laws and regulations on environmental protection to actively promote the concept of green office. We encourage employees to participate in environmental protection training and promotion campaigns, and systematically implement measures for energy and water saving and discharge management with an aim to continuously reduce energy and resource consumption and effectively control various emissions.

During the reporting period, the Group had no confirmed environmental violations with a significant impact on the Group.

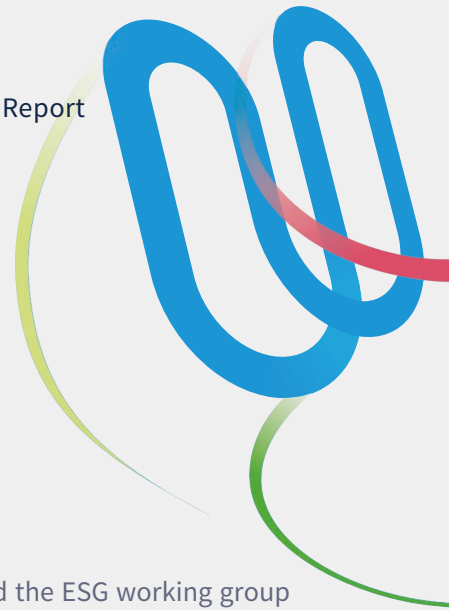


Response to Climate Change

• Climate-related risks and opportunities management system

Climate change concerns social development and the future of humanity, encompassing both risks and opportunities. As important entities in social operations, enterprises should incorporate addressing climate change into their core social responsibilities, commit to reducing the negative impact of their operations on climate, actively create value for society and the environment, and promote the achievement of sustainable development goals. The Group attaches great importance to the issue of climate change and has long taken concrete actions to reduce carbon emissions and protect the ecological environment. To address climate change, we have systematically established a series of climate change management systems and action frameworks as follows:

Level	Actions
Governance	• The Board is responsible for supervising matters related to ESG, including “climate-related risks and opportunities” • The Group has established an ESG working group which is responsible for identifying and assessing ESG related risks and opportunities, including climate risk • All relevant departments and business units strive to cope with climate-related risks and opportunities as part of their main duties
Strategy	• Fully aware of the possible material effects of climate change on its operation, the Company conducts comprehensive assessment on the potential impact of risks and opportunities arising from climate change on our financial position. The Company is committed to mitigating risks and seizing opportunities through low-carbon operation and boosting the development of closed-loop business via the DLM business model
Risk Management	• The Company identifies its risks and opportunities arising from climate change based on the framework proposed by the TCFD • The Company intends to include management on climate-related risks and opportunities into its existing risk management system
Metrics and Targets	• The Group intends to monitor, measure, analyze and disclose the performance related to carbon emission on a regular basis • The Company will implement measures for carbon reduction actively, and assess the Company’s management performance in coping with climate related risks and opportunities, and formulate improvement plans accordingly



To effectively manage climate-related risks and opportunities, the Board and the ESG working group regularly assess the professional competence of their members in this field. Through external training, expert consultations and internal learning mechanisms, the Board and ESG working group continuously enhance the professional knowledge required to perform their duties, to effectively supervise the formulation and implementation of relevant Group strategies. The Board and ESG working group regularly obtain and monitor climate-related risk and opportunity information, as well as the implementation of governance decisions, through the following approaches:

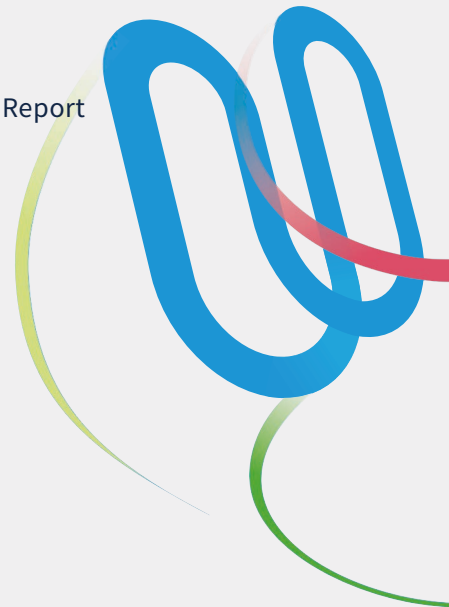
- Quarterly review of climate-related risk and opportunity reports submitted by the ESG working group of the Group;
- Regular briefings from external experts and consultants on climate change trends, policies, regulations and industry best practices;
- At least one annual dedicated meeting to thoroughly discuss climate-related issues and their implications for the strategy of the Group.

However, we have not incorporated climate-related consideration into our remuneration policy at this stage.

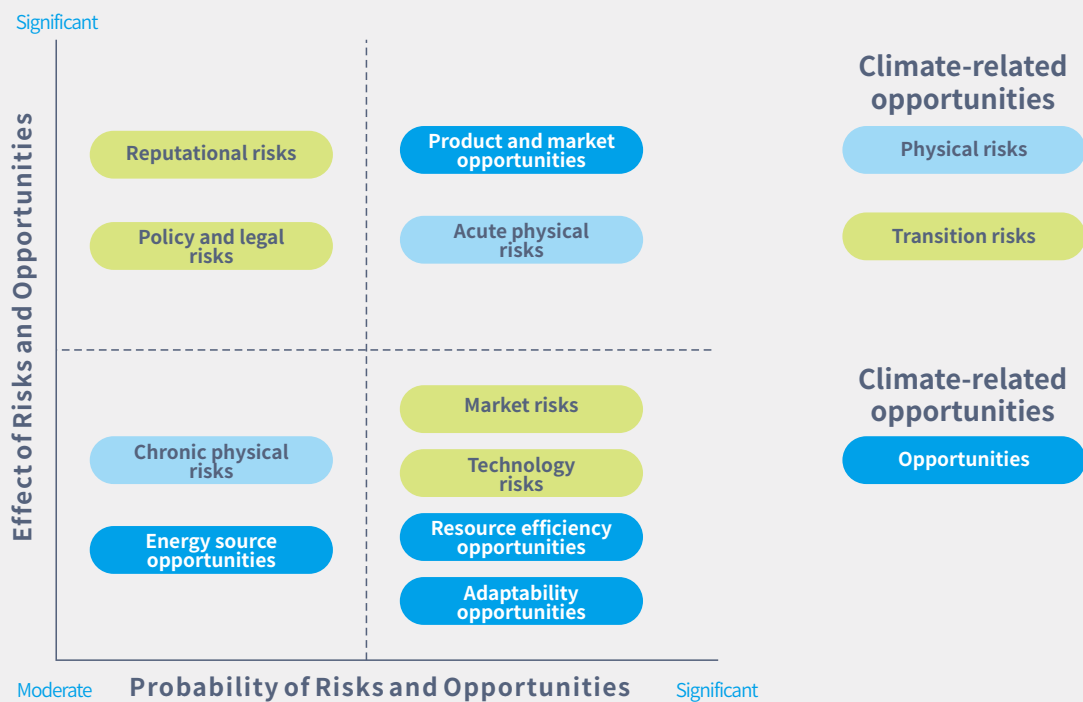
• Identifying and addressing climate-related risks and opportunities

To systematically address potential climate-related risks and opportunities, the Group has actively conducted specialized identification work. Through multi-dimensional analysis, the Group identifies climate-related risks and opportunities most relevant to the Company's current operations and long-term development, to enhance risk management capabilities and seize transformation opportunities.

The Group consistently prioritizes climate-related risk management as a key component of its overall risk management system. An internal scoring model has been established, encompassing assessment dimensions such as the risk exposure of operations, adaptability to such risks, and resources and time required for recovery. The Board and the ESG working group periodically evaluate the probability of occurrence and business impact of each climate-related risk, systematically assessing the challenges in managing and addressing these risks. In governing climate-related risks, we fully acknowledge their characteristics, including long-term effects, uncertainty, non-linearity and systemic implications. Based on these risk characteristics and the actual conditions of the Group, comprehensive strategies such as risk control, transfer, acceptance and mitigation are deployed to formulate and implement optimal risk management solutions.



Matrix of Climate-related Risks and Opportunities



The aforementioned climate-related risks and opportunities may impact the business development and value chain of the Company across short-term (1-3 years), medium-term (3-5 years) and long-term (5-10 years) horizons. To better understand and address these impacts, the Group has conducted corresponding analyses and implemented response measures.

Considering the level of measurement uncertainty involved in estimating how the climate-related risks and opportunities have affected and would affect its financial position, financial performance, cash flows, assets and/or business activities, capital expenditure, financing or investment deployed is high, so that the resulting quantitative information would not be useful, qualitative information is provided instead of quantitative information.

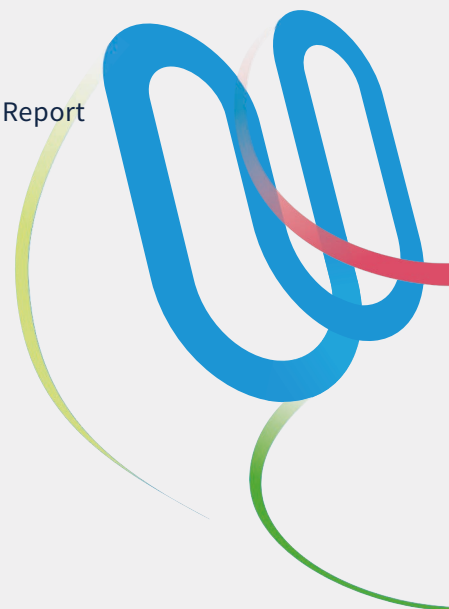


Analysis of climate-related risks and opportunities and corresponding response measures

Types of risk/opportunity	Description of the risk/opportunity	Time horizons expected to occur	Potential financial impact	Business model impact	Value chain impact	Response measures
Climate-related physical risks						
Acute physical risks	Increased frequency or severity of extreme weather events, such as: rainstorms; typhoons; floods; droughts, etc.	Short term	Operating costs ↑ Revenue ↓ Value of fixed assets ↓			1. We maintain active communication with stakeholders through timely information disclosure and collaboration in order to identify effective measures for addressing the climate issues;
Chronic physical risks	Persistent extreme heat; Altered precipitation patterns; Rising average temperatures; Sea-level rise, etc.	Long term	Operating costs ↑ Value of fixed assets ↓	Expected damage to property and assets; Negative impacts on normal operations (e.g., inability to fulfill contracts); Insufficient utility supply (e.g., water/electricity) to factories/facilities; Negative impacts on labor (e.g., health, safety, absenteeism)	Reduction in production capacity (e.g., logistics delays, supply chain disruptions); Decline in service quality and customer satisfaction; Lower output due to operational interruptions	2. We have put in place emergency plans against extreme weather conditions where customers are provided with technical assistance solutions to ensure the normal operation of their devices during emergencies. We also conduct timely inspections and repairs to mitigate the risk of asset losses; 3. We take climate change and geological factors into account when making decisions related to site selection and investments
Climate-related transition risks						
Policy and legal risks	Strengthened environmental regulatory requirements; Enhanced climate change disclosure requirements; Mandatory regulations on existing products and services; Exposure of litigation risks	Medium term	Operating costs ↑ Revenue ↓ Value of fixed assets ↓	Strengthened environmental and climate-related regulations; Adoption/deployment of new operational processes for compliance; Negative impacts on normal operations (e.g., inability to fulfill contracts)	Lower output due to operational interruptions	1. We maintain active communication with stakeholders through timely information disclosure and collaboration in order to identify effective measures for addressing the climate issues;
Market risk	Changes in consumer behavior; Increased raw material costs; Rising marketing and promotional costs	Medium term	Operating costs ↑ Revenue ↓ Value of fixed assets ↓	Negative impacts on normal operations (e.g., inability to fulfill contracts); Changes in input cost structures (e.g., increased energy and raw material costs); Shifts in output demand (e.g., heightened waste disposal requirements)	Projected shifts in downstream demand preferences; Decline in service quality and customer satisfaction	2. Continuously monitor the latest climate developments, corresponding policies and market trends to promptly adjust and optimize operational processes



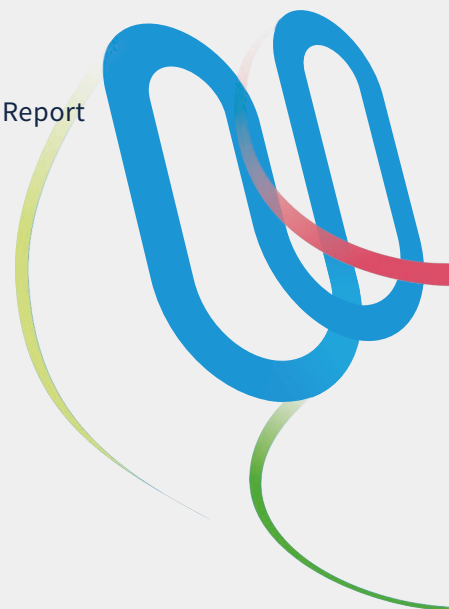
Types of risk/ opportunity	Description of the risk/ opportunity	Time horizons expected to occur	Potential financial impact	Business model impact	Value chain impact	Response measures
Climate-related transition risks						
Technology risk	Replacement of traditional energy and high-energy-consumption equipment; Increased costs in transforming to low-energy-consumption equipment and technologies	Short term	Operating costs ↑ Revenue ↓ Value of fixed assets ↓	Premature retirement of existing assets; Increased R&D expenditure on new technologies; Adoption/deployment of new operational processes	Projected shifts in downstream demand preferences; Projected reduction in demand for upstream high-energy-consumption products and services	1. We maintain active communication with stakeholders through timely information disclosure and collaboration in order to identify effective measures for addressing the climate issues;
Reputational risk	Shift in consumer preferences; Heightened environmental expectations from stakeholders	Medium term	Operating costs ↑ Revenue ↓ Value of fixed assets ↓	Negative impacts on workforce recruitment and retention; Reduced capital availability	Projected shifts in downstream demand preferences; Projected reduction in demand for upstream high-energy-consumption products and services	2. Continuously monitor the latest climate developments, corresponding policies and market trends to promptly adjust and optimize operational processes
Climate-related opportunities						
Products and markets	Growing customer preference for low-carbon products and services	Short term	Revenue ↑ Value of fixed assets ↑	Further refinement of business models; Market expansion	Increased demand from downstream customers; Introduction of more efficient suppliers	1. We continue to optimize the closed-loop operation mode of our products and services, and recommend customers to prioritize the lifecycle management solutions; 2. We have developed comprehensive service solutions that are environmentally friendly and embrace the concepts of circular economy and emission reduction; 3. We prioritize the selection of low energy consumption products in our procurement process
Resource efficiency	Improved resource utilization efficiency; Recycling and reuse; Reduction in energy consumption	Short term	Operating costs ↓	Enhanced efficiency; Optimization of workforce management and planning (e.g., improved hygiene, safety and employee satisfaction)	Enhanced production capacity	
Energy sources	Increased adoption of low-carbon and renewable energy sources; Application of new technologies	Short term	Operating costs ↓	Adoption of cost-effective emission reduction methods; Mitigation of future fossil fuel price inflation risks; Reduction in greenhouse gas emission risks; Increased capital availability	Rising demand for products and services; Improved corporate reputation	
Resilience	Implementation of energy-efficient measures; Selection of environmentally friendly suppliers and partners	Short term	Operating costs ↓	Strengthened resilience planning (e.g., infrastructure upgrades, supply chain development)	Strengthened supply chain reliability and flexibility; Ensured adaptability of products and services	



ESG Targets and Measures

Based on its operating circumstances, the Group has set ESG targets in four areas, namely greenhouse gas emissions, waste management, energy management and water resource management, with 2025 as the benchmark year. LX Technology will continue to improve the implementation of these targets, regularly track the progress of target achievement, and strive to achieve these targets by 2030.

Greenhouse gas emissions per unit area	The gross greenhouse gas emission (including both scope 1 and scope 2 greenhouse gas emissions) per unit area in 2030 will be controlled at a performance level of not exceeding that of the benchmark year of 2025, which is no more than 0.03 tons of carbon dioxide equivalent/square meter per year. Our established target is not derived using a sectoral decarbonization approach, and we do not have plans to implement carbon credits in our operation.
Electricity consumption per unit area	The electricity consumption per unit area in 2030 will be controlled at a performance level of not exceeding that of the benchmark year of 2025, which is no more than 41.15 kWh/square meter per year.
Water consumption per unit area	The water consumption per unit area in 2030 will be controlled at a performance level of not exceeding that of the benchmark year of 2025, which is no more than 0.15 tons/square meter per year.
Waste management	The Group will continue to make efforts to dispose of hazardous waste in an environmentally friendly manner through qualified suppliers or its subsidiaries that have the ability and qualification to process such waste, in order to reduce the impact on the environment; As for non-hazardous waste, the Group will gradually improve the management methods for such waste and maintain the amount of non-hazardous waste generated at a lower level.



· Energy conservation and emission reduction measures of LX Technology

Major aspects	Measures
Greenhouse gas emission	· Gradually increase the proportion of new energy official vehicles, regularly check and repair official vehicles, and reduce the energy consumption per kilometer of vehicles; · Specify the principle of using official vehicles and reduce the use of official vehicles; · Encourage employees to use video and teleconferencing systems for communication with customers, meetings, interviews and other scenarios to reduce greenhouse gas emissions caused by commuting; · Encourage employees to use public transportation and reduce personal car usage; · Promote low-carbon operation concepts to employees to achieve the goal of low-carbon office.
Waste management	· Harmless disposal of hazardous waste through suppliers or our subsidiaries with capabilities and qualifications of hazardous waste disposal to minimize the impact on environment; · Shenzhen Lingrui Recycling Resources Co., Ltd. (深圳凌瑞再生資源有限公司), a subsidiary of the Group, has obtained the license for the procurement, recycling, testing, resale and data elimination of old computers, servers, mobile devices and electronic accessories; · Actively advocate the green office model and paperless office through ways including but not limited to using electronic means to publish internal notices and plans of the Company and setting the printers to the default mode of black and white double-sided printing; · Standardize the allocation of waste sorting facilities, and set up dry and wet separation trash cans, recycling bins and hazardous waste containers in front of the elevators and in the garbage room.
Energy management	· Prioritize the purchase of energy-saving lighting systems, energy-saving refrigerators and other energy-saving appliances; · Adopt centralized air-conditioning system, which can only be turned on after reaching a certain temperature in summer and winter; · Implement strict power consumption management and require employees to turn off various electrical appliances when off duty; · Establish an inspection mechanism for power usage, and turn off unnecessary lights, projectors, televisions and other electrical equipments in time to avoid ineffective operation of electrical appliances.
Water resource management	· Water source is municipal water, and there is no problem in obtaining water source; · Equipped with water-saving equipment to reduce water consumption from the source; · Regular inspections and timely repairs in case of water running, leakage and dripping; · Water-saving labels are posted to areas with water taps to encourage employees to save water; · Cultivate water-saving awareness among employees and promote the implementation of the water saving action.



3. Empowering Growth and Cultivating Talent

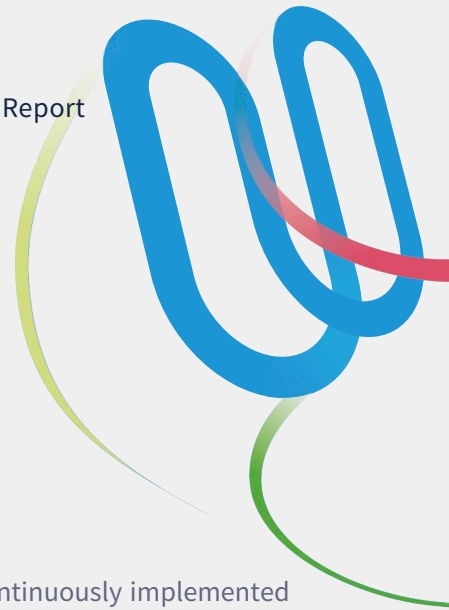
Career Development

The Group is dedicated to working together with our employees, fostering a sense of unity and collaboration, and promoting a positive, optimistic, healthy and aspirational corporate culture for over 20 years. We encourage and inspire our employees to work collaboratively with the Company to pursue a better and happier life, while jointly creating a career.

In strict compliance with the laws and regulations including the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Labour Law of the People's Republic of China (《中華人民共和國勞動法》), the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), and the Hong Kong Employment Ordinance (《香港僱傭條例》), the Group has established a set of fair and just human resource policies and systems to continuously standardize the management of recruitment, remuneration and dismissal of employees. The Group conducts thorough review of the valid identity information of new employees and prohibits the employment of child labour. During the reporting period, the Group was not aware of any violations related to the employment of child labour or forced labour. Meanwhile, the Group strictly adheres to eight-hour-day working system and ensures employees' rights to rest and leave in order to protect employees' legal rights.

The Group has long been promoted to establish a market-oriented selection and recruitment mechanism and actively builds a diverse and inclusive workforce structure while resolutely eliminating any discrimination based on factors such as gender, ethnicity, nationality, religious beliefs, family background, or disability. We provide equal employment and career development opportunities for all employees, taking into account their gender, culture and professional experience backgrounds to enhance organizational inclusiveness and innovation vitality, promoting the sustainable development of the Company. These initiatives not only reflect the Group's respect for employee rights but also inject continuous vitality and innovation into the Company's long-term high-quality growth.

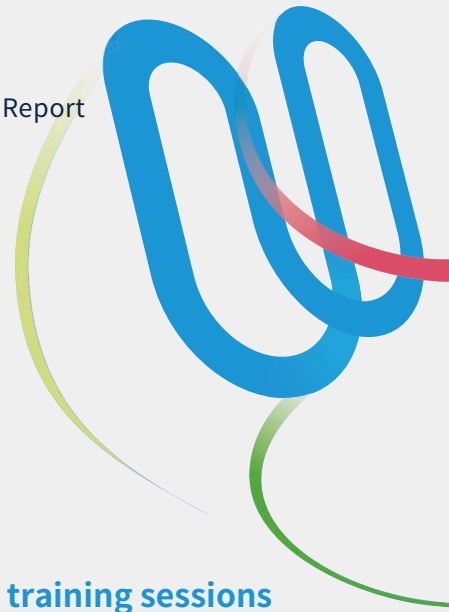
Based on strict compliance with relevant laws and regulations of China, the Group has formulated a scientific and rational remuneration and welfare system based on the principles of "market-and post-based salary, pay raise for excellence and pay secrecy", and continuously improves the pay raise mechanism and enriches the types of welfare benefits to meet the diverse needs of employees. In terms of performance-linked compensation management, the Group allocates incentives to employees based on their individual performance and the overall results of the Company, ensuring the fairness and effectiveness of the incentive mechanisms. Moreover, the Group adopts the LX Brothers Employee Incentive Plan and the Beauty Bear Employee Incentive Plan. Both plans are equity incentive plans that reward the employees' contribution to the growth and success of the Group, and at the same time encourage eligible participants to continuously contribute to the long-term benefit of the Company.



To ensure a fair and just performance evaluation that accurately reflects the performance of employees, the Group has adopted a comprehensive assessment method covering multi-dimensions and stages, including departmental self-report, employee self-assessment, and departmental evaluation to evaluate performance of employees. Following the evaluation, we provide feedback to employees regarding their performance. These initiatives not only demonstrate the Group's recognition of employee contributions but also lay a solid foundation for building an efficient and harmonious working environment.

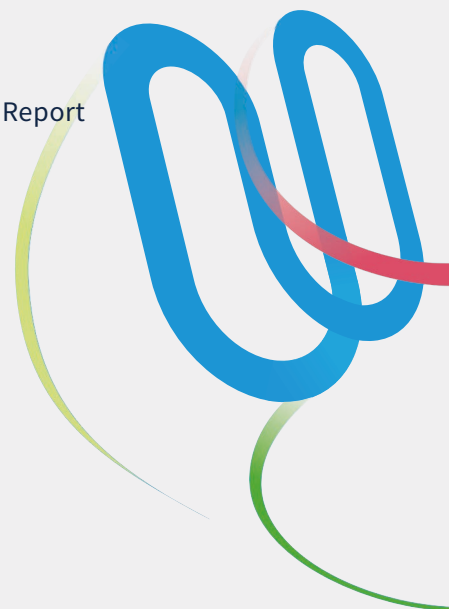
Adhering to the belief that “employees are the most valuable assets of a company”, the Group regards employee development as crucial to corporate success, and has implemented comprehensive and tailored training and promotion systems for employees across various positions and grades. We are committed to continuously optimizing and innovating the training management mechanisms to ensure close alignment between the career development of employees with the Group's strategic objectives. In terms of employee training, we focus on the cultivation of comprehensive qualities and humanistic literacy of employees in addition to the enhancement of professional skills. Through diversified training methods, we help employees achieve continuous improvement and better adapt to the needs of corporate development, injecting sustained momentum for mutual growth of individuals and the organization.

In 2025, the Group continuously implemented four employee training programs, namely the “Spark Plan”, “Elite Plan”, “Wildfire Plan” and the “Commander Plan”. The Group systematically built full-channel mechanism for cadre training, evaluation, practical experience and promotion, and reserved a management talent candidate pool for the existing business teams to ensure that responsible and competent management cadres can be selected in a timely manner if orderly expansion is needed. These employee training programs are designed to support the standardized, orderly and effective expansion of the working force.



Case: LX Technology conducted various thematic employee training sessions

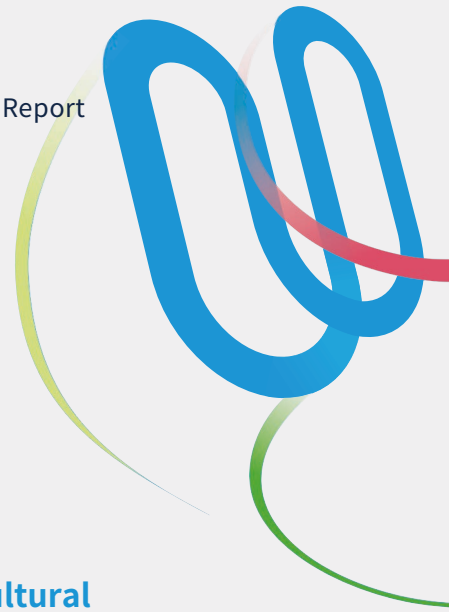




Caring for Employee Development

The health and safety of our employees underpin their personal growth, career development and overall well-being. The Group rigorously complies with pertinent laws and regulations, including the Work Safety Law of the People's Republic of China (《中華人民共和國安全生產法》), the Prevention and Control of Occupational Diseases Law of the People's Republic of China (《中華人民共和國職業病防治法》), the Regulations on Work-related Injury Insurance (《工傷保險條例》) and Employees Compensation Ordinance (《僱員補償條例》) of Hong Kong. The Group places high importance on the physical and mental health and safety of our employees, and continuously improves welfare and protection system to provide comprehensive support for employees. In 2025, the Group further refined its insurance system for employee health and safety, including group accident insurance, supplementary group medical insurance for accident expenses and group medical insurance with fixed payment for hospitalization. In the future, the Group will continue optimize the employee insurance system to provide all employees with a healthier, safer and more reassuring working environment.

The Group is committed not only to providing a safe and healthy work environment, but also to actively enriching our internal health and wellness culture to promote the comprehensive development of our employees. On April 19, 2025, the Party Branch of LX Technology (Shenzhen) Co., Ltd., a subsidiary of the Group, organized a study trip to Jinggangshan for Party members and a select group of outstanding employees. The aim was to foster a deep understanding of the Jinggangshan Spirit among employees and to cultivate a resilient corporate culture. On September 3, 2025, the Group actively organized employees to watch the live broadcast of the ceremony commemorating the 80th anniversary of the victory in the Chinese People's War of Resistance against Japanese Aggression and the World Anti-Fascist War. Together, they witnessed the nation's formidable strength, paid tribute to the history of the War of Resistance, carried forward the national spirit, and drew inspiration to forge ahead.



Case: Active implementation of employees' spiritual and cultural development initiatives



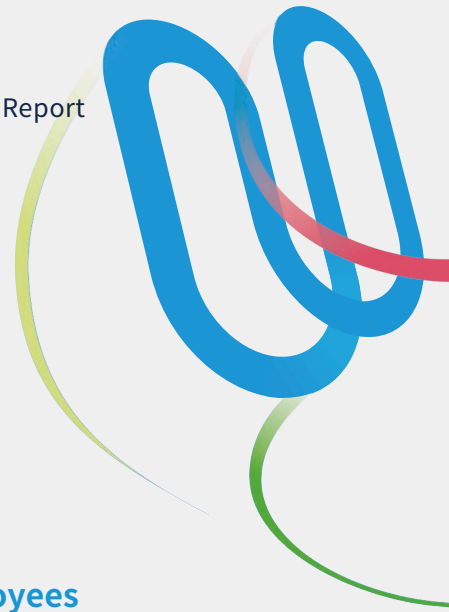
Organized a study trip to Jinggangshan for the Company's Party members and a selected group of outstanding employees



Organized employees to watch the live broadcast of the "September 3rd Military Parade"

The Group is committed to creating a safe and healthy working environment. In strict compliance with the regulations of the public security and fire departments, and in line with our internal safety management requirements, we have comprehensively strengthened the daily security and fire safety management and implemented various preventive measures to effectively protect the personal and property safety of our employees. During the reporting period, the Group was not aware of any violations related to employee occupational health and safety.

In addition, the Group offers practical and diversified welfare and benefits to employees that meet their spiritual needs. In addition to complying with the statutory welfare requirements of China, the Group also offers additional benefits such as paid leave and various types of ceremonial benefits. In 2025, the Group organized various team-building and recreational activities aligned with the daily lives of employees, to create a happy, joyful working environment and cohesive team atmosphere.



Case: Organizing exciting team-building activities for employees





4. Contributing to Society and Upholding Sustained Benevolence

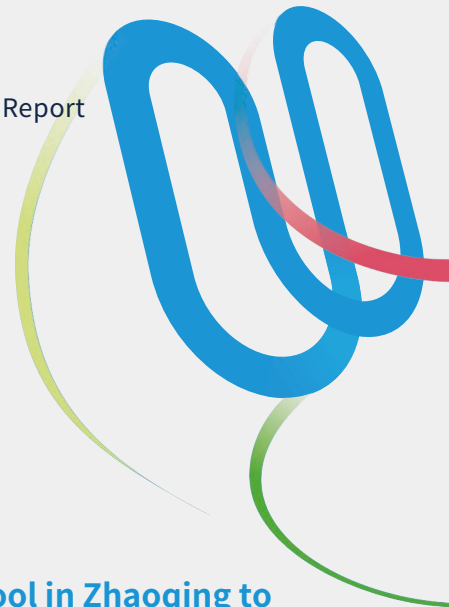
Driven by the synergy between internal management and external operations, the Group is committed to creating a sustainable ecosystem integrating business, society and environmental harmony. We consistently uphold our responsibility and commitments to the public and closely monitor and actively solve the practical needs of local communities. Through our ongoing philanthropic initiatives, we spread goodwill and provide support and assistance to those most in need, thereby contributing to the positive development of our communities, fostering harmony and positive energy, and advancing the collective progress of society.

In 2025, driven by a strong sense of social responsibility, the Group continued to optimize and implement social welfare action plans that align with both its business characteristics and actual societal needs. These plans aim to foster positive social development and enhance public welfare through concrete measures.

Concurrently, the Group fully leveraged on its advantages in resources, technology and networks to actively establish collaborative bridges. We have forged stable and efficient partnerships with numerous public welfare institutions, government departments and social organizations. These collaborations have not only ensured the effective implementation of welfare projects but also laid a solid foundation for their long-term sustainability, improving the execution efficiency and social impact of philanthropic activities.

Looking ahead, the Group will further deepen its social responsibility practices and continuously refine philanthropic framework to ensure precise alignment with societal needs and maximize social benefits. We will also proactively explore innovative philanthropic models and approaches, further enriching the scope and substance of our social responsibility initiatives. While driving the sustained high-quality development of the corporate, we will contribute greater strength to social harmony, prosperity, and progress, thereby achieving a true symbiosis of commercial and social value.

During the reporting period, employees of the Group have contributed 256 hours to community welfare activities.

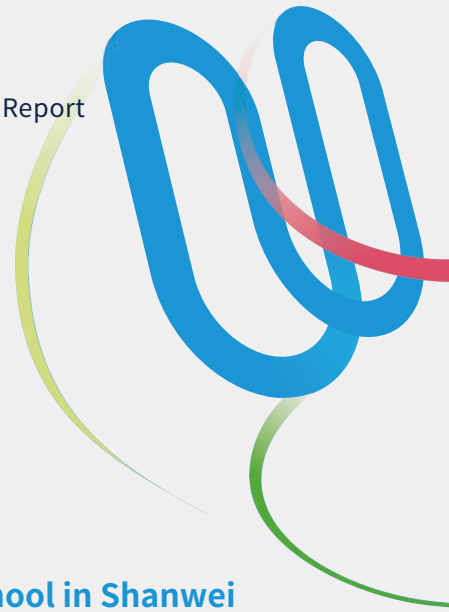


Case 1: Donating educational equipment to a township school in Zhaoqing to empower the revitalization of rural education in western Guangdong through technology



On March 28, 2025, LX Technology, in collaboration with the Shenzhen Project Care Foundation, the Joint Party Committee of Shenzhen's Modern Service Industries, and other organizations, officially put into use the educational equipment and facilities donated to the Zhongzhou Town Central Primary School in Huaiji County, Zhaoqing City, Guangdong Province. At the launch ceremony, Hu Zuoxiong, the Chairman of the Board of LX Technology, stated that as a leading enterprise in the DLM solutions industry, LX Technology's achievements over the past 20 years would not have been possible without the long-standing attention, support, and assistance from all sectors of society. In recognition of this, LX Technology has remained grateful for many years and has actively sought to give back to society through various means. Participating in the donation and construction of the computer lab at Zhongzhou Town Central Primary School represents a significant initiative by the Company to practice public welfare and give back to society.





Case 2: Donating educational computers to Luhe Future School in Shanwei City to support the development of education in mountainous areas in eastern Guangdong



On July 24, 2025, LX Technology donated a batch of educational computers to Luhe Future School in Shanwei City, Guangdong Province. At the donation ceremony, Hu Zuoxiong, the Chairman of the Board of LX Technology, stated that as a leading enterprise in the DLM solutions industry, LX Technology's achievements over the past 20 years would not have been possible without the long-standing attention, support, and assistance from all sectors of society. Over the years, LX Technology has donated a large number of computers to township schools across the country, providing substantial

support for the revitalization and sustainable development of rural education in China. This donation represents an important initiative in the Company's ongoing commitment to giving back to society, and we hope it will help brighten the path to the future for the students of Luhe Future School.



Key Quantitative Performance Tables

Key Performance Indicators for Environment

Indicator	Unit	2025
Total greenhouse gas emission (scope 1 and scope 2)	Tons of CO ₂ equivalent	1,403.78
Greenhouse gas emission per person	Tons of CO ₂ equivalent/person	1.48
Greenhouse gas emission per unit area	Tons of CO ₂ equivalent/square meter	0.03
Total electricity consumption ⁶	kWh	1,765,534.53
Electricity consumption per person	kWh/person	1,856.50
Electricity consumption per unit area	kWh/square meter	41.15
Total water consumption ⁷	Tons	6,280.51
Water consumption per person	Tons/person	6.60
Water consumption per unit area	Tons/square meter	0.15
Diesel consumption of business vehicle	Litre	12,824.09
Gas consumption of business vehicle	Litre	49,718.32
Hazardous waste ⁸	Piece	0
Non-hazardous waste — office paper	Tons	1.30
Total amount of product packaging materials	Tons	18.70

⁶ The statistics on total electricity consumption and density are based on the data of LX Technology and all of its subsidiary companies

⁷ The statistics on total water consumption and density are based on the data of LX Technology and all of its subsidiary companies

⁸ All the hazardous waste of the Group is mainly electronic components waste, which are all treated in a harmless manner by a collaborating company and Shenzhen Lingrui Recycling Resources Co., Ltd. (深圳凌瑞再生資源有限公司), a subsidiary of the Group, with qualification for recycling renewable resources. Therefore, the emission of hazardous waste is 0



Performance Indicators for Employment

Indicator	Unit	2025
Total number of employees⁹	Person	950
By gender		
Male	Person	685
Female	Person	265
By education		
University or above	Person	330
Junior college	Person	441
Below junior college level	Person	179
By employment category		
Full-time	Person	950
Part-time	Person	5
By age		
30 or below	Person	414
31-40	Person	458
41 or above	Person	78
By geographical region		
Eastern region	Person	610
Central region	Person	255
Western region	Person	67
Northeastern region	Person	18

⁹ Total number of employees represents the total number of full-time employees. The number of part-time employees is not accounted in other indicators except for “By employment category”



Performance Indicators for Employment

Indicator	Unit	2025
Employee turnover rate¹⁰	%	26.53%
By gender		
Male	%	26.13%
Female	%	27.55%
By age		
30 or below	%	36.96%
31-40	%	18.34%
41 or above	%	19.23%
By geographical region		
Eastern region	%	26.07%
Central region	%	20.00%
Western region	%	47.76%
Northeastern region	%	55.56%

Performance Indicators for Occupational Health and Safety

Indicator	Unit	2023	2024	2025
Lost days due to work injury	Person	0	0	0
Number of work-related fatalities	Person	0	0	0

¹⁰ Employee turnover rate by category = number of employees who left during the year in that category / total number of employees in that category at the end of the year. Employee turnover statistics exclude individuals who resigned or were terminated during the probation period



Performance Indicators for Employee Training

Indicator	Unit	2025
Total number of employees trained	Person	950
Percentage of employees trained¹¹	%	100%
By gender		
Male	%	100%
Female	%	100%
By employee category		
Senior management	%	100%
Middle management	%	100%
Ordinary employee	%	100%
Average training hours completed per employee¹²	Hours	10.86
By gender		
Male	Hours	10.86
Female	Hours	10.86
By employee category		
Senior management	Hours	10.00
Middle management	Hours	19.55
Ordinary employee	Hours	9.04

¹¹ According to “How to prepare an ESG Report — Appendix 3: Reporting Guidance on Social KPIs” (March 2020) issued by the Hong Kong Stock Exchange, the calculation method for the percentage of employees trained in each category is: the percentage of employees trained in each category = the number of employees trained in that category / the total number of employees trained

¹² The average training hours completed per employee in each category = the total number of training hours completed by employees in that category / the number of employees in that category



Performance Indicators for Suppliers

Indicator	Unit	2025
Number of suppliers	Entity	510
By geographical region		
Eastern region	Entity	435
Central region	Entity	54
Western region	Entity	16
Northeastern region	Entity	5

Performance Indicators for Customer Service and Product Responsibility

Indicator	Unit	2025
Product recall rate for health and safety reasons	%	0
Number of product and service complaints ¹³	Cases	140

Performance Indicators for Anti-Corruption

Indicator	Unit	2025
Number of corruption lawsuits filed and concluded against the Company and its employees	Cases	0

¹³ The statistics for the number of product and service complaints are based on the number of incidents where the Group's customers express dissatisfaction and cancel equipment subscription services



Report Standard Index

Aspects, General Disclosure and KPIs	Description	Disclosure section(s)
Part B: Mandatory Disclosure Requirements		
Governance Structure		Statement of the Board
Reporting Principles		Report Preparation
Reporting Boundary		Report Preparation
Part C: “Comply or explain” Provisions		
A. Environmental		
Aspect A1: Emissions		
General Disclosure A1	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.	Commitment to Energy Conservation and Emissions Reduction
KPI A1.1	The types of emissions and respective emissions data.	Key Quantitative Performance Tables
KPI A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key Quantitative Performance Tables
KPI A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key Quantitative Performance Tables
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	ESG Targets and Measures
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Commitment to Energy Conservation and Emissions Reduction ESG Targets and Measures
Aspect A2: Use of Resources		
General Disclosure A2	Policies on the efficient use of resources, including energy, water and other raw materials.	Commitment to Energy Conservation and Emissions Reduction
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in’ 000s) and intensity (e.g. per unit of production volume, per facility).	Key Quantitative Performance Tables
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Key Quantitative Performance Tables



Aspects, General Disclosure and KPIs	Description	Disclosure section(s)
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	ESG Targets and Measures
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Commitment to Energy Conservation and Emissions Reduction
KPI A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	Key Quantitative Performance Tables
Aspect A3: The Environment and Natural Resources		
General Disclosure A3	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Commitment to Energy Conservation and Emissions Reduction
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Commitment to Energy Conservation and Emissions Reduction
B. Social		
Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure B1	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.	Career Development
KPI B1.1	Total workforce by gender, employee category (full-time or part-time), age group and geographical region.	Key Quantitative Performance Tables
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Key Quantitative Performance Tables
Aspect B2: Health and Safety		
General Disclosure B2	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.	Caring for Employee Development
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Key Quantitative Performance Tables



Aspects, General Disclosure and KPIs	Description	Disclosure section(s)
KPI B2.2	Lost days due to work injury.	Key Quantitative Performance Tables
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Caring for Employee Development
Aspect B3: Development and Training		
General Disclosure B3	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Career Development
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Key Quantitative Performance Tables
KPI B3.2	The average training hours completed per employee by gender and employee category.	Key Quantitative Performance Tables
Aspect B4: Labour Standards		
General Disclosure B4	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Career Development
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Career Development
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Career Development
Operation Practices		
Aspect B5: Supply Chain Management		
General Disclosure B5	Policies on managing environmental and social risks of the supply chain.	Supply Chain and Quality Management
KPI B5.1	Number of suppliers by geographical region.	Key Quantitative Performance Tables
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Supply Chain and Quality Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain and Quality Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain and Quality Management



Aspects, General Disclosure and KPIs	Description	Disclosure section(s)
Aspect B6: Product Responsibility		
General Disclosure B6	Information on: (a) 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.	Topic 1: Deepening the Green Circular Economy and Accelerating the Growth of New Quality Productive Forces
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Key Quantitative Performance Tables
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Topic 1: Deepening the Green Circular Economy and Accelerating the Growth of New Quality Productive Forces Key Quantitative Performance Tables
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Risk and Compliance Management
KPI B6.4	Description of quality assurance process and recall procedures.	Supply Chain and Quality Management
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Topic 1: Deepening the Green Circular Economy and Accelerating the Growth of New Quality Productive Forces
Aspect B7: Anti-corruption		
General Disclosure B7	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to prevention of bribery, extortion, fraud and money laundering.	Risk and Compliance Management
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Key Quantitative Performance Tables
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Risk and Compliance Management
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Risk and Compliance Management



Aspects, General Disclosure and KPIs	Description	Disclosure section(s)
Community		
Aspect B8: Community Investment		
General Disclosure B8	Policies on community engagement to understand the needs of communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	4. Contributing to Society and Upholding Sustained Benevolence
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	4. Contributing to Society and Upholding Sustained Benevolence
KPI B8.2	Resources contributed to the focus area (e.g. monetary cost or time).	4. Contributing to Society and Upholding Sustained Benevolence
Part D: Climate-related Disclosures		Response to Climate Change Key Quantitative Performance Tables



Report Preparation

Reporting Standards

This report is a summary of the environmental, social and governance performance of LX Technology Group Limited (together with its subsidiaries, the “Group”) in 2025, prepared based on Appendix C2 “Environmental, Social and Governance Reporting Code” (the “Code”, effective from 1 January 2025) of the Listing Rules issued by The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”).

Reporting Principles

This report complies with the reporting principles in the “Environmental, Social and Governance Reporting Code” of the Hong Kong Stock Exchange, including:

- **Materiality:** Based on the principle of materiality, this report determines the major issues to be responded herein via materiality analysis and provides key disclosures of environmental, social and governance matters with potential significant impacts on the investors and other stakeholders.
- **Quantitative:** Based on the principle of quantitative, this report discloses the quantitative key performance indicators (“KPIs”), gives the description of such KPIs, and provides the calculation basis and assumptions.
- **Balance:** Based on the principle of balance, this report reflects the objective facts and discloses indicators involving both positive information and negative information.
- **Consistency:** Based on the principle of consistency, this report clearly illustrates the method of statistics compilation and statistical data of the environmental, social and governance quantitative KPIs, and maximizes the consistency of indicators and calculations used for different reporting periods to reflect the tendency of performance level.

For the year ended 31 December 2025, the Company has complied with (a) the mandatory disclosure requirements; and (b) the “comply or explain” provisions set out in the Code.

Reporting Languages

This report is prepared in traditional Chinese and English. In case of any discrepancies between the Chinese and the English versions, the traditional Chinese version shall prevail.

Reporting Scope

This report covers the business operation of the Group from 1 January 2025 to 31 December 2025 and gives an overview of the performance of the Group in terms of corporate governance, green operation, customer services, employee development and care for community. This report covers LX Technology Group Limited and its subsidiaries within the scope of consolidated financial statements in the annual report. Unless otherwise stated, the information involved in this report is derived from the documents and statistical reports of the Group, and the currency involved is Renminbi.



Stock Code : 02436.HK

National SME Public Service Demonstration Platform
National Specialized and New "Little Giant" Enterprise

