



INTCO Recycling Resources Co., Ltd.

Corporate Value And Return Enhancement Action Plan 2025



2024年度

INTCO Recycling · Renewing the World

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To adhere to the principle of "investors first" and actively respond to the action initiative of the Shanghai Stock Exchange on *Corporate Value And Return Enhancement Action Plan*, INTCO Recycling Resources Co., Ltd. (hereinafter referred to as "INTCO Recycling" or the "Company") released the *Corporate Value And Return Enhancement Action Plan 2024* on April 16, 2024. The Company actively implemented and executed this action plan, achieving good results, and released the *Half-year Evaluation Report on Corporate Value And Return Enhancement Action Plan 2024* on August 27, 2024.

On April 25, 2025, the *Evaluation Report On The Corporate Value And Return Enhancement Action Plan 2024 And Corporate Value And Return Enhancement Action Plan 2025* was reviewed and approved by the 18th meeting of the 4th board of directors. The purpose is to solidly improve the company's quality and investment value through practical measures and standardized corporate governance, earnestly fulfill the responsibilities and obligations of the listed company, and establish a good market image.

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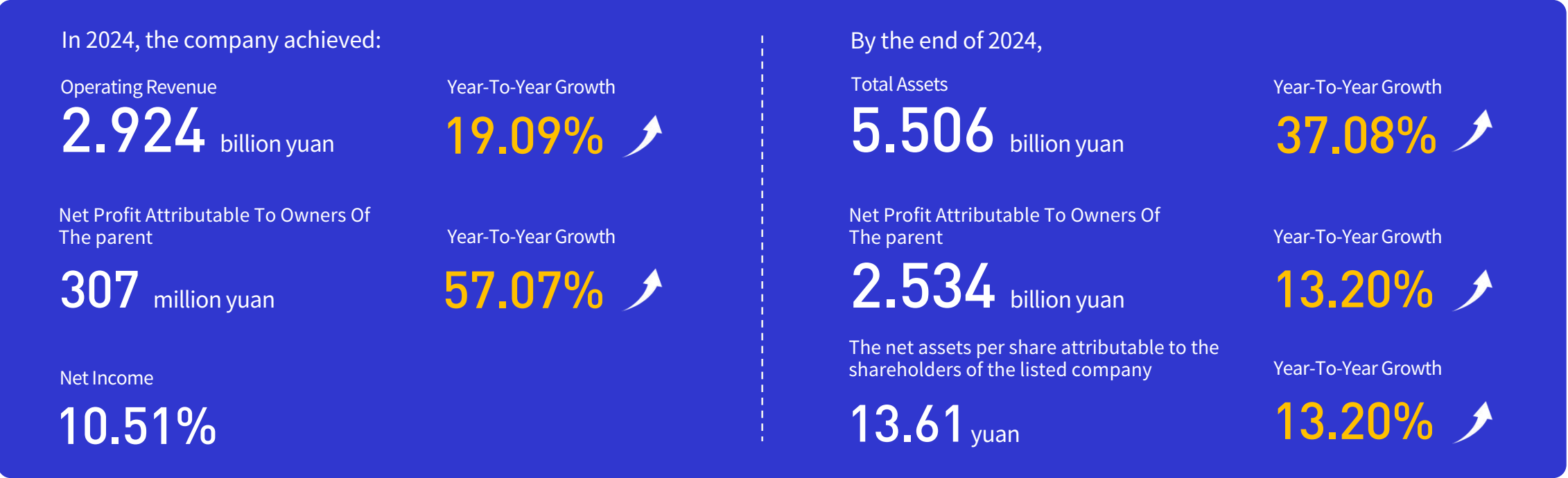
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PART 01

Focus on Core Business Operations and Promote Efficiency Enhancement

INTCO Recycling is a high-tech manufacturer of recycled products. Utilizing recycled resources, it has created a full supply chain with recirculated plastics (from recycling, regeneration to utilization) .The company's main products cover decorative frame products, decorative building materials, PET products, pellets, and environmental protection equipment. With its advanced technology and high-quality products, it has established a good reputation in both domestic and international markets.



PART 01

Focus on Core Business Operations and Promote Efficiency Enhancement

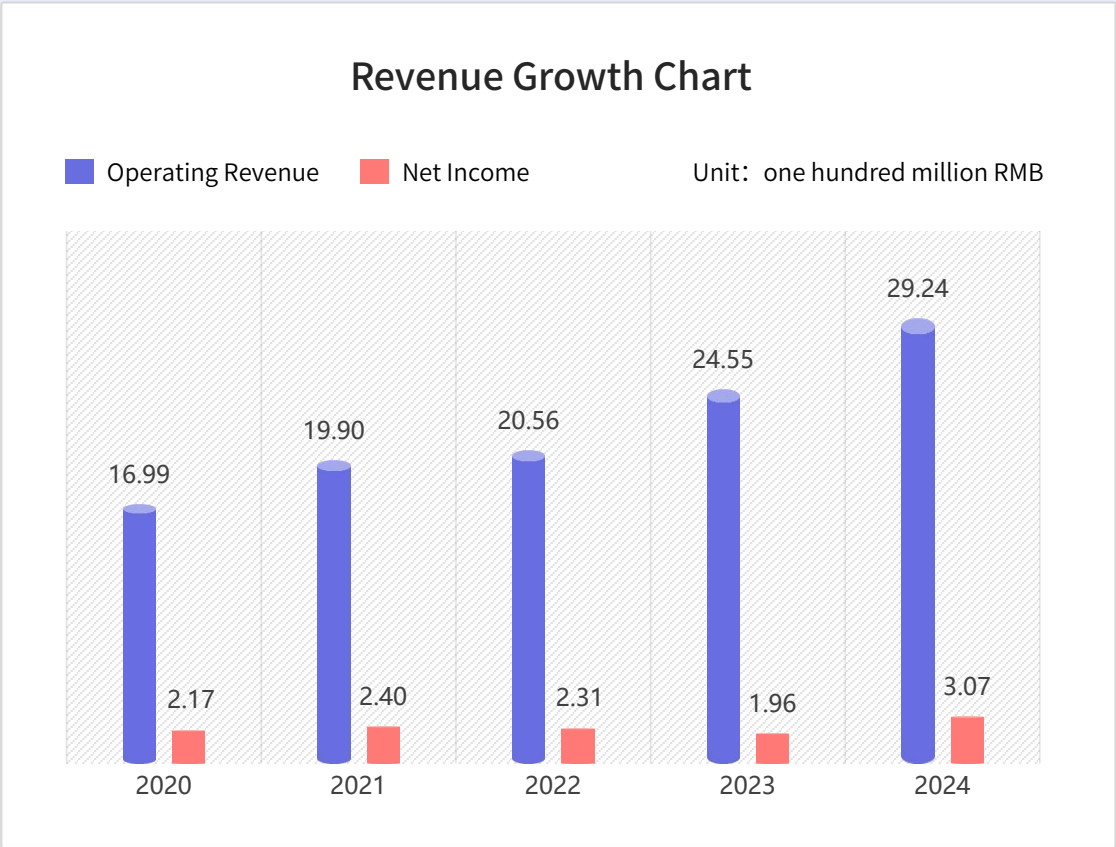
In the past five years (from 2020 to 2024)

Cumulative Operating Revenue **11.124** billion yuan

Compound Annual Growth Rate **14.54%**

Cumulative Net Income **1.191** billion yuan

Compound Annual Growth Rate **9.06%**



The company has taken proactive actions. Through measures such as expanding the international market, optimizing the business structure, improving sales returns, rationally allocating resources, and accelerating the efficiency of asset operation, it has continuously increased the return on net assets. In 2024, the weighted average return on net equity (ROE) reached 12.85%, an increase of 3.76 % compared with the previous year. The specific measures are as follows:

01

Improve the production process and enhance operational efficiency

The company has comprehensively sorted out and deeply optimized the existing production processes. By leveraging the automation upgrade of equipment and the construction of information automation, it has significantly improved the capacity utilization rate and the production-sales ratio of each production base.



02

Implement lean management and strengthen cost control

The company attaches great importance to the innovative concept of lean improvement and has implemented lean management, successfully achieving cost reduction and efficiency enhancement. It has comprehensively enhanced its profitability and solidified the foundation for the company's high-quality development. The informatization transformation of energy management has been realized, resulting in a significant reduction in energy consumption. In 2024, Energy intensity was 0.35 Mwh/ ten thousand yuan, a year-on-year decrease of more than 5%. Through special PMC and standardized guidance, the vitality of the organization has been stimulated, and remarkable achievements have been made in the construction of the lean improvement culture. All employees have actively participated, and the achievements of innovation and improvement are remarkable. In 2024, the company collected 10,560 improvement and innovation proposals from employees and issued a total of 10.48 million yuan in bonuses.

03

Accelerate the implementation of the projects funded by raised funds and improve the efficiency of the use of raised funds

The company has steadily promoted the construction of the projects funded by the raised funds from the initial public offering (IPO). In strict accordance with regulations such as the "Regulatory Guidelines for Listed Companies No. 2 – Regulatory Requirements for the Management and Use of Raised Funds by Listed Companies" and the *Guidelines No. 1 of the Shanghai Stock Exchange for Self-regulation of Listed Companies – Standardized Operation*, the company has standardized the use of the raised funds and accelerated the implementation of the projects funded by the raised funds. In September 2024, the "Comprehensive Utilization Project of New Modified Recycled Plastics with an Annual Output of 30,000 Tons" was successfully completed. The cumulative investment of raised funds for this project was 65.4455 million yuan, and the surplus of 31.5520 million yuan has been transferred to permanently supplement the working capital. As of the end of 2024, this project has achieved a revenue of 26.4464 million yuan, and the market sales situation is favorable. In 2025, the company will continue to strengthen the management of the projects funded by raised funds. During the implementation of these projects, it will strictly abide by the regulations on the management of raised funds and use the raised funds prudently. It will ensure the stable and orderly implementation of the "High-quality Recycling Project of 100,000 Tons per Year of Multi-category Plastic Bottles", enhance the research, development, and innovation of new technologies, new products, and new processes of the company, promote the in-depth development of the company's main business, and improve the company's core technological competitiveness and brand influence.

04

Improve the inventory turnover rate and optimize the operation management

The company improves the inventory turnover rate from multiple dimensions, such as supply chain management, production process optimization, and sales strategy adjustment. In terms of supply chain management, it has established long-term and stable cooperation with high-quality suppliers, precisely controlled the timing and quantity of raw material procurement, and reduced inventory backlogs. In the production process, by introducing advanced technologies and management models, it has improved production efficiency, shortened the product production cycle, and accelerated inventory turnover. At the sales end, it has strengthened market research, promptly adjusted the product structure and marketing strategies according to market demand, enhanced the market competitiveness of products, and accelerated the realization of inventory sales. In 2024, the company's inventory turnover days decreased from 61.93 days to 54.20 days, a decrease of 12.48%.



In 2025, the company will continue to focus on the above-mentioned main business and lean management, further explore the potential for cost reduction and efficiency improvement, and promote operational efficiency to a new level. To move towards the forefront of the industry with a more steady pace, laying a more solid foundation for the company's long-term development and maximizing shareholder value.

PART 02

Strengthen Innovation-driven Development and Empower New Quality Growth

(1) Increase research and development investment and innovation

Research and development is the key driving force for the company to maintain its core competitiveness. In 2024, the company's research and development expenses amounted to 122.6597 million yuan, representing a year-on-year increase of 16.80%. The proportion of research and development investment in operating revenue was 4.20%, achieving the target set in the *Corporate Value And Return Enhancement Action Plan 2024*, which stipulates that "no less than 4% of the annual operating revenue should be invested in research and development expenses".

In 2025, to further enhance the company's innovation capabilities, the company will formulate a detailed and scientific research and development budget. Based on the priorities and market prospects of different projects, research and development resources will be allocated rationally to ensure maximum utilization. Meanwhile, by offering competitive remuneration packages, good career development opportunities, and a comprehensive training system, the company will attract top talents in the industry to join its research and development team and enhance the overall strength of the team.



(2) Advance the research and development of new products

Research projects 2024

The company has increased its research and development investment, centered on the market, and taken meeting customer needs as the starting point. It continuously promotes the research and development of new products and their iterative updates, as well as the application for independent intellectual property rights. On the basis of ensuring stable and compliant operations, it cultivates new profit growth points for the company.

序号	项目名称	预计总投资规模（元）	本期投入金额（元）	累计投入金额（元）	进展或阶段性成果	拟达到目标	技术水平	具体应用前景
1	滴灌带清洗线的研发	2,100,000.00	2,001,748.25	2,001,748.25	持续推进	将使用过的滴灌带通过破碎、清洗、干燥的工艺，制成可回收再利用的材料	国内先进	塑料回收再生行业
2	全自动EPS上料粉碎压缩切割搬运系统的研发	1,100,000.00	1,066,866.87	1,066,866.87	持续推进	提高EPS压缩机的自动化程度，实现从上料到成品输送的全自动流程	国内先进	塑料回收再生行业
3	智能型松料造粒机的研发	1,100,000.00	1,046,398.00	1,046,398.00	完成	实现从EPE/EPP泡沫塑料直接产出粒子的功能	国内先进	塑料回收再生行业
4	塑料装饰条双挤出新工艺	4,800,000.00	4,962,698.60	4,962,698.60	完成	新型挤出工艺，实现高效生产	国内先进	自动化系统，工艺研发
5	聚苯乙烯超宽墙板新品的开发	5,500,000.00	5,937,129.59	5,937,129.59	持续推进	新产品开发	国内先进	家居装饰行业和终端家居用品
6	RGV投料系统开发	4,500,000.00	4,452,153.45	4,452,153.45	完成	自动化开发，实现降本增效	国内先进	自动化系统，工艺研发
7	线条自动套袋塑封工艺	3,100,000.00	3,549,689.91	3,549,689.91	完成	自动化开发，实现降本增效	国内先进	自动化系统，工艺研发
8	装饰线条配比新方案的开发	4,500,000.00	4,997,149.95	4,997,149.95	完成	配方优化，实现省时高效	国内先进	配方体系升级
9	改性新产品的研发	4,500,000.00	4,896,784.64	4,896,784.64	完成	新产品开发	国内先进	家居装饰行业和终端家居用品
10	注塑新产品的研发	5,500,000.00	3,434,563.21	3,434,563.21	持续推进	新产品开发	国内先进	家居装饰行业和终端家居用品
11	吸音板新品提效工艺开发	5,000,000.00	5,309,054.70	5,309,054.70	完成	新产品新工艺开发	国内先进	家居装饰行业和终端家居用品
12	装饰框背板工艺研发	3,000,000.00	2,880,146.98	2,880,146.98	完成	新工艺开发，实现降本增效	国内先进	自动化系统，工艺研发
13	镜框自动打胶新工艺开发	3,000,000.00	3,311,320.29	3,311,320.29	完成	自动化开发，实现降本增效	国内先进	自动化系统，工艺研发
14	装饰画新品工艺开发	2,000,000.00	2,057,397.01	2,057,397.01	完成	新产品开发	国内先进	家居装饰行业和终端家居用品
15	原创装饰画面设计	3,000,000.00	1,578,613.06	1,578,613.06	持续推进	新产品开发	国内先进	家居装饰行业和终端家居用品
16	PS异型产品开发	5,000,000.00	5,018,262.03	5,018,262.03	完成	新产品开发	国内先进	家居装饰行业和终端家居用品
17	智能镜框新品开发	4,000,000.00	4,159,860.82	4,159,860.82	持续推进	新产品开发	国内先进	家居装饰行业和终端家居用品
18	金属镜框新品类开发	3,000,000.00	2,731,119.42	2,731,119.42	完成	新产品开发	国内先进	家居装饰行业和终端家居用品
19	3D格栅系列墙板的开发	5,000,000.00	5,258,529.78	5,258,529.78	完成	新产品开发	国内先进	家居装饰行业和终端家居用品
20	PS材质与铝合金结合镜框新品开发	4,300,000.00	4,457,674.23	4,457,674.23	持续推进	新产品开发	国内先进	家居装饰行业和终端家居用品
21	MDF圆弧包覆相框新品开发	4,500,000.00	4,725,768.18	4,725,768.18	完成	新产品开发	国内先进	家居装饰行业和终端家居用品

Research projects 2024

序号	项目名称	预计总投资规模（元）	本期投入金额（元）	累计投入金额（元）	进展或阶段性成果	拟达到目标	技术水平	具体应用前景
22	PS长板稳定性及检测技术的研发	4,500,000.00	4,519,495.94	4,519,495.94	完成	新工艺开发	国内先进	家居装饰行业和终端家居用品
23	PE双面木纹处理工艺	1,200,000.00	1,131,503.33	1,131,503.33	完成	新工艺开发	国内先进	户外建材
24	垂直度高的PVC建材及生产工艺的研发	1,200,000.00	1,242,755.81	1,242,755.81	完成	新工艺开发	国内先进	家居装饰行业和终端家居用品
25	一种PS建材及加工热熔系统的研发	2,500,000.00	2,431,791.18	2,431,791.18	完成	新工艺开发	国内先进	家居装饰行业和终端家居用品
26	PET消光母粒项目开发	2,000,000.00	1,163,717.64	1163717.64	持续推进	新产品开发	国内先进	纤维行业
27	PS物理发泡中试技术开发	2,000,000.00	2,208,261.64	2208261.64	持续推进	新工艺开发	国际先进	家居装饰行业和终端家居用品
28	PS原料室内储存仓自动上料系统	3,500,000.00	1,850,330.37	1850330.37	方案确定阶段	自动化开发，实现降本增效	国内先进	自动化系统，
29	电力系统升级项目	1,500,000.00	1,581,490.51	1581490.51	完成	节能降耗	国内先进	电力系统
30	再生PP改性汽车保险杠项目开发	1,500,000.00	2,073,128.40	2073128.4	持续推进	新产品开发	国内先进	汽车行业
31	智能混料项目	1,500,000.00	1,768,152.13	1768152.13	方案确定阶段	自动化开发，实现降本增效	国内先进	自动化系统，工艺研发
32	自动在线放标	1,200,000.00	1,897,237.00	1897237	合同谈判中	自动化开发，实现降本增效	国内先进	自动化系统，工艺研发
33	PS发泡墙板产品开发	2,000,000.00	1,895,120.64	1,895,120.64	完成	新产品开发	国内先进	家居装饰行业
34	光伏项目	10,000,000.00	1,312,452.82	1312452.82	施工中	节能降耗	国内先进	绿色能源
35	r-PS再生粒子标准化系统建设	9,723,600.00	2,854,460.18	2,854,460.18	持续推进	新工艺开发	国际先进	家居装饰行业
36	r-PET高端纤维粒子开发和系统升级改造	18,500,000.00	12,003,020.87	18,363,260.15	完成	新产品新工艺开发	国际先进	家居装饰行业
37	仿木质高端格栅新品类研发	3,100,000.00	2,762,169.15	2,762,169.15	持续推进	新工艺开发	国内先进	家居装饰行业
38	新材质注塑框研发	820,000.00	734,116.64	734,116.64	持续推进	新产品新工艺开发	国内先进	高端服饰行业
39	高优质粒子项目自制研发	510,000.00	468,179.47	468,179.47	完成	新工艺开发	国内先进	塑料回收再生行业
40	高端画材项目研发	150,000.00	177,380.15	177,380.15	完成	新工艺开发	国内先进	家居装饰行业
41	新型功能置物架项目研发	400,000.00	560,507.35	560,507.35	持续推进	新产品新工艺开发	国内先进	家居装饰行业
42	新型装饰线条表面加工工艺开发	120,000.00	191,483.30	191,483.30	持续推进	新工艺开发	国内先进	家居装饰行业
合计		146,423,600.00	122,659,683.49	129,019,922.77	/	/	/	/

01 Decorative frame products

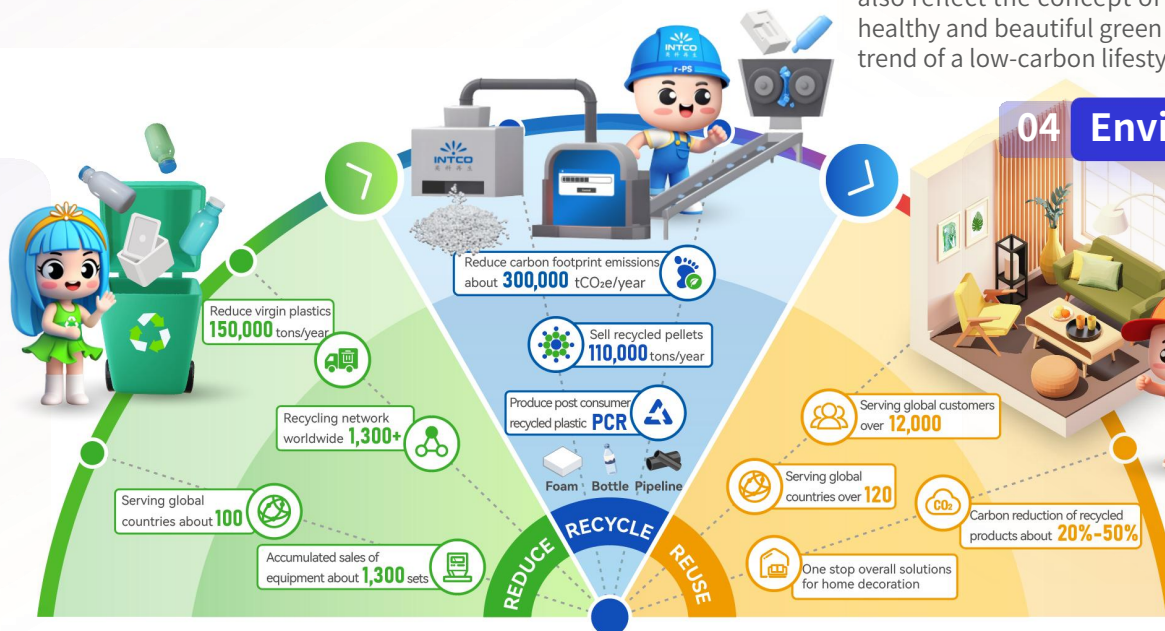
In terms of decorative frame products, the company uses the advanced plastic multi-layer co-extrusion process to make recycled plastic pellets into high-quality home decorations such as mirror frames, photo frames, and picture frames. These products are not only environmentally friendly but also endow the products with artistic value. The company adheres to using innovative designs to meet diversified needs, advocates the concept of environmental protection, makes the home more aesthetically pleasing, and leads the new trend of quality life.

02 Decorative building materials

In terms of decorative building materials, the company takes environmental protection as the core and launches low-carbon building material products such as PS 3D wall panels, PET acoustic panels, and WPC Decking. These products possess both excellent performance and sustainable value. The products are in line with modern consumption trends. They not only satisfy functional needs but also reflect the concept of environmental protection. The company creates a healthy and beautiful green home environment for consumers and leads the new trend of a low-carbon lifestyle.

03 Pellets

In terms of pellets, relying on the leading plastic recycling and granulation technology, the company produces high-purity recycled pellets, and their performance is comparable to that of virgin materials. At the same time, the company continuously optimizes the production process and improves product performance to meet the needs of the high-end market. In 2024, the company processed recycled plastics, preventing about 144,000 tons of plastics from being landfilled, and cumulatively reduced the carbon footprint by approximately 300,000 tons.



04 Environmental protection equipment

In terms of environmental protection equipment, the company's self-developed brand, GreenMax, focuses on the research and development as well as the production of high-efficiency plastic recycling equipment. Through technological innovation, it has significantly improved the recycling efficiency and reduced the recycling and transportation costs. In recent years, GreenMax has continuously promoted system solutions for recycling equipment. At the same time, it has strengthened the intelligent design and constantly enhanced the operation efficiency and management level of the equipment.

In 2025, the company will formulate a systematic new product research and development plan and clarify the objectives for each stage. The company will continue to precisely meet the market demands, strengthen the collaborative cooperation between the research and development department and the marketing department, and establish an efficient communication mechanism to ensure that the research and development achievements can quickly respond to market demands and achieve the efficient transformation of research and development achievements into actual productive forces. The company intends to implement no less than 35 research and development projects. The recycled plastic terminal products (decorative frame products and decorative building materials) are expected to account for more than 75% of the total operating revenue. By doing so, the company will continuously increase the added value of its products and their market competitiveness, and meet the one-stop overall solution requirements for global home decoration products.

(3) Improve the level of transformation of scientific and technological achievements and industrialization.

The effective transformation of research and development achievements is an important way to achieve the company's value growth.

By the end of 2024, the company had a cumulative total of:



Authorized Patents
104 pieces

Invention Patents
13 pieces

Utility Model Patents
90 pieces

Design Patent
1 piece



Software Copyrights and Other Intellectual Property Rights
3005 pieces

In 2025, the company will continue to enhance its awareness of intellectual property protection, actively apply for patents, and participate in the formulation of industry standards, so as to enhance its technical voice and brand influence within the industry. The company plans to increase the number of intellectual property items by more than 400 year-on-year, including copyrights, patents, standards, etc. To achieve this goal, the company will establish and improve a regular disclosure mechanism for research projects under development, and publicly disclose the progress of projects to investors and the market every six months to accept market supervision. It will clarify the milestones of each stage of the project and formulate a detailed project promotion plan to ensure that the project proceeds in an orderly manner as scheduled.



(4) Focus on industry-university-research cooperation and expand new businesses

Adhering to the concept of open cooperation and collaborative innovation, the company actively promotes the deep integration of industry, university and research. It has established close cooperative relationships with major universities such as Tsinghua University and China University of Petroleum domestically, and with universities like the University of Hanoi and Hanoi University of Industry overseas. The company provides students with a practical platform to help them transform theoretical knowledge into practical application abilities. At the same time, by leveraging the intellectual resources of universities, it promotes the company's technological innovation and management optimization, achieving a win-win situation for both the enterprise and the universities, and contributing to the high-quality development of the industry. In 2024, the company was awarded the honorary plaque of "Undergraduate Practice Teaching Base of Tsinghua University".

The cooperation among industry, universities and research institutes as well as the expansion of new businesses are conducive to the company's expansion of its development boundaries and the cultivation of new growth points.

In 2025, the company will continue to establish in-depth cooperative relationships with renowned universities and research institutions that have outstanding advantages in fields such as plastic recycling and environmental protection technology. It will set up a joint research and development fund to encourage all parties involved in industry, universities and research institutes to jointly tackle key technical problems, promote the implementation of industry-university-research projects, and accelerate the transformation of scientific and technological achievements.



(5) **Activate new drivers for the company's development**

In 2025, the company will organize a professional market research team to conduct in-depth studies on market trends and industry dynamics. Combining with the company's core technical advantages, it will accurately determine the development directions of new businesses.



**Market
Research**



**Strengths
Analysis**



**Business
Expansion**



**Coordinated
Development**

A detailed new business expansion plan will be formulated to make full use of the company's existing resources and channels, achieving the coordinated development of new and existing businesses and forming new profit growth points.

PART 03

Improve the Governance Structure and Consolidate the Development Foundation

(1) Strengthen compliance and training

Compliance operation is the cornerstone of the company's stable development. In 2024, the company actively organized relevant personnel to participate in 4 professional training sessions organized by units such as the China Securities Regulatory Commission, the Shanghai Stock Exchange, the China Association for Public Companies (CAPCO), including on-site meetings and online learning.

In 2025, the company plans to achieve a 100% compliance training coverage rate, ensuring that "key minority" and the management team can promptly grasp the latest laws, regulations, and regulatory requirements. This will collaboratively promote their due diligence and provide a solid guarantee for the company's stable development and standardized operations. The specific measures are as follows:

NO.1

Formulate an annual compliance training plan, invite industry experts and third-party professional institutions to conduct lectures, and actively participate in various training sessions organized by regulatory authorities.

NO.2

Regularly assess the training effectiveness and link the assessment results with performance. This will motivate employees to actively participate in training and effectively enhance the compliance awareness and standardized operation capabilities of "key minority".

(2) Optimize the board of directors structure

A reasonable board of directors structure contributes to enhancing the scientificity and fairness of the company's decision-making. Currently, independent directors account for 40% of the company's board. They come from diverse fields such as law and finance. Leveraging their professional knowledge and independent perspectives, they can provide objective and impartial advice for the company's major decisions, effectively supervise the management's actions, and ensure that the company's decisions are in line with the long-term interests of all shareholders.

The company strictly implements the system of separating the positions of the chairman of the board and the chief executive officer (CEO). The chairman of the board focuses on grasping the overall strategic direction of the company and coordinating the relationships among board members. The CEO, on the other hand, is engaged in the daily operation and management of the company, being responsible for the specific implementation of strategies and the advancement of business operations. The separation of responsibilities ensures the scientificity and fairness of decision-making and effectively reduces the risk of decision-making errors.

(3) Strengthen the performance guarantee mechanisms for directors, supervisors and senior management

The company has purchased directors and officers liability insurance for its directors, supervisors and senior management. This can effectively alleviate their concerns about potential risks during their performance of duties, and ensure the independence and enthusiasm of their decision-making and supervision work. This measure not only optimizes the corporate governance ecosystem and attracts high-quality talents to engage in corporate governance, but also enhances the company's resilience in dealing with risks as a whole, laying a solid foundation for its sustainable development.

PART 04

Optimize the Dividend Strategy to Enhance Shareholder Benefits

(1) Optimize the dividend mechanism

The company attaches great importance to providing reasonable investment returns to investors. On the premise of ensuring the reasonable development needs of the main business, combined with the actual business situation and development plan, the company strictly implements the shareholder dividend return plan and profit distribution policy in accordance with relevant laws and regulations. Since its listing, it is expected that the cash dividend will exceed 100 million yuan. Among them, the 2024 profit distribution plan: a cash dividend of 0.06 yuan per share will be distributed. As of December 31, 2024, the total share capital of the company is 187,226,610 shares, and based on this calculation, a total cash dividend of 11,233,596.60 yuan is proposed to be distributed. This plan still needs to be submitted to the company's 2024 annual general meeting of shareholders for review.

In 2025, we will closely monitor trends in the capital markets. Taking into account our current business status, future development plans, and industry trends, we will continue to provide investors with continuous and stable cash dividends, delivering long-term investment returns. Additionally, we will explore options such as multiple annual dividends and interim dividends to enhance investors' sense of value gain.

(2) Actively conduct share repurchase

In order to effectively repay the long-term trust and support of investors, further demonstrate the company's firm confidence in its own value, and attach great importance to shareholder equity, the company held the 17th meeting of the 4th Board of Directors on April 7, 2025, and approved the *Proposal on Repurchase of Company Shares through Centralized Competitive Trading*. The proposal agreed that the company would use its own funds and stock repurchase special loans to repurchase some of its issued RMB ordinary shares (A-shares) through centralized competitive bidding trading. The price of the repurchased shares in this repurchase shall not exceed RMB 41.44 yuan/share (inclusive), and the repurchase amount shall not be less than RMB 40 million (inclusive) and not exceed RMB 80 million (inclusive). The repurchase period of the repurchased shares shall be subject to the approval of board of directors. Not exceeding 12 months from the date of the plan.

For specific details, please refer to the *Repurchase Report of INTCO Recycling Resources Co., Ltd. on Centralized Bidding for Share Repurchase* (Announcement No. 2025-003) disclosed by the company on the Shanghai Stock Exchange website (www.sse.com.cn) on April 8, 2025.

PART 05

Deepen Communication and Exchanges to Promote Positive Interaction

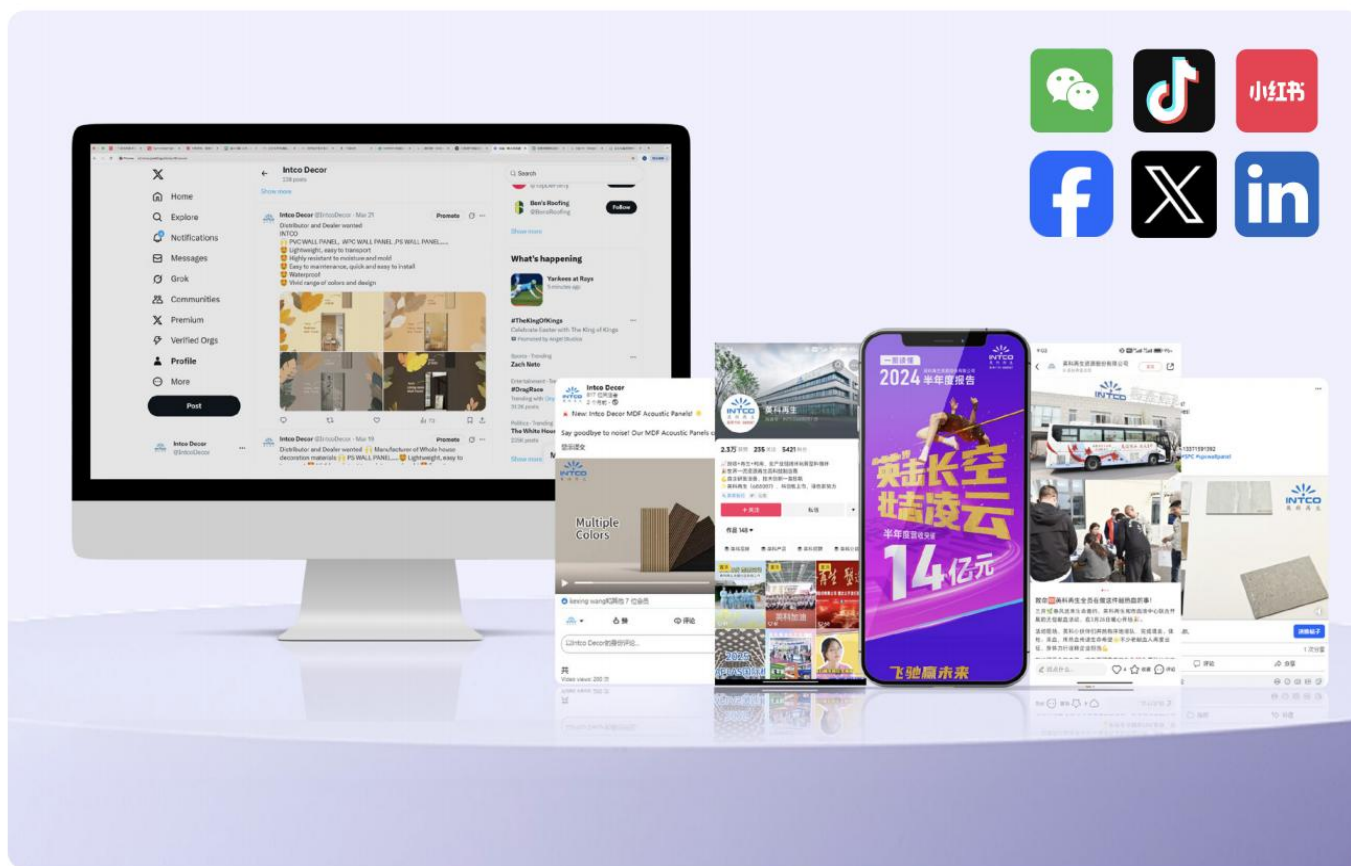
(1) Hold investor briefings

The investor briefing serves as an important platform for listed companies to deepen market communication and carry out investor relations management. In 2024, the company held four performance briefing meetings, attended by the general manager, independent directors, sponsor representatives, CFO, and secretary of the board. They provided detailed answers to investors' questions about the company's operations, business models, development strategies, and other issues, listened carefully to investors' voices, collected valuable opinions widely, and made targeted responses within the scope of legality and compliance. In 2025, the company plans to hold no less than 4 investor briefing sessions, strictly implementing the newly formulated *Public Opinion Management System*. During the investor briefing sessions, the focus will be on introducing and exchanging information on the company's measures to improve quality, efficiency, and return, business performance, development strategies, and other related topics; And invite the company's chairman or general manager to participate in exchange activities, answer investors' questions, improve the quality of communication, and enhance investors' recognition and confidence in the company's management team through face-to-face communication. During on-site research, the company will organize investors to visit the company's product exhibition hall, production base, etc., allowing investors to have a visual understanding of the company's operations.



(2) Optimize information disclosure and interaction

Timely, accurate and friendly information disclosure and interaction can enhance the investor experience.



The company has always attached great importance to information disclosure work. In strict accordance with relevant regulations such as the *The Rules Governing the Listing of SSE STAR Market* and *The Company's Information Disclosure Management System*, it earnestly fulfills its information disclosure obligations, and discloses major information such as the company's regular reports and temporary announcements truthfully, accurately, completely, standardly, timely and fully.



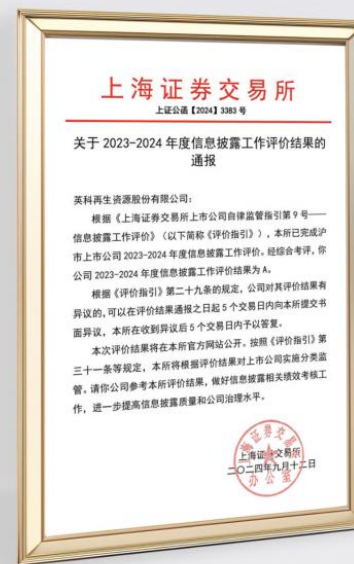
The company has set up a dedicated email address for investor relations and an investor communication hotline. It also maintains close communication with investors through the investor relations column on its official website and the Shanghai Stock Exchange e-interaction platform.



In addition, through new tools such as WeChat official accounts and social media at home and abroad, the company shows investors relevant information about corporate culture, product quality, technological innovation and social responsibility from multiple perspectives and dimensions. This further improves the transparency of the company's information, thereby safeguarding the rights and interests of minority shareholders.

In 2024, the company issued a total of 101 information disclosure documents, released "One-Pagers" materials 4 times, and launched performance videos 2 times. The cumulative number of forwards for the long pictures and videos exceeded 2,000 times. It replied to 15 messages on the Shanghai Stock Exchange e-interaction platform, with a reply rate of 100%. In the evaluation of information disclosure work of listed companies on the Shanghai Stock Exchange for the 2023-2024 period, the company was awarded the "A" grade.

In 2025, the company will establish a rapid response mechanism for investor inquiries, designate a dedicated person to be responsible for investor consultations, ensure accurate and detailed responses to investor inquiries in a timely manner, and improve investor satisfaction. Utilizing advanced information technology, produce visualized annual reports, short videos, etc. to present the company's business results and development to investors in a more intuitive and understandable way. The number of times the visualized reports are published should not be less than 3 times. In terms of social media communication, in addition to the original WeChat official account "INTCO Recycling", we have added various channels, such as Rednote and Tiktok, and insisted on transmitting the latest information of the company on the basis of compliance, so as to create a more three-dimensional and rich listed company for investors.



Evaluation by the Shanghai Stock Exchange
for Information Disclosure Work (2023-2024): Grade **A**

Information Disclosure Documents **101**

Performance Briefings **3**

Visual Summaries ("One-Pagers") **4**

Performance Videos **2**

SSE e-Interaction Responses: **15** items,
with a response rate of **100%**.

(3) Professional competence of investor relations management team

A professional investor relations management team is the bridge between the company and investors.

1.Finalized SOP

By 2025, a detailed workflow will be established to ensure orderly implementation of investor relations management.

2.Internal collaboration

Strengthen internal collaboration within the department, improve work efficiency and service quality.

3.Training and communication

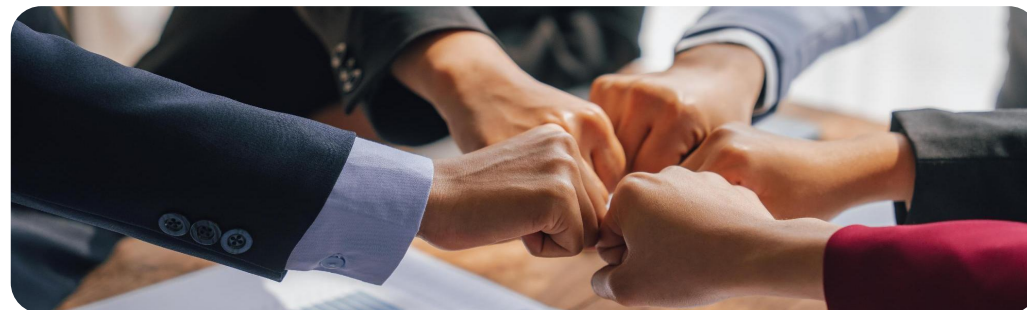
Organize internal training and external exchange activities, invite industry experts and outstanding investor relations managers to give lectures and share experiences. The training content covers capital market regulations and policies, investor psychological analysis, communication skills, etc., to enhance the team's professional abilities. The professional training sessions for the investor relations management team have reached 6 times.

(4) Increase the participation of minority shareholders

Minority shareholders are an important part of the company's shareholder group.

The company has established a dedicated communication channel for minority shareholders, such as setting up a minority shareholder consultation hotline, email, etc., to promptly answer their questions and listen to their opinions and suggestions.

In 2025, at the upcoming 2024 annual general meeting of shareholders, the company plans to use the "One Click" service of the Shanghai Stock Exchange to empower investors with technology, remind them to attend, facilitate their voting, provide convenience for minority investors to participate in shareholder meetings, and safeguard their legitimate rights and interests in participating in corporate governance. At the same time, it is planned to set up a communication area for minority shareholders at the shareholders' meeting site, providing a platform for communication and feedback for minority shareholders.



PART 06

Focus on ESG Performance and Strengthen Social Responsibility

As a leading enterprise in the global field of resource recycling, we always adhere to the values of "Love, Goodness, Truth". We are committed to integrating the concept of sustainable development into the enterprise's growth, continuously making efforts in aspects such as the efficient utilization of recycled materials and the reduction of global plastic waste, and firmly contributing to the achievement of carbon neutrality and the sustainable development of the earth.

As of 2024, the company has consecutively issued the *Environmental, Social and Corporate Governance (ESG) Report* (in both Chinese and English) for three years, reporting the company's various business performance achievements to global stakeholders.



01 Environment

In terms of the environment, the company has achieved high-value utilization of recycled plastics, avoiding **144,395 tons** of PS, PET, and PE from landfill and reducing a total carbon footprint of **299,171.53 tons** of CO₂e. In terms of production and operation, we will vigorously promote green energy technologies such as photovoltaics and energy storage, upgrade lean operation management with the help of intelligent equipment and information automation, and at the same time, work together with green warehousing, green logistics, and green supply chain to fully implement the concept of green development. In 2024, the company's total greenhouse gas emissions were **633,847.94 tons** of CO₂e, including **3,087.04 tons** of CO₂e in Scope 1, **43,678.73 tons** of CO₂e in Scope 2, and some other indirect emissions (Scope 3) of **587,082.17 tons** CO₂e.

02 Society

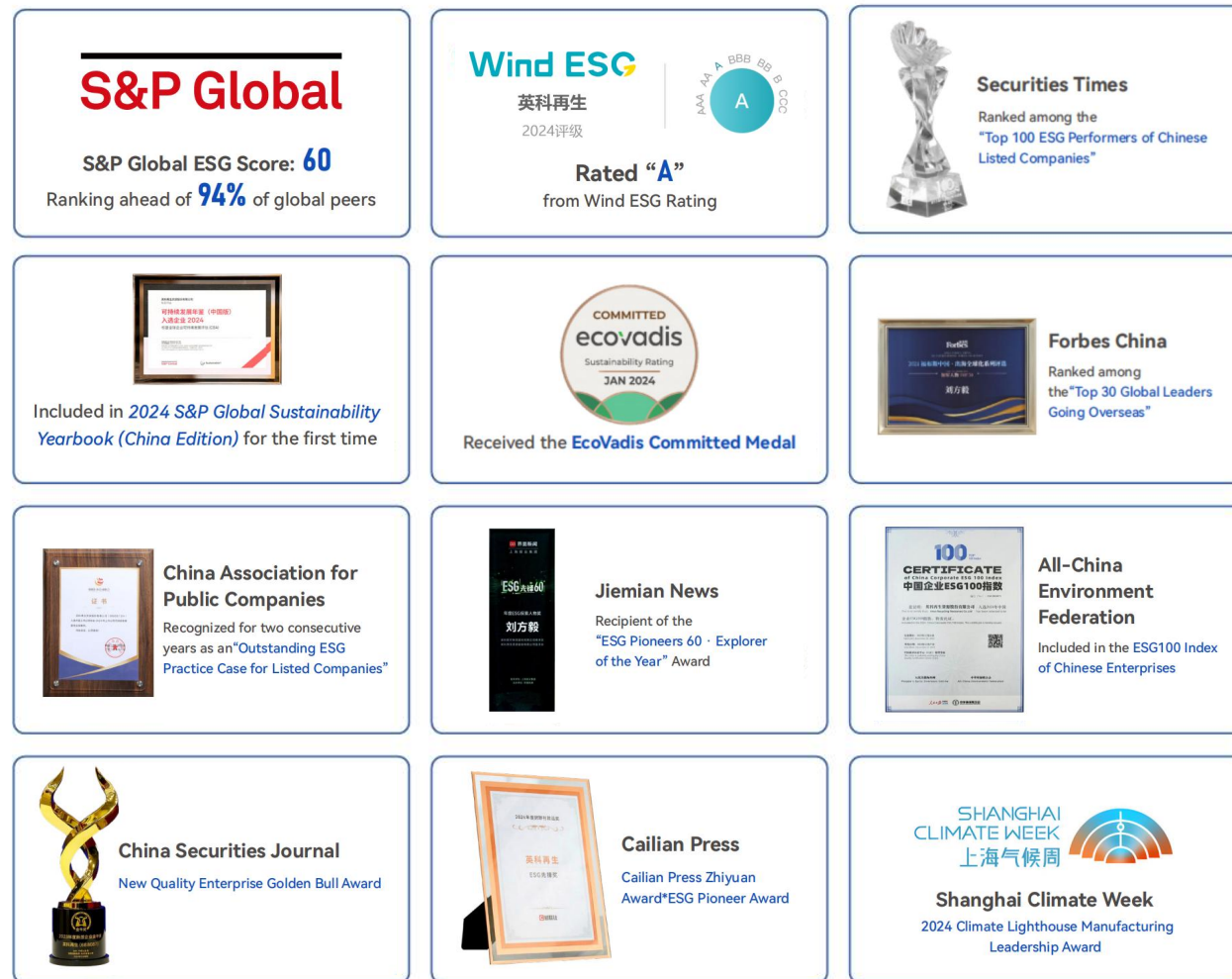
In terms of society, the company actively fulfills its social responsibilities and participates in environmental science popularization and community construction through the "INTCO Foundation", sharing the great love of INTCO; A new "Employee Mutual Aid Fund" has been established internally, specifically for employees who are currently employed due to accidents, serious illnesses, or special family difficulties, to provide a warm and blight for all INTCO partners. In 2024, the company and foundation donated a total of **2.1852 million yuan** for charity, conducted **336 volunteer activities**, and participated in **2,341 employee volunteer activities**, with a total duration of **854.5 hours**.

03 Corporate governance

In terms of corporate governance, the company actively promotes lean operations, stimulates organizational vitality, and is driven by technological innovation to create a low-carbon and efficient industrial model, injecting strong momentum into sustainable development goals. The company practices the concept of "people-oriented", pays attention to the growth and development of employees, and helps employees and the enterprise progress together. Through the organization construction of outstanding talents, it aims to build a world-class manufacturing industry. In 2024, the company will have a total of **3,951 employees** and an annual training investment of **6.2532 million yuan**, with a training coverage rate of **100%**.

Based on the company's outstanding ESG performance, the company has successively obtained:

- Obtained a S&P Global ESG Score :60, Ranking ahead of 94% of global peers;
 - Has been selected for 2024 the S&P Global Sustainable Yearbook (China Edition) for the first time;
 - The EcoVadis Committed medal ;
 - Recognized for two consecutive years as an "Outstanding ESG Practice Case for Listed Companies of the China Association for Public Companies (CAPCO) ;
 - Rated “A” from Wind ESG Rating:
The "New Quality Enterprise Golden Bull Award" of China Securities Journal, the "2024 Top 100 ESG Performers of Chinese Listed Companies";
 - Global Zero Carbon City Practice Pioneer Award - Gold Award of Securities Times;
 - The "Cailian Press Zhiyuan , and Award*ESG Pioneer Award" of Cailian Press
- and other heavyweight awards...



In 2025, the company will continue to release ESG reports in Chinese and English Version to investors at home and abroad, actively participate in no less than 2 internationally renowned rating agencies, further enhance investors' understanding of the company's long-term value, and strengthen the company's global brand image.

PART 07

Strengthen "Key Minority" Responsibilities and Unleash Management Effectiveness

(1) Strengthen compliance and behavior guidance

The compliance awareness and behavioral norms of "key minority" are of paramount importance to the company's development. In 2025, the company plans to conduct no less than four compliance training sessions targeted at "key minority" and disseminate updates on capital market regulations no less than 12 times. The specific measures are as follows:

1. Establish a normalized mechanism for compliance training and the dissemination of regulatory updates, leveraging multiple online and offline channels for training and information delivery. Regularly organize "key minority" to participate in compliance training sessions and promptly convey the latest regulatory developments in the capital market to them, ensuring that they can update their knowledge systems in a timely manner and conduct their work in accordance with laws and regulations.
2. Through regular communication, strategic presentations and other means, guide "key minority" to establish the concept of long-term development, enabling them to fully recognize the consistency between the company's long-term and stable development and the interests of shareholders.

(2) Establish a system for liability identification and accountability

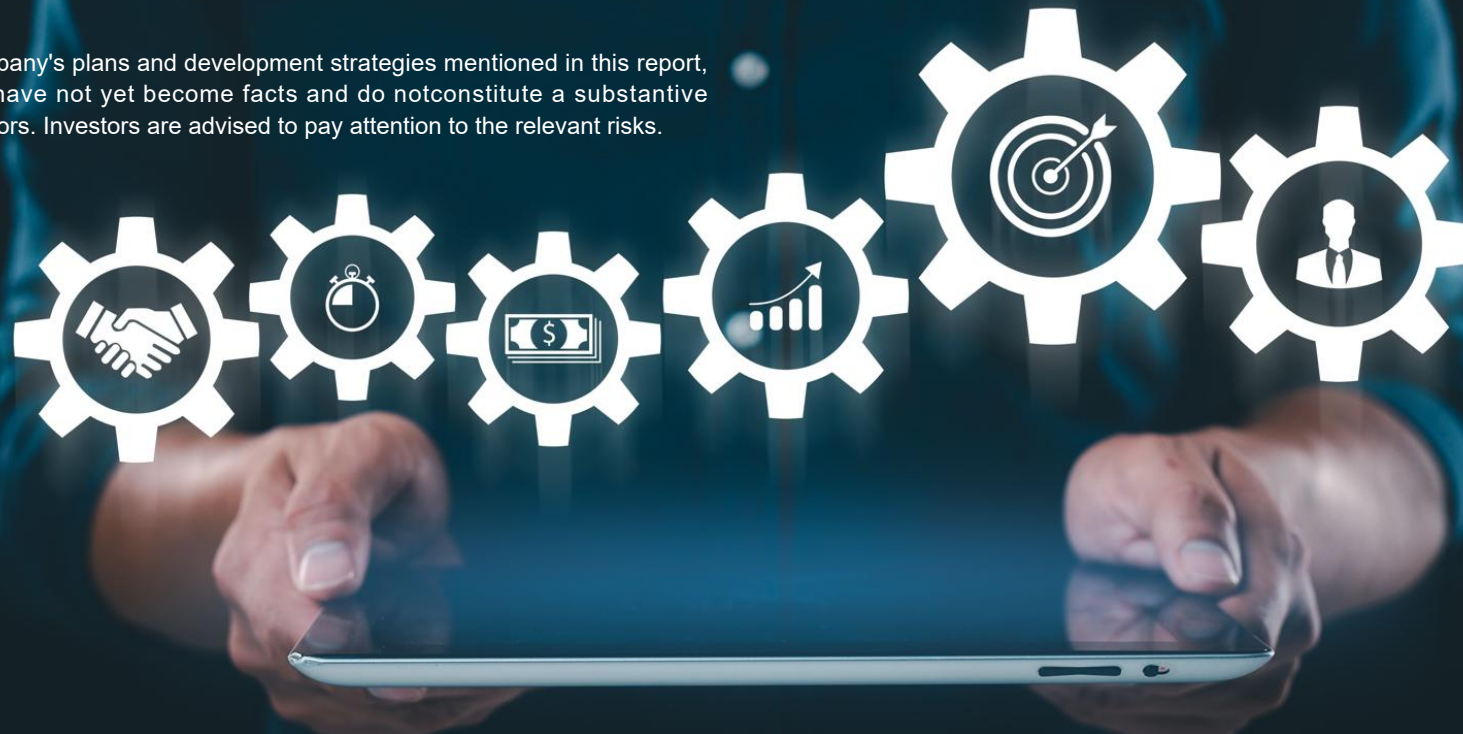
To strengthen the responsibilities of "key minority", the company intends to establish a comprehensive system for liability identification and accountability. In the event that directors or senior management, while performing their duties, violate laws, administrative regulations, or The Articles of Association and cause losses to the company, the company will legally claim compensation liabilities from such directors, supervisors, and senior management.

In 2024, the company actively implemented the action plan of Corporate Value And Return Enhancement Action Plan, which effectively promoted its high-quality development and achieved a historic high in business performance.

In 2025, the company will steadfastly focus on its main business, enhance its core competitiveness, profitability, and risk management capabilities. By implementing good business management, standardized corporate governance, and active investor returns, we can effectively protect the interests of investors, fulfill the responsibilities and obligations of listed companies, repay investor trust, maintain a good market image of the company, and promote the stable and healthy development of the capital market.

INTCO Recycling Resources Co., Ltd
Board of Directors
April 28, 2025

*The plans and strategies, such as company's plans and development strategies mentioned in this report, are forward-looking statements that have not yet become facts and do not constitute a substantive commitment from the company to investors. Investors are advised to pay attention to the relevant risks.



PART 08 2025KPI TABLES

KPI	2025	Unit
Share Repurchase	4000-8000	Ten Thousand Yuan
Recycled Plastic Terminal Products (Two Major Product Categories, Namely Decorative frame Products And Decorative Building Materials) Of The Total Operating Revenue.	≥75	%
Propose R&D Projects	≥35	Unit
Investor Briefing	≥4	Times
The Visualized Reports	≥3	Times
New Intellectual Property	≥400	Times
Participate In Esg Rating	≥2	Times
Compliance Training Coverage Rate	100	%
Compliance Training For"key minority"	≥4	Times
Dynamic Transmission Of Capital Market Regulation	≥12	Times



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