



2025

CORPORATE SOCIAL RESPONSIBILITY REPORT



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Statement of Report Preparation

Assurance of Reliability

This Report has been reviewed and approved at the 4th meeting of the 4th session of the Company’s Board of Directors.

Time Scope

This is an annual report covering the period from January 1, 2025 to December 31, 2025. Where partial textual information falls outside this scope, explanations are provided in the relevant sections.

Reference Standards

This Report is compiled with reference to the Self-Regulatory Supervision Guidelines for Listed Companies on the Shanghai Stock Exchange, Measures for the Administration of Law-Based Disclosure of Corporate Environmental Information, and other regulations.

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Organizational Scope

HIGA Co., Ltd., including its controlled subsidiaries and branches.

Data Statement

Textual information and quantitative data disclosed in this Report are sourced from original operational records and financial reports of the Company. Where discrepancies exist between relevant data and the Company’s annual report, the annual report shall prevail. Financial data in this Report are denominated in Renminbi (CNY).

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Report Access

The electronic version of this Report is available for download on the Company’s official website: http://www.higasket.com and the Shanghai Stock Exchange website: http://www.sse.com.cn.

Message from the President

Forging Ahead with Innovation, Striving for Sustained Success

Dear Investors, Partners, Friends and HIGA Colleagues,

Greetings!

In 2025, amid global economic shifts and industrial-chain restructuring, the home-appliance industry saw fierce competition. Guided by new-quality productive forces and sound governance, HIGA adhered to high-quality development, delivered returns to investors, and achieved solid progress through prudent operation and innovation. On behalf of the Board and management team, I extend sincere thanks to all stakeholders and employees for your support.

Committed to high-quality growth, we boosted R&D and technological commercialization to sharpen core competitiveness. R&D investment increased 25.67% year-on-year in the reporting period, with 138 new patents obtained. Our flagship project on energy-saving refrigerator gasket technologies won the First-Class Scientific and Technological Progress Award of China Light Industry Federation. Multiple innovations advanced our shift from manufacturing-driven to innovation-led growth, supporting sustainable development.

Growth strengthens HIGA's resilience. Full-year revenue rose 21.87% year-on-year in 2025. Our core home-appliance business grew steadily, and overseas refrigerator gasket business strengthened its edge. Drawing on our strengths in scaled production, multi-category synergy and modular component solutions, we attained leap-forward growth in small home-appliance segments. Automotive-component business expanded; self-driving-related products went into mass production as planned. We further advanced domestic-overseas dual-cycle development. Overseas core-business revenue hit RMB 829.9733 million, up 46.73% year-on-year, marking steady improvement of our global capabilities.

HIGA upholds long-termism to reward investors. We optimize asset structure and operational efficiency, rewarding shareholders with robust performance and stable dividends. Going forward, we will focus on core businesses, explore new sectors and lift corporate value to earn continued shareholder confidence.

As a public company, compliant operation is fundamental to HIGA. We observe laws and regulations, enhance corporate governance and internal controls, and follow truthful, accurate, complete, timely and fair disclosure principles to protect investor interests and build a transparent, reliable listed enterprise.

HIGA embeds ESG into daily operations to balance economic, social and environmental outcomes. We advance green manufacturing, fulfill responsibilities for employees and public welfare, upgrade ESG governance and deliver sustainable value for society.

We stayed true to our mission and innovated throughout 2025. Moving forward, we will leverage new-quality productive forces, optimize industrial layout, uphold disclosure discipline, honor ESG commitments and create greater value together.

My gratitude goes to governments for guidance, investors for trust, partners for collaboration, and all HIGA staff for dedication. Let us press ahead with shared resolve, open a new chapter of high-quality development for HIGA, and build a more prosperous future.

 Wan Heguo
April 2026



Company Profile

HIGA Co., Ltd. was founded in 1999. It engages in R&D, production and sales of home-appliance components, auto parts, small home-appliances and related materials. Its core product — refrigerator door gaskets — has earned it the title of “Single-Item Champion in Manufacturing”.

Adhering to the business philosophy of “Customer-Oriented, Rapid Response”, HIGA operates more than 80 subsidiaries and branches. Since launching its global strategy in 2011, HIGA has built a worldwide manufacturing network with 19 production bases across Thailand, Vietnam, Mexico, Poland, Egypt, South Korea, Brazil, Indonesia, Serbia and other countries. It delivers customized solutions for leading global home-appliance brands and regional market players, and maintains long-term stable strategic partnerships with key domestic and international enterprises.

Going forward, HIGA will stay strategically focused on value creation and profit quality improvement. Leveraging its mature global footprint and forward-looking business layout, HIGA will unlock growth potential of new businesses and capture structural opportunities amid volatile external environments. Following the development principle of “Measurable, Controllable, Sustainable”, HIGA will expand incremental markets, explore emerging sectors, foster second-growth curves, and strive to become an international enterprise with sustained innovation and core competitiveness.

Founded | **1999** Industry Status | **Single-Item Champion** Stock Code | **603150**

Corporate Culture & Corporate Governance

Corporate Culture

• Corporate vision

To Be A Respected Global Enterprise

• Operating Philosophy

Be close to customers, make quick response

• Corporate Strategy

To capture scalable profitable opportunities amid global market volatility

• Team Building Criteria

Aligned goals • United mindset • Synchronized actions

• Core Values

Openness • Passion • Transcendence

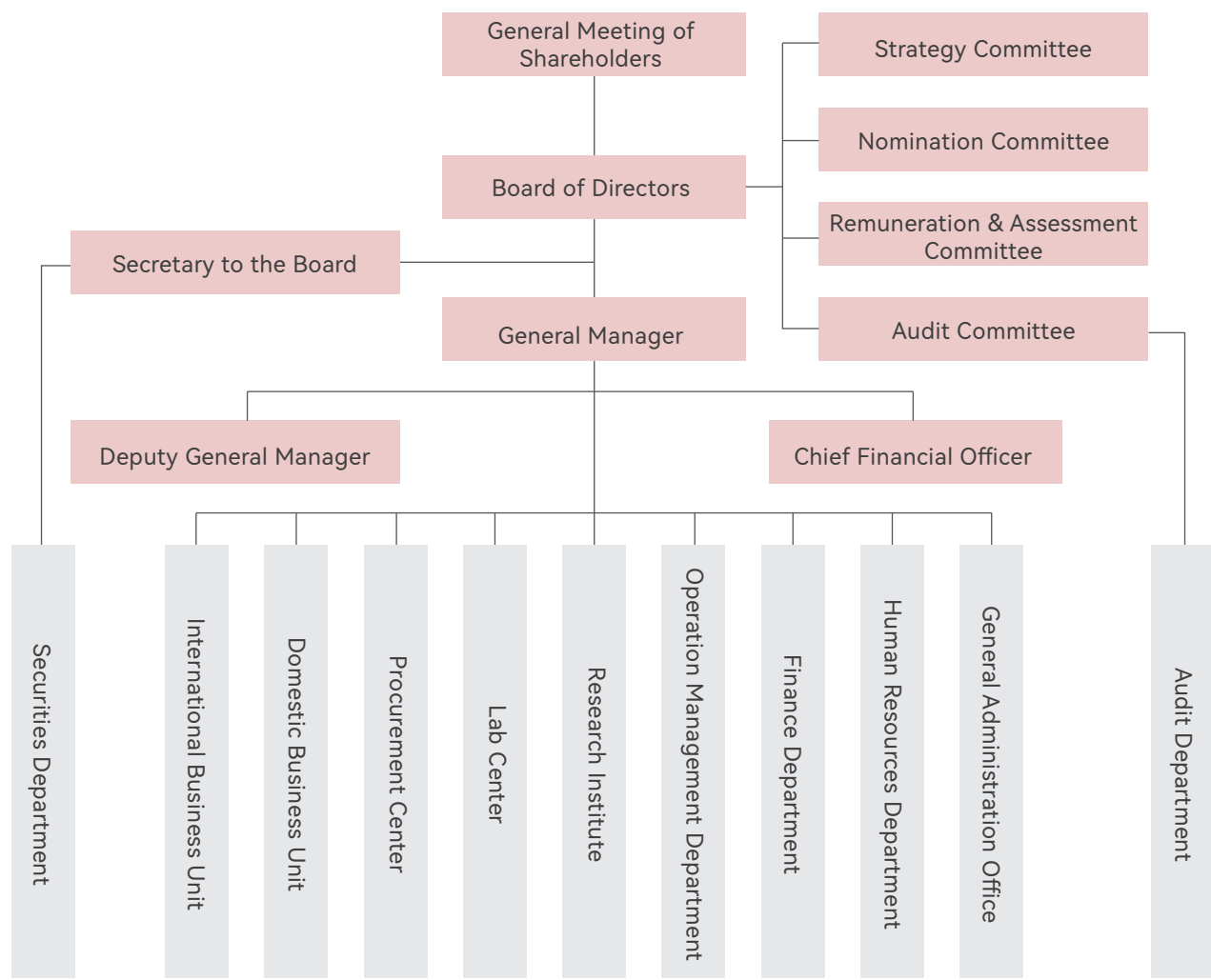
• Guiding Principles

• Simple HIGA • Global HIGA
• Responsible HIGA • Fulfilled HIGAER

Corporate Culture & Corporate Governance

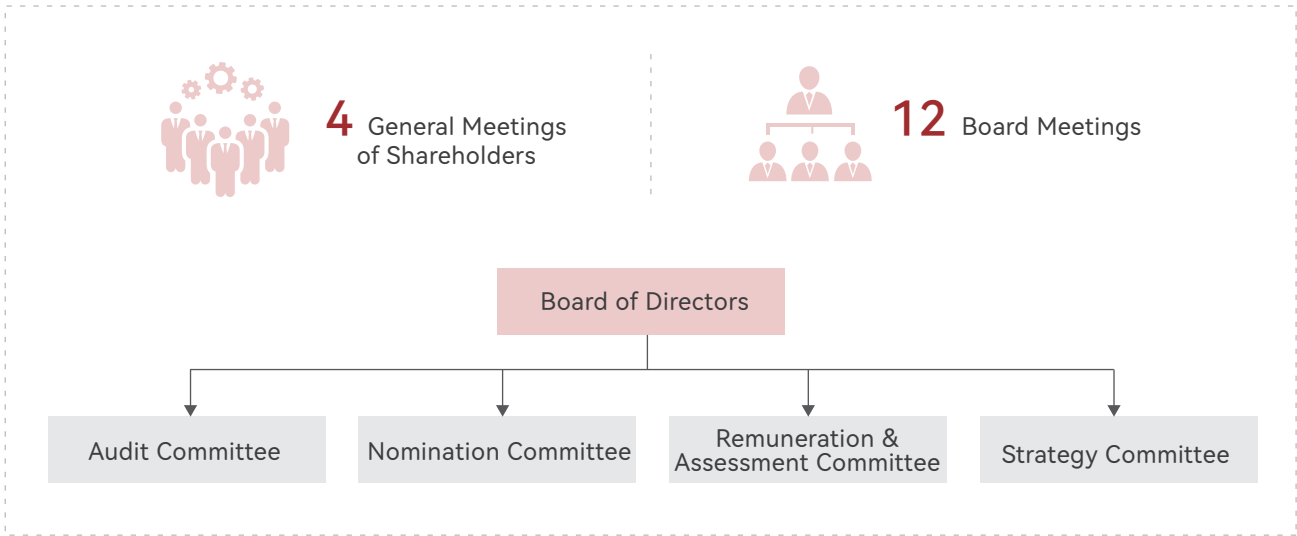
Corporate Governance

HIGA strictly complies with the Company Law, Securities Law, Code of Corporate Governance for Listed Companies, Shanghai Stock Exchange Listing Rules and other regulatory requirements. It fulfills information-disclosure obligations to investors. Centered on standardized governance, HIGA has established a governance structure comprising the General Meeting of Shareholders, Board of Directors and senior management. A sound governance mechanism ensures separation of decision-making, supervision and management powers with clear responsibilities and effective checks-and-balances, providing solid institutional support for efficient operations.



During the reporting period, in strict compliance with applicable laws and regulations, the Board of Directors advanced reforms of the Board of Supervisors. The Audit Committee assumed corresponding supervisory duties to strengthen internal audit supervision and fully implement listed-company oversight. An employee-director system was introduced, with employee directors elected by the employee representative congress, further building a systematic and standardized corporate-governance framework.

In the reporting period, HIGA held 4 General Meetings of Shareholders and 12 Board meetings in full compliance with laws and the Articles of Association. Convening, proceedings and decision-making followed regulatory requirements with proper approval procedures. To boost governance efficiency, the Board set up four special committees: Audit Committee, Nomination Committee, Remuneration & Assessment Committee and Strategy Committee. Each committee operates under its charter to ensure standardized, transparent and efficient decision-making on material matters.



HIGA prioritizes improving corporate-governance structure and internal-control systems. It dynamically updates internal policies to align with latest laws and regulatory rules. Leveraging supervision from the Audit Committee, independent directors and internal audit department, HIGA has built a multi-level, full-range supervision system to guarantee compliant business operations and underpin long-term stable development.

Going forward, HIGA will modernize its governance capacity, elevate governance standards, create greater value for shareholders and contribute more to society.

Compliance

In 2025, based on business realities, HIGA focused on compliance management and advanced key work as follows:

Compliance Performance of Directors & Senior Management

During the reporting period, aligned with latest regulatory requirements and industry trends, HIGA delivered compliance training for directors and senior managers via online legal briefings, policy updates, typical violation-case studies and on-site workshops. Training covered compliance in decision-making, duty boundaries and risk prevention. It strengthened accountability awareness among directors and senior executives to uphold compliance bottom-lines and mitigate compliance risks.

Improvement of Institutional System

In light of governance standards and internal-control requirements, HIGA reviewed existing management systems, meeting rules and procedural norms. It revised the Articles of Association, Rules of Procedure for Board Meetings and other documents. Dynamic mechanisms for system updating and implementation were established to align rules with business realities and regulatory guidance. Standardized systems consolidated governance foundations and improved operational performance.

Information Disclosure & Investor Protection

HIGA strictly observes regulatory rules, actively responds to investor inquiries, and continuously improves disclosure quality and operational transparency to safeguard legitimate investor rights. Its information--disclosure work obtained an A-level rating from the stock exchange in the reporting period.

Legal Training for Employees

Focusing on business-related laws and internal policies, HIGA organized regular special training with real-case analysis. Knowledge assessments and internal Q&A sessions consolidated learning outcomes and enhanced overall legal awareness across the workforce.

Party-Building Leadership

HIGA’s Party Branch translates organizational and political strengths into business advantages. It solidifies non-public-enterprise Party-building work and integrates Party-building activities with corporate operation and development.



June 28: Thematic study on the spirit of the Eight-Point Regulation



September 29: Condolence visits to disadvantaged residents in local communities

Corporate Innovation

Product Innovation

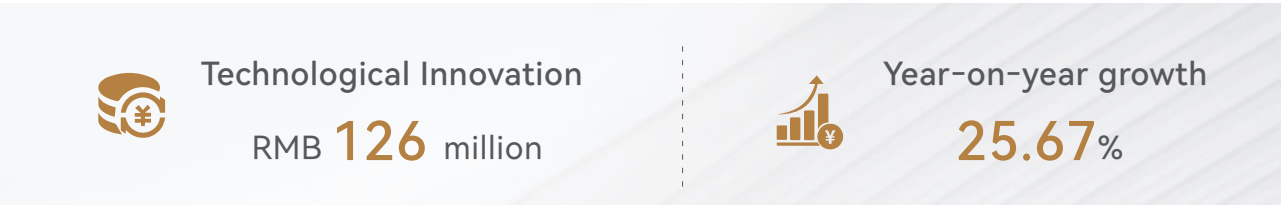
Low-thermal-conductivity gasket technology improves overall unit energy efficiency by 3-5%, helping customers meet the EU A+++ energy-efficiency threshold.

Adopting dual validation of CFD simulation and lab testing, HIGA has launched dozens of energy-saving gasket solutions.

HIGA explores new-material applications in emerging sectors, develops a series of alloy materials and has obtained multiple patents.



Technological Innovation



HIGA attaches importance to the protection and application of technical achievements. It has established a systematic intellectual property management system and continuously optimizes the commercialization of innovation outputs. In 2025, the project *Research and Industrialization of Key Energy-Saving Technologies for Refrigerators Centered on Door Gaskets* won the First-Class Award for Scientific and Technological Progress issued by China Light Industry Federation.

The Project on Research and Industrialization of Key Energy-Saving Refrigerator Technologies Centered on Door Gaskets won the First-Class Prize for Scientific and Technological Progress of China Light Industry Federation.



Industry Leadership

— Honors —



Hollow-microsphere Energy-Saving Door Seal for Refrigerators Wins AWE 2025 AWE Core Technology Award

★★★★★



TPE Door Seal for Drum Washing Machine Wins 2025 China Home Appliance Industry Chain Golden Nail Award

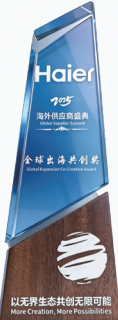
★★★★★

— Customer Honors —



Midea 2025 Global Breakthrough Partner Award

★★★★★



Haier Global Overseas Co-creation Award

★★★★★



LG Global Supplier — "2025 Strategic Partner Award"

★★★★★



Hisense 2025 "Global Expansion Pioneer Award"

★★★★★



Samsung 2025 Strategic Supplier

★★★★★

Corporate Operation, Development and Layout

Corporate Operations

HIGA pursues progress amid stability, focusing on optimizing business structure. While consolidating core businesses, it advances business upgrading, new-segment expansion and global deployment, maintaining sound overall operations.

Home appliance components, as the fundamental business segment, deliver steady performance to underpin corporate growth. Leveraging supporting-business advantages, small-home-appliance business has achieved leap-forward growth as a new profit driver. Going forward, HIGA will further boost self-manufacturing rate and integrated service capabilities. Automotive components see steady growth. Focusing on intelligent driving, it builds competitive edges via R&D and in-depth customer collaboration.

Meanwhile, HIGA actively develops emerging businesses including polymer materials, magnetic materials and sensors. It scales up R&D and market expansion to foster new growth engines and lay a solid foundation for long-term high-quality development.

 Operating Revenue	Year-on-year growth
RMB 4,123.5404 million	+21.87%
 Net Assets	Growth vs. beginning-of-year
RMB 1,730.8663 million	+9.01%
 Overseas Core Business Revenue	Year-on-year growth
RMB 829.9733 million	+46.73%

Environmental Responsibility & Safety Management

Environmental Responsibility

Upholding sustainable-development philosophy, HIGA keeps focusing on energy conservation and emission reduction. During the reporting period, multiple measures were adopted to cut carbon emissions, covering energy-structure optimization, green-office initiatives and technological innovation, as detailed below:



1. Promote Clean and Renewable Energy

- HIGA actively applies photovoltaic power generation and energy-storage systems at HIGA New Materials, HIGA Home Appliance and other plant sites to conserve energy and reduce carbon emissions.

2. Advocate Green Commuting, Green Office and Low-carbon Consumption

- HIGA implements energy-saving and emission-reduction initiatives across multiple dimensions.

Promote public transport and non-motor-vehicle travel; install new-energy vehicle charging piles on-site; prioritize new-energy vehicles for company fleets.

Roll out green-office practices: advocate paper-less workflows, deploy energy-efficient office hardware, and encourage staff to save electricity and water.

Launch “Clear-Your-Plate Campaign”, post food-saving reminders, and embed low-carbon concepts into corporate management.

3. Green Manufacturing

- During the reporting period, HIGA continuously improved production equipment and processes. Outdated high-energy-consuming equipment and processes were phased out and upgraded; new energy-saving equipment was developed and existing production processes optimized.
- For instance, 330 units of heater-coil protective hoods for welding machines have been deployed. Heater-coil power dropped from 2700W to 2400W, delivering ~10% average energy savings. Heating time is shortened by 0.5-1.5seconds, and single-shift welding efficiency rises by roughly 10%, advancing green production.

Welding machine heater-coil protective hoods installed: **330** units

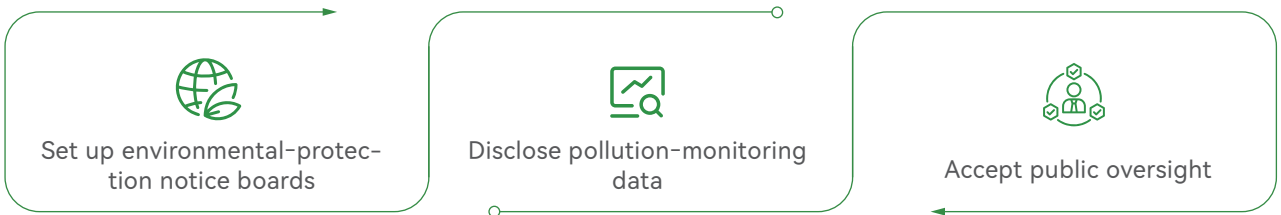
Estimated annual energy saving **445500** kWh

Heater-coil power **2700W** → **2400W**

Heating-time reduction **0.5-1.5s**

4. Strengthen Communication and Information Disclosure

- HIGA has obtained ISO14001 Environmental Management System certification and improved environmental-management systems to realize harmonious co-existence between enterprise and nature.
- Environmental-protection notice boards are placed to inform on-site production processes, raw materials, key production facilities, major pollutants and corresponding emission-reduction measures. Pollution-monitoring data is publicly disclosed for public oversight, fulfilling social-responsibility commitments.



Safety Management

In 2025, HIGA adopted a combined online-offline approach integrating education with practical exercises. A series of campaigns were carried out, including Work Safety Month, Traffic Safety Promotion Month and Fire-Safety Promotion Month. These activities effectively improved all employees' safety awareness, legal awareness and emergency self-rescue & mutual-aid capabilities, fostering a strong corporate culture of "Cherish Life, Prioritize Safety". Going forward, HIGA will build on these outreach outcomes to normalize and institutionalize safety-culture development, laying a solid safety foundation for sustained and stable growth.

Work Safety Month Activities



•Employees take work-safety oaths under the guidance of plant managers•



•Employees sign thematic banners for Work Safety Month•



•First-aid skill training•



•Safety knowledge training•



•On-site safety hazard inspection•

Traffic Safety Promotion Month Activities



•Traffic safety training•



•Quiz sessions: safety helmets distributed to employees as prizes•

Fire-Safety Promotion Month Activities



•Medical rescue & emergency-response drills•



•Post fire-safety promotional posters•



•Fire-evacuation and fire-extinguishing practical drills•

Human-Centered Care & Employee Well-being

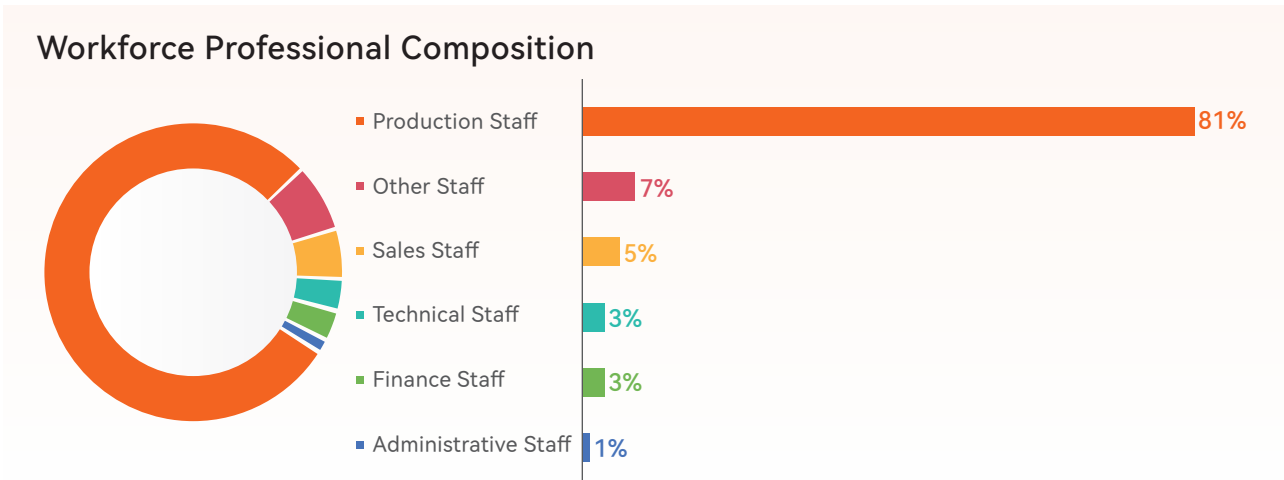
HIGA always prioritizes employees’ sense of well-being as a core guiding principle. We believe that happy employees are the driving force for the enterprise’s sustainable development.

“Happy Employees” is more than a slogan — it is what HIGA consistently puts into practice.

Material-wise, HIGA shares corporate growth achievements with employees through competitive compensation and benefits. Spiritually, HIGA builds a distinctive learning-oriented organization. Human-resource initiatives including Young Talent Program, Reserve Plant Manager Program and Key-position Succession Program are launched to develop core leadership talents. Resources are allocated for targeted training and self-expression platforms, enabling employees to realize and enhance their personal value.

People-Oriented Practices

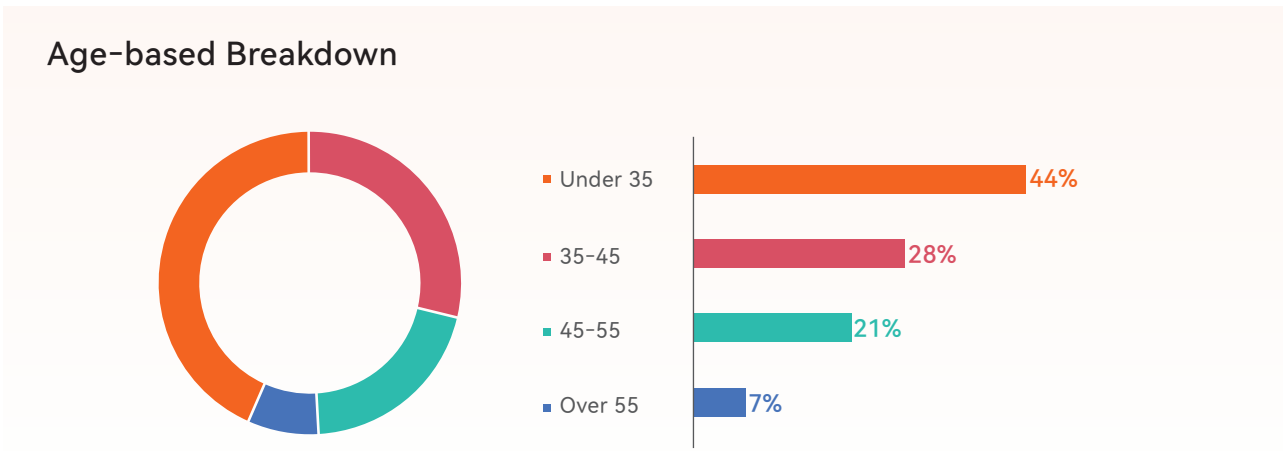
HIGA strictly complies with the Labor Law of the People’s Republic of China and Labor Contract Law of the People’s Republic of China, ensuring legal and standardized employment practices. Labor contracts are signed with all employees. Child labor is firmly prohibited. Employees are encouraged to join trade unions to safeguard legitimate rights and interests. HIGA recruits college graduates, veterans and persons with disabilities each year. This meets business demands and helps ease social employment pressure. As business expands and headcount grows, HIGA keeps creating more job opportunities for society.



In recruitment, training, compensation, benefits and promotion, HIGA prohibits all forms of discrimination regardless of ethnicity, gender, age, marital status, religion or physical disability. Equal work rights and development opportunities are provided for every employee to achieve self-worth in a fair workplace.

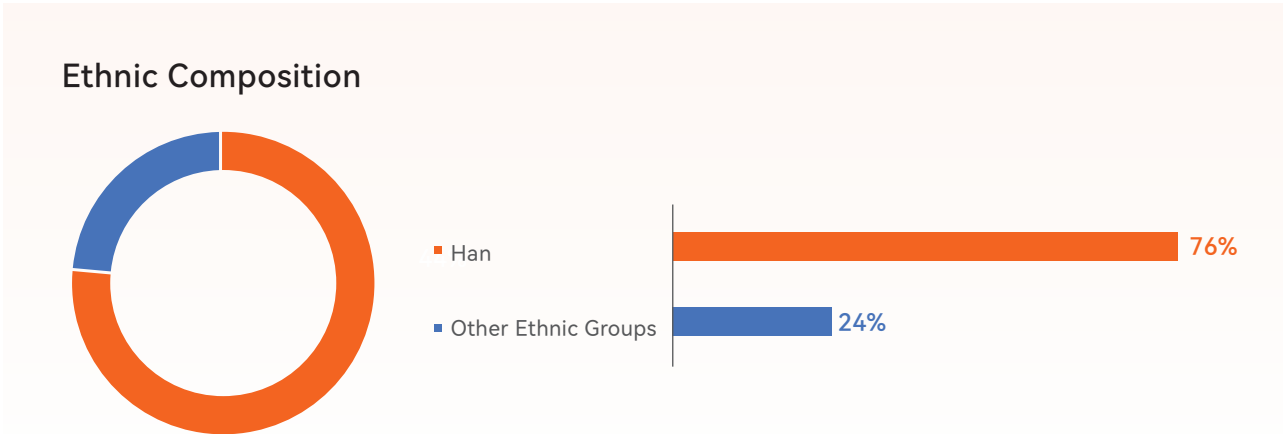
1. Age-based Breakdown

Over the past three years, headcount has increased across all age brackets. HIGA offers equal employment opportunities for staff of all age groups with no age discrimination.



2. Ethnic-group Breakdown

The number of non-Han employees has grown year-on-year for three consecutive years. HIGA delivers equal employment opportunities for all ethnic groups with no ethnic discrimination.



Employee Benefits

HIGA adheres to the principle of distribution according to work, and has built a compensation and incentive system of “salary by rank, bonus by performance, strategy-driven, market-benchmarked”. It provides market-competitive remuneration for employees with steady year-over-year salary growth.

HIGA offers meal subsidies, staff dormitories and rental allowances for married employee couples to continuously improve employees’ working and living conditions. Regular free physical examinations and vocational skill training are provided. Multiple incentives including summer heat-relief allowances, holiday benefits, birthday benefits and year-end bonuses are granted. Scholarships for employees’ children are established to care for employees’ personal growth and family development.

In 2025, HIGA further optimized its recognition and incentive mechanism. Rewards for talents in key areas including marketing, technology and digitalization were strengthened by increasing award quotas and bonus amounts, so as to stimulate innovation and creativity of talents.



Happy Employee Program

Upholding the core philosophy of “Happy Employees”, HIGA deeply integrates human-oriented care into corporate governance and cultural development. A regular democratic management mechanism is established. HIGA conducts front-line research and implements grassroots-level communication. Via questionnaires, morning-shift meetings, thematic seminars and one-on-one interviews, diversified channels keep employee feedback pathways open to ensure all voices are timely received and responded to.

HIGA systematically rolls out the “Happy Employee” action plan to institutionalize employee cultural activities. A series of regular activities such as employee forums, theme recognition programs and employee birthday parties effectively enhance employees’ sense of belonging, fulfillment and cohesion, building a sound ecosystem for harmonious and inclusive development.

Return-to-work Red Envelopes & Opening-lottery Activities



Traditional Festivals



· Joyful Lantern Festival ·



· Women's Day Flower-Arranging Activity ·



· Happy Dragon Boat Festival ·



· Mid-Autumn Festival ·



· Mid-Autumn Festival ·



· Warm Winter ·



· Winter Solstice ·

Employee Birthdays



Employees' Children Enter University

Since 2021, HIGA has granted admission awards for employees' children admitted to universities for five consecutive years, always prioritizing employees' well-being.



Employee Growth

The company continuously develops young talents to systematically enhance young backbones’ management thinking and practical capabilities.



Builder for a Better Society

To honor dedicated teachers who foster virtue and nurture talents, and support education development, the company has established teaching awards at 168 Rose Garden School, Tsinghua University High-School Hefei, and Jingkai Experimental School. Actively fulfilling social responsibilities, it donated a total of RMB 1.74 million to foundations including the HIGA Education Public Welfare Foundation in 2025.

The company lives up to its social responsibilities, with cumulative donations of over RMB 110,000 to organizations such as Jun’an Charity Association of Shunde District, Foshan and Anhui Lebang Charity Foundation, to boost local philanthropy.

Going forward, the company will keep supporting educational public welfare and talent development. It will contribute to consolidating poverty-alleviation achievements and advancing rural revitalization. Through concrete actions, it delivers corporate social responsibility, gives back to communities with sound business growth, and shares development gains with all stakeholders.



Honorary Silk Banner Presented to HIGA Education Public Welfare Foundation by Yingquan District Authorities



Donation Ceremony of HIGA Public Welfare Foundation to Fuyang Hongqi High School



2025 Teachers’ Day Grant-giving Ceremony at Rose Garden School

Future Outlook

Rooted in the domestic market, advancing internationalization, and striving to become a respected global enterprise.

Taking technological innovation as core strategic support, adhering to the philosophy of “Deep-dive into regions, customers and products”, and based on steady growth of core business, the Company will actively explore incremental markets and expand into emerging sectors under the principles of “Measurable, Controllable and Affordable” to foster its second-growth curve.

Driven by management and digital transformation, the Company will build new efficiency-led competitive advantages, sustain steady growth in revenue and profit, and create greater value for investors, employees and society.

