We are subject to various laws, rules and regulations of the PRC in various aspects of our business. This section sets forth a summary of the most important laws and regulations applicable to our current business activities in the PRC.

## LAWS AND REGULATIONS RELATING TO THE POWER EQUIPMENT BUSINESS

### Supervision and Regulation on Electricity

The Electricity Law of the People's Republic of China (《中華人民共和國電力法》) (the "Electricity Law") was promulgated by the Standing Committee of the National People's Congress (the "SCNPC") on December 28, 1995, last amended on December 29, 2018 and became effective on the same date, it is the basic law governing the development of the power industry in China. The purpose of enacting the Electricity Law is to protect the lawful interests of investors, operators and users in the electricity industry and to ensure the safe operation of electricity. The Electricity Law also stipulates that the PRC government encourages and guides domestic and foreign companies or individuals to invest in the power and energy industry, establish electricity generation enterprises and regulate such investments. The PRC government encourages and supports the use of renewable energy and clean energy for power generation. In addition, the Regulations on Electric Power Supervision (《電力監管條例》), which was promulgated by the State Council on February 15, 2005 and became effective on May 1, 2005, aim to strengthen the supervision and regulation on electricity and standardize the supervision and regulatory acts for electricity to improve the electricity regulatory regime.

In order to further deepen the reform of the power system, resolve the significant contradictions and deep-rooted problems that limit the scientific development of the power industry, promote the quality and speed of developing the power industry, and promote structural transformation and industrial upgrading, the State Council promulgated Several Opinions on Further Deepening the Power System Reforms (《關於進一步深化電力體制改革的若干意見》) (the "Opinions") in March 2015 and which became effective on the same date. The Opinions proposed key tasks for promoting the reform of power system, which mainly include: orderly proceeding with the power tariff reform and rationalize the power tariff formation mechanism; promoting the reform of the electricity trading system and improving the market-oriented trading mechanism; establishing relatively independent electricity trading institutions to form a fair and standardized market trading platform; promoting the reform of electricity generation and consumption plans to give more play to the role of the market mechanism; steadily promoting the liberalization of electricity sales, and open the electricity sales business to social capital in an orderly manner; open up equitable access to power grid connection and establish a new mechanism for distributed power supply development; strengthening the coordinated planning and scientific supervision of electricity, and improving the level of electricity safety and reliability.

On January 27, 2025, the National Development and Reform Commission and the National Energy Administration jointly issued the Notice on Deepening Market-Oriented Reform of New Energy Feed-in Tariffs to Promote High-Quality Development of New Energy (《國家發展改革委國家能源局關於深化新能源上網電價市場化改革促進新能源高質量發展的

通知》) (No. 136 [2025] of the NDRC Price Department), clarifying the comprehensive market-oriented reform pathway for new energy feed-in tariffs. The reform primarily consists of three aspects: first, promoting the complete market formation of new energy feed-in tariffs. In principle, all electricity generated by new energy projects will enter the power market, with feed-in tariffs formed through market transactions. Second, establishing a price settlement mechanism that supports the sustainable development of new energy. After new energy participates in market transactions, a sustainable development price settlement mechanism will be established at the settlement stage, with electricity included in the mechanism settled according to the mechanism tariff. Third, differentiating between existing and new projects to implement category-specific measures. The mechanism tariff for existing projects will be properly aligned with current policies, while the mechanism tariff for new projects will be determined through market-based competitive bidding.

On February 8, 2026, the General Office of the State Council issued the "Implementation Opinions on Improving the Nationwide Unified Electricity Market System" (《國務院辦公廳關於完善全國統一電力市場體系的實施意見》), which clearly states: First, promote the nationwide optimal allocation of power resources, optimize the implementation path for a nationwide unified electricity market system, and improve the system for cross-province and cross-region power transactions. Second, improve the various functions of the electricity market: comprehensively build a spot market that better facilitates price discovery and balances supply and demand, continuously improve the mid- to long-term markets that secure safe and stable power supply, accelerate the construction of ancillary services markets that support the power system's flexible adjustment, improve green electricity markets that better realize environmental value, establish a capacity market that reliably supports the development of adjustable power sources, and develop a regulated, orderly, convenient, and efficient retail market. Third, promote the equal and wide participation of all types of market entities in the electricity market, further encouraging generation-side, user-side, and new market participants to take part. Fourth, build a nationwide unified electricity market institutional framework: unify the system of market rules, improve market governance, refine the price formation mechanism, standardize technical standards for the electricity market, and establish a nationwide unified electricity market credit system. Fifth, strengthen policy coordination: enhance the coordination between power planning and the electricity market, strengthen emergency response and risk prevention and control systems, and establish an electricity market evaluation system.

**Laws and Regulations relating to Electric Vehicle Charging Infrastructure**

Pursuant to the Guidelines for the Development of Electric Vehicle Charging Infrastructure (2015-2020) (《電動汽車充電基礎設施發展指南(2015-2020年)》) promulgated by the NDRC, NEA, MIIT and the Ministry of Housing and Urban-Rural Ministry of Construction (the "MOHURD") on October 9, 2015 and became effective on the same date, the New Energy Automobile Industry Development Plan (2021-2035) (《新能源汽車產業發展規劃(2021-2035年)》) promulgated by the General Office of the State Council on October 20, 2020 and became effective on the same date and the Guiding Opinions of the General Office of the State Council on Further Developing High Quality Charging Infrastructure (《國務院辦公廳關於進一步構建高質量充電基礎設施體系的指導意見》) promulgated on June 8, 2023 and became effective on the same date, and the Notice of the Ministry of Housing and Urban-Rural Development on Strengthening the Planning and Construction of Electric Vehicle Charging Facilities in Cities (《住房和城鄉建設部關於加強城市電動汽車充電設施規劃建設工作的通知》) promulgated by the MOHURD on December 7, 2015 and became effective on December 7, 2015, the PRC government encourages the construction and development of electric vehicle charging infrastructure, such as battery charging and swapping stations. Individuals who install charging facilities in their own car parks and parking spaces are not required to obtain construction land planning permit, construction work planning permit and construction work commencement permit. When constructing urban public car parks, there is no need to apply for a separate construction work planning permit and construction work commencement permit for constructing charging infrastructure, such as charging pile clusters, at the same time. Pursuant to the Notice on Accelerating the Construction of Electric Vehicle Charging Infrastructure in Residential Areas (《關於加快居民區電動汽車充電基礎設施建設的通知》) promulgated by the NDRC, NEA, MIIT and MOHURD on July 25, 2016 and became effective on the same date, the operators of the electric vehicle battery charging and swapping infrastructure are required to have insurance coverage on product safety liabilities to ensure the safety of charging electric vehicles.

According to the Implementation Opinions on Further Enhancing the Service Protection Capabilities of Electric Vehicle Charging Infrastructure (《關於進一步提升電動汽車充電基礎設施服務保障能力的實施意見》) jointly promulgated by 10 authorities including NDRC, NEA and MIIT on January 10, 2022 and became effective on the same date, the protection capabilities of charging electric vehicles in China will be further enhanced by accelerating the progress of construction and transformation of charging facilities in residential communities to establish a moderately advanced, evenly distributed, intelligent and efficient system of charging infrastructure.

Pursuant to the Implementation Opinions on Accelerating the Construction of Charging Infrastructure to Better Support the Rural Development of New Energy Vehicles and Rural Revitalization (《關於加快推進充電基礎設施建設更好支持新能源汽車下鄉和鄉村振興的實施意見》) promulgated by NDRC and NEA on May 14, 2023 and became effective on the same date, support would be provided to facilitate the use of new energy vehicles in rural areas and require innovating the construction, operation and maintenance model of charging infrastructure in rural areas to accelerate the realization of charging stations with ″entire coverage over counties" and charging piles with "entire coverage over townships and villages" in areas suitable for using new energy vehicles.

**Regulations relating to Product Liability**

Pursuant to the Product Quality Law of the People's Republic of China (《中華人民共和國產品質量法》) promulgated by the SCNPC on February 22, 1993, last amended on December 29, 2018 and became effective on the same date, the market regulatory and administrative authority of the State Council was the competent authority to oversee product quality supervision at national level, producers are prohibited from manufacturing and selling products that fail to meet the standards and requirements for ensuring human health and personal and property protection. Products must not present unreasonable danger to personal and property safety. In the event of causing bodily harm or property damage to others by a defective product, the victim may make a claim to the producer or seller of the product for compensation. The producers and sellers of substandard products may be ordered to stop production and sales, their products may be confiscated, and subject to a fine; any unlawful income generated would be confiscated; in the event of serious cases, the business license may be revoked; if a crime is convicted, criminal liability according to law may be imposed.

**Regulations relating to Compulsory Product Certification**

Pursuant to the Administrative Provisions on Compulsory Product Certification (《強制性產品認證管理規定》) promulgated by the Administration for Market Regulation on December 3, 2001, last amended on September 29, 2022 and became effective on November 1, 2022, and Description and Delimitation Table of the Catalog of China Compulsory Certification (2023 Revision) (《强制性產品認證目錄描述與界定表(2023修訂)》) promulgated by the Administration for Market Regulation on August 10, 2023 and became effective on same date, the regulations relating to compulsory product certification stipulate that low-voltage switchgear assemblies without obtaining the certificate of compulsory product certification and compulsory certification mark of China are forbidden to leave the factory, for import or selling.

According to the Regulations of the People's Republic of China on Certification and Accreditation(《中華人民共和國認證認可條例》), which were promulgated by the State Council on September 3, 2003, and revised on July 20, 2023 with effect from the same day, as well as the Announcement of the State Administration for Market Regulation on the Administration of Compulsory Product Certification of Electric Vehicle Supply Equipment (《市場監管總局關於對電動汽車供電設備實施強制性產品認證管理的公告》), promulgated by the State Administration for Market Regulation on December 5, 2024 with effect from March 1, 2025, electric vehicle supply equipment without a CCC certificate or certification mark shall not be released from the factory, sold, imported, or used in other business activities from August 1, 2026.

## LAWS AND REGULATIONS ON VALUE-ADDED TELECOMMUNICATION SERVICES

According to the Telecommunications Regulations of the PRC (《中華人民共和國電信條例》) (the "Telecommunications Regulations") promulgated by the State Council on September 25, 2000, last amended on February 6, 2016, and effective on the same day, telecommunications services are divided into basic telecommunications services and value-added telecommunications services. According to the Telecommunications Regulations, value-added telecommunications business operators must first obtain a Value-added Telecommunication Business Operation License issued by the MIIT or the provincial competent authorities. The Administrative Measures for Telecommunications Business Operating Licenses (《電信業務經營許可管理辦法》) promulgated by the MIIT on March 1, 2009, last amended on July 3, 2017, and effective on September 1, 2017, provide more specific provisions on the types of licenses required to operate value-added telecommunications businesses, the qualifications and procedures for obtaining the relevant licenses, and the supervision of the licenses.

The Catalog of Telecommunications Services (《電信業務分類目錄》), issued as an appendix to the Telecommunications Regulations and last revised on June 6, 2019, provides that value-added telecommunications services are classified into Category I and Category II value-added telecommunications services. Among them, Category II value-added telecommunications services include Online Data Processing and Transaction Processing services, Domestic Multi-party Communication services, Store-and-Forward services, Call Center services, Information services, and Code and Protocol Conversion services. According to the Catalog of Telecommunications Services, Information services refer to the provision of voice information services (audiotex services) or online information and data retrieval and other information services directly to end-users via public telecommunications networks such as fixed networks, mobile networks, or the Internet, through information collection, development, processing, and the construction of information platforms. Online Data Processing and Transaction Processing Services refer to services that utilize various data and transaction/processing application platforms connected to public telecommunications networks or the Internet, providing users with online data processing and transaction/processing services via public telecommunications networks or the Internet. Online Data Processing and Transaction Processing Services include transaction processing services, Electronic Data Interchange (EDI) services, and network/electronic device data processing services.

According to the Administrative Regulations on Foreign-invested Telecommunications Enterprises (《外商投資電信企業管理規定》) promulgated by the State Council on December 11, 2001, last amended on March 29, 2022, and effective on May 1, 2022, and 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年版)》), based on China's commitments in the field of value-added telecommunications business as a consequence of its entry into the WTO, the foreign investment ratio in value-added telecommunications business enterprises (excluding e-commerce, domestic multi-party communication services, store-and-forward, and call center businesses) shall not exceed 50%, and any domestic enterprise engaged in basic telecommunications business must be controlled by the Chinese party.

## LAWS AND REGULATIONS RELATING TO PRODUCTION SAFETY

Pursuant to the Production Safety Law of the People's Republic of China (《中華人民共和國安全生產法》)(the "Production Safety Law") promulgated by the SCNPC on June 29, 2002,last amended on June 10, 2021 and became effective on September 1, 2021, entities engaged in production and operation activities in China shall comply with the Production Safety Law and other laws and regulations relating to production safety. To ensure production safety, the production and operation entities shall strengthen the management of production safety, establish and improve the responsibility system and the rules and regulations of production safety, improve production safety conditions, promote the establishment of production safety standards and enhance the level of production safety. The primary person in charge of the production and operation entity shall be fully responsible for the production safety of the entity. Violation of the Production Safety Law may result in a penalty of fines, temporary suspension of production and operation, order to cease production and shut down business, or may even be liable to criminal liability in case of convicted crimes.

## LAWS AND REGULATIONS RELATING TO INTELLECTUAL PROPERTY

### Trademark

Pursuant to the Trademark Law of the People's Republic of China (《中華人民共和國商標法》) promulgated by the Standing Committee of the NPC on August 23, 1982, latest amended on April 23, 2019 and became effective on November 1, 2019, and the Implementing Regulations of the Trademark Law of the People's Republic of China (《中華人民共和國商標法實施條例》) promulgated by the State Council on August 3, 2002, latest amended on April 29, 2014 and implemented on May 1, 2014, trademarks approved and registered by the Trademark Bureau are registered trademarks, including commodity trademarks, service trademarks and collective trademarks, certification trademarks. Trademark registrants enjoy exclusive rights to use trademarks and are protected by the law. A registered trademark shall be valid for 10 years, commencing from the date of registration. The validity period of each renewal of registration shall be 10 years. Where renewal formalities are not completed upon expiry of the validity period, the registered trademark shall be canceled.

### Patent

According to the Patent Law of the People's Republic of China (《中華人民共和國專利法》) promulgated by the SCNPC on March 12, 1984, last amended on October 17, 2020 and become effective on June 1, 2021, and the Implementation Regulation for the Patent Law of the People's Republic of China (《中華人民共和國專利法實施細則》) promulgated by the State Council on June 15, 2001, last amended on December 11, 2023 and became effective on January 20, 2024, patents are divided into three types, being invention patent, design patent and utility model patent. The valid period of invention patent rights, design patent rights and utility model patent rights are 20 years, 15 years and 10 years respectively, commencing from the date of application. Using a patent without authorization by a patentee shall constitute an infringement of patent rights, the violating person shall be liable for compensation to the patentee and may be imposed a fine or even criminal liabilities.

### Copyright of Computer Software

Pursuant to the Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》) promulgated by the National Copyright Administration on February 20, 2002, amended on June 18, 2004 and became effective on July 1, 2004, and the Regulations on Protection of Computer Software (《計算機軟件保護條例》) promulgated by the State Council on June 4, 1991, last amended on January 30, 2013 and became effective on March 1, 2013, the National Copyright Administration shall be the competent authority for the administration of software copyright registration in Chinese mainland and the China Copyright Protection Centre is designated as the software registration authority. The China Copyright Protection Centre shall issue a registration certificate to the applicant of computer software copyright according to the Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》) and the Regulations on Protection of Computer Software (《計算機軟件保護條例》).

### Domain Names

Pursuant to the Measures on Administration of Internet Domain Names (《互聯網域名管理辦法》) promulgated by the MIIT on August 24, 2017 and became effective on November 1, 2017, and the Implementation Rules of the China Top-Level Domain Name Registration (《國家頂級域名註冊實施細則》) promulgated by the China Internet Network Information Center (CNNIC) on June 18, 2019 and became effective on the same date, MIIT shall implement supervision and administration on the nationwide domain name service. The registration service of domain name in principle adopts the rule of "first application first registration". When applying for registration of domain name, the applicant shall sign a domain name registration agreement with the registration service institution and provide true, accurate and complete domain name registration information to the domain name registration service institution. After completion of the registration procedure, the applicant shall become the holder of the relevant domain name.

## LAWS AND REGULATIONS RELATING TO REAL ESTATE

### Land Use Right and Building Ownership Right

Pursuant to the Land Administration Law of the People's Republic of China (《中華人民共和國土地管理法》) promulgated by the SCNPC on June 25, 1986, latest amended on August 26, 2019 and became effective on January 1, 2020, State-owned land may be transferred or allocated to construction entity for use in accordance with the law.

Pursuant to the Civil Code of the People's Republic of China (《中華人民共和國民法典》), promulgated by the NPC on May 28, 2020 and became effective on January 1, 2021, the establishment, alteration, transfer and extinguishment of real property rights shall be registered in accordance with the law in order to become effective, and would not take effect without registration. The real estate title certificate (不動產權屬證書) is the evidence of real estate ownership of the owner. Pursuant to the Law of the People's Republic of China on the Administration of Urban Real Estate (《中華人民共和國城市房地產管理法》) promulgated by the SCNPC on July 5, 1994, last amended on August 26, 2019 and became effective on January 1, 2020, the State implemented a system of registration and certificate issuance for land use right and building ownership right.

### Construction Work Planning Permit

Pursuant to the Urban and Rural Planning Law of the People's Republic of China (《中華人民共和國城鄉規劃法》) promulgated by the SCNPC on October 28, 2007, last amended on April 23, 2019 and became effective on the same date, for the construction of any buildings, structures, roads, pipelines and other projects in the city and township planning areas, the relevant construction entity or individual shall make an application to the competent urban and rural planning authority of the people's government at city or county level or the people's government of township ascertained by the people's government at provincial, autonomous region or municipal level for a construction project planning permit. Without obtaining a construction project planning permit or where the construction is not implemented according to the provisions of the construction project planning permit, the competent urban and rural planning authority of the people's government at county level or above may order to stop the construction. If rectification measures may be adopted to eliminate the impact on planning realization, rectification within a prescribed period and a fine ranging from 5% to 10% of the construction cost shall be imposed. If the impact is unable to be eliminated by rectification measures, an order for demolishment within a prescribed period may be imposed; if demolishment is not possible, the constructed works or the unlawful income generated shall be forfeited and a fine not exceeding 10% of the cost of the construction project shall be imposed.

**Construction Work Commencement Permit**

Pursuant to the Construction Law of the People's Republic of China (《中華人民共和國建築法》) promulgated by the SCNPC on November 1, 1997, last amended on April 23, 2019 and became effective on the same date, before commencement of a construction project, the construction entity shall make an application to the competent construction authority of the people's government at county level or above of the place where the project is located for a construction project commencement permit in accordance with relevant State requirements, however, except for small-scale projects below the limit determined by the competent construction authority of the State Council. Construction project with work commencement report approved according to the authority and procedure stipulated by the State Council is not required to obtain a construction work commencement permit.

Pursuant to the Regulations on Quality Management of Construction Projects (《建設工程質量管理條例》) promulgated by the State Council on January 30, 2000, last amended on April 23, 2019 and became effective on the same date, if the construction entity has violated the provisions of the Regulations on Quality Management of Construction Projects by commencing construction work without obtaining a construction work commencement permit or before its work commencement report is approved, an order to stop construction work, rectification within a prescribed period and a fine ranging from 1% to 2% of the construction contract amount shall be imposed.

**Inspection for Acceptance of Construction Project**

Pursuant to the Regulations on Quality Management of Construction Projects (《建設工程質量管理條例》) promulgated by the State Council on January 30, 2000, last amended on April 23, 2019 and became effective on the same date and the Administrative Measures for the Record-Filing of Inspection for Acceptance upon Completion of Housing, Building and Municipal Infrastructure Projects (《房屋建築和市政基礎設施工程竣工驗收備案管理辦法》) promulgated by the MOHURD on October 19, 2009 and became effective on the same date, only construction projects which have passed inspection for acceptance may be delivered for use. The construction entity shall make a record-filing with the competent construction authority of the local people's government at county level or above of the place where the project is located within 15 days from the date of passing the inspection for acceptance upon completion of the project. If the construction entity delivers the project for use without conducting an inspection for acceptance upon completion, or if the project has failed the inspection for acceptance but has been delivered for use, it would be ordered to make rectification and a fine ranging from 2% to 4% of the contract amount of the project would be imposed; if losses are incurred, the construction entity shall be liable for compensation in accordance with the law. If the construction entity fails to complete the record-filing procedure within 15 days from the date of passing the inspection for acceptance upon completion of the project, it would be ordered by the record-filing authority to make rectification within a prescribed period of time and a fine ranging from RMB200,000 to RMB500,000 would be imposed.

**Leasing of Property**

According to the provisions of the Civil Code of the People's Republic of China (《中華人民共和國民法典》) promulgated by the NPC on May 28, 2020 and became effective on January 1, 2021, an owner of immovable or movable property is entitled to the rights of possession, use, earnings and disposal of such immovable or movable property in accordance with the law. Subject to the consent of the lessor, the lessee may sublease the leased premises to a third party. Where a lessee subleases the premises, the leasing contract between the lessee and the lessor remains valid. The lessor is entitled to terminate the leasing contract if the lessee subleases the premises without obtaining 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 leasing contract shall not be affected. If a claim alleged by a third party causes the lessee unable to use or earn income from the leased premises, the lessee may request for a rent reduction or refuse to pay rent.

According to the Civil Code of the People's Republic of China (《中華人民共和國民法典》), if a party fails to complete the procedures of registration and record-filing of a leasing contract in accordance with legal requirements and provisions of administrative laws, the validity of the contract shall remain unaffected. Pursuant to the Administrative Measures on Leasing of Commodity Housing (《商品房屋租賃管理辦法》) promulgated by the MOHURD on December 1, 2010 and became effective on February 1, 2011, the parties to a property leasing contract are required to complete property leasing registration and record-filing formalities within 30 days from execution of the property leasing contract with the competent construction (real estate) authority of the people's government of the municipality, city or county where the leased property is located. If the foregoing stipulation is violated, the competent construction (real estate) authority of the people's government of the municipality, city or county shall impose an order for rectification within a prescribed period of time, if rectification is not completed within the prescribed period, a fine ranging from RMB1,000 to RMB10,000 shall be imposed.

## LAWS AND REGULATIONS RELATING TO ENVIRONMENTAL PROTECTION

The Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》) ("Environmental Protection Law") promulgated by the SCNPC on December 26, 1989, last amended on April 24, 2014 and became effective on January 1, 2015 established a legal framework to protect and improve the environment, prevent and control pollution and other public hazards, drive the development of ecological civilization and promote sustainable economic and social development. According to the Environmental Protection Law, any entity which discharges or will discharge pollutants in business or other activities must adopt effective environmental protection measures to control and properly dispose of harmful substances such as exhaust gas, wastewater, waste residue, dust, malodorous gases, radioactive substances, noise, vibration and electromagnetic radiation. The pollutant discharge management system is implemented by the State in accordance with the law.

According to the Law of the People's Republic of China on Environmental Impact Assessment (《中華人民共和國環境影響評價法》) promulgated by the SCNPC on October 28, 2002, latest amended on December 29, 2018 and became effective on the same date, and the Regulations on the Administration of Environmental Protection of Construction Projects (《建設項目環境保護管理條例》) promulgated by the State Council on November 29, 1998, last amended on July 16, 2017 and became effective on October 1, 2017, the State implemented a classification system, based on the impact level of the construction project on the environment, to manage environmental protection of construction projects according to the following requirements: (1) an environmental impact report should be compiled for a construction project that may cause major impact on the environment, giving a comprehensive and detailed evaluation on the pollution generated and the environmental impact caused by the construction project; (2) an environmental impact statement should be compiled for a construction project that may cause light impact on the environment, giving analysis or specialized evaluation on the pollution generated and the environmental impact caused by the construction project; (3) an environmental impact registration form should be completed for submission for a construction project that has slight impact on the environment and an environmental impact assessment is not necessary.

Pursuant to the Regulations on the Administration of Pollutant Discharge Permits (《排污許可管理條例》) promulgated by the State Council on January 24, 2021 and became effective on March 1, 2021, enterprises, public institutions and other production operators administered by pollutant discharge permits shall discharge pollutants in accordance with the provisions of the Regulations on the Administration of Pollutant Discharge Permits (《排污許可管理條例》). If the pollutant discharge permit has not been obtained, discharge of pollutants is prohibited. The competent environmental protection authority may impose administrative penalties, such as fines, order for rectification, restricted production, suspended production for rectification, order to shut down business, on the individuals or enterprises that have violated the Environmental Protection Law.

## LAWS AND REGULATIONS RELATING TO FIRE PROTECTION

Pursuant to the Interim Provisions on the Administration of Review, Inspection and Acceptance of Fire Protection Design for Construction Projects (《建設工程消防設計審查驗收管理暫行規定》) promulgated by the MOHURD on April 1, 2020, last amended on August 21, 2023 and became effective on October 30, 2023, special construction projects shall undergo review of fire protection design and conduct inspection for acceptance of fire protection facilities, construction projects other than special construction projects are required to make a record-filing with the competent authority on the inspection for acceptance of fire protection facilities in respect of the construction projects.

## LAWS AND REGULATIONS RELATING TO IMPORT AND EXPORT

Pursuant to the Foreign Trade Law of the People's Republic of China (《中華人民共和國對外貿易法》) promulgated by the SCNPC on May 12, 1994, last amended on December 27, 2025 and became effective on March 1, 2026, the competent foreign trade authority of the State Council oversees nationwide foreign trade work. With effect from December 30, 2022, record-filing and registration of foreign trade operators have been cancelled. The State allows freedom of import and export of goods and technology, however, except provided otherwise by laws and administrative regulations.

Pursuant to the Customs Law of the People's Republic of China (《中華人民共和國海關法》) promulgated by the SCNPC on January 22, 1987, last amended on April 29, 2021 and became effective on the same date, the procedures of customs declaration and payment of duties for import and export goods may be conducted by the consignee or consignor of import and export goods or by an entrusted customs declaration enterprise engaged by the consignee or consignor of import and export goods, unless otherwise stipulated. When the consignee and consignor of import and export goods and the customs declaration enterprise complete the customs declaration procedure, record-filing with the customs authority is required in accordance with the law.

## REGULATIONS RELATING TO ANTI-UNFAIR COMPETITION AND ANTI-MONOPOLY

### Anti-Unfair Competition

Pursuant to the Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》) (the "Anti-Unfair Competition Law") promulgated by the SCNPC on September 2, 1993, last amended on June 27, 2025 and became effective on October 15, 2025, unfair competition conduct refers to the conduct of an operator in production and operating activities that disrupts the market competition order and damages the legitimate rights and interests of other operators or consumers in violation of the provisions of the Anti-Unfair Competition Law. Operators in production and operating activities shall adhere to the principles of voluntariness, equality, fairness and good faith, and comply with laws and business ethics.

### Anti-Monopoly

Pursuant to the Anti-Monopoly Law of the People's Republic of China (《中華人民共和國反壟斷法》) (the "Anti-Monopoly Law") promulgated by the SCNPC on August 30, 2007, last amended on June 24, 2022 and became effective on August 1, 2022, monopolistic acts include any monopolistic agreements concluded by operators, abuse of dominant market position by operators and concentration of operators that has or may have the effect of eliminating or restricting competition. Specifically, operators with competitive relationship shall not enter into monopolistic agreement that has the effect of eliminating or restricting competition, such as refusing to trade, fixing or changing commodity prices, limiting production or sales volume of products, segregating sales market or raw material procurement market, unless such agreement satisfies the exemption conditions provided in the Anti-Monopoly Law, such as improving technology, enhancing efficiency and competitiveness of small and medium size operators, protecting legitimate interests in foreign trade and foreign economic cooperation.

## LAWS AND REGULATIONS RELATING TO EMPLOYMENT AND SOCIAL WELFARE

### Labour Law and Labour Contract

According to the Labour Law of the People's Republic of China (《中華人民共和國勞動法》) promulgated by the SCNPC on July 5, 1994, last amended on December 29, 2018 and became effective on the same day, and the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》) promulgated by the SCNPC on June 29, 2007, last amended on December 28, 2012 and became effective on July 1, 2013, the employer shall establish and improve its rules and regulations in accordance with the law in order to ensure that its employees enjoy labour rights and perform labour obligations. The employer shall enter into a written labour contract with the employee to establish labour relationship. If the employer has not entered into a written labour contract at the time of employment, and the remuneration agreed with the employee is uncertain, the new employee's remuneration shall follow the standard set by the collective contract, if no collective contract is available or it is not stipulated in the collective contract, the new employee shall be entitled to the same remuneration as existing employees.

### Social Insurance

Pursuant to the Social Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》) promulgated by the SCNPC on October 28, 2010, last amended on December 29, 2018 and became effective on the same date and the Provisional Regulations on 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, last amended on March 24, 2019 and became effective on the same date, the State has established a social insurance system, comprising basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance and maternity insurance, to ensure the rights of citizens to receive material assistance from the State and the community under the circumstances of old age, illness, work-related injury, unemployment and childbirth. The employer shall complete social insurance registration for its employees with the social insurance administrative authority within the prescribed period of time, and shall report voluntarily and contribute the full amount of social insurance premium in a timely manner, no late payment, reduction or exemption is allowed unless due to statutory causes such as force majeure. If the employer fails to contribute the full amount of social insurance premium in a timely manner, the social insurance premium collection authority shall order the employer to make payment or contribute the short-fall amount within a prescribed period of time, and a late payment penalty equivalent to 0.05% of the outstanding amount per day will be levied from the payment due date; if payment is still outstanding after the prescribed rectification period, a fine ranging from 100% to 300% of the outstanding amount will be imposed by the relevant administrative authority.

**Housing Provident Fund**

Pursuant to the Regulations on Management of Housing Provident Fund (《住房公積金管理條例》) promulgated by the State Council on April 3, 1999, last amended on March 24, 2019 and became effective on the same date, the employer shall complete housing provident fund registration with the housing provident fund management center and complete the housing provident fund account opening formalities for its employees. The employer shall make housing provident fund contributions in full amount in a timely manner, no late payment or reduced payment is allowed.

If the employer has violated the provisions of the Regulations on Management of Housing Provident Fund (《住房公積金管理條例》) without completing housing provident fund contribution registration or without completing housing provident fund account opening formalities for its employees, the housing provident fund management center will order for rectification within a prescribed period of time; if no rectification is made after the prescribed period, a fine ranging from RMB10,000 to RMB50,000 shall be imposed. If there is still no payment or insufficient payment of housing provident fund contributions after the prescribed period, the housing provident fund management center will order the default party to pay within a prescribed period, if payment is still outstanding after the deadline, a petition may be made to the people's court for mandatory execution.

**LAWS AND REGULATIONS RELATING TO FOREIGN EXCHANGE**

Pursuant to the Regulation of the People's Republic of China on Foreign Exchange Administration, (《中華人民共和國外匯管理條例》) promulgated by the State Council on January 29, 1996, last amended on August 5, 2008 and became effective on the same date, and the Provisions on the Administration of Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》) promulgated by the People's Bank of China on June 20, 1996 and became effective on July 1, 1996, after the financial institution operating the business of settlement and sale of foreign exchange has conducted reasonable review on the authenticity of transaction vouchers and consistency in foreign exchange receipts and payments in accordance with the provisions of the foreign exchange administrative authority under the State Council, Renminbi may be freely converted and used for the payment of current account items, such as foreign exchange transactions relating to trade and services and payment of dividends. Without prior approval by SAFE or its local branch authority, Renminbi cannot be freely converted for capital account items (such as direct investment, loans or securities investment outside China).

Pursuant to the Decision on Canceling and Adjusting a Batch of Administrative Review and Approval Items among Other Matters (《關於取消和調整一批行政審批項目等事項的決定》) promulgated by the State Council on October 23, 2014 and became effective on the same date, it has decided to cancel the review and approval for settlement of foreign exchange for repatriation of the proceeds raised overseas by overseas listed foreign shares.

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》) promulgated by SAFE on December 26, 2014 and became effective on the same date, a domestic company shall complete registration of overseas listing at the foreign exchange authority of the place where it is incorporated within 15 working days from the closing date of its overseas listing and offering. The proceeds raised overseas in the overseas listing of a domestic company may be repatriated back to China or deposited overseas, the use of proceeds shall be consistent with the relevant content presented in the public disclosure documents such as the document of initial [**REDACTED**] or corporate bonds offering documents, circulars for shareholders, resolutions of the board of directors or the general meeting.

Pursuant to the Notice on the Policies for Reforming and Regulating the Administration of Foreign Exchange Settlement for Capital Account Items (《關於改革和規範資本項目結匯管理政策的通知》) promulgated by SAFE on June 9, 2016, amended on December 4, 2023 and became effective on the same date, the relevant policies have clearly stated that the foreign exchange income from capital account items (including foreign exchange capital funds, foreign debt capital and repatriated funds from overseas listing) under the implementation of voluntary foreign exchange settlement may complete foreign exchange settlement at banks according to the actual operating needs of the domestic entity. The ratio of voluntary foreign exchange settlement for foreign exchange income from capital account items of the domestic entity is set at 100% for the time being. SAFE may timely adjust the aforesaid ratio according to the position of international balance of payments.

Pursuant to the Notice on Optimizing Foreign Exchange Administration to Support Foreign Business Development (《關於優化外匯管理支持涉外業務發展的通知) promulgated by SAFE on April 10, 2020 and became effective on the same date, under the prerequisite of ensuring authentic and legally compliant use of funds and compliance with the prevailing administrative provisions on the use of income from capital account items, enterprises which satisfy the criteria are allowed to use income from capital account items, such capital funds, foreign debts and overseas listing, for domestic payment without the need to provide proof of authenticity for each transaction to the bank in advance. The handling bank shall adhere to the principle of prudent business expansion to manage and control the relevant business risk, and conduct random inspection afterwards on the transaction conveniently paid by income from capital account items in accordance with the relevant requirements.

## LAWS AND REGULATIONS RELATING TO DIVIDEND DISTRIBUTION

Pursuant to the Company Law of the People's Republic of China (《中華人民共和國公司法》) promulgated by the SCNPC on December 29, 1993, revised on December 29, 2023 and became effective on July 1, 2024, when a company distributes after-tax profit for the current year, it shall allocate 10% of the profit to the statutory common reserve of the company. When the cumulative amount of the company's statutory common reserve has exceeded 50% of the company's registered capital, no further allocation is required. If the statutory common reserve of the company is not sufficient to cover the losses incurred in previous years, the profit for the current year shall be used to cover such losses first before making allocation to the statutory common reserve.

## LAWS AND REGULATIONS RELATING TO TAXATION

### Enterprise Income Tax

The Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) (the "EIT Law") promulgated by the SCNPC on March 16, 2007, last amended on December 29, 2018 and became effective on the same date and the The Implementation Regulations of Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法實施條例》) (the "EIT Implementation Regulations") promulgated by the State Council on December 6, 2007, last amended on December 6, 2024 and became effective on January 20, 2025 have stipulated that the tax rate of enterprise income tax is 25%. For high-tech enterprises requiring key support of the State and enterprises eligible for the Western Development tax incentive policies, the enterprise income tax will be levied at a lower tax rate of 15%.

### Value-added Tax

Pursuant to the Value-Added Tax Law of the People's Republic of China (《中華人民共和國增值稅法》) promulgated by the State Council on December 25, 2024 and became effective on January 1, 2026, Entities and individuals who sell goods, provide services, transfer intangible assets or immovable property within China, or import goods into China are considered value-added tax (VAT) taxpayers and are obligated to pay value-added tax. According to the different goods sold and different services provided, the tax rates shall be 3%, 6%, 9%, 13%.

## LAWS AND REGULATIONS RELATING TO SECURITIES AND OVERSEAS LISTING

### Laws and Regulations on Securities

Pursuant to the Securities Law of the People's Republic of China (《中華人民共和國證券法》) promulgated by the SCNPC on December 29, 1998, last amended on December 28, 2019 and became effective on March 1, 2020, it is stipulated that if a domestic enterprise issues securities overseas directly or indirectly or its securities are listed and traded overseas, it should comply with the relevant provisions of the State Council. If the shares of a domestic company are subscribed and traded in foreign currency, the specific measures shall be provided separately by the State Council.

**Overseas Listing**

The Trial Measures for the Administration on Overseas Offering and Listing of Securities by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) were promulgated by the China Securities Regulatory Commission (the "CSRC") on February 17, 2023 and became effective on March 31, 2023 together with five supporting guidelines (collectively, the "Overseas Listing Provisions"). Pursuant to the Overseas Listing Provisions, domestic enterprise engaging in overseas offering and listing activities shall strictly comply with the national security laws, administrative regulations and the relevant provisions on foreign investments, cybersecurity and data security to practicably perform the obligations of safeguarding national security. If security review is applicable, the relevant security review procedure should be performed in accordance with the law before submitting the application for offering and listing to, among others, the overseas securities regulatory and administrative authority and the trading market. For an issuer of initial [**REDACTED**] or listing overseas, it shall make a record-filing with the CSRC within 3 working days after submitting the application documents of offering and listing overseas.

According to the Overseas Listing Provisions, overseas offering and listing is prohibited under any of the following circumstances: (i) where listing for raising funds is explicitly prohibited under the relevant provisions of laws, administrative regulations or relevant State provisions; (ii) after a review is conducted by the relevant competent authority of the State Council in accordance with the law, it is recognized that overseas offering and listing may endanger national security; (iii) where the domestic enterprise or its controlling shareholder or de facto controller has committed criminal offence in corruption, bribery, embezzlement, misappropriation of property or disruption of socialist market economic order within the past 3 years; (iv) where the domestic enterprise is being investigated under a case initiated in accordance with the law for suspected criminal offence or serious violation of the law or non-compliance conduct and is pending for a clear conclusive opinion; (v) where a material dispute exists in the ownership of equity interest held by the controlling shareholder or any shareholder dominated by the controlling shareholder or de facto controller.

The Provisions on Strengthening the Confidentiality and Archives Administration Related to Overseas Offering and Listing of Securities 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 Provisions") were jointly promulgated by the CSRC, the MOF, the National Administration of State Secrets Protection and the National Archives Administration on February 24, 2023 and became effective on March 31, 2023. Pursuant to the Confidentiality Provisions, where a domestic enterprise provides or publicly discloses to the relevant entities and individuals such as securities companies, securities service institutions and overseas regulatory authorities, or provides or publicly discloses through its overseas listed entities, any documents or information involving State secrets or secrets on the work of State authorities, it shall report to a competent authority with approval power in accordance with the law for approval, and shall also report to the confidentiality administrative and management authority at the same level for record-filing. Where a domestic enterprise provides or publicly discloses to the relevant entities and individuals such as securities companies, securities service institutions and overseas regulatory authorities, or provides or publicly discloses through its overseas listed entities, any other documents or information which after leakage may have adverse effect on national security or public interest, it shall strictly perform the corresponding procedure in accordance with the relevant State provisions.