

REGULATORY OVERVIEW

Our business is subject to relevant laws, rules and regulations of the places where we operate in many aspects. This section sets out a summary of the PRC laws, regulations and regulatory documents (the “PRC laws”) that are significant to our current business activities in the PRC, which are subject to changes in the future. However, it does not include a detailed analysis of the PRC laws relating to our business activities and operations in the PRC and is not intended to be an exhaustive list of all PRC laws applicable to our operations in the PRC.

LAWS AND REGULATIONS RELATING TO COMPANIES

The Company Law of the PRC (《中華人民共和國公司法》, the “PRC Company Law”), promulgated by the Standing Committee of the National People’s Congress of the PRC (the “SCNPC”) on December 29, 1993, most recently revised on December 29, 2023 and came into effect on July 1, 2024, governs the establishment, operation and management of companies in the PRC, including foreign-invested companies. Unless foreign investment laws provide otherwise, foreign-invested companies shall abide by the PRC Company Law.

LAWS AND REGULATIONS RELATING TO FOREIGN INVESTMENT

Investment in the PRC by foreign investors are mainly governed by the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》, the “Foreign Investment Law”), promulgated by the National People’s Congress of the PRC (the “NPC”) on March 15, 2019 and came into effect on January 1, 2020, and the Implementation Regulations for the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》, the “Regulations for the Foreign Investment Law”), promulgated by the State Council on December 26, 2019 and came into effect on January 1, 2020.

Foreign investment shall enjoy pre-entry national treatment, except for those foreign invested entities that operate in industries deemed to be either “restricted” or “prohibited” in the Special Administrative Measures (Negative List) for Foreign Investment Access (Edition 2024) (《外商投資准入特別管理措施(負面清單)(2024版)》, the “Negative List”), jointly promulgated by the National Development and Reform Commission (the “NDRC”) and the Ministry of Commerce of the PRC (the “MOFCOM”) and came into effect on November 1, 2024. 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.

LAWS AND REGULATIONS RELATING TO OVERSEAS INVESTMENT

Pursuant to the Measures for the Administration of Overseas Investment (《境外投資管理辦法》), promulgated by MOFCOM on March 16, 2009, most recently revised on September 6, 2014 and came into effect on October 6, 2014, and the Measures for the Administration of Overseas Investment of Enterprises (《企業境外投資管理辦法》), promulgated by the NDRC on December 26, 2017 and came into effect on March 1, 2018, the MOFCOM, the NDRC and their provincial authorities implement filing or approval management for overseas investments by enterprises, depending on the specific circumstances of the investment. Overseas

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investments by enterprises which involve sensitive countries and regions and sensitive industries shall be subject to approval management; other overseas investments by enterprises shall be subject to filing management.

The Catalogue of Sensitive Industries for Overseas Investment (2018 Edition) (《境外投資敏感行業目錄(2018年版)》), promulgated by the NDRC on January 31, 2018, and came into effect on March 1, 2018, listed the sensitive industries in detail.

LAWS AND REGULATIONS RELATING TO 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》), promulgated by State Council in January 29, 1996, and most recently amended on August 5, 2008 with immediate effect, all international payments and transfers are classified into current account items and capital account items. The PRC does not impose restrictions on payments of current account items, such as profit distributions, interest payments and trade and service-related foreign exchange transactions. By contrast, approval from or registration with appropriate government authorities is required where RMB is to be converted into foreign currency and remitted out of China to pay capital account items, such as direct investments, repayment of foreign currency-denominated loans, repatriation of investments and investments in securities outside of China.

Pursuant to the Notice of Issues concerning the Foreign Exchange Administration of Overseas Listing (《關於境外上市外匯管理有關問題的通知》), issued by the State Administration of Foreign Exchange (the “SAFE”) on December 26, 2014 with immediate effect, a domestic company shall, within 15 working days after the completion of its overseas listing, go through the registration of overseas listing with the foreign exchange bureau at its place of registration. Funds raised from overseas listing of a domestic company may be repatriated to China or deposited overseas, and the usage of funds shall be consistent with the relevant contents set out in the document or disclosure documents such as the corporate bonds offering documentation, shareholders’ circular and the board of directors or shareholders’ general meeting resolution.

Pursuant to Notice of the State Administration of Foreign Exchange on Policies for Reforming and Regulating the Control over Foreign Exchange Settlement under the Capital Account (《關於改革和規範資本專案結匯管理政策的通知》), issued by the SAFE on June 9, 2016 and most recently amended by Notice on Further Deepening the Reform 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》) on December 4, 2023 with immediate effect, certain categories of capital account foreign exchange income (including, but not limited to, foreign exchange capital, foreign debt funds, and repatriated funds from overseas listings), which have been explicitly designated for “voluntary settlement” by relevant policy, may be converted into local currency at banks based on the actual operational needs of the domestic entity. Where existing regulations impose restrictive provisions on the settlement of capital account foreign exchange income for domestic entities, those regulations shall prevail. The ratio for voluntary settlement of capital account foreign exchange income by domestic entities is temporarily set at 100%. The SAFE

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may adjust the aforementioned ratio in a timely manner based on the balance of payments situation. When handling each foreign exchange settlement transaction for a domestic entity under the settlement-upon-payment principle, the bank shall review the authenticity and compliance of the usage of funds from the entity's previous settlement transaction (whether conducted as voluntary settlement or settlement upon payment).

LAWS AND REGULATIONS RELATING TO IMPORT AND EXPORT

Pursuant 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, most recently amended on April 29, 2021 with immediate effect, a consignee or consignor of imported or exported goods or customs broker shall register with Customs in accordance with the law when carrying out customs declaration procedures.

Pursuant to Administrative Provisions of the Customs of the PRC on Record-filing of Customs Declaration Entities (《中華人民共和國海關報關單位備案管理規定》), promulgated by General Administration of Customs on November 19, 2021 and came into effect on January 1, 2022, and Notice of the Department of Enterprise Management and Audit on Matters Related to the Filing of Consignors and Consignees of Import and Export Goods (《關於進出口貨物收發貨人備案有關事宜的通知》), issued by General Administration of Customs and came into effect on January 3, 2023, a consignee or consignor of imported or exported goods or customs broker who applies for recordation shall be qualified as a market entity and is not required to be filed as a foreign trade business operator.

LAWS AND REGULATIONS ON LAND, PLANNING AND PROJECT CONSTRUCTION LAND

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, most recently on August 26, 2019, and came into effect on January 1, 2020, the Implementing Regulation for 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, most recently amended on July 2, 2021, and came into effect on September 1, 2021, and the Provisional Regulations of the PRC for the Grant and Assignment of the Right to Use the State-owned Land in Urban Areas (《中華人民共和國城鎮國有土地使用權出讓和轉讓暫行條例》), promulgated by the State Council on May 19, 1990 and most recently amended on November 29, 2020 with immediate effect, 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.

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Planning

Pursuant to the Urban and Rural Planning Law of the PRC (《中華人民共和國城鄉規劃法》), promulgated by the SCNPC on October 28, 2007, most recently amended and came into effect on April 23, 2019, if the construction of buildings, structures, roads, pipelines and other projects is carried out in the planned area of a city or a town, the construction entity or individual shall apply to the competent authority of urban and rural planning of the people's government of the city or county or the people's government of the town as determined by the people's government of the province, autonomous region or municipality directly under the Central Government for a construction project planning permit.

Project Construction

Pursuant to the Construction Law of the PRC (《中華人民共和國建築法》), promulgated by the SCNPC on November 1, 1997, most recently amended and came into effect on April 23, 2019, prior to the commencement of construction work, the construction entity shall apply to the competent construction administrative authority of the people's government at or above the county level where the project is located for a construction permit in accordance with the relevant provisions of the State, except for small-scale projects under the quota as determined by the construction administrative authority under the State Council. A construction project shall be delivered for use only after it has passed the acceptance examination. A construction project shall not be delivered for use without conducting or passing the acceptance examination.

LAWS AND REGULATIONS RELATING TO LEASING

Pursuant to Law of the PRC on Administration of Urban Real Estate (《中華人民共和國城市房地產管理法》), promulgated by SCNPC on August 26, 2019 and came into effect on January 1, 2020, and 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 came into effect 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 development authorities or real estate authorities of the municipality or county where the leased property is located. If a company fails to do as aforesaid, it may be ordered to rectify within a stipulated period, and if such company fails to rectify, a fine ranging from RMB1,000 to RMB10,000 may be imposed on each lease agreement. Meanwhile, pursuant to the Civil Code of the PRC (《中華人民共和國民法典》, the "Civil Code"), promulgated by NPC on May 28, 2020 and came into effect on January 1, 2021, if the parties to a lease contract fail to go through the formalities of registration of such contract accordance with the provisions of laws and administrative regulations, the validity of the contract shall not be affected.

Pursuant to the Civil Code, 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

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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.

Pursuant to the Interpretation of the Supreme People's Court on Several Issues concerning the Application of Law in the Trial of Cases about Disputes Over Lease Contracts on Urban Buildings (2020 version) (《最高人民法院關於審理城鎮房屋租賃合同糾紛案件具體應用法律若干問題的解釋(2020修正)》), came into effect on 1 January 2021, if the construction project planning permit has been obtained or the construction has been approved by the competent department by the end of court debate in the trial of first instance, the people's court shall recognize a lease contract to be valid.

LAWS AND REGULATIONS RELATING TO INTELLECTUAL PROPERTY

Trademark

Pursuant to the Trademark Law of the PRC (《中華人民共和國商標法》), promulgated by SCNPC on August 23, 1982, most recently amended on April 23, 2019 and came into effect on November 1, 2019, and the Implementation Regulation of 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, most recently revised on April 29, 2014 and effective from May 1, 2014, registered trademarks are granted a term of ten years which may be renewed for consecutive ten-year periods upon request by the trademark owner. The National Intellectual Property Administration (the "CNIPA") is responsible for administering trademark registration and management nationwide.

Trademark license agreements must be filed with the CNIPA for record, and the Trademark Law has adopted a "first-to-file" principle with respect to trademark registration. Conducts that shall constitute an infringement of the exclusive right to use a registered trademark include but not limited to using a trademark that is identical with or similar to a registered trademark on the same or similar goods without the permission of the trademark registrant, and the infringing party will be ordered to stop the infringement act immediately and may be imposed a fine. The infringing party may also be held liable for the right holder's damages, which will be equal to gains obtained by the infringing party or the losses suffered by the right holder as a result of the infringement, including reasonable expenses incurred by the right holder for stopping the infringement.

Patent

Pursuant 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, most recently amended on October 17, 2020, and came into effect 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條例》), promulgated by the State Council on June 15, 2001, most recently revised on December 11, 2023, and came into effect on January 20, 2024, patent is divided in to three

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categories, (1) invention patent, (2) design patent and (3) utility model patent. The duration of invention patent right, design patent right and utility model patent right shall be twenty years, fifteen years and ten years, respectively, which all calculated from the date of application. The CNIPA is responsible for administering patent-related work nationwide; it centrally accepts and examines patent applications and grants patent rights in accordance with the law.

Implementation of a patent without the authorization of the patent holder shall constitute an infringement of patent rights and shall be held liable for compensation to the patent holder and may be imposed a fine, or even subject to criminal liabilities.

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, most recently amended on November 11, 2020, and came into effect on June 1, 2021, and Implementation Regulations for the Copyright Law of the PRC (《中華人民共和國著作權法實施條例》), promulgated by the State Council on August 2, 2002 and most recently revised on January 30, 2013, Chinese citizens, legal persons, or other organizations shall, whether published or not, own copyright in their works, which include, among others, works of literature, art, natural science, social science, engineering technology and computer software. Copyright owners of protected works enjoy personal rights and property rights with respect to publication, authorship, alteration, integrity, reproduction, distribution, lease, exhibition, performance, projection, broadcasting, dissemination via information network, production, adaptation, translation, compilation and other rights shall be enjoyed by the copyright owners.

Pursuant to the Regulations on the Protection of Computer Software (《電腦軟體保護條例》), promulgated by the State Council on June 4, 1991 and most recently revised on January 30, 2013, and came into effect on March 1, 2013, and the Measures for the Registration of Computer Software Copyright (《電腦軟體著作權登記辦法》), promulgated by the National Copyright Administration on April 6, 1992, most recently revised on July 1, 2004 with immediate effect, the National Copyright Administration is mainly responsible for the registration and management of software copyright in China and recognizes the China Copyright Protection Centre as the software registration organization. The China Copyright Protection Centre shall grant certificates of registration to computer software copyright applicants in compliance with the regulations.

Domain Names

Pursuant Administrative Measures on Internet Domain Names (《互聯網功能變數名稱管理辦法》), promulgated by Ministry of Industry and Information Technology (the "MIIT") on November 1, 2017, the MIIT shall supervise the domain names services nationwide and publicize the PRC domain name system and adopt "first-to-file" principle with respect to domain name allocation. After completion of the registration procedures, the applicant will become the holder of the relevant domain name.

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Pursuant to Administrative Measures on Internet-based Information Services (《互聯網資訊服務管理辦法》), promulgated by the state council on September 25, 2000, most recently revised on December 6, 2024, and came into effect on January 20, 2025, entities providing non-commercial internet information services shall complete record-keeping formalities with the MITT or its provincial authorities.

LAWS AND REGULATIONS RELATING TO ENVIRONMENTAL PROTECTION

Laws on Environment Impact Assessment (“EIA”)

Pursuant to the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》, the “Environmental Protection Law”), promulgated by the SCNPC on September 13, 1979, most recently revised on April 24, 2014, and came into effect on January 1, 2015, and the Law on Environment Impact Assessment of the PRC (《中華人民共和國環境影響評價法》), promulgated by the SCNPC on October 28, 2002, most recently amended on December 29, 2018 with immediate effect, and Administrative Regulations on Environmental Protection for Construction Projects (《建設項目環境保護管理條例》), promulgated by the State Council on November 29, 1998, most recently revised on July 16, 2017 and came into effect on October 1, 2017, constructing entities shall complete an EIA according to the following rules: (i) for projects with potentially serious environmental impacts, an environmental impact report shall be prepared to provide a comprehensive assessment of their environmental impacts; (ii) for projects with potentially mild environmental impacts, an environmental impact statement shall be prepared to provide an analysis or specialized assessment of the environmental impacts; and (iii) for projects with very small environmental impacts, an environmental impact registration shall be completed. Installations for the prevention and control of pollution in construction projects must be designed, built and commissioned together with the principal construction plan of the project. Such installations shall not be dismantled or left idle without authorization from the competent government agencies. Consequences of violations of the Environmental Protection Law include warnings, fines, rectification within a time limit, forced shutdown, or criminal punishment on Environment Impact Assessment.

The Classified Administration Catalog of Environmental Impact Assessments for Construction Projects (2021 Edition) (《建設專案環境影響評價分類管理名錄(2021年版)》, “Classified Administration Catalog (2021)”), promulgated by the Ministry of Ecology and Environment of the PRC on November 30, 2020, and came into effect on January 1, 2021, lists a more detailed EIA management classification.

The Interim Measures for Acceptance of Environmental Protection upon Completion of Construction Projects (《建設專案竣工環境保護驗收暫行辦法》), promulgated by the former Ministry of Environmental Protection (now the Ministry of Ecology and Environment) on November 20, 2017 with immediate effect regulate the procedures and standards for independent acceptance of environmental protection by construction units upon the completion of construction projects.

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Pollutant Discharge Permit ("PDP")

Pursuant to the Regulations on the Administration of Pollution Discharge Permits (《排污許可管理條例》), promulgated by the State Council on January 24, 2021 and came into effect on March 1, 2021, Administrative Measures for Pollutant Discharge Permits (《排污許可管理辦法》), promulgated by the Ministry of Ecological Environment on January 10, 2018, most recently revised on April 1, 2024 and came into effect on July 1, 2024, and Categorized 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)》), promulgated by the Ministry of Ecology and Environment on December 20, 2019, pollutant discharge entities, including enterprises, public institutions and other producers and operators, shall be subject to the key management, simplified management of PDP and pollutant discharge registration management according to the quantity of pollutants generated and discharged, the impact on the environment and other factors. Pollutant discharge entities that implement key or simplified management shall apply to the competent department of ecology and environment under the local people's government at or above the level of city divided into districts where its production and business premises are located for PDP. Pollutant discharge entities that implement registration management do not need to apply for a PDP.

Pollution Caused by Solid Waste

Pursuant to the Law of the PRC on the Prevention and Control of Environment Pollution Caused by Solid Wastes (《中華人民共和國固體廢物污染環境防治法》), promulgated by the SCNPC on October 30, 1995, most recently amended on April 2020, and came into effect on September 1, 2020, the units which engaged in the collection, storage, utilization and disposal of hazardous wastes shall apply for the license in accordance with relevant laws and regulations. It is forbidden to provide or entrust hazardous waste to units without a license or other producers and operators to engage in collection, storage, utilization, and disposal activities.

Water pollution

Pursuant to the Law of the PRC on the Prevention and Control of Water Pollution (《中華人民共和國水污染防治法》), promulgated by the SCNPC on May 1, 1984, most recently amended on June 27, 2017 and came into effective on January 1, 2018, the enterprises, institutions and other production and operation units directly or indirectly discharging industrial waste water and medical sewage to water bodies, and the enterprises, institutions and other production and operation units required to obtain PDP before discharging waste water and sewage must obtain the PDP. Furthermore, environmental impact assessment must be carried out in accordance with the law for newly formed projects and reconstruction, or extensions projects that directly or indirectly discharge pollutants to water bodies and other installations on water. Water pollution prevention and control facilities should be designed, constructed and put into use at the same time as the main construction of the projects.

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Atmosphere pollution

Pursuant to the Law of the PRC on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》, the "Atmospheric Pollution Law"), promulgated by the SCNPC on September 5, 1987, most recently amended on October 26, 2018 with immediate effect, enterprises, institutions and other production and operation units shall, in accordance with the relevant national regulations and monitoring standards, monitor their emissions of industrial waste gases or toxic and hazardous air pollutants listed in the catalogue published according to Article 78 of the Law of the Atmospheric Pollution Law, and keep the original monitoring records. Enterprises and institutions that emit industrial waste gas or toxic and hazardous air pollutants listed in the above-mentioned catalogue, as well as other units that implement administration of PDP in accordance with the law, shall obtain a pollutant discharging permit.

In addition, enterprises, institutions and other production and operation units constructing projects that have an impact on the atmospheric environment shall carry out EIA and make EIA documents public in accordance with the law; the units that emit pollutants into the atmosphere must comply with the discharging standard for atmospheric pollutants as well as the requirements on control of the total discharging amount of key atmospheric pollutant.

Noise Pollution

Pursuant to the Law of the PRC on Prevention and Control of Pollution From Noise (《中華人民共和國雜訊污染防治法》), promulgated by the SCNPC on December 24, 2021 and came into effect on June 5, 2022, the emission of noise and generation of vibration shall comply with the noise emission standards, the relevant ambient vibration control standards and the requirements of relevant laws, regulations and rules.

Energy Conservation Review

Pursuant to the Energy Conservation Law of the PRC (《中華人民共和國節約能源法》), promulgated by the SCNPC on November 1, 1997, most recently amended on October 26, 2018 with immediate effect, the State shall implement an energy conservation assessment and audit system for fixed asset investment projects. Detailed measures shall be formulated by the department regulating energy conservation under the State Council jointly with other relevant State Council departments.

Pursuant to Measures for the Energy Conservation Review and Carbon Emission Assessment of Fixed Asset Investment Projects (《固定資產投資專案節能審查和碳排放評價辦法》), promulgated by the NDRC on July 17, 2025 and came into effect on September 1, 2025, and the Measures for the Energy Conservation Review of Fixed Asset Investment Projects (《固定資產投資項目節能審查辦法》) repealed by the aforementioned measures, the review opinions on energy conservation of a fixed asset investment project are an important basis for the commencement of construction, acceptance upon completion as well as operation and management of such project. For a government-invested project, the project owner shall

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obtain the review opinions on energy conservation issued by the energy conservation review authority prior to submitting its feasibility study report for the project. For an enterprise-invested project, the project owner shall obtain the review opinions on energy conservation issued by the energy conservation review authority prior to the commencement of construction. For a project which has not undergone the energy conservation review or fails to pass the energy conservation review, the project owner shall not commence construction, or the project shall not be put into production or use if it is already completed.

LAWS AND REGULATIONS RELATING TO PRODUCT QUALITY

Pursuant to the Product Quality Law of the PRC (《中華人民共和國產品品質法》), promulgated by the SCNPC on February 22, 1993, and most recently amended on December 29, 2018, producers and sellers shall establish and improve internal product quality management systems, and strictly implement post quality standards, quality responsibility, and corresponding assessment methods. The seller assumes responsibility for the repair, replacement, or return of the sold product under the following circumstances: (i) the product lacks the essential properties for its intended use without prior clear indication; (ii) the product does not meet the stated standards displayed on the product or its packaging; or (iii) the product does not match the quality as described in the product information or physical sample. In cases where a consumer incurs losses due to the purchased product, the seller is obligated to compensate for these losses.

LAWS AND REGULATIONS RELATING TO PRODUCTION SAFETY

Pursuant to the Production Safety Law of the PRC (《中華人民共和國安全生產法》), the "Production Safety Law"), promulgated by SCNPC on June 29, 2002, most recently amended on June 10, 2021 and came into effect on September 1, 2021, Entities engaged in production and business activities within the PRC shall establish and improve a production safety responsibility system and production safety rules, improve production safety conditions, strengthen the standardization of production safety, raise production safety levels, and ensure production safety. The person in charge of a production and operation entity shall be fully responsible for the production safety of the entity. Violation of the Production Safety Law may result in (1) imposition of fines and penalties, suspension of operation, an order to cease operation, depending on the circumstances of the violation, and (2) criminal liability if the violation constitutes a crime.

LAWS AND REGULATIONS RELATING TO FIRE PREVENTION DESIGN

Pursuant to the Fire Prevention Law of the PRC (《中華人民共和國消防法》) promulgated by the SCNPC on April 29, 1998 and most recently revised on April 29, 2021 with immediate effect, for special construction projects stipulated by the Ministry of Housing and Urban-Rural Development (the "MHURD") of the State Council, the construction entity shall submit the fire protection design documents to the MHURD for examination, while for construction projects other than those stipulated as special development projects, the

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construction entity shall, at the time of applying for the construction permit or approval for work commencement report, provide the fire protection design drawings and technical materials which satisfy the construction needs.

Pursuant to the Interim Regulations on Administration of Examination and Acceptance of Fire Protection Design Review and Final Inspection of Construction Projects (《建設工程消防設計審查驗收管理暫行規定》), promulgated by the MHURD on April 1, 2020, most recently amended on August 21, 2023 and came into effect on October 30, 2023, an examination system for fire protection design and acceptance only applies to special construction projects, and for other projects, a record-filing and random inspection system would be applied.

LAWS AND REGULATIONS RELATING TO TAXATION

Enterprise Income Tax (the "EIT")

Pursuant to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》), promulgated by the SCNPC on March 16, 2007, most recently amended on December 29, 2018 with immediate effect, and the Implementation Rules of the Enterprise Income Tax Law (《中華人民共和國企業所得稅法實施條例》), promulgated by the State Council on December 6, 2007, most recently revised on December 6, 2024, and came into effect on January 20, 2025, a resident enterprise is subject to a EIT rate of 25% on their income derived from both within and outside the territory of PRC. A resident enterprise refers to an enterprise established in accordance with the laws within the territory of the PRC, or an enterprise established under the laws of a foreign country (or region) but with its actual management institution located within the territory of PRC.

Pursuant to the Administrative Measures for Determination of High and New Tech Enterprises (《高新技術企業認定管理辦法》), promulgated by the Ministry of Science and Technology, the MOF and the STA on April 14, 2008, amended on January 29, 2016 and came into effect on January 1, 2016, an enterprise recognized as a high and new technology enterprise may apply for a preferential EIT rate of 15% pursuant to the relevant requirements of the EIT Law.

Pursuant to the Announcement of the Ministry of Finance and the State Taxation Administration on the Relevant Tax and Fee Policies for Further Supporting the Development of Micro and Small Enterprises and Individual Industrial and Commercial Households (《財政部、國家稅務總局關於進一步支持小微企業和個體工商戶發展有關稅費政策的公告》), issued on August 2, 2023, the taxable income of a small low-profit enterprise shall be calculated at the reduced rate of 25%, and the policy of payment of EIT at the rate of 20% shall continue to be implemented until December 31, 2027.

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Value-Added Tax (the "VAT")

Pursuant to Value-added Tax Law of the PRC (《中華人民共和國增值稅法》, the "VAT Law"), promulgated on December 25, 2024, and came into effect on January 1, 2026, entities and individuals that sell goods or labor services of processing, repair or replacement, selling services, intangible assets, or immovables, or import goods within the territory of PRC are taxpayers of VAT, and shall pay VAT in accordance with law. Unless otherwise stipulated, the VAT rate is 13% for taxpayers that sell goods, provide processing, repair and replacement services, tangible movables leasing services or import goods; 9% for taxpayers that sell transport services, postal services, basic telecommunications, buildings, or real property leasing services, sell real property, transfer land use rights, or sell or import the goods listed in the VAT Law; unless otherwise stipulated, 6% for taxpayers that sell services or intangible assets; 0% for Taxpayers that export goods or sell services or intangible assets across borders within the scope specified by the State Council.

Pursuant to the Provisional Regulations of the PRC on VAT (《中華人民共和國增值稅法暫行條例》), promulgated by the State Council on November 19, 2017 and repealed by the aforementioned VAT Law, unless otherwise stipulated, the VAT rate is 17% for taxpayers selling goods, labor services, or tangible movable property leasing services or importing goods; 11% for taxpayers selling transportation, postal, basic telecommunications, construction, or immovable leasing services, selling immovables, transferring land use rights, or selling or importing specific goods; unless otherwise stipulated, 6% for taxpayers selling services or intangible assets.

Pursuant to Announcement on Policies for Deepening the VAT Reform (《關於深化增值稅改革有關政策的公告》), jointly promulgated by the Ministry of Finance (the "MOF"), the State Taxation Administration (the "STA") and the General Administration of Customs on 20 March 2019 and came into effect on April 1, 2019, the tax rate of 16% and 10% originally applicable to general VAT taxpayers' VAT taxable sales or goods import shall be adjusted to 13% and 9%, respectively.

LAWS AND REGULATIONS RELATING TO LABOR AND SOCIAL SECURITY

Employment

Pursuant to the Labor Law of the PRC (《中華人民共和國勞動法》), promulgated by the SCNPC on July 5, 1994, most recently amended on December 29, 2018 with immediate effect, and the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》), promulgated on June 29, 2007, most recently amended on December 28, 2012 and came into effect on July 1, 2013, written labour contracts shall be executed between an employer and its employees if an employment relationship is established. Employers are required to truthfully inform their employees about their job responsibilities, working conditions, occupational hazards, remuneration and other matters with which the employees may be concerned. Employers shall pay remuneration to employees on time and in full in accordance with the commitments set forth in their employment contracts and the relevant PRC laws and regulations.

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Pursuant to the Labour Law and the Interim Provisions on Labor Dispatch (《勞務派遣暫行規定》), promulgated by the Ministry of Human Resources and Social Security on January 24, 2014 and came into effect on March 1, 2014, employers are only allowed to use dispatched workers for temporary, auxiliary or substitutive positions. the number of dispatched workers hired by an employer may not exceed 10% of the total number of its employees. Where rectification is not made within the stipulated period, the employers may be subject to a penalty ranging from RMB5,000 to RMB10,000 per dispatched worker exceeding the 10% threshold.

Social Insurance

Pursuant 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, most recently revised on December 29, 2018 with immediate effect, the Provisional Regulations for the Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行規定》), promulgated by the State Council on January 22, 1999 and revised on March 24, 2019, employers in mainland China shall provide their employees with welfare schemes covering basic pension insurance, basic medical insurance, unemployment insurance, maternity insurance, and occupational injury insurance.

Employers failed to promptly contribute social security premiums in full amount shall be ordered by the social security premium collection agency to make or supplement contributions within a stipulated period; where contributions are not made within the stipulated period, the employers shall be subject to a fine ranging from one to three times the amount of the social security premiums payable.

Housing Provident Fund

Pursuant to the Regulations on Management of Housing Provident Fund (《關於住房公積金管理條例》), promulgated on April 3, 1999, most recently revised on March 24, 2019 with immediate effect, employers in mainland China shall provide their employees with housing provident fund.

Employers failed to undertake contribution registration of housing provident fund or failed to go through the formalities of opening housing provident fund accounts for employees, shall be ordered by the housing provident fund management center to go through the formalities within a prescribed time limit; where failing to do so at the expiration of the time limit, a fine of not less than RMB10,000 nor more than RMB50,000 shall be imposed. Employers overdyed in the contribution of, or underpays shall be ordered by the housing provident fund management center to make the contribution within a prescribed time limit; where the contribution has not been made after the expiration of the time limit, an application may be made to a people's court for compulsory enforcement.

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LAWS AND REGULATIONS RELATING TO COMPANIES

Securities law and Regulations

The Securities Law of the PRC (《中華人民共和國證券法》, the “Securities Law”), promulgated by the SCNPC on December 29, 1998, and most recently amended on December 28, 2019 and came into effect on March 1, 2020, comprehensively regulating activities in the PRC securities market including issuance and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of securities regulatory authorities, etc. The Securities Law further regulates that a domestic enterprise issuing securities overseas directly or indirectly or listing their securities overseas shall comply with the relevant provisions of the State Council and for subscription and trading of shares of domestic companies using foreign currencies, detailed measures shall be stipulated by the State Council separately. China Securities Regulatory Commission (the “CSRC”) is the securities regulatory body set up by the State Council to supervise and administer the securities market according to law, maintain order in the market, and ensure the market operates in a lawful manner. Currently, the issue and trading of H shares are principally governed by the regulations and rules promulgated by the State Council and the CSRC.

Overseas listings

On February 17, 2023, the CSRC released several regulations regarding the management of filings for overseas offerings and listings by domestic companies, including the Trial Measures for the Administration on 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 “Overseas Listing Trial Measures”) together with five supporting guidelines (together with the Overseas Listing Trial Measures, collectively referred to as the “Overseas Listing Regulations”). Under Overseas Listing Regulations, PRC domestic companies that seek to offer and list securities in overseas markets, either in direct or indirect means, are required to file the required documents with the CSRC within three working days after its application for overseas listing is submitted.

The Overseas Listing Regulations provides that no overseas offering and listing shall be made under any of the following circumstances: (i) such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (ii) the intended securities offering and listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with law; (iii) the domestic company intending to make the securities offering and listing, or its controlling shareholders and the actual controller, have committed crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) the domestic company intending to make the securities offering and listing is suspected of committing crimes or major violations of laws and regulations, and is under investigation according to law and no conclusion has yet been made thereof; or (v) there are material ownership disputes over equity held by the domestic company’s controlling shareholder or by other shareholders that are controlled by the controlling shareholder and/or actual controller. Additionally, the Overseas Listing Regulations

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stipulates that after an issuer has offering and listing securities in an overseas market, the issuer shall submit a report to the CSRC within three working days after the occurrence and public disclosure of (i) a change of control thereof, (ii) investigations of or sanctions imposed on the issuer by overseas securities regulators or relevant competent authorities, (iii) changes of listing status or transfers of listing segment, and (iv) a voluntary or mandatory delisting. Overseas offering and listing by domestic companies shall be made in strict compliance with relevant laws, administrative regulations and rules concerning national security in spheres of foreign investment, cybersecurity, data security and etc., and duly fulfil their obligations to protect national security.

On February 24, 2023, the CSRC and three other relevant government authorities jointly promulgated the Provisions on Strengthening the Confidentiality and Archives Administration Related to the Overseas Securities Offering and Listing by Domestic Enterprises (《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”). Pursuant to the Provision on Confidentiality, where a domestic enterprise provides or publicly discloses any document or material that involving state secrets and working secrets of state agencies to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, it shall report to the competent department with the examination and approval authority for approval in accordance with the law, and submit to the secrecy administration department of the same level for filing. The working papers formed within the territory of the PRC by the securities companies and securities service agencies that provide corresponding services for the overseas issuance and listing of domestic enterprises shall be kept within the territory of the PRC, and cross-border transfer shall go through the examination and approval formalities in accordance with the relevant provisions of the State.

LAWS AND REGULATIONS RELATED TO OUR BUSINESS IN MEXICO

This section sets out a summary of the principal laws and regulations that have a significant impact on the business and operations of Xinquan México Automotive Trim, S. de R.L. de C.V. (“the Mexican Subsidiary”).

Laws and Regulations Relating to Company Establishment and Foreign Investment

General Law of Commercial Companies (Ley General de Sociedades Mercantiles). The General Law of Commercial Companies was promulgated on August 4, 1934, and has been amended from time to time, with the latest amendment published on October 20, 2023. This law regulates the incorporation, corporate structure and management of commercial companies in Mexico. The Mexican Subsidiary is organized as a *sociedad de responsabilidad limitada de capital variable* (limited liability company with variable capital). Pursuant to the applicable provisions of such law and the Mexican Subsidiary’s bylaws, its management is vested in a Sole Manager (*Gerente Único*), who acts as the legal representative of the company with general powers for acts of administration, lawsuits and collections, subject to the limitations set forth therein.

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General Law of Titles and Credit Operations (Ley General de Títulos y Operaciones de Crédito). The General Law of Titles and Credit Operations was promulgated on August 27, 1932, and has been amended from time to time, with the latest amendment published in the Official Gazette of the Federation on March 26, 2024. This law governs the issuance, endorsement, and negotiation of credit instruments in Mexico. The Company’s representatives are granted specific authorities under this law to bind the Mexican Subsidiary in financial and commercial transactions involving promissory notes or other negotiable instruments.

Foreign Investment Law (Ley de Inversión Extranjera). The Foreign Investment Law was promulgated on December 27, 1993, and has been amended from time to time, with the latest amendment published on June 15, 2018. This law and its implementing regulations govern foreign investment activities in Mexico. Manufacturing and commercialization of automotive components are activities fully open to foreign investment. Mexican companies with foreign capital participation are required to comply with registration and reporting obligations before the National Registry of Foreign Investment (*Registro Nacional de Inversiones Extranjeras* or *RNIE*), including periodic filings relating to financial information and corporate structure.

Laws and Regulations Relating to Product Quality and Product Liability

Federal Consumer Protection Law (Ley Federal de Protección al Consumidor). The Federal Consumer Protection Law was promulgated on December 24, 1992, and has been amended from time to time, with the latest amendment published on October 31, 2023. It regulates product safety, labeling requirements and liability arising from defective products. Manufacturers, distributors and sellers may be held liable for damages caused by defective or unsafe products. The Federal Consumer Protection Agency (*Procuraduría Federal del Consumidor* or *PROFECO*) is empowered to supervise market practices, impose administrative sanctions and order corrective measures, including product recalls.

Laws and Regulations Relating to Foreign Trade (IMMEX Program)

Customs Law (Ley Aduanera) and IMMEX Decree. The Customs Law was promulgated on December 15, 1995, and has been amended from time to time, with the latest amendment published on November 12, 2021. The Decree for the Promotion of the Manufacturing, Maquiladora and Export Services Industry (the “*IMMEX Decree*”) was promulgated on November 1, 2006, and has been amended from time to time, with the latest amendment published on December 24, 2020. This regime allows authorized companies to temporarily import raw materials, components and machinery without payment of import duties or value-added tax, provided that the finished products are subsequently exported or transferred to other authorized entities. Participation in the IMMEX Program requires compliance with inventory control systems and periodic reporting obligations before the relevant tax and economic authorities.

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Laws and Regulations Relating to Environmental Protection and Waste Management

General Law of Ecological Balance and Environmental Protection (Ley General del Equilibrio Ecológico y la Protección al Ambiente or “LGEEPA”). The LGEEPA was promulgated on January 28, 1988, and has been amended from time to time, with the latest amendment published on December 17, 2025. It establishes the federal framework for environmental protection, including environmental impact authorizations (*environmental impact assessments*), air emission controls and noise prevention. The Federal Attorney for Environmental Protection (*Procuraduría Federal de Protección al Ambiente* or *PROFEPA*) is authorized to conduct inspections and impose administrative measures in case of non-compliance.

General Law for the Prevention and Integral Management of Waste (Ley General para la Prevención y Gestión Integral de los Residuos). This law was promulgated on October 8, 2003, and has been amended from time to time. It regulates the generation, handling, transportation and final disposal of hazardous and non-hazardous waste derived from industrial processes. Companies generating industrial waste are required to implement waste management plans and ensure that disposal is carried out through duly authorized service providers.

Laws and Regulations Relating to Anti-Corruption and Anti-Money Laundering

General Law of Administrative Responsibilities (Ley General de Responsabilidades Administrativas). The General Law of Administrative Responsibilities was promulgated on July 18, 2016, and has been amended from time to time, with the latest amendment published on December 15, 2025. This law establishes the administrative liability of individuals and legal entities in connection with acts of corruption committed for their benefit. Sanctions may include fines, disqualification from government contracting and other administrative measures. The adoption and implementation of integrity and compliance policies may be considered as mitigating factors in determining liability.

Federal Law for the Prevention and Identification of Operations with Resources of Illicit Origin (Ley Federal para la Prevención e Identificación de Operaciones con Recursos de Procedencia Ilícita). This law was promulgated on October 17, 2012, and has been amended from time to time. It aims to protect the financial system by preventing money laundering and terrorist financing. Certain activities classified as “vulnerable activities” are subject to identification, reporting and record-keeping obligations before the tax authorities.

Laws and Regulations Relating to Economic Competition

Federal Law of Economic Competition (Ley Federal de Competencia Económica). The Federal Law of Economic Competition, originally promulgated on May 23, 2014, regulates monopolies, monopolistic practices and economic concentrations in Mexico. Pursuant to the institutional reforms implemented in 2025, the enforcement of such law is carried out by the

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Comisión Nacional Antimonopolio (CNA). The CNA is a decentralized public agency vested with authority to investigate, prevent and sanction conducts that restrict or distort free competition and market access, in accordance with the applicable legal framework.

Laws and Regulations Relating to Data Protection

Federal Law on the Protection of Personal Data Held by Private Parties (Ley Federal de Protección de Datos Personales en Posesión de los Particulares). This law was promulgated on July 5, 2010. It regulates the processing of personal data of employees, customers and suppliers. Companies are required to make available privacy notices, implement administrative, technical and physical security measures, and ensure the exercise of access, rectification, cancellation and opposition rights (*ARCO Rights*).

Laws and Regulations Relating to Employment and Social Security

Federal Labor Law (Ley Federal del Trabajo). The Federal Labor Law was promulgated on April 1, 1970, and has been amended from time to time, with the latest amendment published on June 12, 2024. It governs all employment relationships and establishes mandatory benefits, including paid vacations, annual bonus (*aguinaldo*) and mandatory employee profit sharing (*participación de los trabajadores en las utilidades* or *PTU*).

Restrictions on Outsourcing. Mexican law restricts the outsourcing of personnel for activities that form part of a company's corporate purpose or main economic activity. Only specialized services may be subcontracted, provided that the service provider is duly registered with the *Registro de Prestadoras de Servicios Especializados u Obras Especializadas (REPSE)*.

Social Security and Housing Funds. Employers are required to register their employees and make mandatory contributions to the Mexican Social Security Institute (*Instituto Mexicano del Seguro Social* or *IMSS*) and the National Workers' Housing Fund Institute (*Instituto del Fondo Nacional de la Vivienda para los Trabajadores* or *INFONAVIT*). These obligations are governed by the Social Security Law (*Ley del Seguro Social*), promulgated on December 21, 1995, with the latest amendment published on April 23, 2021, and the INFONAVIT Law (*Ley del Instituto del Fondo Nacional de la Vivienda para los Trabajadores*), promulgated on April 24, 1972 (with the latest amendment on February 02, 2025).

Operational and Local Permits

Technical Standards and Civil Protection. The Mexican Subsidiary's operations are subject to mandatory Official Mexican Standards (*Normas Oficiales Mexicanas* or *NOMs*) relating to workplace safety, electrical installations and technical specifications. Industrial facilities are also generally required to implement and maintain an Internal Civil Protection Program approved by local authorities.

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Local Operating Licenses. Manufacturing operations are subject to the Urban Code of the State of Aguascalientes (Código Urbano para el Estado de Aguascalientes). This Code was promulgated on December 20, 2022, and its latest amendment was published in the Official Gazette of the State on July 9, 2025. These regulations govern land-use permits (uso de suelo), zoning compatibility, and municipal operating licenses required for industrial facilities in San Francisco de los Romo, ensuring compliance with state urban development and construction standards.

Laws and Regulations Relating to Taxation

Federal Fiscal Code (Código Fiscal de la Federación). The Federal Fiscal Code establishes the general framework governing tax obligations, compliance procedures and enforcement mechanisms applicable to taxpayers in Mexico. Pursuant to this code, certain governmental authorities and contracting entities may require taxpayers to obtain a tax compliance certificate (*opinión de cumplimiento de obligaciones fiscales*) issued by the Mexican tax authority. Such certificate evidences, as of its issuance date, whether a taxpayer is in compliance with certain federal tax obligations. The issuance of a positive tax compliance certificate may be required, among other matters, for participation in public procurement procedures, execution of certain contracts and the obtaining or maintenance of specific permits or authorizations.

Income Tax Law (Ley del Impuesto sobre la Renta – LISR) and Value Added Tax Law (Ley del Impuesto al Valor Agregado – LIVA). The LISR was promulgated on December 11, 2013, and the LIVA on December 29, 1978. Companies resident in Mexico are subject to a corporate income tax rate of 30% on their worldwide taxable income. The LIVA establishes a general value-added tax rate of 16% on domestic transactions, while exports of goods and services are generally subject to a 0% rate.

Laws and Regulations Relating to Legal Defense and Amparo

Law of Amparo (Ley de Amparo). The Law of Amparo, Regulating Articles 103 and 107 of the Political Constitution of the United Mexican States, was promulgated on April 2, 2013, and has been amended from time to time, with the latest amendment published in the Official Gazette of the Federation on October 16, 2025. This law provides a constitutional remedy that allows companies to challenge acts of governmental authorities that violate constitutional rights, such as the legal actions taken by the Subsidiary regarding municipal service charges and other administrative acts.

Note on Scope

This regulatory overview is provided solely for disclosure purposes and is based on Mexican laws and regulations in effect as of the date hereof. It does not constitute a legal opinion on the actual compliance status of the Mexican Subsidiary or the validity of any specific permits or authorizations.