
REGULATORY OVERVIEW

This section summarises the most significant laws, regulations, and rules that affect and govern our current major business activities and operation in the PRC.

LAWS AND REGULATIONS ON COMMERCIAL ENTITIES

On December 29, 1993, the Standing Committee of the National People’s Congress (the “SCNPC”) issued the PRC Company Law (《中華人民共和國公司法》) (the “**Company Law**”). The currently effective version was adopted by the SCNPC on December 29, 2023 and implemented on July 1, 2024. All companies established in the PRC are subject to the Company Law. The Company Law regulates the establishment, operation, corporate structure, and management of corporate entities in China and classifies companies into limited liability companies and companies limited by shares.

General meeting

According to the Company Law, a general meeting of a company limited by shares shall be constituted by all the shareholders; the general meeting shall be the authority of the company and shall exercise duties and powers in accordance with the provisions of the Company Law.

An annual general meeting shall be convened once every year. An extraordinary general meeting shall be convened within two months in case of the certain events specified in the Company Law.

The Company Law has no specific provisions on the quorum of shareholders to attend the general meeting.

Under the Company Law, shareholders present at a general meeting have one vote for each share they hold, save that the company’s shares held by the company are not entitled to any voting rights.

Under the Company Law, resolutions of the general meeting shall be passed by more than half of the voting rights held by shareholders (including those represented by proxy) attending the general meeting, with the exception of resolutions of the general meeting to amend the Articles of Association, increase or reduce the registered share capital, as well as the resolutions of the Company’s merger, division, dissolution or change of corporate form, which in each case shall be passed by at least two-thirds of the voting rights held by the shareholders (including those represented by proxy) attending the general meeting.

Shareholders may entrust a representative to attend the general meeting, and the representative shall submit a power of attorney to the company and exercise the voting rights within the scope of the authorization.

Transfer of shares

Transfer of shares may be conducted after the shareholders endorse the back of the H share certificates or in any other manner specified by the laws or administrative regulations. Following the transfer, the company shall enter the names and domiciles of the transferees into its share register. No changes shall be made to the share register during a period of 20 days prior to convening a shareholders’ general meeting or 5 days prior to the record date for the purpose of determining entitlements to dividend distributions. Where laws, administrative regulations or the securities regulatory authorities of the State Council have other provisions on changes to the register of shareholders of a listed company, such provisions shall apply.

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Restrictions on transfer of shares

The directors and senior management personnel of the company shall report to the company the shares held by them and their changes, and the shares transferred each year during their term of office shall not exceed 25% of the total shares of the company held by them respectively; the Company’s shares held by them shall not be transferred within one year from the date of listing and trading of the Company’s shares. The above-mentioned personnel shall not transfer their shares of the company within half a year after their resignation. The Articles of Association may make other restrictive provisions on the transfer of shares held by the directors and senior management personnel of the company.

LAWS AND REGULATIONS ON AUTOMOBILE TESTING

Pursuant to the “Administrative Measures on Admission of Road Motor Vehicle Manufacturing Enterprises and Products (《道路機動車輛生產企業及產品准入管理辦法》)” promulgated by the Ministry of Industry and Information Technology on 27 November 2018 and came into effect on 1 June 2019, road motor vehicle manufacturers who apply for road motor vehicle product access shall ensure that road motor vehicle products manufactured by them meet technical standards such as safety, environmental protection, energy efficiency, anti-theft, and other requirements, as well as the safety technical conditions formulated and issued by the Ministry of Industry and Information Technology. Road motor vehicle manufacturers have the right to independently select inspection and testing institutions that have obtained relevant qualifications in accordance with the law to conduct road motor vehicle product inspections. For whole-vehicle inspections, manufacturers shall select inspection and testing institutions that have obtained qualifications of a national product quality supervision and inspection centre.

Pursuant to the “Rules for the Administration of the Road Testing and Demonstrative Application of Intelligent Connected Vehicles (Trial) (《智能網聯汽車道路測試與示範應用管理規範(試行)》)” jointly promulgated and implemented by the Ministry of Industry and Information Technology, the Ministry of Public Security, and the Ministry of Transport on 21 July 2021, the autonomous driving functions of road testing vehicles shall be tested by third-party testing institutions engaged in automobile-related business and recognised by the state or provincial/municipal authorities. The test content shall include general testing items for autonomous driving functions and items covered within their designed operation scope. Pursuant to the “Administrative Rules on the Admission of New Energy Vehicle Manufacturers and Products (《新能源汽車生產企業及產品准入管理規定》)” issued by the Ministry of Industry and Information Technology on 24 July 2020 and implemented on 1 September 2020, new energy vehicle products applying for market access shall be tested and certified by nationally recognised testing institutions.

LAWS AND REGULATIONS ON PRODUCTION SAFETY

According to the *Production Safety Law of the PRC* (《中華人民共和國安全生產法》) promulgated by the Standing Committee of the National People’s Congress on June 29, 2002 and latest amended on June 10, 2021, an enterprises must possess the production safety conditions stipulated by the *Production Safety Law of the PRC* and other relevant laws, administrative regulations, national standards, and industry standards. Any entity that fails to provide required production safety conditions is prohibited from engaging in production activities.

The person-in-charge of an enterprise shall be fully responsible for the safety of production of the enterprise. An enterprise having more than 100 employees shall establish a production safety management institution or be equipped with dedicated production safety management personnel. Personnel who is responsible for managing production safety shall inspect the safety of production regularly based on the characteristics of production of the

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enterprise and shall deal with any safety issue identified during the inspection in a timely manner. Any unsolved issue shall be reported to the person-in-charge in a timely manner and the person-in-charge shall solve such issue immediately. The inspection and measures taken shall be duly recorded. Enterprises and institutions shall provide their employees with training on production safety and shall truthfully inform their employees of any potential risks in relation to the workplace and duties, preventive measures and emergency measures.

According to the Measures for the Supervision and Administration of “Three Simultaneities” for the Safety Facilities of Construction Projects (《建設項目安全設施「三同時」監督管理辦法》) promulgated by the former State Administration of Work Safety (currently known as the Ministry of Emergency Management) on December 14, 2010 and amended on April 2, 2015, the safety facilities in a newly built, reconstructed or expanded construction project must be designed, constructed and put into use simultaneously with the main body of the project. If an enterprise violates the relevant requirements, it may be ordered to make corrections within a specified time limit, discontinue the construction process or suspend its production and business operation for rectification, and imposed a fine.

LAWS AND REGULATIONS ON FIRE PREVENTION

According to the Fire Protection Law of the People’s Republic of China (《中華人民共和國消防法》) promulgated by the SCNPC on April 29, 1998 and last amended on April 29, 2021, the fire prevention design and construction of a construction project must conform to the national fire prevention technical standards for project construction. For construction projects that require fire prevention design in accordance with the national fire prevention technical standards for project construction, the fire prevention design review and acceptance system for construction projects shall be implemented. Upon completion of a construction project that is required to apply for fire control acceptance inspection by the competent department of housing and urban-rural development under the State Council, the construction entity shall apply to the competent department of housing and urban-rural development for fire control acceptance inspection. For construction projects other than those specified in the preceding paragraph, the construction entity shall report to the competent department of housing and urban-rural development for filing after the acceptance, and the competent department of housing and urban-rural development shall conduct spot checks. Construction projects which are subject to fire control acceptance inspection according to law shall not be put into use without fire control acceptance inspection or failing to pass fire control acceptance inspection. Other construction projects which fail to pass the legal spot checks shall cease to be used.

LAWS AND REGULATIONS ON ENVIRONMENTAL PROTECTION

According to the Environmental Protection Law of the People’s Republic of China (《中華人民共和國環境保護法》) (hereinafter referred to as the “**Environmental Protection Law**”) promulgated by the SCNPC on December 26, 1989 and last amended on April 24, 2014, any enterprises, business units and other producers and operators that discharge pollutants must implement measures to control and properly handle hazardous substances generated in the course of such activities, such as waste gas, waste water, waste residues, dust, malodorous gases, radioactive substances, noise, vibration and electromagnetic radiation. The State implements a pollutant discharge permit management system in accordance with the law. According to the Environmental Protection Law and the Regulations on the Administration of Pollutant Discharge Licensing, which was promulgated by the State Council on January 24, 2021 and came into effect on March 1, 2021, enterprises, business units and other producers and operators that are subject to pollutant discharge licensing management shall discharge pollutants according to the requirements of the pollutant discharge permits, and shall not discharge pollutants without obtaining the pollutant discharge permits.

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Pursuant to the Regulations on the Administration of Environmental Protection of Construction Projects (《建設項目環境保護管理條例》) promulgated by the State Council on November 29, 1998 and amended on July 16, 2017 and the Interim Measures for Environmental Protection Acceptance Examination Upon Completion 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 on November 20, 2017, the PRC implements a system to appraise the environmental impact of construction projects. The construction entity shall submit an environmental impact report or an environmental impact statement for approval prior to the commencement of the construction project, or an environmental impact registration form as required by the environmental protection administrative department of the State Council for record. In addition, after the completion of a construction project for which an environmental impact report or an environmental impact statement has been prepared, the construction entity shall, in accordance with the standards and procedures prescribed by the competent administrative department of environmental protection under the State Council, conduct acceptance checks on the supporting environmental protection facilities and prepare an acceptance report. For construction projects that are constructed in phases or put into production or use in phases, the corresponding environmental protection facilities shall be inspected and accepted in phases. The construction project can only be put into production or use after the completed supporting environmental protection facilities have passed the acceptance inspection. Facilities shall not be put into production or use without conducting or passing the acceptance examination.

Prevention and control of pollution

Pursuant to the Regulations on the Administration of Pollutant Discharge Licensing (《排污許可管理條例》), which was promulgated by the State Council on January 24, 2021 and took effect on March 1, 2021, the enterprises, public institutions and other producers and operators (hereinafter referred to as *the "pollutant discharge entities"*) that are subject to the pollution discharge permit administration in accordance with laws and regulations shall apply for and obtain a pollutant discharge permit within the prescribed time limit.

Pursuant to the Classified Management Catalog of Pollutant Discharge Permits for Stationary Sources of Pollution (2019 Edition) (《固定污染源排污許可分類管理名錄(2019年版)》), which was promulgated by the Ministry of Ecology and Environment on December 20, 2019 and became effective on the same day, the state applies a tiered pollution discharge permit administration system comprising key administration, simplified administration, and registration administration to enterprises, institutions, and other production and business operators that discharge pollutants (hereinafter referred to as "operators subject to the pollution discharge permit administration"), based on factors such as the volume of pollutants generated, the volume discharged, and the degree of environmental impact. Key administration of pollution discharge permit applies to operators with a relatively large volume of pollutants generated or discharged, or those causing a relatively high degree of environmental impact. Simplified administration of pollution discharge permit applies to operators with a relatively small volume of pollutants generated or discharged, or those causing a relatively low degree of environmental impact. Registration administration of pollution discharge permit applies to operators with a minimal volume of pollutants generated or discharged, or those causing a minimal degree of environmental impact.

LAWS AND REGULATIONS ON IMPORT AND EXPORT OF GOODS

Pursuant 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 and last amended on December 27, 2025 and the Notice by the Department of Enterprise Management and Audit-Based Control of Matters Concerning the Recordation of the Consignees and Consignors of Imported and Exported Goods (《企業管理和稽查司關於進出口貨物收發貨人備案有關事宜的通知》) issued by the General

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Administration of Customs of the PRC on January 3, 2023, 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.

According to the Customs Law of the PRC (《中華人民共和國海關法》) promulgated by the SCNPC on January 22, 1987 and last amended on April 29, 2021, unless otherwise stipulated, the declaration of imported or exported goods may be made by the consignees or the consignors, or the entrusted customs brokers. To undergo customs declaration formalities, the consignee or consignor of imported or exported goods and the customs brokers shall file with the Customs in accordance with the law.

According to the Provisions on the 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 executed on January 1, 2022, the consignee or consignor of imported or exported goods or a customs broker, as filed with the customs may undergo customs declaration within the customs territory of the PRC. Where a consignee or consignor of imported or exported goods or a customs broker applies for filing, it shall obtain the qualification of market entities.

LAWS AND REGULATIONS ON LAND

According to the Land Administration Law of the PRC (《中華人民共和國土地管理法》) promulgated by the SCNPC on June 25, 1986 and latest amended on August 26, 2019, and the Regulations for 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》) promulgated by the State Council on December 27, 1998 and latest revised on July 2, 2021, the land in the PRC is either State-owned or collectively owned. Except for land which is legally owned by the State or has been expropriated as State-owned according to law, all of the land is collectively owned. The State-owned land use rights may be used by third parties through grant, allocation, lease, capital contribution and other forms. Third parties who have obtained the State-owned land use rights may legally use, profit from and dispose of the State-owned land use rights within the statutory term of use and scope of planned uses.

LAWS AND REGULATIONS ON PROPERTY LEASING

According to the PRC Civil Code (《中華人民共和國民法典》) promulgated by the National People's Congress (the "NPC") on May 28, 2020 and implemented 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 premises 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. If the mortgaged property has been leased and transferred for occupation prior to the establishment of the mortgage right, the original tenancy shall not be affected by such mortgage right.

According to the Administrative Measures on Leasing of Commodity Housing (《商品房屋租賃管理辦法》) promulgated by the Ministry of Housing and Urban-Rural Development on December 1, 2010 and implemented on February 1, 2011, the lessor and the lessee are required to complete property leasing registration and filing formalities within 30 days from execution of the property lease contract with the competent construction or real estate authorities of the municipality or county where the leased property is located. If a company

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fails to do as aforesaid, it may be ordered to rectify within a stipulated period by the real estate authorities of the municipality or county, and if such company fails to rectify, a fine ranging from RMB1,000 to RMB10,000 may be imposed.

LAWS AND REGULATIONS ON FOREIGN INVESTMENT ACCESS

The Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the “**FIL**”), which was promulgated by the NPC on March 15, 2019 and implemented on January 1, 2020, establishes the management system for pre-access national treatment and negative list for foreign investment in the PRC. “**Pre-access national treatment**” means that foreign investors and their investments shall be treated no less favourably than domestic investors and their investments at the stage of investment access; “**negative list**” refers to the special administrative measures for access of foreign investment in specific fields as prescribed by the PRC. The PRC gives national treatment to foreign investment outside the negative list. In addition, the Regulation for Implementing the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》) (the “**Implementation Regulations**”), which came into effect on January 1, 2020, further stipulates that the PRC shall, according to the needs of national economic and social development, formulate a catalogue of encouraged foreign-invested industries, and specify the specific industries, fields and regions in which foreign investors are encouraged and guided to invest.

The NDRC and the MOFCOM jointly issued the Special Administrative Measures (Negative List) for Foreign Investment Access (2024 version) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the “**2024 Negative List**”) on September 6, 2024, which has been implemented since November 1, 2024, to replace the previous encouraging catalog and negative list thereunder. Pursuant to the Foreign Investment Law, the Implementation Regulations and the 2024 Negative List, foreign investors shall not make investments in prohibited industries as specified in the negative list, while foreign investments must satisfy certain conditions stipulated in the negative list for investment in restricted industries. Industries not listed in the negative list are generally deemed “permitted” for foreign investments. According to the FIL and the 2024 Negative List, as of the Latest Practicable Date, our business does not fall within the negative category nor restricted category of the 2024 Negative List and is not subject to special administrative measure thereunder.

REGULATIONS ON OVERSEAS INVESTMENT

Pursuant to the Measures for the Administration of Overseas Investment (《境外投資管理辦法》) which was issued by the MOFCOM on March 16, 2009 and amended on September 6, 2014, the MOFCOM and the commerce departments at provincial levels shall conduct filing or confirmation management depending on different circumstances of overseas investments of enterprises. Overseas investments involving any sensitive country or region, or any sensitive industry shall be subject to confirmation management. Overseas investments under other circumstances shall be subject to filing management.

Pursuant to the Measures for the Administration of Overseas Investment of Enterprises (《企業境外投資管理辦法》) which was issued by the NDRC on December 26, 2017 and became effective on March 1, 2018, an enterprise in the territory of the PRC (the “**Investor**”) carrying out overseas investments shall undergo formalities including the examination or filing for an overseas investment project (the “**project(s)**”), report the relevant information, and cooperate in supervisory inspection. Sensitive projects conducted by Investors directly or through overseas enterprises controlled by them shall be subject to confirmation management. Non-sensitive projects conducted by Investors directly, namely, non-sensitive projects involving Investors’ direct contribution of assets, equity or provision of financing or guarantees, shall be subject to filing management. The aforementioned sensitive projects include projects involving a sensitive country or region or a sensitive

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industry. The Catalogue of Sensitive Sectors for Outbound Investment (2018 Edition) (《境外投資敏感行業目錄(2018年版)》) promulgated by the NDRC became effective on March 1, 2018, which listed out the sensitive industries in detail.

LAWS AND REGULATIONS ON OVERSEAS OFFERING AND LISTING

According to 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**”) and five relevant guidelines promulgated by the CSRC and other relevant authorities on February 17, 2023 and implemented on March 31, 2023, PRC domestic companies that seek to offer or list securities overseas, whether directly or indirectly, shall complete the filing procedure and submit compliance materials to the CSRC. Overseas offering and listing is explicitly prohibited under any of the following circumstances: (i) such offering and listing is explicitly prohibited under specific laws and regulations; (ii) upon review and determination by the relevant competent authorities of the State Council in accordance with the law, the proposed offering and listing may endanger national security; (iii) the domestic enterprise or its controlling shareholder(s) or de facto controller(s) has been involved in criminal offenses such as corruption, bribery, misappropriation of property, embezzlement, or disruption of the socialist market economy order within the last three years; (iv) the domestic enterprise is under formal investigation for suspected crimes or major violations and no clear conclusion has been reached; or (v) a major ownership dispute exists over the equity held by the controlling shareholder(s) of the domestic enterprise or by other shareholders controlled by the controlling shareholder(s) and/or de facto controller(s).

According to the Provisions on Strengthening the Confidentiality and Archives Administration of Overseas Securities Issuance 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 “**Provision on Confidentiality**”) promulgated by CSRC on February 24, 2023 and implemented on March 31, 2023, where any PRC domestic company provides or publicly discloses to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, or provides or publicly discloses through its overseas listing subjects, documents and materials involving state secrets and working secrets of state organs, it shall report the same to the competent department with examination and approval authority for approval in accordance with the law, and submit the same to the secrecy administration department of the same level for filing. Domestic companies providing accounting archives or copies thereof to entities and individuals including securities companies, securities service institutions and overseas regulatory authorities shall perform the corresponding procedures pursuant to the relevant provisions of the State. The working papers formed within the territory of the PRC by securities companies and securities service institutions that provide corresponding services for domestic companies seeking overseas offering and listing shall be kept within the territory of the PRC, and those that need to leave the PRC shall go through the examination and approval formalities in accordance with the relevant provisions of the State.

LAWS AND REGULATIONS ON LABOUR, SOCIAL INSURANCE AND HOUSING PROVIDENT FUND

According to the Labour Law of the PRC (《中華人民共和國勞動法》) promulgated by the SCNPC on July 5, 1994 and last amended on December 29, 2018, the Labour Contract Law of the PRC (《中華人民共和國勞動合同法》) amended by the SCNPC on June 29, 2007 and took effect on January 1, 2008 and amended on December 28, 2012 and took effect on July 1, 2013, and the Implementing Regulations of the Labour Contracts Law of the PRC (《中華人民共和國勞動合同法實施條例》) promulgated by the State Council and took effect on September 18, 2008, employers must strictly abide by state standards and provide relevant trainings to its employees, protect their labour rights and perform its labour obligations. Labour relationships between employers and employees must be executed in written form.

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Labour contracts shall be categorised into labour contracts with fixed term, labour contracts without fixed term and labour contracts to expire upon completion of certain tasks. The remuneration payable by employers to their employees shall not be less than local minimum wage. Employers must establish a system for labour safety and sanitation, and strictly comply with national standards and provide relevant education to their employees.

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 last amended on December 29, 2018 and the Provisional Regulations on Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) amended by the State Council and effective on March 24, 2019, a domestic enterprise shall pay premium for pension insurance, unemployment insurance, maternity insurance, work injury insurance and basic medical insurance for its employees at an appropriate percentage based on the amounts stipulated by the laws. If the relevant payment is not paid in full and on time to the relevant local administrative agency, the employer may be ordered to make up the gap or pay a fine. Meanwhile, the Regulations on Work Injury Insurance (《工傷保險條例》), the Regulations on Unemployment Insurance (《失業保險條例》), the Trial Measures on Employee Maternity Insurance of Enterprises (《企業職工生育保險試行辦法》) and other laws and regulations contain specific clauses on different types of social insurance. Employers governed by such laws and regulations shall pay corresponding insurance premiums for their employees.

According to the Regulations on the Administration of Housing Provident Fund (《住房公積金管理條例》) (the “**Regulations on Provident Fund**”) promulgated by the State Council on April 3, 1999 and last amended on March 24, 2019, employers shall make deposit registration for housing provident fund at the housing provident fund management centre and set up housing provident fund accounts for its employees. Employers should pay the housing provident fund in full and on time. Employers failing to make payment of housing provident fund within the time limit or in full will be ordered by the housing provident fund management centre to make the payment or make up the shortfall within the prescribed time limit; otherwise, the housing provident fund management centre may apply for compulsory enforcement with the people’s court. On August 10, 2026, the State Council issued the latest revised Regulations on Provident Fund, which will take effect on September 20, 2026.

LAWS AND REGULATIONS ON INTELLECTUAL PROPERTY

Trademark

According to the Trademark Law of the PRC (《中華人民共和國商標法》) (the “**Trademark Law**”) promulgated by the SCNPC on August 23, 1982 and last amended on April 23, 2019, the Trademark Office of the administrative department for industry and commerce under the State Council shall be responsible for the registration and administration of trademarks in the PRC. The administrative department for industry and commerce under the State Council shall establish a Trademark Review and Adjudication Board to be responsible for handling trademark disputes. The registration of a trademark shall be valid for ten years from the date of approval. If there is a continued need for the use of trademark, a renewal shall be made in accordance with the requirements within twelve months before the expiry of the trademark registration. If the renewal is not made within the stipulated period, the valid period may be extended for six months. Each renewal of registration of trademark shall be valid for ten years from the date of the expiry of the previous trademark registration. If no renewal application has been filed before the expiry date, the registered trademark shall be deregistered. The administrative department for industry and commerce lawfully investigates any infringement of the exclusive right under a registered trademark. Any alleged criminal offense, shall be timely referred to a judicial authority and decided according to law. On June 26, 2026, the SCNPC issued the latest revised Trademark Law, which will take effect on January 1, 2027.

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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 and last amended on October 17, 2020, inventions refer to new technical solutions for a product, method or its improvement. Utility models refer to new technical solutions for the shape, structure or the combination of both shape and structure of a product, which is applicable for practical use. Designs refer to new designs of the shape, pattern or the combination of shape and pattern, or the combination of the colour, shape and pattern of the whole or part of a product with esthetic feeling and industrial application value. The validity period of patent for inventions, utility models and designs is 20 years, 10 years and 15 years, respectively, all starting from the date of application.

Copyright

According 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 last amended on November 11, 2020, citizens, legal persons or other organisations in the PRC shall, whether published or not, enjoy copyright in their works, which include, among others, works of literature, art, natural science, social science, engineering technology and computer software created in writing or oral or other forms. A copyright holder shall enjoy a number of rights, including the right of publication, the right of authorship and the right of reproduction.

LAWS AND REGULATIONS ON FOREIGN EXCHANGE

According to the Foreign Exchange Administration Regulations of the PRC (《中華人民共和國外匯管理條例》) (the “**Foreign Exchange Administration Regulations**”), which was promulgated by the State Council on January 29, 1996 and last amended on August 5, 2008, the Foreign Exchange Administration Regulations classify all international payments and transfers into current items and capital items. The PRC will not impose any restriction on international current payments and transfers. The foreign exchange income, which be retained or sold to financial institutions engaged in the settlement and sale of foreign exchange, under capital account items needs the approval of the administration of foreign exchange, except as otherwise provided by Chinese regulations that do not require approval.

According to the Notice on Issues Concerning the Fund Management for Overseas Listing of Domestic Enterprises (《關於境內企業境外上市資金管理有關問題的通知》) jointly promulgated by the PBOC and the SAFE on 24 December 2025, funds raised by domestic enterprises through overseas listing shall in principle be repatriated to the PRC in a timely manner. If such funds are retained overseas for use in activities such as outbound direct investment, overseas securities investment, or overseas lending, the relevant enterprises shall obtain approval or filing documents from the competent business authorities prior to the completion of the overseas listing issuance or any offer size adjustment option exercise, and shall comply with the relevant cross-border fund management regulations.

According to the Notice of the State Administration of Foreign Exchange on Policies for Reforming and Regulating the Control over Foreign Exchange Settlement under the Capital Account (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) issued by the SAFE on June 9, 2016, domestic institutions may settle their foreign exchange receipts under the capital account (including repatriated funds raised through overseas listing) entitled to discretionary settlement according to relevant policies with banks as actually needed for business operation. The tentative percentage of discretionary settlement of foreign exchange receipts under the capital account of domestic institutions is 100%, subject to the adjustment of the SAFE in due time based on international revenue and expenditure situations.

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LAWS AND REGULATIONS ON TAXATION

Taxation of Security Holders

The taxation of income and capital gains of holders of H Shares is subject to the laws and practices of the PRC and jurisdictions in which holders of H Shares are residents or otherwise subject to tax. The following summary of certain relevant taxation provisions is based on current effective laws and practices, makes no predictions on changes in or adjustments to relevant laws or policies and does not constitute any comments or suggestions accordingly. The discussion does not intend to cover all possible tax consequences relating to the H Shares, nor does it take into account any particular specific circumstances. Accordingly, you should consult your own tax advisor regarding the tax consequences of the H Shares. The discussion is based upon laws and relevant interpretations in effect as of the date of this document, all of which are subject to changes or adjustments and may have retrospective effect. This discussion does not address any aspects of PRC or Hong Kong taxation other than income tax, capital gains and profit tax, appreciation tax, stamp duty and estate duty. Prospective investors are urged to consult their financial advisors regarding the PRC, Hong Kong and other tax consequences of owning and disposing of H Shares.

Tax on Dividends

Individual investors

According to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》) (the “**IIT Law**”), which was latest amended on August 31, 2018 and its implementation rules, for individual income including interest, dividend and bonus, individual income tax with applicable proportional tax rate of 20% shall be paid. Unless otherwise provided by the competent financial and taxation authorities under the State Council, all the interest, dividend and bonus are deemed as derived from the PRC whether the payment place is in the PRC. According to the Announcement on Matters Relevant to the Policy of Individual Income Tax on Dividends and Bonuses Paid to Foreign Individuals (《關於外籍個人股息紅利個人所得稅政策有關事項的公告》) issued on September 1, 2026, dividends and bonuses received by foreign individuals from foreign-invested enterprises shall be subject to a tax rate of 20%.

Enterprise investors

The principal laws, rules and regulations governing dividend distributions by foreign-invested enterprises in the PRC are the Company Law and the Foreign Investment Law and its Implementing Regulations. Under these requirements, foreign-invested enterprises may pay dividends only out of their accumulated profit, if any, as determined in accordance with PRC accounting standards and regulations. When the PRC Company distributes the after-tax profits of the current year, it shall allocate 10% of the profits into the statutory reserve fund. If the accumulated amount of the statutory reserve fund reaches 50% of the registered capital, the Company is released from the obligation of withholding statutory reserve fund. Where the statutory common reserve fund of the company is not sufficient to recover its losses in the previous years, the profits of the current year shall be used to make up the loss before the withdrawal of the statutory common reserve fund in accordance with the above provisions. After making allocation to the statutory provident fund of the Company from its after-tax profits, the Company may, subject to resolutions adopted at the general meeting, also allocate funds from the after-tax profits to the discretionary provident fund. The residual after-tax profits after a company has made up its losses and accrued reserve can be distributed by the company in proportion to the shares held by its shareholders, except as otherwise provided for in the company’s articles of association. The company shall not distribute any profits in respect of the shares held by it.

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In accordance with the EIT Law and its implementation rules, a uniform enterprise income tax rate of 25% is imposed on all resident enterprises in China, including foreign-invested enterprises; a non-resident enterprise is generally subject to enterprise income tax at a rate of 10% on PRC-sourced income (including dividends received from a PRC resident enterprise that issues shares in Hong Kong), if it does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but its PRC-sourced income has no real connection with such establishment or premise. The aforesaid income tax payable for non-resident enterprises is deducted at source, where the payer of the income is required to withhold the income tax from the amount to be paid to the non-resident enterprise when such payment is made or due.

The Circular on Issues relating to the Withholding of Enterprise Income Tax by PRC Resident Enterprises on Dividends Paid to Overseas Non-Resident Enterprise Shareholders of H Shares (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》), which was issued by the STA on November 6, 2008, further clarifies that a PRC-resident enterprise must withhold and remit enterprise income tax at a rate of 10% on the dividends distributed to overseas non-resident enterprise shareholders of H Shares in 2008 and any subsequent year. In addition, the Response to Questions on Levying Enterprise Income Tax on Dividends Derived by Non-resident Enterprise from Holding Stock such as B Shares (《國家稅務總局關於非居民企業取得B股等股票股息徵收企業所得稅問題的批覆》), which was issued by the STA on July 24, 2009, further provides that any PRC-resident enterprise whose shares are listed on overseas stock exchanges must withhold and remit enterprise income tax at a rate of 10% on dividends distributed to overseas non-resident enterprise shareholders of H Shares in 2008 and any subsequent year. Such tax rates may be further modified pursuant to the tax treaty or agreement that China has entered into with a relevant country or area, where applicable.

Pursuant to the Arrangement between the Mainland and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion (《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》) ("Arrangement"), which was signed on August 21, 2006, the Chinese Government may levy taxes on the dividends paid by a Chinese company to Hong Kong residents (including natural persons and legal entities) in an amount not exceeding 10% of the total dividends payable by the Chinese company. If a Hong Kong resident directly holds 25% or more of the equity interest in a Chinese company, then such tax shall not exceed 5% of the total dividends payable by the Chinese company. The Fifth Protocol of the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion (《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》第五議定書), which came in to effect on December 6, 2019, added a criterion for the qualification of entitlement to enjoy treaty benefits. Although there may be other provisions under the Arrangement, the treaty benefits under the criteria shall not be granted in the circumstance where the main purposes for the arrangement or transactions which will bring any direct or indirect benefits under this Arrangement, after taking into account all relevant facts and conditions, are reasonably deemed to be obtaining such benefits, except when the grant of such benefits under such circumstance is consistent with relevant objective and goal under the Arrangement.

Non-resident investors residing in jurisdictions which have entered into treaties or adjustments for the avoidance of double taxation with the PRC might be entitled to a reduction of the PRC enterprise income tax imposed on the dividends received from PRC companies. The PRC currently has entered into avoidance of double taxation treaties or arrangements with Hong Kong, Macau, and a number of countries and regions including Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States. Non-PRC resident enterprises entitled to preferential

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tax rates in accordance with the relevant taxation treaties or arrangements are required to apply to the PRC tax authorities for a refund of the enterprise income tax in excess of the agreed tax rate, and the refund application is subject to approval by the PRC tax authorities.

Taxation on Share Transfer

Individual investor

According to the IIT Law and its implementation rules, gains realised on the sale of equity interests in the PRC resident enterprises are subject to individual income tax at a rate of 20%.

Pursuant to the Circular on Continuing to Temporarily Exempt Individual Income Tax on Income from the Transfer of Shares by Individuals (《財政部、國家稅務總局關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》) issued by the MOF and the STA in March 1998, from January 1, 1997, income of individuals from transfer of the shares of listed enterprises shall continue to be exempted from individual income tax. On December 31, 2009, the MOF, the STA and the CSRC jointly issued the Circular on Issues Concerning the Levying Individual Income Tax on the Income Received by Individuals from the Transfer of Restricted Shares of Listed Company (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的通知》), this circular provides that any individual's income from the transfer of listed shares on the Shanghai Stock Exchange and the Shenzhen Stock Exchange shall continue to be exempted from individual income tax, except for the relevant shares which are subject to sales restriction (as defined in the Supplementary Notice on Issues Concerning the Levying Individual Income Tax on the Income Received by Individuals from the Transfer of Restricted Shares of Listed Company (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的補充通知》) jointly issued by the abovementioned three departments on November 10, 2010).

As of the Latest Practicable Date, no aforesaid provisions had expressly provided whether individual income tax shall be levied from non-PRC resident individuals on the transfer of shares in PRC resident enterprises listed on overseas stock exchanges. To the knowledge of the Company, in practice, the PRC tax authorities have not levied income tax from non-PRC resident individuals on gains from the transfer of PRC resident enterprises listed on overseas stock exchange. However, there is no assurance that the PRC tax authorities will not change these practices which could result in levying income tax on non-PRC resident individuals on gains from the sale of H shares.

Enterprise investors

In accordance with the EIT Law and its implementation rules, a non-resident enterprise is generally subject to enterprise income tax at the rate of a 10% on PRC-sourced income, including gains derived from the disposal of equity interests in a PRC resident enterprise, if it does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but its PRC-sourced income has no real connection with such establishment or premise. Such income tax payable for non-resident enterprises is deducted at source, where the payer of the income is required to withhold the income tax from the amount to be paid to the non-resident enterprise when such payment is made or due. Such tax may be reduced or exempted pursuant to relevant tax treaties or agreements on avoidance of double taxation.

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Stamp Duty

Pursuant to the Stamp Duty Law of the PRC (《中華人民共和國印花稅法》) issued by the SCNPC on June 10, 2021 and implemented on July 1, 2022, the PRC stamp duty applies to entities and individuals that conclude taxable documents and conduct securities transactions within the PRC and the entities and individuals that conclude taxable documents outside the PRC which are used within the PRC. Therefore, the requirements of the stamp duty imposed on the transfer of shares of PRC-listed companies does not apply to the acquisition and disposal of H shares outside the PRC by non-PRC investors.

Estate Duty

The PRC currently does not impose any estate duty.

Value-Added Tax

Pursuant to the “Value-Added Tax Law of the People’s Republic of China (《中華人民共和國增值稅法》)” (the “**VAT Law**”), promulgated by the SCNPC on 25 December 2024 and implemented on 1 January 2026, entities and individuals (including individual industrial and commercial households) that sell goods, services, intangible assets, or real estate (hereinafter referred to as taxable transactions), as well as import goods, are taxpayers of value-added tax and shall pay value-added tax in accordance with the provisions thereof. VAT rates shall be as follows: (1) taxpayers who sell goods, provide processing, repair, and maintenance services, leasing services for tangible movable properties or import goods shall be subject to the VAT of 13%, unless otherwise prescribed by Item (2), Item (4) or Item (5) of this article; (2) unless otherwise prescribed by Item (4) or Item (5) of this article, taxpayers shall be subject to the VAT of 9% if they sell transportation services, postal services, basic telecommunications services, construction services or real estate leasing services, sell real estate, transfer land-use rights, or sell or import any of the following goods: 1. Grains, edible vegetable oil or edible salt; 2. Tap water, heating, air-conditioning, hot water, gas, liquefied petroleum gas, natural gas, dimethyl ether, bog gas or residential coal products; 3. Books, newspapers, magazines, audio-visual products or electronic publications; 4. Feeds, fertilisers, pesticides, agricultural machinery or plastic films for agricultural use; (3) Taxpayers who sell services or intangible assets shall be subject to the VAT of 6%, unless otherwise prescribed by Item (1), Item (2) or Item (5) of this article; (4) Taxpayers who export goods shall be subject to zero-rated VAT, unless otherwise prescribed by the State Council; and (5) Domestic entities and individuals who engage in cross-border sales of services or intangible assets that are within the scope prescribed by the State Council shall be subject to zero-rated VAT.