OVERVIEW OF PRC LAWS AND REGULATIONS

We are a company established in the PRC and a leading provider of enterprise-grade financial intelligent printing and document processing equipment. Our business activities in the PRC are supervised and regulated by the current laws, regulations, rules and other regulatory documents of the PRC. The following sets forth a summary of the major laws and regulations applicable to our business, including business supervision, corporate governance and risk control, as well as other necessary general regulations. The information provided in this section shall not be construed as a comprehensive summary of applicable laws and regulations, nor a detailed description of all the laws and regulations which we are required to comply with.

INTELLECTUAL PROPERTY

Our intellectual property rights primarily consist of trademarks, patents, software copyright. PRC laws governing intellectual property also primarily cover the aforesaid aspects, and we shall strictly comply therewith.

Trademark

According to the *Trademark Law of the PRC* (《中華人民共和國商標法》), which was approved by the Standing Committee of the National People's Congress (the "**SCNPC**") on August 23, 1982 and most recently amended on April 23, 2019 and effective from November 1, 2019, and the *Implementation Regulations for the Trademark Law of the PRC* (《中華人民共和國商標法實施條例》) promulgated by the State Council on August 3, 2002, later amended on April 29, 2014 and effective from May 1, 2014, the trademark office of China national intellectual property administration is responsible for the registration and administration of trademarks throughout the PRC. Trademarks approved and registered by the trademark office are registered trademarks, including commodity trademarks, service marks and collective trademarks, certification marks; trademark registrants enjoy exclusive rights to use trademarks and are protected by the law. All the registered trademarks are granted a term of ten years which may be renewed for consecutive ten-year periods upon request by the trademark registrant pursuant to the provisions within the 12-month period before the expiry date. Conducts that shall be deemed as an infringement of the exclusive right to use registered trademarks include, but are not limited to, the following: (i) use of a trademark identical to a registered trademark on the same type of commodities without licensing by the trademark registrant; (ii) use of a trademark similar to a registered trademark on the same type of commodities without licensing by the trademark registrant, or use of a trademark identical or similar to the registered trademark on similar commodities which easily causes confusion; (iii) sale of commodities which infringe upon exclusive rights to use registered trademarks; (iv) forgery or unauthorised manufacturing of labels of other's registered trademark or sale of forged or unauthorised labels of other's registered trademark; (v) change of a registered trademark without the consent of the trademark registrant, and sale of commodities bearing the changed trademark in the market; (vi) intentionally facilitating infringement of other's exclusive rights to use trademarks, assisting others in implementation of infringement of exclusive rights to use trademarks; and (vii) causing harm to other's exclusive rights to use registered trademarks. The infringer may be ordered to stop the infringement act immediately and may also be held liable for compensation to the right holder. The infringer may also be subject to administrative penalties, which may include fines. Where the case constitutes a criminal offence, criminal liability shall apply.

Patent

According to the *Patent Law of the PRC* (《中華人民共和國專利法》), promulgated by the SCNPC on March 12, 1984, which was latest amended on October 17, 2020 and became effective on June 1, 2021, and *Implementing Rules for the Patent Law of the PRC* (《中華人民共和國專利法實施細則》), which was promulgated by the State Council on June 15, 2001, most recently amended on December 11, 2023 and effective from January 20, 2024, patents are classified into three categories: invention, utility model and design. The duration of patent rights for inventions, utility models and designs shall be 20 years, 10 years and 15 years respectively. The patent administrative department under the State Council shall be responsible for administration of patent matters nationwide, accept and examine patent applications and grant patent rights pursuant to the law. Implementation of a patent without licensing of the patentee shall constitute patent infringement. Following the grant of patent rights for an invention or a utility model, unless otherwise stipulated by law, no Organisation or individual shall implement the patent without licensing from the patentee, i.e. shall not manufacture, use, offer to sell, sell or import such patented products for manufacturing and business purposes, or use the patented method and use, offer to sell, sell or import products obtained directly according to the patented method. Following the grant of design patent rights, no Organisation or individual shall implement the patent without licensing from the patentee, i.e. shall not manufacture, offer to sell, sell or import the design patented products for manufacturing and business purposes. The infringer may be ordered to cease the infringement act immediately and may be liable for compensation to the patentee. The infringer may also be subject to administrative penalties, which may include fines. Where the act constitutes a criminal offence in accordance with the law, the infringer shall bear criminal liability.

Copyright

Pursuant to the *Copyright Law of the PRC* (《中華人民共和國著作權法》) promulgated by the SCNPC on September 7, 1990 and most recently amended on November 11, 2020 and effective from June 1, 2021, and the *Implementation Regulations for the Copyright Law of the PRC* (《中華人民共和國著作權法實施條例》), which was promulgated by the State Council on August 2, 2002, mostly amended on January 30, 2013 and effective on March 1, 2013, Chinese citizens, legal persons or organisations without legal personality enjoy copyright over their works in accordance with this regulations, whether published or not, which include but not limit to written works, oral works, musical, dramatic, opera, dance, acrobatic artistic works, fine arts, architectural works, photographic works, audio-visual works, graphic works, model works, computer software and any other intellectual achievements which comply with the characteristics of the works.

Pursuant to the *Regulations on the Protection of Computer Software* (《計算機軟件保護條例》) promulgated by the State Council on June 4, 1991, latest amended on January 30, 2013 and effective on March 1, 2013, Chinese residents, legal entities or other organisations shall be entitled to the copyright of the software they developed, whether the software is released publicly or not. The protection period for software copyright of legal entities shall be 50 years, concluding on December 31 of the 50th year after the software's initial release. But if the software has not been released within 50 years from the date on which the software development is completed, it shall no longer receive the protection of these Regulations.

LABOUR AND SOCIAL WELFARE

Labour

According to the *Labour Law of the PRC* (《中華人民共和國勞動法》), which was first promulgated by the SCNPC on July 5, 1994, most recently amended and effective on December 29, 2018, a written labour contract shall be concluded for establishment of work relationships. Wages paid by an employer to its workers shall not be less than the local minimum wage standards. An employer must establish a sound labour safety and hygiene system to prevent accidents during work and reduce occupational hazards.

According to the *Labour Contract Law of the PRC* (《中華人民共和國勞動合同法》) promulgated by the SCNPC on June 29, 2007, amended on December 28, 2012 and became effective on July 1, 2013, labour contracts include fixed-term labour contracts, non-fixed-term labour contracts, and labour contracts whose term is based on the completion of certain work tasks. The employers shall pay to the workers in a timely and full manner in accordance with the stipulations of the labour contract and State provisions.

Social Insurance

According to *The Social Insurance Law of the PRC* (《中華人民共和國社會保險法》), promulgated by the SCNPC on October 28, 2010 and latest amended and effective on December 29, 2018, the State has established social insurance systems of basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance and maternity insurance.

According to the *Interim Regulation on the Collection and Payment of Social Insurance Premiums* (《社會保險費徵繳暫行條例》), promulgated by the State Council on January 22, 1999 and most recently amended on March 24, 2019 and effective from the same date, enterprises shall register social insurance with local social insurance agency and pay or withhold relevant social insurance for or on behalf of its employees. Any employer that fails to make social insurance contributions may be ordered to pay the required contributions within a set time and pay a late payment surcharge.

Housing Provident Fund

In accordance with the *Regulations on the Administration of Housing Provident Fund* (《住房公積金管理條例》) promulgated by the State Council on April 3, 1999, latest amended and effective on March 24, 2019, enterprises must register with the housing provident fund management center and open housing provident fund accounts on behalf of its employees. Employers shall pay and deposit housing provident funds on schedule and in full. Where an entity fails to pay or underpays the housing provident fund within the prescribed time, the housing provident fund management center shall order it to make full payment within a specified time and may apply to the people's court for compulsory enforcement.

LAND AND REAL ESTATES

Pursuant to the *Land Administration Law of the PRC* (《中華人民共和國土地管理法》), which was promulgated on June 25, 1986, last amended on August 26, 2019 and effective on January 1, 2020, and the *Regulations on the Implementation of the Land Administration Law of the PRC* (《中華人民共和國土地管理法實施條例》), which was promulgated on December 27, 1998, last amended on July 2, 2021 and effective on September 1, 2021, land in the PRC is either state-owned or collectively-owned. Lawfully registered land ownership and land use rights are protected by law.

Pursuant to the *Urban Real Estate Administration Law of the PRC* (《中華人民共和國城市房地產管理法》) and the *Interim Regulations on Real Estate Registration* (《不動產登記暫行條例》) promulgated by the State Council on November 24, 2014, amended twice in 2019 and 2024, and effective on May 1, 2024, the State implements a unified real estate registration system. Where a building is constructed on land legally obtained for real estate development, registration shall be applied for with the real estate administrative department of the local people's government at or above the county level by presenting the land use right certificate, which shall verify the application and issue the ownership certificate therefor.

LEASING PROPERTIES

Pursuant to the *Urban Real Estate Administration Law of the PRC* (《中華人民共和國城市房地產管理法》), in the lease of a house, the lessor and the lessee shall conclude a written lease contract defining such matters as the term, purpose and price of the lease, liability for repair, as well as other rights and obligations of both parties, and shall register the lease contract with the department of housing administration for the record. Pursuant to the *Administrative Measures on Commodity Housing Leasing* (《商品房屋租賃管理辦法》), issued by Ministry of Housing and Urban-Rural Development on December 1, 2010 and became effective on February 1, 2011, without the mentioned registration above, the competent construction (real estate) department shall order rectification within a prescribed time limit; if the party fails to rectify within that time limit, a fine shall be imposed.

According to the PRC *Civil Code* (《中華人民共和國民法典》) which took effect on January 1, 2021, an owner of immovable or movable property is entitled to possession, use, earnings, and disposal of such property in accordance with the law. Subject to the consent of the lessor, the lessee may sublease the leased premises to a third party. Where a lessee subleases the premises, the lease contract between the lessee and the lessor remains valid. The lessor is entitled to terminate the lease if the lessee subleases the premises without the consent of the lessor. In addition, if the ownership of the leased property changes during the lessee's possession in accordance with the terms of the lease contract, the validity of the lease contract shall not be affected.

TAXATION

Enterprise Income Tax

According to the *Enterprise Income Tax Law of the PRC* (《中華人民共和國企業所得稅法》), which was promulgated by the SCNPC and was latest amended and effective on December 29, 2018, and the *Implementation Regulations for the Enterprise Income Tax Law of the PRC* (《中華人民共和國企業所得稅法實施條例》), which was promulgated by the State Council and was latest amended in December 6, 2024 and effective on January 20, 2025, a resident enterprise refers to an enterprise established within the PRC in accordance with the laws or established in accordance with any laws of foreign countries (regions) but with an actual management entity within the PRC, while a non-resident enterprise refers to an enterprise established in accordance with any laws of foreign countries (regions) with no actual management entity within the PRC but have establishments or premises in the PRC, or with no establishments or premises in the PRC but whose income is derived from the PRC. According to the Enterprise Income Tax Law, resident enterprises are subject to a uniform corporate income tax rate of 25%, except where tax incentives are granted to special industries and projects. The high-tech enterprises that PRC's government should fully support will enjoy a 15% tax rate reduction for Enterprise Income Tax.

Value-added Tax

Pursuant to the *Value-added Tax Law of the PRC* (《中華人民共和國增值稅法》), which was promulgated by the SCNPC in 2024 and effective on January 1, 2026, and the *Implementation Rules for the Provisional Regulations the PRC on Value-added Tax* (《中華人民共和國增值稅暫行條例實施細則》), which was promulgated by the Ministry of Finance and was latest amended on October 28, 2011 and effective from November 1, 2011, entities and individuals (including individual businesses) engaged in sale of goods, services, intangible assets and immovables and importation of goods within the territory of the PRC are VAT payers.

According to the Enterprise Income Tax Law *and the Administrative Measures on the Recognition of High and New Technology Enterprise* (高新技術企業認定管理辦法), which was promulgated on April 14, 2008, amended on January 29, 2016 and came into effect on January 1, 2016, a high and new technology enterprise recognised by the relevant governmental authorities may enjoy a preferential enterprise income tax rate of 15% from the year it obtains the certificate of the high and new technology enterprise and the qualification of an accredited high and new technology enterprise shall be valid for three years from the issue date of the certificate of a high and new technology enterprise.

Dividend Withholding Tax

According to the *Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income* (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), the PRC Government may impose tax on dividends paid by a PRC company to a Hong Kong resident (including natural person and legal entity), but such tax shall not exceed 10% of the gross amount of the dividends. In respect of the dividends paid by a PRC resident enterprise to a Hong Kong resident, the withholding tax shall not exceed 5% of the total dividends if the beneficial owner is a company that directly holds at least 25% of the capital of the company paying the dividends; otherwise, such withholding tax shall not exceed 10% of the total dividends.

PRODUCT QUALITY

According to the *Product Quality Law of the PRC* (《中華人民共和國產品質量法》), which was promulgated by the SCNPC on February 22, 1993 and amended on July 8, 2000, August 27, 2009 and December 29, 2018, respectively, all production and sales activities within the PRC must comply with this Law. Producers and sellers shall bear the responsibility for product quality in accordance with the provisions of this Law. The responsibilities and obligations of producers for product quality include: (i) they shall be responsible for the quality of the products they produce; (ii) the labels on the products or their packaging shall be true; (iii) they shall not produce products that have been ordered to be eliminated by the PRC; (iv) they shall not forge the place of production, and shall not forge or fraudulently use the name or address of the factories of other manufacturers; and (v) they shall not forge or fraudulently use the certification mark and other product quality marks; (vi) in producing products, a producer shall not adulterate or mix improper elements with its products, and shall not use fake products as genuine products or products of poor quality as high quality products, and shall not use substandard products as products which are up to standard; and (vii) for products which are fragile, flammable or explosive, or which contain toxic, corrosive, radioactive or other dangerous matter, together with products which cannot be placed upside down during storage and transport or which have other special requirements, the packaging must meet the corresponding requirements, and warning marks or warnings in Chinese indicating the points for attention in storage and transport must be made in accordance with relevant state regulations. Producers who are in violation of the above responsibilities and obligations shall be liable for civil damages. The relevant authorities may order the production to stop, confiscate the illegal products, impose a fine and confiscate the illegal proceeds (if any). In serious cases, the business license will be revoked; in case of crime, criminal liability will be pursued according to the law.

COMPULSORY CERTIFICATION AND ADMISSION

According to the *Regulations on Certification and Accreditation of the PRC* (《中華人民共和國認證認可條例》) which was promulgated by the State Council on September 3, 2003, latest revised and came into effect on July 20, 2023, and the *Regulations on the Administration of Compulsory Product Certification* (《強制性產品認證管理規定》) which was promulgated by the State Administration for Market Regulation of the PRC ("**SAMR**", formerly the General Administration of Quality Supervision, Inspection and Quarantine) on December 3, 2001 and latest revised by SAMR on September 29, 2022 and came into effect on November 1, 2022, products specified by the state shall not leave the factory, be sold, imported or used in other business activities until they are certified (the "**China Compulsory Certification**") and labelled with compulsory certification mark. For products that are subject to China Compulsory Certification, the State implements unified product catalogues, unified compulsory requirements, standards and compliance assessment procedures in technical specification, unified certification marks and charging standards. Producers, sellers and importers of the products listed in the catalogues shall entrust a certification body designated by the SAMR to certify the products they produce, sell or import. If the certification requirements are met, an certificate shall be issued by the certification organ. The certificate is valid for 5 years and can be re-applied after the expiration of the validity period.

According to *the Description and Delimitation Table of the Catalog of China Compulsory Certification (2023 Revision)* (《強制性產品認證目錄描述與界定表(2023年修訂)》), which was issued by the SAMR on August 10, 2023 and effective from the same day, Electronic Products and Safety Accessories which includes Display Devices used with Computers, Printing Devices connected to Computers, Multi-function Printer-Copiers, Scanners, etc. in the absence of being certified and labeled with certification marks shall not leave the factory, or be sold, imported or used in other business activities.

ENVIRONMENTAL PROTECTION

Pursuant to the *Environmental Protection Law of the PRC* (《中華人民共和國環境保護法》), which was promulgated on December 26, 1989 and last amended on April 24, 2014, the *Environmental Impact Assessment Law of the People's Republic of China* (《中華人民共和國環境影響評價法》) amended by the SCNPC and came into effect on December 29, 2018, the *Regulations on the Environmental Protection of Construction Projects* (《建設項目環境保護管理條例》) amended by the State Council on July 16, 2017 and effective on October 1, 2017, and the *Interim Measures for the Acceptance Examination of Environmental Protection Facilities of Construction Projects* (《建設項目竣工環境保護驗收暫行辦法》) promulgated by the former Ministry of Environmental Protection and came into effect on November 20, 2017, enterprises planning for construction projects shall provide environmental impact reports, environmental impact statements or environmental impact registration forms relating to such projects. The environmental impact reports and environmental impact statements must be approved by the competent environmental protection authority prior to the commencement of any construction work, and the environmental impact registration forms must be filed with the said authority. Upon completion of construction of a construction project for which an environment impact report or environment impact statement is formulated, the builder shall conduct acceptance inspection of the complementary environmental protection facilities pursuant to the standards and procedures stipulated by the environmental protection administrative authorities of the State Council, and formulate the acceptance inspection report. Construction projects aforesaid shall not be put into production or use until their associated environmental protection facilities have passed acceptance inspections. The relevant regulatory authorities shall carry out inspections and supervise the implementation of these facilities.

Enterprises and other producers that discharge pollutants shall take measures to prevent and control the environmental pollution and harm caused by the waste gas, wastewater, waste residue and dust generated during production, construction or other activities. Facilities for the prevention and control of pollution in a construction project shall be designed, constructed and put into operation simultaneously with the main work. The pollution prevention facilities shall comply with the requirements of the approved environmental impact assessment documents and shall not be dismantled or left idle without authorisation.

According to the *Catalog of Classified Management of Pollutant Discharge Permits for Stationary Pollution Sources (2019)* (《固定污染源排污許可分類管理名錄(2019年版)》) promulgated by the Ministry of Ecology and Environment came into effect on December 20, 2019, key management, simplified management and registration management of pollutant discharge permits are implemented based on factors such as the amount of pollutants generated, the amount of pollutants discharged and the degree of impact on the environment. The pollutant discharging entity subject to registration management does not need to apply for the pollutant discharge permit, but shall fill in the pollutant discharge registration form on the national pollutant discharge permit management information platform.

According to the *Guidelines for the Registration of Pollutant Discharge for Stationary Pollution Sources (Trial Implementation)* (《固定污染源排污登記工作指南(試行)》) issued by the Ministry of Ecology and Environment and came into effect on January 6, 2020, enterprises that do not need to apply for a pollutant discharge permit in accordance with the law shall carry out pollutant discharge registration in accordance with the relevant provisions.

PRODUCTION SAFETY

Pursuant to the *Production Safety Law of the PRC* (《中華人民共和國安全生產法》) promulgated by the SCNPC on June 29, 2002, last amended on June 10, 2021, and implemented on September 1, 2021, the emergency management department of the State Council shall implement comprehensive supervision and management of production safety nationwide. Production and operation entities must implement national or industry standards for ensuring production safety formulated in accordance with the law, establish and improve production safety responsibility system for all employees and production safety rules and regulations. Production and operation entities that fail to meet production safety conditions shall not engage in production and operational activities. Production and operation entities shall conduct production safety education and training for their employees, ensure that employees possess necessary production safety knowledge, and provide them with necessary labour protective equipment.

CUSTOMS

According to the *Foreign Trade Law of the PRC* (《中華人民共和國對外貿易法》) promulgated by the SCNPC on May 12, 1994, latest amended on December 27, 2025 and implemented on March 1, 2026, the State allows the free import and export of goods and technologies, unless otherwise provided by laws and administrative regulations. The State may, based on the specific reasons as prescribed in the Foreign Trade Law of the PRC, prohibit or restrict the import and export of relevant goods and technologies, or take other necessary measures.

According to the *Customs Law of the PRC* (《中華人民共和國海關法》), which was promulgated by the SCNPC on January 22, 1987 and was last amended and implemented on April 29, 2021, all conveyance, goods and articles entering or leaving the territory shall be subject to customs control, including declaration, examination and supervision. Duties shall be levied accordingly. Unless otherwise exempted or reduced by the laws, the consignee of import goods, the consignor of export goods and the owner of inward and outward articles shall be the obligatory customs duty payer. A fine may be imposed for acts which violate the regulations on customs control prescribed in the Customs Law of the PRC.

According to the *Provisions on the Administration of Recordation of Customs Declaration Entities of the PRC* (《中華人民共和國海關報關單位備案管理規定》) promulgated by the General Administration of Customs on November 19, 2021 and came into effect on January 1, 2022, customs declaration entities refer to consignees or consignors of imports and exports and customs declaration enterprises which have filed record with the Customs pursuant to these Provisions. Consignees or consignors of imports and exports and customs declaration enterprises applying for filing shall obtain market entity qualification and in the case of consignees or consignors of imports and exports applying for filing, they shall also complete filing formalities for foreign trade business operators. According to the *Notice on Matters Concerning the Recordation of the Consignees and Consignors of Imported and Exported Goods* (《關於進出口貨物收發貨人備案有關事宜的通知》) issued by the Department of Enterprise Management and Audit-Based Control of the General Administration of Customs on January 3, 2023 and came into effect on the same day, a consignee or consignor of imported or exported goods who applies for filing shall be qualified as a market entity and is not required to be filed as a foreign trade business operator.

CYBERSECURITY, DATA SECURITY AND PROTECTION OF PERSONAL INFORMATION

Cybersecurity and Data Security

The Cybersecurity Law of the PRC (《中華人民共和國網絡安全法》) (the "**Cybersecurity Law**") promulgated on November 7, 2016, latest amended in 2025 and becoming effective on January 1, 2026, is applied to the construction, operation, maintenance and use of networks as well as the supervision and administration of cybersecurity in the PRC. According to the Cybersecurity Law, network operators shall comply with laws and administrative regulations and fulfil the cybersecurity protection obligations when conducting business and providing services. Those who provide services through networks shall take technical and other necessary measures in accordance with the mandatory requirements of laws, administrative regulations and national standards to ensure cybersecurity and stable operation, respond to cybersecurity incidents effectively, prevent cyber-related illegal and criminal activities, and maintain the integrity, confidentiality and availability of network data, and network operators shall not collect the personal information irrelevant to the services provided, or collect or use the personal information in violation of the provisions of laws and administrative regulations and agreements between both parties.

The *Data Security Law of the PRC* (《中華人民共和國數據安全法》) (the "**Data Security Law**") was promulgated on June 10, 2021 and became effective on September 1, 2021. The Data Security Law mainly sets forth specific provisions regarding the establishment of basic systems for data security management, including hierarchical data classification management system, risk assessment system, monitoring and early warning system, and emergency response system.

According to the *Measures for Cybersecurity Review* (《網絡安全審查辦法》) jointly revised and promulgated by the Cyberspace Administration of China (the "**CAC**") and other twelve PRC regulatory authorities on December 28, 2021, and the *Regulations on the Cyber Data Security Management* (《網絡數據安全管理條例》) (the "**Cyber Data Security Regulations**") promulgated by the State Council on September 24, 2024, which became effective on January 1, 2025, the Cyber Data Security Regulations optimise regulations for cross-border network data security management, specifying conditions under which network data processors may provide personal information abroad in accordance with the regulations and international treaties or agreements. The regulations clarify that data not identified or publicly announced as important data by relevant regions or departments need not undergo cross-border security assessments for important data.

Protection of Personal Information

The Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》) (the "**PIPL**") promulgated by the SCNPC on August 20, 2021 and came into effect on November 1, 2021 aims to protect the rights and interests of personal information, regulate personal information processing activities and promote the reasonable use of personal information. Personal information as defined in the PIPL refers to all kinds of information related to identified or identifiable natural persons recorded electronically or by other means, excluding anonymised information. The PIPL stipulates the circumstances under which personal information processors may process personal information, including but not limited to obtaining the consent of the individual concerned, and where it is necessary for the conclusion and performance of a contract to which the individual concerned is a party. It also sets out certain specific rules regarding the obligations of personal information processors, such as informing individuals of the purposes of processing, the methods of processing, and the obligation of third parties who have access to personal information through joint processing or entrustment.

FOREIGN EXCHANGE

Pursuant to the *Foreign Exchange Control Regulations of the PRC* (《中華人民共和國外匯管理條例》), which was promulgated by the State Council on January 29, 1996 and last amended and effective on August 5, 2008, the foreign exchange management matters in the PRC may be divided into current account items (goods, services, gains and transactions items that are frequently transferred, etc. involved in international balance of payments) and capital account items (transactions items in international balance of payments which cause changes in external assets and liabilities, including capital transfers, direct investments, investments in securities, derivatives and loans, etc.). Most of the current account items are not subject to the approval of foreign exchange administrative authorities, while capital account items are subject to the approval of foreign exchange administrative authorities.

According to *Notice of the People's Bank of China and the State Administration of Foreign Exchange on Issues Concerning the Administration of Funds Raised by Domestic Enterprises Listed Overseas* (《中國人民銀行國家外匯管理局關於境內企業境外上市資金管理有關問題的通知》), a domestic enterprise that conducts an overseas listing shall, within 30 working days from the first trading day of the overseas listing or the completion of the over-allotment option, apply to a bank within the province or the separately-listed municipality where it is registered for overseas listing registration. After a domestic enterprise is listed overseas, where its domestic shareholders reduce their holdings of the overseas listed shares, they shall, before the reduction or within 30 working days after the reduction, apply to the bank in the place where the domestic shareholders are located for reduction registration; where a domestic shareholder increases its holding of overseas shares of a domestic enterprise, it shall, within 20 working days prior to the proposed increase, apply to the local branch of the State Administration of Foreign Exchange for increase registration.

On April 10, 2020, the State Administration of Foreign Exchange ("**SAFE**") issued and implemented the *Notice on Optimising Foreign Exchange Administration to Support the Development of Foreign-related Business* (《關於優化外匯管理支持涉外業務發展的通知》), which stipulates that eligible enterprises are allowed to make domestic payments by using their capital, foreign debts and overseas listing, without prior provision of proof materials for veracity to the bank for each transaction, provided that their capital use shall be authentic and in line with provisions, and conform to the prevailing administrative regulations on the use of income under capital accounts.

On December 4, 2023, the SAFE issued and implemented the *Notice on Further Deepening Reforms to Facilitate Cross-border Trade and Investment* (《關於進一步深化改革促進跨境貿易投資便利化的通知》), which provides that the equity transfer consideration funds in foreign currency received by a domestic equity transferor (including institutions and individuals) from domestic parties, as well as the foreign exchange funds raised by domestic enterprises through overseas listing, may be directly remitted to the settlement account of capital accounts. Funds in the settlement account of capital accounts may be settled and used at discretion.

OUTBOUND DIRECT INVESTMENT

Pursuant to the *Regulations on the Foreign Exchange Administration of the Overseas Direct Investment of Domestic Institutions* (《境內機構境外直接投資外匯管理規定》) issued by the SAFE on July 13, 2009 and came into effect on August 1, 2009, upon obtaining approval for overseas direct investment, domestic institutions shall apply for foreign exchange registration for its overseas direct investments at the Foreign Exchange Administrations in their localities.

According to the *Notice of the State Administration of Foreign Exchange on Further Simplifying and Improving the Foreign Exchange Management Policies for Direct Investment* (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》) issued on February 13, 2015 and came into effect on June 1, 2015, the administrative approval for foreign exchange registration approval under overseas direct investment has been canceled, and the banks and their branches are entitled to review and carry out foreign exchange registration under overseas direct investment directly.

Pursuant to the *Administrative Measures on Overseas Investments* (《境外投資管理辦法》) which was issued by the Ministry of Commerce on September 6, 2014 and came into effect on October 6, 2014, the Ministry of Commerce and the provincial commerce authorities shall implement filing and examination and approval respectively based on different circumstances of overseas investments of enterprises. Overseas investment involving any sensitive country and region, or any sensitive industry shall be subject to examination and approval. Overseas investment under other circumstances shall be subject to filing.

Pursuant to the *Administrative Measures for the Outbound Investment by Enterprises* (《企業境外投資管理辦法》) promulgated by the National Development and Reform Commission ("**NDRC**") on December 26, 2017 and came into effect on March 1, 2018, the investing activities of enterprises in Chinese Mainland such as acquiring overseas ownership, controlling rights, business management rights and other relevant rights and interests by way of investing with assets or equities or providing financing or guarantees to control its overseas enterprises, either directly or indirectly, are required to obtain approval or filing with the NDRC in accordance with the relevant conditions of the overseas investment projects. Outbound investment projects carried out by investors either directly or through overseas enterprises controlled thereby that involve sensitive countries and regions or sensitive industries shall be subject to approval by the NDRC, and non-sensitive outbound investment projects directly carried out by investors shall be subject to filing. For a project requiring filing, the authority in charge of filing is NDRC if the investor is a local enterprise and the amount of Chinese investment is USD0.3 billion or above; the authority in charge of filing is the provincial development and reform authority at the place where the investor is registered, if the investor is a local enterprise and the amount of Chinese investment is less than USD0.3 billion.

COMPANY LAW AND FOREIGN INVESTMENT

The establishment, operation and management of corporate entities in the PRC are governed by the *Company Law of the PRC* (《中華人民共和國公司法》), which was promulgated by the SCNPC in December 1993 and further amended in December 1999, August 2004, October 2005, December 2013, October 2018 and December 2023, respectively. The latest amendment has been effective since July 1, 2024. According to the Company Law of the PRC, companies are generally classified into two categories: limited liability companies and joint stock limited companies. A joint stock limited company is an legal enterprise incorporated in the PRC pursuant to the Company Law of the PRC. It owns independent legal property and enjoys the right to such property. Its registered capital is divided into shares of equal par value. The company shall be liable for its debts to the extent of all its assets. The shareholders of the company shall be liable for the company to the extent of the shares subscribed for by them.

The *Foreign Investment Law of the PRC* (《中華人民共和國外商投資法》), which was promulgated on March 15, 2019 and came into effect on January 1, 2020, sets out the regulatory framework for foreign investments and pursuant to which (i) foreign natural persons, enterprises or other organisations (collectively, the "**foreign investors**") shall not invest in any sector forbidden by the negative list for access of foreign investment, (ii) for any sector restricted by the negative list for access of foreign investment, foreign investors shall conform to the investment conditions provided in the negative list, and (iii) sectors not included in the negative list for access of foreign investment shall be managed under the principle of treating domestic investments and foreign investments equally. It, together with its implementation rules, also sets forth necessary mechanisms to facilitate, protect and manage foreign investments and proposes to establish a foreign investment information report system. Foreign investors or foreign-funded enterprises shall submit investment information to the competent departments of commerce through the enterprise registration system and the enterprise credit information publicity system.

The *Measures for Foreign Investment Information Reporting* (《外商投資信息報告辦法》), which was promulgated on December 30, 2019 and came into effect on January 1, 2020, sets out the details of the foreign investment information report system. Since January 1, 2020, with respect to foreign investors carrying out investment activities directly or indirectly in the PRC, the foreign investors or foreign-funded enterprises shall submit investment information to the commerce authorities in accordance with these measures.

According to the *Special Administrative Measures for Access of Foreign Investment (Negative List) (2024 Edition)* (《外商投資准入特別管理措施(負面清單) (2024年版)》) promulgated on September 6, 2024, a domestic enterprise engaged in business in a field in which investment is prohibited by the Negative List may offer shares and be listed for trading overseas, subject to the examination and approval of the appropriate department of the state; an overseas investor shall not participate in the operations and management of the enterprise, and its stake shall be subject to the relevant provisions on the administration of domestic securities investment by overseas investors.

LAWS AND REGULATIONS RELATED TO OUR BUSINESS IN HONG KONG

Business Registration

Business operations in Hong Kong are governed by the Business Registration Ordinance (Chapter 310 of the Laws of Hong Kong). Any individual or entity conducting business locally shall register with the Inland Revenue Department and obtain a business registration certificate within one month after business commencement. Such registration informs the tax authority of business establishment and facilitates tax collection on Hong Kong businesses.

Taxation

Taxation within Hong Kong is governed by the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong, IRO), which levies taxes on property, earnings and profits sourced in Hong Kong. All entities conducting trade, profession or business locally are liable to profits tax on Hong Kong-derived income excluding gains from capital asset disposal. The statute also sets out rules covering deductible expenses, loss offset and depreciation allowances.

Anti-Bribery

Anti-corruption conduct in Hong Kong is governed by the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong), which prohibits all bribery and corrupt acts by directors and employees whether conducting business within or outside Hong Kong. Restricted behaviours include soliciting, accepting or offering advantages for business favours, bribing public servants and manipulating public tender procedures. The fine is up to HK$500,000 (or HK$1,000,000 for the offence under Section 10) and imprisonment of 1 to 10 years, depending on the specific offence. Common law also imposes criminal liability for bribing public duty holders, public officials soliciting bribes and official misconduct, and corporate personnel are banned from conspiring with public officers to commit misconduct in official capacity.

Competition

Market competition in Hong Kong is governed by the Competition Ordinance (Chapter 619 of the Laws of Hong Kong), which prohibits conduct hindering competition and mergers substantially lessening competition in Hong Kong, and establishes three competition rules including the First Conduct Rule, the Second Conduct Rule and the Merger Rule, with the Merger Rule currently applying only to undertakings holding a carrier licence under the Telecommunications Ordinance (Chapter 106 of the Laws of Hong Kong). The First Conduct Rule bans anti-competitive agreements and concerted practices with anti-competitive object or effect, while the Second Conduct Rule prohibits abuse of market power with such adverse impacts. For breaches of the two conduct rules, the Competition Tribunal may impose sanctions set out under Section 93, Section 101 and Section 151A, including financial penalty capped at 10% of the turnover of the relevant companies for each year of contravention (maximum three years), director disqualification orders and prohibition orders.

Data Privacy and Protection

Personal data protection in Hong Kong is governed by the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong, PDPO), which defines personal data as identifiable information relating to living individuals and regulates all data users controlling the collection, storage, processing and usage of such data. All data users shall comply with six statutory data protection principles covering lawful collection, proper retention, restricted usage, data security, public policy transparency and data subject access and correction rights. The Privacy Commissioner for Personal Data is empowered under Section 38 to launch relevant investigations and may issue enforcement notices pursuant to Section 50 to rectify violations. Failure to comply with such notices constitutes a criminal offence carrying a Level 5 fine of HK$50,000 and imprisonment for 2 years upon first conviction.

Employment

Labour relations in Hong Kong are governed by four core statutory ordinances. The Employment Ordinance (Chapter 57 of the Laws of Hong Kong) regulates basic employment terms including wage payment, wage deduction limits, statutory holidays and contract termination, and grants employees under continuous contracts statutory benefits including maternity leave, sickness allowance, paid annual leave, rest days, severance payment and long service payment. The Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong, ECO) sets up a no-fault, non-contributory compensation regime, under which employers bear compensation liability for staff injuries or death caused by work accidents or designated occupational diseases. The Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong, MWO) entitles applicable employees to a statutory minimum hourly wage of HK$43.10 effective May 1, 2026, renders void any contractual clause diminishing such wage rights and excludes limited categories of workers from coverage. The Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) governs private MPF retirement schemes; employers must enrol eligible employees aged 18 to 64 with 60 or more days' service, with severe fines and imprisonment for failure to enrol staff or fulfill contribution obligations.

Sales of Goods

Transactions for goods in Hong Kong are governed by the Sale of Goods Ordinance (Chapter 26 of the Laws of Hong Kong, SOGO), which regulates the formation, performance and enforcement of sales contracts as well as the transfer of title to goods. The statute contains implied contractual conditions and warranties, requiring goods sold by description to match such description, goods supplied in the course of business to be of merchantable quality, and goods to be reasonably fit for any special purpose disclosed by the buyer. Under Section 55 of the SOGO, a buyer may not reject goods merely for a warranty breach, and may only claim price abatement or damages against the seller as remedies.

Intellectual Property Protection.

Copyright protection in Hong Kong is regulated by the Copyright Ordinance (Chapter 528 of the Laws of Hong Kong). Section 30 stipulates that unlicensed import or export of infringing copies for non-private use constitutes copyright infringement. Under Section 31, a series of commercial acts involving infringing copies without copyright owner's consent also amount to infringement, including commercial possession, sale, hire, public exhibition and large-scale non-commercial distribution harming copyright owners.

Registered trade mark protection in Hong Kong is governed by the Trade Marks Ordinance (Chapter 559 of the Laws of Hong Kong, TMO) and the Trade Marks Rules (Chapter 559A of the Laws of Hong Kong). Trade mark protection follows a territorial principle, so overseas registered trade marks are not automatically protected locally and require separate registration. A registered trade mark constitutes statutory property rights under Section 10, conferring exclusive use rights on its owner under Section 14. Section 18 defines infringing acts as commercial use of identical marks on identical or similar goods/services likely to confuse the public. Trade mark owners may institute infringement proceedings under Section 22 and claim remedies such as damages and injunctions, together with court orders for delivery up and disposal of infringing goods under Sections 23 and 25.

Unregistered brand goodwill in Hong Kong is protected by common law passing off claims. A valid passing off action requires three core elements: the claimant owns market goodwill attached to distinctive identifiers, a third party makes misleading misrepresentation causing public confusion over source, and the claimant suffers or will suffer resultant harm. Various types of proven misrepresentation can support such claims. Lawful parallel imports of genuine goods generally do not constitute passing off, yet modification of product labels or contents by importers may create actionable passing off liability.

Import and Export Regulations

Cross-border cargo movement in Hong Kong is regulated by the Import and Export Ordinance (Chapter 60 of the Laws of Hong Kong, IEO) and the Import and Export (General) Regulations (Chapter 60A of the Laws of Hong Kong, IEGR). Section 6C of IEO prohibits importation of Schedule 1 of IEGR controlled goods without valid import licences, with convicted offenders liable to a HK$500,000 fine and 2 years' imprisonment. The Import and Export (Registration) Regulations (Chapter 60E of the Laws of Hong Kong) mandate all importers and exporters including the Group to submit complete and accurate customs declarations within 14 days of cargo clearance. Late filing or materially false declarations attract summary conviction fines, while tiered civil late submission penalties calculated based on cargo value and delay period are recoverable by the HKSAR Government through District Court proceedings.

LAWS AND REGULATIONS RELATED TO OUR BUSINESS IN ITALY

Corporate and Contract

Private law matters in Italy are governed by the Italian Civil Code, issued by Royal Decree No. 262 of March 16, 1942 as amended. It serves as Italy's primary private law source and regulates the formation, organisation, operation and dissolution of commercial entities including limited liability companies (*società a responsabilità limitata,* S.r.l.). It contains rules covering corporate governance, directors' duties and liability, corporate asset management, shareholders' rights and obligations, the validity and enforceability of contracts, and general tort and damages regimes. Specific provisions address contract formation, interpretation, and legal consequences arising from non-performance or breach.

Corporate Administrative Liability

Corporate administrative liability in Italy is governed by Legislative Decree No. 231 of June 8, 2001 (D.Lgs. 231/2001). This decree establishes a liability regime for legal entities for specific criminal offences committed for the entity's interests or gain by its representatives, management, supervisors or personnel under their supervision, covering corruption, fraud, market abuse, money laundering and other statutory offences. Sanctions against liable entities include administrative fines, restrictive business measures, confiscation of illegal proceeds and mandatory judgment publication. An entity may avoid such liability if it had formulated and fully implemented a proper Organisational, Management and Control Model and set up an independent supervisory body before the offence occurred, while adoption of such compliance models is not statutorily required in Italy.

Data Protection and Privacy

Personal data processing in Italy is subject to the EU General Data Protection Regulation (Regulation (EU) 2016/679, GDPR) and the Italian Privacy Code, issued by Legislative Decree No. 196 of June 30, 2003 and amended by Legislative Decree No. 101 of August 10, 2018. The GDPR directly applies to Italy and all EU Member States from May 25, 2018, laying out core processing principles, lawful processing grounds, data subject rights, and statutory obligations for controllers and processors such as data breach notification and data protection impact assessments. The Italian Privacy Code supplements the GDPR with country-specific rules where EU law allows national differentiation. The Italian Data Protection Authority acts as the local supervisory body, and infringements of the GDPR may attract administrative penalties capped at EUR20,000,000 or 4% of global annual turnover, whichever amount is higher.

Employment

Labour relations in Italy are regulated by a multi-layered framework of sources and when identifying the legal regime governing an Italian employment relationship, reference is to be made to: (i) the law, which includes – though is not limited to – the following: Italian Constitution; the Italian Civil Code; the Workers' Statute (Law No. 300 of May 20, 1970); Law. No. 604/1966; Law. No. 223/1991; Legislative Decree No. 81 of June 15, 2015 (the Jobs Act); Legislative Decree No. 23 of March 4, 2015. The Italian Constitution (Articles 35–40) enshrines fundamental labour rights, including freedom of association and the right to strike. The Italian Civil Code (Articles 2094 *et seq.*) provides the general legal foundations of employment agreement and severance indemnities (TFR). The Workers' Statute safeguards core workplace employee rights such as freedom of association and protection against unfair dismissal for employees hired until March 7, 2025. Law No. 604/1966 governs individual dismissals on grounds of just cause *(giusta causa)* or justified reason *(giustificato motivo)*. Law No. 223/1991 regulates collective dismissal procedures. The Jobs Act Legislative Decree No. 23/2015 govern, among other matters, contractual items, working hours, leave, anti-discrimination rules and dismissal protection for employees hired from March 7, 2015; (ii) the sector-wide National Collective Bargaining Agreements ("**CCNLs**") and company-level or local collective agreements; CCNLs, supplemented where applicable by company-level or local collective agreements, regulates almost every aspect of the employment relationship; and (iii) the individual employment contract which may depart from collective provisions only where more favourable to the employee.

Work Health and Safety

Occupational health and safety regulation in Italy is mainly based on Legislative Decree No. 81 of April 9, 2008 (as amended), which transposes EU Framework Directive 89/391/EEC and serves as Italy's primary occupational health and safety legislation. The statute allocates safety and prevention duties among employers, managers, supervisors and workers to prevent workplace accidents and occupational diseases. It imposes core mandatory obligations on employers, including the drafting of a Risk Assessment Document ("**DVR**"), appointment of a Prevention and Protection Officer ("**RSPP**") and a competent company physician where applicable, provision of sufficient employee information, safety training and protective equipment, and implementation of measures to eliminate or reduce workplace risks. Violations may result in administrative sanctions, while serious breaches can give rise to criminal liability for employers.

Taxation

Italian corporate tax matters are regulated by a comprehensive set of statutory instruments covering corporate income tax, regional production tax, value-added tax, tax assessment procedures and tax sanctions. Italian resident entities are subject to three core taxes: IRES corporate income tax charged at a standard rate of 24% on worldwide income, IRAP regional production tax levied at 3.9% on domestic production value (potentially plus regional surcharges), and IVA value-added tax applying a standard 22% rate with reduced rates for qualifying goods and services, together with tailored rules governing cross-border transactions, import VAT and reverse charge. Italy enforces the transfer pricing regulations under the Italian Income Tax Code, which are consistent with the OECD Transfer Pricing Guidelines and statutory controlled foreign company rules, and complies with the EU ATAD anti-tax avoidance directives. The national tax authority is empowered to conduct tax audits and issue formal tax assessments. Tax non-compliance may result in administrative penalties, whilst serious tax violations and tax fraud will trigger criminal liability under applicable Italian tax laws.

Consumer Protection

Consumer protection in Italy is governed by the Consumer Code (Legislative Decree No. 206 of September 6, 2005, as amended) and a series of implementing laws covering unfair commercial practices, unfair contract terms, distance selling and e-commerce, and EU goods sale regulations. The Consumer Code serves as Italy's primary consumer protection framework, regulating business-to-consumer relations, pre-contractual disclosure obligations, consumer withdrawal rights for distance and off-premises contracts, unfair contract clauses, product safety and consumer remedies for non-compliant goods. Legislative Decree No. 146/2007 bans misleading and aggressive unfair commercial practices against consumers. The Italian Competition and Market Authority ("**AGCM**") is the competent enforcement body empowered to impose substantial administrative fines for breaches. Updated rules transposed from the latest EU goods sale directive strengthen statutory requirements for goods and digital content conformity, remedy mechanisms and overall consumer protection standards.

Product and Sales

Products marketed within the EU and Italy must comply with harmonised EU technical standards and product safety directives, including the EMC Directive, Low Voltage Directive, updated RoHS hazardous substance restrictions and WEEE waste recycling rules. The EU CE marking framework mandates manufacturers or authorised EU representatives to complete conformity assessment and affix valid CE marking prior to product launch. The RoHS Directive restricts harmful substances such as lead, mercury and cadmium in electronic and electrical equipment. The WEEE regime imposes producer responsibilities for waste collection, treatment and recycling, requiring relevant manufacturers selling products in Italy to complete national registration and participate in official waste take-back schemes. The applicable rules also cover ecodesign requirements for eligible products.

Intellectual Property Protection

Industrial property protection in Italy is governed by the Italian Industrial Property Code, covering domestic patents, trademarks, designs and utility models. The EU Trade Mark Regulation establishes unitary EU-wide trademark protection, granting unified intellectual property rights effective across all EU Member States. Registered trademark owners are entitled to prohibit unauthorised use of identical or similar signs in relation to identical or similar goods and services that may cause confusion.

Import and Export Regulations

Cross-border goods movement in Italy and the EU is regulated by the EU Union Customs Code and its delegated and implementing regulations, together with national Italian customs, import VAT, export control and customs anti-money laundering rules. The Union Customs Code serves as the primary framework governing EU-wide customs procedures, covering customs declaration, clearance regimes including free circulation, customs warehousing, inward processing and temporary admission, duty calculation and payment, as well as the rights and obligations of customs declarants and economic operators. Imported goods are generally subject to EU Common Customs Tariff duties and import VAT. Trusted businesses may obtain AEO certification to access simplified customs procedures and operational facilitations. The EU Export Control Regulation regulates the export, transit, brokering and technical assistance relating to dual-use items. Breaches of applicable customs provisions may lead to administrative sanctions, with serious infringements incurring criminal liability.

OVERSEAS SECURITIES OFFERING AND LISTINGS

The *Securities Law of the PRC* (《中華人民共和國證券法》) was promulgated by the SCNPC on December 29, 1998, and was last revised on December 28, 2019, coming into effect on March 1, 2020. It comprehensively regulates activities in the securities market of Chinese Mainland, including the issuance and trading of securities, listed companies, securities exchanges, securities firms, acquisitions, and the responsibilities of securities regulatory authorities. The China Securities Regulatory Commission (the "**CSRC**") is the securities regulatory body directly under the State Council, responsible for implementing unified supervision and administration on the securities market nationwide pursuant to the law.

On February 17, 2023, CSRC released the *Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies* (《境內企業境外發行證券和上市管理試行辦法》) (the "**Trial Measures**"), which was implemented on March 31, 2023 together with several supporting guidelines (together with the Trial Measures, collectively referred to as the "**New Regulations on Filing**"). Under New Regulations on Filing, an enterprise within the PRC that issues securities overseas or lists and deals in its securities overseas shall comply with the laws, administrative regulations and relevant national rules on foreign investment, state-owned assets management, industrial supervision, overseas investment, and shall not disturb the domestic market order or do harm to national interests, social public interests, and the legitimate rights and interests of domestic investors.

An issuer seeking an overseas **[REDACTED]** or **[REDACTED]** shall, within 3 working days after submitting the issuance and **[REDACTED]** documents overseas, file a registration with the CSRC and submit the filing report, legal opinions, and other relevant documents, ensuring a true, accurate, and complete description of shareholder information. Once the filing documents are complete and comply with the stipulated requirements, the CSRC will, within 20 working days of receiving such documents, conclude the review procedure and publish the filing results on its official website. If the filing documents are incomplete or do not conform to the stipulated requirements, the CSRC will, within 5 working days of receiving the filing documents, request supplementary materials. The issuer shall provide the additional documents within 30 working days.

On February 24, 2023, the CSRC and other three relevant government authorities jointly published the *Provisions on Strengthening Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies* (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the "**Archives Rules**"), which became effective from March 31, 2023. The Archives Rules requires that, in relation to the overseas listing activities of domestic enterprises, such domestic enterprises, as well as securities companies and securities service institutions providing relevant securities services, are required to strictly comply with the relevant laws and regulations of the PRC and the requirements of these Provisions, strengthen legal awareness of confidentiality of State secrets and archives administration, establish a sound confidentiality and archives system, and take necessary measures to implement their confidentiality and archives management responsibilities. Under the Archives Rules, the "domestic enterprises" refer to the domestic companies limited by shares that issue public offerings directly overseas and domestic operating entities that indirectly issue public offerings overseas. According to the Archives Rules, during the course of an overseas offering and listing, if a domestic enterprise needs to provide or publicly disclose to the relevant securities companies, securities service agencies, overseas regulatory authorities and other entities and individuals, or to provide or publicly disclose, through its overseas listing subjects, other documents and materials, the disclosure of which will cause adverse impact on the national security or public interests, a domestic enterprise shall strictly go through the corresponding procedures pursuant to the relevant provisions of the State.