LAWS AND REGULATIONS RELATED TO FOREIGN INVESTMENT

Foreign Investment

On March 15, 2019, the National People's Congress, or the NPC, promulgated the PRC Foreign Investment Law (《中華人民共和國外商投資法》) (the "**Foreign Investment Law**"), which came into effect on January 1, 2020 and replaced the previous laws regulating foreign investment in the PRC, namely, the Sino-foreign Equity Joint Venture Enterprise Law of PRC (《中華人民共和國中外合資經營企業法》), the Sino-foreign Cooperative Joint Venture Enterprise Law of the PRC (《中華人民共和國中外合作經營企業法》) and the Wholly Foreign-invested Enterprise Law of the PRC (《中華人民共和國外資企業法》), together with their implementation rules and the ancillary regulations. The Foreign Investment Law is formulated to further expand opening-up, vigorously promote foreign investment and protect the legitimate rights and interests of foreign investors. According to the Foreign Investment Law, foreign investments are entitled to pre-entry national treatment and are subject to negative list management system. The pre-entry national treatment means that the treatment given to foreign investors and their investments at the stage of investment access is not lower than that of domestic investors and their investments. The negative list management system means that the state implements special management measures for the access of foreign investment in specific fields. Foreign investors shall not invest in any forbidden fields stipulated in the negative list and shall meet the conditions stipulated in the negative list before investing in any restricted fields.

On December 26, 2019, the State Council published the Implementation Rules of Foreign Investment Law (《中華人民共和國外商投資法實施條例》), which came into effect on January 1, 2020. The Implementation Rules of Foreign Investment Law restates certain principles of the Foreign Investment Law and further provides, among others, that (i) an FIE's investment within the territory of China is also subject to the Foreign Investment Law and the Implementation Rules of Foreign Investment Law; (ii) an FIE established prior to the effective date of the Foreign Investment Law may, within five years following January 1, 2020, choose to amend its legal form or corporate governance and complete amendment registration, or to keep its original legal form or corporate governance; (iii) provisions regarding the transfer of equity interests or distribution of profits and remaining assets as stipulated in the contracts among the joint venture parties of an existing FIE may survive the Foreign Investment Law after such FIE amends its legal form or corporate governance in accordance with applicable laws.

The Foreign Investment Law, while strengthening the promotion and protection of investment, further standardizes the management of foreign investment and proposes the establishment of foreign investment information reporting system, which replaces the approval and filing system for foreign investment enterprises by the Ministry of Commerce of the People's Republic of China (the "**MOFCOM**"). The foreign investment information reporting is subject to the Measures for Foreign Investment Information Reporting (《外商投資信息報告辦法》) jointly formulated by the MOFCOM and the State Administration for Market Regulation and coming into effect on January 1, 2020. According to the Measures for Foreign Investment Information Reporting, foreign investors who directly or indirectly invest in China shall submit the investment information to competent departments for commerce through the enterprise registration system and the national enterprise credit information publicity system; the reporting formats are divided into initial report, change report, cancellation report, annual report, etc.

The 2024 Negative List

Pursuant to the Special Administrative Measures (Negative List) for the Access of Foreign Investment (2024) (《外商投資准入特別管理措施(負面清單) (2024年版)》) (the "**2024 Negative List**"), jointly promulgated by the NDRC and MOFCOM on September 6, 2024 and came into effect on November 1, 2024, limitations were stipulated for foreign investments in different industries in the PRC.

The 2024 Negative List is further classified into "Catalog of Industries Limited for Foreign Investment" and "Catalog of Industries Prohibited for Foreign Investment." Industries which do not fall within the "Special Management Measures (Negative List) for the Access of Foreign Investment" are industries permitted for foreign investment.

REGULATIONS RELATED TO OVERSEAS DIRECT INVESTMENTS

Pursuant to the Measures for the Administration of Outbound Investment by Enterprises (《企業境外投資管理辦法》), which was promulgated by the NDRC on December 26, 2017 and came into effect on March 1, 2018, "overseas investment" refers to investment activities conducted directly by enterprises within China or through their controlled overseas enterprises, by contributing assets or equity interests, or providing financing or guarantees, to obtain overseas ownership, control rights, management rights and other related interests. When making outbound investments, investors shall complete approval or filing procedures for outbound investment projects, report relevant information and cooperate with supervision and inspection.

Pursuant to the Measures for the Administration of Outbound Investment (《境外投資管理辦法》), which was last amended on September 6, 2014, the MOFCOM and provincial commerce authorities implement either approval or filing administration depending on the nature of the outbound investment, with investments involving sensitive countries or sensitive industries subject to approval while other investments subject to filing requirements. In the event of overseas reinvestments by the overseas enterprise, the enterprise shall, upon completion of overseas legal formalities, report to the commerce authorities in charge.

LAWS AND REGULATIONS RELATED TO OUR BUSINESS IN THE PRC

Laws, Regulations and Industrial Policies on Energy Storage

Pursuant to the Catalog for Guiding Industry Restructuring (2024 Version) (《產業結構調整指導目錄(2024年本)》) promulgated by the National Development and Reform Commission of the PRC on December 27, 2023, and came into effect on February 1, 2024, technologies and equipment for new power systems and technologies and applications for renewable energy utilization belongs to the state-encouraged industries.

Pursuant to the Energy Law of the People's Republic of China (《中華人民共和國能源法》) promulgated by the Standing Committee of the National People's Congress, or the SCNPC, on November 8, 2024 and brought into effect on January 1, 2025, China promotes the improvement of energy utilization efficiency, encourages the development of distributed energy and integrated energy services such as multi-energy complementary and multi-energy combined supply, actively promotes market-based energy conservation services such as contractual energy management, and raises the level of cleaner, lower carbon, more efficient and smarter end-use energy consumption.

On September 24, 2021, the National Energy Administration, or the NEA, promulgated the Notice of the National Energy Administration on Issuing the Interim Administrative Measures for New Energy Storage Projects (《國家能源局關於印發《新型儲能專案管理規範(暫行)》的通知》), or the Measures for New Energy Storage. Pursuant to the Measures for New Energy Storage, local energy authorities shall implement filing management for new energy storage projects in their regions in accordance with relevant investment laws, regulations, and supporting systems, and power grid enterprises shall provide grid connection services to new energy storage projects in a fair and non-discriminatory manner.

Pursuant to the Guiding Opinions on Accelerating the Development of New Energy Storage (《關於加快推動新型儲能發展的指導意見》) jointly promulgated by the NDRC and the NEA on July 15, 2021 and came into effect on the same date, the transformation from the initial stage of commercialization to

large-scale development of new energy storage shall be achieved by 2025. The full market-oriented development of new energy storage shall be realized by 2030, and new energy storage will become one of the key supports for carbon peak and carbon neutrality in the energy sector. The core technologies and equipment of new energy storage shall be independent and controllable, and the installed capacity shall basically meet the corresponding needs of the new power system. New energy storage shall become one of the key supports for carbon peak and carbon neutrality in the energy sector.

Pursuant to the Basic Rules for the Operation of the Electric Power Market (《電力市場運行基本規則》) promulgated by the NDRC on April 25, 2024 and implemented on July 1, 2024, the term "members of the electric power market" refers to the business entities, the operators of the electric power market and the power grid enterprises that provide power transmission and distribution services, etc. In particular, business entities include the enterprises generating electricity, enterprises selling electricity, electricity users and new business entities (including enterprises engaging in the energy storage, virtual power plants, load aggregators, etc.) which participate in the electric power market transactions. The construction of the technical supporting system of the electric power market shall comply with the requirements of the prescribed performance indicators and have the functions of energy management, transaction management, measurement of power energy, settlement system, contract management, quotation processing, market analysis and forecast, trading information, and regulatory system, etc.

Regulations on Product Quality and Safety Production

Pursuant to the Product Quality Law of the PRC (《中華人民共和國產品質量法》) released by the SCNPC, on February 22, 1993 with effect from September 1, 1993, which was last amended on December 29, 2018, the law applies to all the production and sales activities of any product in the PRC. The producer and the seller shall bear the responsibilities for product quality in accordance with the provisions of this law. Victims who suffer personal injury or property losses due to product defects may claim for compensation either from the producer or the seller. Where the responsibility lies with the producer and the compensation is paid by the seller, the seller shall have the right to recover such compensation from the producer. Where the responsibility lies with the seller and the compensation is paid by the producer, the producer shall have the right to recover such compensation from the seller.

Pursuant to the Production Safety Law of the PRC(《中華人民共和國安全生產法》), which was promulgate by the Standing Committee of NPC on June 29, 2002, became effective on November 1, 2002 and was last amended on June 10, 2021, entities that are engaged in the production and business operation activities within the territory of the PRC shall (i) observe the Production Safety Law and other relevant laws and regulations concerning production safety; (ii) strengthen the management and control of production safety; (iii) improve the measures for safety protection of production sites; and (iv) establish and improve the accountability system for safety accidents to ensure the work safety in production sites. The production entities shall implement national standards or industrial standards for safety formulated pursuant to laws, and provide conditions for safe production stipulated by relevant national standards or industrial standards. Entities that do not meet the conditions for safety production shall not be engaged in production and operation activities.

Regulations on Import and Export Goods

Pursuant to the Foreign Trade Law of the PRC (《中華人民共和國對外貿易法》) which was promulgated by the NPC Standing Committee on May 12, 1994, implemented on July 1, 1994, and last amended on December 27, 2025 and will be effective on March 1, 2026, the State permits the free import and export of goods and technologies. Based on the need to monitor the import and export goods, the competent department of foreign trade under the State Council may implement automatic import and export licensing for certain freely import and export goods and publish their catalogs. For import and

export goods subject to automatic licensing, if the consignee or consignor applies for automatic licensing before going through the customs declaration formalities, the competent department of foreign trade under the State Council or its entrusted institution shall be licensed.

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 and last amended on April 29, 2021 and became effective on April 29, 2021,unless otherwise stipulated, the declaration of import and export goods may be made by consignees and consignors themselves, and such formalities may also be completed by their entrusted customs brokers that have registered with the customs. The consignees and consignors for import or export of goods and the customs brokers engaged in customs declaration shall register with the customs in accordance with the laws.

Pursuant to the Administrative Provisions of the Customs of the PRC on the Filing of Customs Declaration Entities (《中華人民共和國海關報關單位備案管理規定》), which was promulgated by the General Administration of Customs on November 19, 2021 and took effect on January 1, 2022, the consignees and consignors of imported or exported goods and the customs brokers engaged in customs declarations shall undergo recordation formalities at the relevant customs administration department in accordance with the law.

Regulations on Environmental Protection

According to the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), which was promulgated by SCNPC on December 26, 1989 and was revised on April 24, 2014, enterprises, institutions and other manufacturing operators shall prevent and reduce environmental pollution and ecological damage, and shall be liable for damages caused by them pursuant to the law; enterprises, public institutions, and other production operators that discharge pollutants shall adopt measures to prevent and control pollution and damage to the environment caused by waste gas, waste water, waste residue, medical wastes, dust, malodorous gases, radioactive substances, noise, vibration, optical radiation, electromagnetic radiation, and other substances generated in their production, construction, and other activities.

Regulations on Development of Investment Projects

Pursuant to the Administrative Measures for the Approval and Filing of Enterprise Investment Projects (《企業投資項目核准和備案管理辦法》) promulgated by National Development and Reform Commission on March 8, 2017 and last amended on March 23, 2023, any fixed-asset investment project invested and constructed in China shall be subject to the approval or filing procedures with the relevant bureaus of the Development and Reform Committee of China.

REGULATIONS RELATING TO PROPERTY LEASING

Pursuant to the Law on Administration of Urban Real Estate of the PRC (《中華人民共和國城市房地產管理法》), which was promulgated by the SCNPC on July 5, 1994 and was latest amended on August 26, 2019, and the Management Measures for the Lease of Commercial 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 effective on February 1, 2011, the parties to a lease shall enter into a lease contract in accordance with the law. Within 30 days after the conclusion of the lease contract, the parties to the lease shall go to the competent department of construction (real estate) of the people's government of the municipality, city or county where the leased premise is located to register the lease. In violation of the foregoing provisions, the competent construction (real estate) departments of the people's governments of the municipalities directly under the central government, cities and counties shall order rectification within a time limit. If rectification is not made by an individual within the time limit, a fine of less than RMB1,000 shall be imposed. If rectification is not made by an entity within the time limit, a

fine of more than RMB1,000 but less than RMB10,000 shall be imposed. Pursuant to the PRC Civil Code (《中華人民共和國民法典》), the parties' failure to register the lease contract in accordance with the provisions of laws and administrative regulations does not affect the validity of the contract.

REGULATIONS RELATED TO DATA SECURITY, DATA PRIVACY AND CYBER SECURITY

On 1 July 2015, the SCNPC promulgated the National Security Law of the PRC《(中華人民共和國國家安全法》), effective on the same date, stipulating that the state shall establish systems and mechanisms for national security review and supervision, conduct national security reviews of foreign investment, specific items and key technologies, network information technology products and services, construction projects involving national security matters, and other major matters and activities that affect or may affect national security, to effectively prevent and defuse national security risks.

Pursuant to the PRC Cybersecurity Law (《中華人民共和國網絡安全法》) promulgated in November 7, 2016 and last amended on October 28, 2025, in construction or operation of networks or supply of services through networks, technical measures and other necessary measures must be implemented in accordance with laws and regulations as well as the compulsory requirements of the national and industrial standards to safeguard the safe and stable operation of the networks, effectively respond to cybersecurity incidents, prevent illegal and criminal activities, and maintain the integrity, confidentiality and availability of network data.

On June 10, 2021, the Standing Committee of the NPC promulgated the PRC Data Security Law (《中華人民共和國數據安全法》), which came into effect on September 1, 2021. The PRC Data Security Law provides for data security and privacy obligations on entities and individuals carrying out data activities. The PRC Data Security Law also introduces a data classification and hierarchical protection system based on the importance of data in economic and social development, as well as the degree of harm it will cause to national security, public interests, or legitimate rights and interests of individuals or organizations when such data is tampered with, destroyed, leaked, or illegally acquired or used. The appropriate level of protection measures is required to be taken for each respective category of data. In addition, the PRC Data Security Law imposes export restrictions on certain data and information. No entity or individual within the territory of the PRC may provide foreign judicial or law enforcement authorities with the data stored within the territory of the PRC without the approval of the competent PRC authorities.

On August 20, 2021, the SCNPC promulgated the PRC Personal Information Protection Law (《中華人民共和國個人信息保護法》), which became effective on November 1, 2021. The PRC Personal Information Protection Law aims at protecting the personal information rights and interests, regulating the processing of personal information, ensuring the orderly and free flow of personal information in accordance with the law, and promoting the reasonable use of personal information. ''Personal information'' refers to any information related to identified or identifiable natural persons recorded by electronic or other means, excluding anonymized information. The PRC Personal Information Protection Law also specified the rules for handling sensitive personal information, which includes biometrics, religious beliefs, specific identities, medical health, financial accounts, trails and locations, and personal information of children under fourteen years old and other personal information, which, upon leakage or illegal usage, may easily result in damage to the personal dignity or personal or property safety. The PRC Personal Information Protection Law requires, among other things, that (i) the processing of personal information should have a clear and reasonable purpose and should be directly related to its purpose, in a method that has the least impact on personal rights and interests, and (ii) the collection of personal information should be limited to the minimum scope necessary to achieve the processing purpose to avoid the excessive collection of personal information. Entities processing personal information shall bear responsibility for their personal information handling activities, and adopt necessary measures to safeguard the security of the personal information they handle.

Pursuant to the Civil Code of the PRC (《中華人民共和國民法典》) (the "**Civil Code**") which has come into effect on 1 January 2021, the personal information of natural persons is protected by law. Any organization or individual that needs to obtain personal information of others shall do so in accordance with the law and ensure information security, and shall not illegally collect, use, process, or transmit others' personal information, nor illegally buy, sell, provide, or disclose others' personal information.

On July 30, 2021, the State Council promulgated the Regulations on Critical Information Infrastructure Security Protection (《關鍵信息基礎設施安全保護條例》), which went into effect on September 1, 2021. The regulations provide that, among others, critical information infrastructure, or CII, means key network facilities or information systems of critical industries or sectors, such as public communications and information services, energy, transportation, water conservation, finance, public services, e-government affairs and national defense science, the damage, malfunction or data leakage of which may endanger national security, national economy and public interests. The CII operators, or the CIIOs, shall, based on a leveled system for cybersecurity protection, adopt technical protection and other necessary measures to respond to cybersecurity incidents, defend against cyber-attacks and other criminal activities, ensure the safe and stable operation of CII, and maintain data integrity, confidentiality and availability pursuant to relevant laws, regulations and the mandatory requirements under national standards. Relevant government authorities for each critical industry and sector shall be responsible for formulating eligibility criteria and determining the scope of CIIOs in the respective industry or sector, and such operators will be informed of the final determinations as to whether they are categorized as CIIOs.

On December 28, 2021 the CAC promulgated the Revised Cybersecurity Review Measures (《網絡安全審查辦法》), which became effective on February 15, 2022 and repeal the Cybersecurity Review Measures promulgated on April 13, 2020.The Revised Cybersecurity Review Measures provide that a CIIO purchasing network products and services and network platform operators engaging in data processing activities that affect or may affect national security shall be subject to cybersecurity review and that network platform operators that hold personal information of over one million users shall apply with the Cybersecurity Review Office for a cybersecurity review before listing abroad.

On July 7, 2022, the CAC promulgated the Measures for the Security Assessment of Outbound Data Transfer (《數據出境安全評估辦法》), which became effective on September 1, 2022. The Measures for the Security Assessment of Outbound Data Transfer clarify the security assessment procedures, supervision and management systems, compliance rectification requirements, and legal responsibilities of data processors providing important data and personal information collected and generated during their operations in the PRC to overseas entities. Furthermore, the Measures for the Security Assessment of Outbound Data Transfer stipulate that data processors must clearly define the responsibilities and obligations of data security protection in legal documents concluded with overseas recipients. Pursuant to the Guidelines on Application for Security Assessment of Outbound Data Transfer (Third Edition) (《數據出境安全評估申報指南(第三版)》) promulgated by the CAC, outbound data transfer means (i) a data processor transfers abroad the data collected or generated during its operation within the PRC, (ii) data collected and generated by a data processor is stored within the PRC while offshore institutions or individuals are able to inquire, retrieve, download and export such data; and (iii) other data processing activities, such as processing the personal information of domestic natural persons abroad under the circumstances specified in Article 3.2 of the PRC Personal Information Protection Law..

On 22 March 2024, the Cyberspace Administration of China promulgated the Provisions on Promoting and Regulating Cross-border Data Flow (《促進和規範數據跨境流動規定》), effective on the same date. According to these Provisions, data processors providing data abroad that meet any of the following conditions shall apply for outbound security assessment to the CAC through the provincial-level cyberspace administration authority of the place where the data processor is located: (i) critical

information infrastructure operators providing personal information or important data abroad; (ii) data processors other than critical information infrastructure operators providing important data abroad, or providing personal information (excluding sensitive personal information) of more than 1 million individuals or sensitive personal information of more than 10,000 individuals abroad cumulatively since 1 January of the current year. The provisions also clarify that if the data has not been informed or publicly announced as important data by relevant departments or regions, data processors are not required to apply for security assessment for outbound transfer of such data as important data. Furthermore, the provisions also stipulate the conditions for the outbound data transfer exempt from applying for security assessment, entering into a standard contract for outbound transfer of personal information, or passing authentication for protection of personal information.

On 8 December 2022, the MIIT issued the Measures for Data Security Administration in the Industry and Information Technology Field (for Trial Implementation) (《工業和信息化領域數據安全管理辦法(試行)》), or the MIIT Measures for Data Security, which became effective on 1 January 2023. In accordance with the MIIT Measures for Data Security, data processors in the field of industry and information technology shall category and classify the data collected and processed by the data processors, and adopt the corresponding security measures which cover the full lifecycle of data. The provisions also stipulate provisions for the identification and recognition of important data and core data in the field of industry and information technology, data security monitoring, early warning and emergency management, data security testing, certification and assessment management.

Pursuant to the Regulations on the Administration of Cyber Data Security (《網絡數據安全管理條例》) promulgated by the State Council on 24 September 2024, effective from 1 January 2025, the Regulations apply to network data processing activities and their security supervision and administration conducted within China. The Regulations stipulate that no individual or organization may use network data to engage in illegal activities, nor engage in illegal network data processing activities such as stealing or otherwise illegally obtaining network data, illegally selling or illegally providing network data to others. Network data processors shall, in accordance with the provisions of laws and administrative regulations and the mandatory requirements of national standards, strengthen network data security protection on the basis of the cybersecurity multi-level protection system, establish and improve network data security management systems, adopt technical measures such as encryption, backup, access control, and security certification, and other necessary measures to protect network data from tampering, destruction, leakage, or illegal acquisition or use, handle network data security incidents, and prevent illegal activities and crimes targeting or utilizing network data, and shall bear primary responsibility for the security of the network data they process.

REGULATIONS RELATED TO INTELLECTUAL PROPERTY

Copyright

Copyright in the PRC, including copyrighted computer software, is principally protected under the Copyright Law of the PRC (《中華人民共和國著作權法》) promulgated by the SCNPC on September 7, 1990 and most recently amended on November 11, 2020 and effective as at June 1, 2021 and related rules and regulations. Under the Copyright Law of the PRC, the term of protection for copyrighted computer software is 50 years. The Regulation on the Protection of the Right to Communicate Works to the Public over Information Networks (《信息網絡傳播權保護條例》), as most recently amended by the State Council on January 30, 2013, provides specific rules on fair use, statutory license, and a safe harbor for use of copyrights and copyright management technology and specifies the liabilities of various entities for violations, including libraries and Internet service providers.

The Computer Software Copyright Registration Measures (《計算機軟件著作權登記辦法》), promulgated by the National Copyright Administration on February 20, 2002 and amended on June 18, 2004 and effective on July 1, 2004, regulate registrations of software copyrights, exclusive licensing contracts for software copyrights and assignment agreements. The National Copyright Administration administers software copyright registration and the Copyright Protection Center of China is designated as the software registration authority. The Copyright Protection Center of China grants registration certificates to the computer software copyrights applicants which meet the relevant requirements.

Trademark

Registered trademarks are protected under the Trademark Law of the PRC (《中華人民共和國商標法》) promulgated by the SCNPC on August 23, 1982 and most recently revised on April 23, 2019 and effective as at November 1, 2019 and related rules and regulations. Trademarks are registered with the National Intellectual Property Administration Where registration is sought for a trademark that is identical or similar to another trademark which has already been registered or given preliminary examination and approval for use in the same or similar category of commodities or services, the application for registration of this trademark may be rejected. Trademark registrations are effective for a renewable ten-year period, unless otherwise revoked.

Patent

Patents in the PRC are principally protected under 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 most recently amended on October 17, 2020 and effective as at June 1, 2021. The Chinese patent system adopts a first-to-file principle. To be patentable, an invention or a utility model must meet three criteria: novelty, inventiveness and practicability. The duration of a patent right is 10 years, 15 years or 20 years from the date of application, depending on the type of patent right.

Domain Name

Domain names are protected under the Administrative Measures on Internet Domain Names (《互聯網域名管理辦法》) promulgated by the Ministry of Industry and Information Technology of the PRC on August 24, 2017 and effective as at November 1, 2017. Domain name registrations are handled through domain name service agencies established under the relevant regulations, and applicants become domain name holders upon successful registration.

REGULATIONS RELATED TO EMPLOYMENT, SOCIAL INSURANCE AND HOUSING FUND

Regulations on Employment

The major PRC laws and regulations that govern employment relationship are the Labor Law of the PRC (《中華人民共和國勞動法》) promulgated by the SCNPC on July 5, 1994 and latest amended and effective on December 29, 2018, the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) promulgated by the SCNPC on June 29, 2007 and latest amended on December 28, 2012 and effective on July 1, 2013, and the Implementation Rules of the Labor Contract 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 effective on September 18, 2008. Pursuant to the aforementioned laws and regulations, labor relationships between employers and employees must be executed in written form. The laws and regulations above impose requirements on the employers in relation to entering into fixed-term employment contracts, hiring of temporary employees and dismissal of employees. As prescribed under the laws and regulations, employers shall ensure their employees have the right to rest and the right to receive wages no lower than the local minimum wages. Employers must establish a system for labor safety and sanitation that strictly abides

by state standards and provide relevant education to its employees. Violations of the Labor Contract Law of the PRC and the Labor Law of the PRC may result in the imposition of fines and other administrative liabilities and/or incur criminal liabilities in the case of serious violations.

Regulations on Social Insurance

Pursuant to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), which was promulgated by the SCNPC on October 28, 2010 and amended on December 29, 2018, enterprises and institutions in the PRC shall provide their employees with welfare schemes covering pension insurance, unemployment insurance, maternity insurance, occupational injury insurance, medical insurance and other welfare plans. The employer shall apply to the local social insurance agency for social insurance registration within 30 days from the date of its establishment. And it shall, within 30 days from the date of employment, apply to the social insurance agency for social insurance registration for the employee. Any employer who violates the regulations above shall be ordered to make correction within a prescribed time limit; if the employer fails to rectify within the time limit, the employer and the person(s)-in-charge who is/are directly liable and other directly liable personnel will be fined. Meanwhile, the Interim Regulation on the Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) promulgated by the State Council on January 22, 1999 and revised on March 24, 2019 prescribes the details concerning the collection and payment of social insurance.

On July 31, 2025, the PRC Supreme People's Court promulgated the Supreme People's Court's Interpretation (II) on Several Issues Concerning the Application of Law in Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》), which took effect on September 1, 2025. Article 19(1) thereof stipulates that if an employer and an employee agree or the employee undertakes that social insurance contributions need not be paid, the People's Court shall deem such agreement or undertaking invalid. Furthermore, where an employer fails to pay social insurance contributions in accordance with the law, and the employee seeks to terminate the labor contract and claims economic compensation from the employer pursuant to Article 38(3) of the PRC Labor Contract Law, the People's Court shall support such claims in accordance with the law, which clarifies that employees are entitled to request termination of their labor contracts and receive corresponding economic compensation under the PRC Labor Contract Law if the employer fails to make social insurance contributions in accordance with the law.

Regulations on Housing Provident Fund

Pursuant to the Regulation on the Administration of Housing Provident Fund (《住房公積金管理條例》), which was implemented on April 3, 1999 and latest revised on March 24, 2019, any newly established entity shall make deposit registration at the housing accumulation fund management center within 30 days as at its establishment. After that, the entity shall open a housing accumulation fund account for its employees in an entrusted bank. Within 30 days as at the date an employee is recruited, the entity shall make deposit registration at the housing accumulation fund management center and go through the formalities of opening housing provident fund accounts on behalf of its employees. Any entity that fails to make deposit registration of the housing accumulation fund or fails to open a housing accumulation fund account for its employees shall be ordered to complete the relevant procedures within a prescribed time limit. Any entity failing to complete the relevant procedure within the time limit will be fined RMB10,000 to RMB50,000. Any entity that fails to make payment of housing provident fund within the time limit or has a shortfall in payment of housing provident fund will be ordered to make the payment or make up the shortfall within the prescribed time limit, otherwise, the housing provident management center is entitled to apply for compulsory enforcement with the People's Court.

REGULATIONS RELATED TO CORPORATION

The establishment, operation and management of corporate entities in the PRC are governed by the Company Law of the People's Republic of China (《中華人民共和國公司法》) (hereinafter referred to as the "**PRC Company Law**"), which was promulgated by the SCNPC in December 1993 and further amended in December 1999, August 2004, October 2005, December 2013, October 2018, and December 2023 respectively. Pursuant to the latest amended PRC Company Law which took effective on July 1, 2024, companies are generally classified into limited liability companies and joint stock limited company. The PRC Company Law also applies to foreign-invested limited liability companies and joint stock limited company. Pursuant to the PRC Company Law, where laws on foreign investment have other stipulations, such stipulations shall prevail.

General

A "joint stock limited company" (the "**Joint Stock Company**") refers to an enterprise legal person incorporated in China under the PRC Company Law with independent legal person properties and entitlements to such legal person properties and its registered capital can be divided into shares of equal par value, or shares without par value. The liability of the company for its own debts is limited to all the properties it owns and the liability of its shareholders for the company is limited to the extent of the shares they subscribe for.

General Meetings

Pursuant to the PRC Company Law, shareholder's general meeting (the "**GM**") of a Joint Stock Company shall be constituted by all the shareholders, which is the power body of the Joint Stock Company and shall exercise powers in accordance with the provisions the PRC Company Law.

Under the PRC Company Law, in general, GM shall be convened by the Board, the annual GM shall be convened once each year, and extraordinary GMs shall be convened within two months in case of certain events specified in the PRC Company Law. There are no specific provisions on the quorum of GM under the PRC Company Law, the shareholders may entrust the entrusted representative to attend the GM, and the power of attorney shall specify the scope of exercising the voting right.

Under the PRC Company Law, the shareholders present at a GM 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 or the classified shares held by the shareholders. Under the Company Law, GM resolutions shall be passed by more than half of the voting rights held by shareholders present at the meeting (including those represented by the appointed representative), with the exception of matters relating to merger, division or dissolution of the company, increase or reduction of registered share capital, change of corporate form or amendments to the Articles of Association, which in each case shall be passed by at least two-thirds of the voting rights held by the shareholders present at the meeting (including those represented by the appointed representative).

Transfer of Shares

Under the PRC Company Law, except that the articles of association otherwise restrict, shareholder of a Joint Stock Company may transfer his/her shares legally. A shareholder shall transfer his/her shares on a stock exchange established in accordance with laws or by any other means as required by the State Council. Registered shares shall be transferred by means of endorsement or other means prescribed by laws or administrative regulations; after the transfer, the company shall record the name and domicile of the transferee in the register of shareholders of the company. Within 20 days before the general meeting or within 5 days before the record date of dividend distribution determined by the company, the above-mentioned register of shareholders shall not be changed.

Under the PRC Company Law, the shares of a Joint Stock Company issued prior to the public issuance of shares may not be transferred within one year of the date of the company's listing on a stock exchange. Directors, supervisors and the senior management of a company shall declare to the company their shareholdings in it and any changes in such shareholdings. During their terms of office, they may transfer no more than 25% of the total number of shares they hold in the company every year, and they shall not transfer the shares they hold within one year of the date of the company's listing on a stock exchange, nor within six months after they leave their positions in the company. The articles of association may set out other restrictive provisions in respect of the transfer of shares in the company held by its directors, supervisors and the senior management.

REGULATIONS RELATED TO TAXATION

Enterprise Income Tax

Pursuant to the PRC Enterprise Income Tax Law (《中華人民共和國企業所得税法》) (the "**EIT Law**"), promulgated by the SCNPC on March 16, 2007, latest amended and effective on December 29, 2018, and the Implementation Regulations of the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法實施條例》) (the "**EITIR**") promulgated by the State Council on December 6, 2007, latest amended on December 6, 2024, the enterprise income tax of both domestic and foreign-invested enterprises is unified at 25% with certain exceptions. Enterprises are classified as "resident enterprises" and "non-resident enterprises", resident enterprises typically pay an enterprise income tax at the rate of 25% while non-resident enterprises without any offices or premises in the PRC or the income of which derived or accrued has no de facto relationship with the office or premises established in the PRC should pay an enterprise income tax in connection with their income from the PRC at the reduced tax rate of 10%. Enterprises established under the law of foreign countries or regions whose "de facto management bodies" which is defined as the management bodies that exercise full and substantial control and overall management over the business, productions, personnel, accounts and properties of the enterprises are located in the PRC are considered as PRC tax resident enterprises, and will generally be subject to enterprise income tax at the rate of 25% of their global income. An enterprise income tax preference shall be granted to industries and projects strongly supported and encouraged by China; an enterprise income tax shall be levied on high-tech enterprises at a reduced rate of 15%.

Value-added Tax

Pursuant to the Value-added Tax Law of the PRC **("VAT Law**"), which was promulgated by the SCNPC on25 December 2024 and came into effect on January 1, 2026, entities and individuals (including individual industrial and commercial proprietors) selling goods, services, intangible assets, real estate and importing goods within the territory of the PRC are taxpayers of VAT and shall pay VAT in accordance with the provisions of the law. Unless stated otherwise, for payers who sell goods, and provide processing, repairs and replacement services and rental services of tangible movable assets as well as import goods, the tax rate shall be 13%, and be, in certain specified circumstances, 9%, 6% and 0%.

REGULATIONS RELATED TO FOREIGN EXCHANGE

Foreign exchange regulations in the PRC are primarily governed by the Administration Rules on the Foreign Exchange of the PRC (《外匯管理條例》) (the "**Exchange Rules**") promulgated by the State Council on January 29, 1996, latest amended and became effective on August 5, 2008. Under the Exchange Rules, the Renminbi is freely convertible for current account items, including the distribution of dividends, interest and royalty payments, trade and service-related foreign exchange transactions provided that the transaction is true and legitimate. Conversion of Renminbi for capital account items,

such as direct investment, loan, securities investment and repatriation of investment, however, is still subject to the approval or registration regulation of the State Administration of Foreign Exchange (the "**SAFE**").

Pursuant to the Notice on 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》), or the Foreign Exchange Administration Notice, promulgated by the SAFE on December 26, 2014, a domestic company shall, within 15 business days from completion of its overseas listing issuance, register the overseas listing with the SAFE's local branch at the place of its incorporation. The proceeds of a domestic company from an overseas listing may be remitted to a domestic account or deposited overseas, and the use of the proceeds must be consistent with the content of the Document and other disclosure documents. On December 24, 2025, the People's bank of China and the SAFE promulgated the Notice on Issues Concerning the Administration of Proceeds Raised by Domestic Enterprises Listed Overseas, or the Proceeds Administration Notice, which will be effective on April 1, 2026 and replace the aforesaid Foreign Exchange Administration Notice. Pursuant to the Proceeds Administration Notice, a domestic enterprise that lists overseas shall, within 30 working days from the first trading day of the overseas listing or the completion of the over-allotment option, apply to a bank within the province or the separately-listed municipality where it is registered for overseas listing registration, and the proceeds raised by domestic enterprises through overseas listings shall be remitted back to China in a timely manner. Where such proceeds are retained overseas for the conduct of overseas direct investment, overseas securities investment, overseas lending and other businesses, the domestic enterprise shall obtain the approval or filing documents from the competent authorities before the date of completion of the overseas issuance or the over-allotment option, and shall comply with relevant cross-border funds administration provisions. The use of proceeds raised through an overseas listing shall be consistent with the relevant contents set out in publicly disclosed documents, such as the document or offering circular.

On February 13, 2015, the SAFE promulgated the Notice of the State Administration of Foreign Exchange on Further Simplifying and Improving the Foreign Exchange Administration Policies on Direct Investments (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》) (the "**SAFE Circular 13**"), which took effect on June 1, 2015. The SAFE Circular 13 specifies that the administrative examination and approval procedures with the SAFE or its local branches relating to the foreign exchange registration approval for domestic direct investments as well as overseas direct investments have been canceled, and qualified banks are delegated the power to directly conduct such foreign exchange registrations under the supervision of the SAFE or its local branches.

On March 30, 2015, the SAFE issued the Circular of the State Administration of Foreign Exchange on Reforming the Management Approach regarding the Settlement of Foreign Exchange Capital of Foreign-invested Enterprises (《國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知》) (the "**SAFE Circular 19**"), which took effect and replaced previous regulations from June 1, 2015. Pursuant to the SAFE Circular 19, up to 100% of foreign currency capital of a foreign-invested enterprise may be converted into RMB capital according to the actual operation of the enterprise within the business scope at its will and the RMB capital converted from foreign currency registered capital of a foreign-invested enterprise may be used for equity investments within the PRC provided that such usage shall fall into the business scope of the foreign-invested enterprise, which will be regarded as the reinvestment of foreign-invested enterprise. Although the SAFE Circular 19 allows for the use of RMB converted from the foreign currency-denominated capital for equity investments in the PRC, the restrictions continue to apply as to foreign-invested enterprises' use of the converted RMB for purposes beyond the business scope, for securities investments, for RMB entrusted loans or for inter-company RMB loans. On June 9, 2016, the SAFE promulgated the Notice of the State Administration of Foreign Exchange on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of 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》) (the "**SAFE**

Circular 16"), which reiterates some of the rules set forth in Circular 19, but changes the prohibition against using RMB capital converted from foreign currency denominated registered capital of a foreign-invested company to issue RMB entrusted loans to a prohibition against using such capital to issue loans to non-affiliated enterprises, excluding those explicitly permitted within the business scope.

In addition, SAFE promulgated the Circular Regarding Further Promotion of the Facilitation of Cross- Border Trade and Investment (《關於進一步促進跨境貿易投資便利化的通知》) (the "**SAFE Circular 28**") on October 23, 2019, which expressly allows foreign invested enterprises that do not have equity investments in their approved business scope to use their capital obtained from foreign exchange settlement to make domestic equity investments as long as there is a truthful investment and such investment is in compliance with the foreign investment-related laws and regulations.

On April 10, 2020, the SAFE promulgated Notice of the State Administration of Foreign Exchange on Optimizing Foreign Exchange Administration to Support the Development of Foreign-related Business (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知》) (the "**SAFE Circular 8**"), pursuant to which, under the prerequisite of ensuring true and compliant use of funds and compliance with the prevailing administrative provisions on use of income under the capital account, enterprises which satisfy the criteria are allowed to use income under the capital account, such as capital funds, foreign debt and overseas listing, etc. for domestic payment, without prior provision of proof materials for veracity to the bank for each transaction.

REGULATIONS RELATED TO OVERSEAS SECURITIES OFFERING AND LISTING AND FULL CIRCULATION

Regulations on Overseas Securities Offering

On February 17, 2023, the CSRC promulgated six rules and regulations, including the Trial Administrative Measures of the 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 supporting guidelines, which became effective on March 31, 2023. The Trial Measures adopt a filing and regulatory regime to regulate the direct and indirect overseas listing of securities of PRC enterprises. The Trial Measures also stipulate that in the event of any material events such as change of control, investigation or punishment by the overseas securities supervisory authority or relevant authorities, change of listing status or transfer of listing segment, or termination of listing on its own initiative or compulsory termination of listing after the issuer's overseas listing, the issuer shall report the specific circumstances to the CSRC within three working days from the date of the announcement of the relevant event.

On February 24, 2023, the CSRC, the MOF, the National Administration of State Secrets Protection and the National Archives Administration of China jointly promulgated the Provisions on Strengthening the Confidentiality and Archives Administration Concerning 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 "**Confidentiality and Archives Administration Provisions**"), which became effective on March 31, 2023. Pursuant to the Confidentiality and Archives Administration Provisions, if a domestic joint stock company with a direct overseas listing or a domestic operating entity with an indirect overseas listing provides or publicly discloses, or provides or publicly discloses through its overseas listed entity, documents or information involving state secrets or secrets of the work of state organs, or other documents or information the disclosure of which would adversely affect national security or public interests, the corresponding procedures shall be strictly complied with in accordance with the relevant state regulations.

Regulations on Full Circulation

"Full Circulation" represents listing and circulating on the Stock Exchange of the domestic unlisted shares of an H-share listed company, including unlisted domestic shares held by domestic shareholders prior to overseas listing, unlisted domestic shares additionally issued after overseas listing, and unlisted shares held by foreign shareholders.

On November 14, 2019, CSRC announced the Guidelines for the "Full Circulation" Program for Domestic Unlisted Shares of H-share Listed Companies (《H股公司境內未上市股份申請"全流通"業務指引》) ("**Guidelines for the "Full Circulation**""), which were amended on August 10, 2023. As regulated in the Guidelines for "Full Circulation," shareholders of domestic unlisted shares have the flexibility to jointly decide the amount and proportion of shares that will be included in the circulation application. This decision should be reached through mutual consultation, ensuring compliance with relevant laws, regulations and policies governing state-owned asset administration, foreign investment and industry regulation. Meanwhile, the H-share listed company corresponding to these shares may be authorized to file for "full circulation" with the CSRC. An unlisted domestic joint stock company may file with the CSRC for "full circulation" at the time of its initial public offering and listing overseas. After domestic unlisted shares are listed and circulated on the Stock Exchange, they may not be transferred back to China. Pursuant to the Trial Measures, for a domestic company directly offering and listing overseas, shareholders of its domestic unlisted shares applying to convert such shares into shares listed and traded on an overseas trading venue shall conform to relevant regulations promulgated by the CSRC. Additionally, they are required to authorize the domestic company to submit the conversion application to the CSRC on their behalf.

On December 31, 2019, China Securities Depository and Clearing Corporation Limited and Shenzhen Stock Exchange jointly announced the Measures for Implementation of H-share "Full Circulation" Business (《H股"全流通"業務實施細則》) (the "**Measures for Implementation**"). The businesses of cross-border share transfer registration, maintenance of deposit and holding details, transaction entrustment and instruction transmission, settlement, management of settlement participants, services of nominal holders, etc., in relation to the H-share "Full Circulation" business, are subject to these Measures for Implementation.

EU LAWS AND REGULATIONS

Directive 2014/35/EU (Low Voltage Directive)

The Directive 2014/35/EU, which came into effect on April 20, 2016, provides that all electrical equipment between 50 — 1000V AC and 75 — 1500V DC shall meet essential safety requirements as detailed in the directive. This Directive lays down, among others, the responsibilities of manufacturers, importers and distributors regarding the sale of electrical equipment designed for use within certain voltage limits: (i) all electrical equipment on sale in the EU must bear the CE conformity marking to show it meets all the essential safety requirements of EU legislation; (ii) before obtaining the CE marking, the manufacturer shall conduct a safety and conformity assessment, establish the technical documentation demonstrating the compliance of the equipment and issue and sign an EU declaration of conformity; (iii) importers shall check whether manufacturers have carried out the conformity assessment procedure correctly and inform the authority monitoring safety if they consider that equipment does not conform to the essential safety requirements; (iv) the EU declaration of conformity and the technical documentation shall be kept for 10 years; (v) instructions and safety information shall be written in a language easily understood by end users as determined by the national regulatory authority; and (vi) manufacturers and importers shall indicate their contact details on their electrical equipment.

Regulation (EU) 2016/631 (Network Code Requirements on Generator Grid Connection)

The Regulation (EU) 2016/631, which came into effect on May 17, 2016, generally applies to, among others, power-generating modules and specifies the minimum periods during which a power-generating module must be capable of operating at different frequencies while deviating from a nominal value without disconnecting from the network. The grid operator applies the applicable standards to power-generating modules. These modules cannot connect to the grid unless they meet the Regulation's conditions. In addition, pursuant to this Regulation, inverters refer to type A power modules and approved type A modules are reflected in the grid operators' national network codes[1].

Regulation (EU) 2024/1252 (European Critical Raw Materials Act)

The Regulation (EU) 2024/1252, which was published on May 3, 2024, generally aims to, among others, improve the functioning of the internal market by establishing a framework to ensure the EU's access to a secure, resilient, and sustainable supply of critical raw materials, including by fostering efficiency and circularity throughout the value chain. This Regulation also aims to diversify the EU's imports of strategic raw materials (e.g., lithium, manganese, graphite, and nickel) to ensure that, by 2030, the EU's annual consumption of each strategic raw material at any relevant stage of processing can rely on imports from several third countries (e.g., China) and that no third country accounts for more than 65 % of the EU's annual consumption of such a strategic raw material.

Regulation (EU) 2023/1542 (European Battery Regulation)

Regulation (EU) 2023/1542 (European Battery Regulation), which came into effect on February 18, 2024, applies to all batteries, including industrial batteries, starting, lighting and ignition batteries, batteries for light means of transport (LMT), portable batteries and all-electric vehicle (EV) batteries. The Regulation also applies to energy storage systems. It sets targets for lithium recovery from waste batteries (i) 50% by the end of 2027 and (ii) 80% by the end of 2031, which may be amended to take into account market and technological developments and the availability of lithium. The Regulation also sets targets for the recovery of cobalt, copper, lead and nickel (i) 90% by the end of 2027 and (ii) 95% by the end of 2031.

This Regulation also prescribes minimum levels of recycled content for industrial batteries, starting, lighting and ignition batteries and EV batteries, being 16% for cobalt, 85% for lead, 6% for lithium and 6% for nickel from August 18, 2031. In addition, the Regulation sets out recycling efficiency targets, including, among others, 80% for nickel-cadmium batteries, 75% for lead-acid batteries, 65% for lithium-based batteries and 50% for other waste batteries, by the end of 2025. For lead-acid batteries and lithium-based batteries, additional higher targets are set from the end of 2030.

The Directive 2012/19/EU (Waste Electrical and Electronic Equipment Directive (WEEE))

The Directive 2012/19/EU (Waste Electrical and Electronic Equipment (WEEE)), which came into effect on August 13, 2012, aims to, among others, protect the environment and human health by encouraging sustainable production and consumption. This Directive generally applies to electrical equipment, which are on electric currents or electromagnetic fields to work properly and equipment for generating, transferring, and measuring such currents and fields, designed for use with a voltage rating not exceeding 1,000 volts for alternating current and 1,500 volts for direct current.

[1] For example, the Netherlands national organisation of grid operators, Netbeheer Nederland, publishes its list of approved modules here: https://www.netbeheernederland.nl/publicatie/lijst-van-omvormers-rfg-type.

Pursuant to this Directive, distributors are responsible for ensuring that, upon the supply of a new product, the corresponding waste product may be returned to the distributor free of charge on a one-for-one basis, provided that the waste equipment is of an equivalent type and has performed the same functions as the supplied equipment. In addition, pursuant to this Directive, producers and/or distributors may be required to provide relevant information, including by way of user instructions, at the point of sale and through public awareness campaigns.

Directive (EU) 2014/30 (EMC-Directive)

The Directive (EU) 2014/30 (EMC-Directive), which came into effect on April 18, 2014, aims to, among others, ensure that electrical and electronic equipment complies with adequate electromagnetic compatibility in the EU. This Directive regulates the following obligations, among others: (i) the importers shall check whether manufacturers have conducted conformity assessments correctly and inform the national body responsible for market surveillance if they consider that the apparatus does not conform with the essential requirements. They must also ensure that the manufacturer has drawn up the technical documentation, that the apparatus bears the CE marking and that the required documents and information accompany it; (ii) the distributors shall verify that the apparatus bears the CE marking and is accompanied by the required documents and information; (iii) all necessary documentation shall be kept for 10 years; (iv) the manufacturers, importers and distributors must provide information and documentation to demonstrate conformity in a language easily understood by the competent national authority; (v) the manufacturers and importers shall indicate their postal address on the apparatus or, where that is not possible, on its packaging or in a document accompanying the apparatus.

Directive 2014/53 (Radio Equipment Directive)

The Directive 2014/53 (Radio Equipment Directive), which came into effect on June 13, 2016, established a regulatory framework for making radio equipment available on the EU market and putting it into service in the EU. The directive regulates radio equipment product safety. Pursuant to which, the products' Wi-Fi and 4G communication modules shall meet the essential requirements set out in this Directive and be constructed to operate by the frequency regulations of at least one member state.

Pursuant to this Directive, prior to placing radio equipment on the EU market, any relevant market participant shall ensure that the manufacturer has carried out the appropriate conformity assessment procedures and that the radio equipment is so constructed as to be capable of being operated in at least one EU member state without infringing the applicable requirements on the use of radio spectrum. They shall also ensure that the manufacturer has drawn up the requisite technical documentation, that the radio equipment bears the CE marking and is accompanied by the information and documents referred to in this Directive, and that the manufacturer has complied with the requirements set out therein. In addition, with effect from August 1, 2024, all communication modules are required to comply with the applicable cybersecurity requirements prescribed under this Directive, which further requires, among other things, that radio equipment shall not harm the network or its functioning, nor misuse network resources, thereby causing an unacceptable degradation of service.[2]

[2] As required per COMMISSION DELEGATED REGULATION (EU) 2022/30 of 29 October 2021 supplementing Directive 2014/53/EU of the European Parliament and of the Council with regard to the application of the essential requirements referred to in Article 3(3), points (d), (e) and (f), of that Directive.

Regulation (EU) 2024/2847 (Cyber Resilience Act)

The Regulation (EU) 2024/2847 (Cyber Resilience Act), which shall be applied as of December 11, 2027, lays down, among the others, the followings: (i) rules for the making available on the market of products with digital elements to ensure the cybersecurity of such products; (ii) essential cybersecurity requirements for the design, development and production of products with digital elements and obligations for economic operators in relation to those products concerning cybersecurity; (iii) essential cybersecurity requirements for the vulnerability handling processes put in place by manufacturers to ensure the cybersecurity of products with digital elements during the time the products are expected to be in use, and obligations for economic operators in relation to those processes; and (iv) rules on market surveillance, including monitoring and enforcing the rules and requirements in this Regulation. Additionally, pursuant to this Regulation, "products with digital elements" refer to the software or hardware products that include remote data processing solutions (e.g., a mobile app and a back-end).

Regulation (EU) 2023/2854 (Data Act)

The Regulation (EU) 2023/2854 (Data Act), which came into effect on September 12, 2025, lays down, among the others, the followings: (i) the making available of product data and related service data to the user of the connected product or related service; (ii) the making available of data by data holders to data recipients; (iii) the making available of data by data holders to public sector bodies, the Commission, the European Central Bank and the EU bodies, where there is an exceptional need for those data for the performance of a specific task carried out in the public interest; (iv) facilitating switching between data processing services, introducing safeguards against unlawful third-party access to non-personal data, and (v) the development of interoperability standards for data to be accessed, transferred and used. Additionally, pursuant to this Regulation a "connected product" refers to an item that obtains, generates or collects data concerning its use or environment and that can communicate product data via an electronic communications service, physical connection or on-device access and whose primary function is not the storing, processing or transmission of data on behalf of any party other than the user.

Directive 2011/65/EU (RoHS) — Restriction of Hazardous Substances

The Directive 2011/65/EU (RoHS) lays down, among the others, the followings: (i) this Directive applies to electrical and electronic equipment **(EEE)** placed on the EU market. Ecactus Energy Storage Systems as EEE (e.g., BMS/PCS, control units) must satisfy RoHS, in the sense that the system and its individual components should not contain any of the hazardous substances listed in Annex 2 to the Directive; (ii) pursuant to this Directive, the hazardous substances generally include, among others, Pb, Hg, Cd, Cr(VI), PBB, PBDE, DEHP, BBP, DBP, DIBP (subject to applicable exemptions); (iii) a manufacturer shall also (a) conduct the applicable conformity assessment; (b) draw up and maintain the technical documentation; (c) issue the EU Declaration of Conformity; (d) affix the CE marking; and (e) retain the relevant documentation for a period of 10 years.

Regulation (EU) 2023/988 (General Product Safety Regulation — GPSR)

The Regulation (EU) 2023/988, which came into effect on December 13, 2024, primarily applies to non-harmonised consumer products and acts as a safety net alongside sectoral legislation. For home battery systems supplied to consumers, GPSR imposes obligations such as risk assessment, technical documentation, traceability, incident and recall management, and cooperation with market surveillance authorities.

Directive 2009/98/EC (Waste)

This Directive (as amended) requires Member States to establish extended producer responsibility (EPR) schemes consistent with the relevant requirements. For manufacturers of home battery systems, the related EPR obligations apply from 18 August 2025. The Directive also includes end-of-life management requirements[3].

Packaging & Packaging Waste — EPR obligations

Packaging placed on the EU market shall comply with applicable EU packaging legislation and any extended producer responsibility (EPR) requirements implemented by the relevant Member State(s). The regime has historically been governed by Directive 94/62/EC. In 2025, Regulation (EU) 2025/40 (the Packaging and Packaging Waste Regulation, or PPWR) was adopted and will apply on a staged basis from August 12, 2026, introducing harmonized requirements on, among other things, packaging design, recyclability, recycled-content targets, labelling and EPR.

CENELEC HD 60364

CENELEC HD 60364 is a European harmonisation document relating to low-voltage electrical installations in residential buildings, which is implemented through national standards in the relevant Member States. Aligning the design and installation of a home battery system with the applicable national implementation of HD 60364 may facilitate integration into residential electrical installations and may support market acceptance[4].

[3] In the Netherlands the implementation of the change of the directive has been delayed: https://www.stichting-open.org/en/producers-importers/current-status-of-batteries-regulation-implementation/. No collective EPR scheme is in place yet for home battery systems in the Netherlands. This means that Ecactus for now needs to individually comply with its EPR obligations. This includes amongst other things a notification obligation to the LMA: https://lma.nl/melden-lma/.

[4] https://www.cencenelec.eu/areas-of-work/cenelec-sectors/low-voltage-electrical-equipment-and-installations/