The contents disclosed in this section apply to the relevant effective laws and regulations of the People's Republic of China ("**PRC Laws**") that currently have a material impact on our business operations in the PRC, but do not include a detailed analysis of the PRC Laws relating to our business activities and operations in the PRC, nor do they apply to all PRC Laws relating to our business operations in the PRC, and such PRC Laws may be subject to change in the future.

LAWS AND REGULATIONS ON COMPANIES AND FOREIGN INVESTMENT

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》)* ("**Company Law**"). The *Company Law* was promulgated by the Standing Committee of the National People's Congress ("**NPCSC**") on December 29, 1993, most recently amended on December 29, 2023, and effective from July 1, 2024. Unless otherwise stipulated by the foreign investment law (as defined below), foreign-invested entities are also bound by the *Company Law*. The *Company Law* generally governs two types of companies, namely limited liability companies and joint stock limited companies. Both types of companies have legal person status, and the liability of the shareholders of a limited liability company or a joint stock limited company is limited to the amount of registered capital they have subscribed for. The *Company Law* also applies to foreign-invested limited liability companies or joint stock limited companies.

Foreign-invested entities in the PRC must also comply with foreign investment laws and regulations, including the *Foreign Investment Law of the People's Republic of China (《中華人民共和國外商投資法》)* ("**Foreign Investment Law**"), which was promulgated by the National People's Congress ("**NPC**") on March 15, 2019 and effective from January 1, 2020, and the *Implementing Regulations of the Foreign Investment Law of the People's Republic of China (《中華人民共和國外商投資法實施條例》)*, which were promulgated by the State Council on December 26, 2019 and effective from January 1, 2020. According to the *Foreign Investment Law*, the PRC implements a system of pre-establishment national treatment plus a negative list for foreign investment management. The negative list will be issued by or upon approval by the State Council.

According to the *Measures for Reporting Foreign Investment Information (《外商投資信息報告辦法》)* jointly promulgated by the Ministry of Commerce ("**MOFCOM**") and the State Administration for Market Regulation on December 30, 2019 and effective from January 1, 2020, where foreign investors carry out investment activities directly or indirectly within the PRC, the foreign investors or foreign-invested enterprises shall submit investment information to the competent commerce departments in accordance with these Measures.

According to the *Measures for Security Review of Foreign Investment (《外商投資安全審查辦法》)* promulgated by the NDRC and the MOFCOM on December 19, 2020 and effective from January 1, 2021, foreign investments that affect or may affect national security shall be subject to security review in accordance with these Measures. For investments in important infrastructure, important transportation services, and other important fields concerning national security, foreign investors or relevant domestic parties that obtain actual control of the invested enterprises shall voluntarily declare to the Office of the Working Mechanism (established at the NDRC and led jointly by the NDRC and MOFCOM) prior to the implementation of the investment.

LAWS AND REGULATIONS ON OVERSEAS INVESTMENT

According to the *Measures for the Administration of Overseas Investment (《境外投資管理辦法》)* promulgated by the MOFCOM on March 16, 2009, amended on September 6, 2014, and effective from October 6, 2014, the overseas investment activities of companies and other enterprises established in the PRC are subject to the administration and supervision of the MOFCOM and provincial-level competent commerce departments; and according to the *Measures for the Administration of Enterprise Overseas Investment (《企業境外投資管理辦法》)* promulgated by the NDRC on December 26, 2017 and effective from March 1, 2018, they are also subject to the administration of the NDRC. Under these administrative measures, if the overseas investment to be carried out by a Chinese enterprise (the "**Investing Entities**") involves sensitive countries, regions, or sensitive industries, it shall be subject to the project approval of the NDRC and the investment approval of the MOFCOM; overseas investment projects other than those requiring approval shall be filed separately with the NDRC and the MOFCOM. Both the NDRC and the MOFCOM have established online systems for Investing Entities to submit approval/record-filing application documents and data. If the approval or record-filing is granted, the Investing Entities will receive the approval document or record-filing notice issued by the NDRC, as well as the *Enterprise Overseas Investment Certificate (《企業境外投資證書》)* issued by the MOFCOM.

LAWS AND REGULATIONS ON CUSTOMS

According to the *Customs Law of the People's Republic of China (《中華人民共和國海關法》)* ("**Customs Law**") promulgated by the NPCSC on January 22, 1987 and most recently amended on and effective from April 29, 2021, the China Customs is the state organ for supervision and administration of entries into and exits from the customs territory. In accordance with the *Customs Law* and other relevant laws and administrative regulations, Customs supervises transport conveyances, goods, luggage, postal articles, and other articles entering or leaving the territory, and collects customs duties and other taxes and fees. Imported goods from the time of entry until the completion of customs procedures, exported goods from the time of customs declaration until the time of exit, and transit, transshipment, and through goods from the time of entry until the time of exit shall be subject to customs supervision. Unless otherwise provided, customs declarations for imported and exported goods may be handled by the consignees and consignors or entrusted customs declaration enterprises. The consignees of imported goods and the consignors of exported goods shall make truthful declarations and submit import and export licenses and relevant documents to Customs for review.

According to the *Provisions of the PRC Customs on the Administration of Record-filing of Customs Declaration Entities (《中華人民共和國海關報關單位備案管理規定》)* promulgated by the General Administration of Customs of thee People's Republic of China ("**GACC**") on November 19, 2021 and effective from January 1, 2022, consignees and consignors of imported and exported goods, as well as customs declaration enterprises engaged in customs declaration business, shall handle record-filing procedures with the relevant customs administrative departments.

According 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 NPCSC on May 12, 1994 and most recently amended on and effective from December 30, 2022, and the *Notice of the Department of Enterprise Management and Audit on Matters Related to the Record-filing of Consignees and Consignors of Imported and Exported Goods (《企業管理和稽查司關於進出口貨物收發貨人備案有關事宜的通知》)* issued and implemented by the GACC on January 3, 2023, the consignees and consignors of import and export goods applying for record-filing shall obtain market entity qualifications, and it is no longer required to obtain a foreign trade operator record-filing. According to the *Regulations of the People's Republic of China on the Administration of Import and Export of Goods (《中華人民共和國貨物進出口管理條例》)* ("**Regulations on the Administration of Import and Export of Goods**") promulgated by the State Council on December 10, 2001, most recently amended on March 10, 2024 and effective from May 1, 2024, trade activities involving the import of goods into or export of goods out of the customs territory of China shall comply with the *Regulations on the Administration of Import and Export of Goods (《貨物進出口管理條例》)*. Goods prohibited from import and export shall not be imported or exported; goods restricted from import and export shall be subject to quota or license administration; and goods freely imported and exported are not subject to restriction. Import and export operators shall go through customs declaration and clearance procedures with Customs upon presentation of relevant import and export licenses or import and export quota licenses.

LAWS AND REGULATIONS ON FOREIGN EXCHANGE

According to the *Foreign Exchange Administration Regulations of the People's Republic of China (《中華人民共和國外匯管理條例》)* promulgated by the State Council on January 29, 1996 and most recently amended and effective from August 5, 2008, payments under current accounts, such as profit distribution, interest payments, and trade and service-related foreign exchange transactions, can be freely exchanged into foreign currencies and paid without prior approval from the State Administration of Foreign Exchange ("**SAFE**"), provided that certain procedural requirements are met. In contrast, the conversion of RMB into foreign currencies and remittance out of the PRC for payments under capital accounts, such as direct investment, repayment of foreign currency loans, round-trip investment, and investment in securities outside the PRC, require prior approval from or registration with the SAFE or its local branches.

According to the *Notice of the State Administration of Foreign Exchange on Issues Concerning Foreign Exchange Administration of Overseas Listing (《國家外匯管理局關於境外上市外匯管理有關問題的通知》)* issued by the SAFE on and effective from December 26, 2014, a domestic company shall, within 15 working days from the date of completion of its overseas listing and offering, handle overseas listing registration with the local SAFE branch at its place of registration. The funds raised by a domestic company from an overseas listing may be repatriated to the PRC or deposited overseas, and the uses of the funds shall be consistent with those listed in publicly disclosed documents such as the prospectus, corporate bond offering circular, shareholder circular, and resolutions of the board of directors or general meeting.

LAWS AND REGULATIONS ON ENTERPRISE INVESTMENT PROJECTS

According to the *Regulations on the Administration of Approval and Record-filing of Enterprise Investment Projects (《企業投資項目核准和備案管理條例》)* promulgated by the State Council on November 30, 2016 and effective from February 1, 2017, fixed-asset investment projects built by enterprises within the PRC that involve national security, major productivity layouts, strategic resource development, and significant public interests are subject to approval by the Chinese government. The specific project scope, approval authorities, and approval limits shall be subject to the catalog of investment projects requiring government approval, while other projects shall be subject to record-filing procedure.

The *Notice of the State Council on Promulgating the Catalog of Investment Projects Subject to Government Approval (2016 Version) (《國務院關於發布政府核准的投資項目目錄(2016年本)的通知》)* promulgated and implemented by the State Council on December 12, 2016 sets out the regulations for projects requiring approval.

LAWS AND REGULATIONS ON PRODUCT QUALITY

According 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 NPCSC on February 22, 1993 and most recently amended on and effective from December 29, 2018, producers are liable for the quality of products they produce. Product quality should not possess unreasonable dangers that threaten personal or property safety, and must possess the properties for use, with product standards explicitly marked on the product or its packaging. If a defect in a product causes bodily harm or damage to another person's property, the victim may claim compensation from either the producer or the seller of the product. Producers or sellers who produce or sell substandard products will be ordered to cease production and sales, have the illegally produced or sold products confiscated, and be subject to a fine; if there are illegal gains, such illegal gains shall be confiscated; and in serious circumstances, business licenses shall be revoked. If the act constitutes a crime, criminal liabilities shall be pursued in accordance with the law.

LAWS AND REGULATIONS ON ANTI-UNFAIR COMPETITION

According 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》)* ("**Anti-Unfair Competition Law**") most recently amended by the NPCSC on June 27, 2025 and effective from October 15, 2025, business operators shall abide by the principles of voluntariness, equality, fairness, and good faith, and observe laws and business ethics during production and business operations. Unfair competition behavior referred to in the *Anti-Unfair Competition Law* means that business operators, in production and operation activities, violate the provisions of the *Anti-Unfair Competition Law*, disrupt the order of market competition, and harm the lawful rights and interests of other business operators or consumers. Business operators who violate the *Anti-Unfair Competition Law* shall bear civil, administrative, or criminal liability depending on specific circumstances.

According to the *Anti-Monopoly Law of the People's Republic of China (《中華人民共和國反壟斷法》)* ("**Anti-Monopoly Law**") most recently amended on June 24, 2022 and effective from August 1, 2022, monopolistic acts in economic activities within the territory of the PRC, as well as monopolistic acts outside the territory of the PRC that have the effect of eliminating or restricting competition on the domestic market, are subject to the *Anti-Monopoly Law*. Monopolistic behaviors under the *Anti-Monopoly Law* include the conclusion of monopoly agreements between operators, abuse of dominant market position by operators, and concentrations of operators that have or may have the effect of eliminating or restricting market competition. The anti-monopoly law enforcement agencies designated by the State Council are responsible for anti-monopoly law enforcement work in accordance with the *Anti-Monopoly Law*. The State Council's anti-monopoly law enforcement agencies may, according to work needs, authorize corresponding agencies of the people's governments of provinces, autonomous regions, and municipalities directly under the Central Government to take charge of relevant anti-monopoly law enforcement work. Business operators who violate the *Anti-Monopoly Law* may be subject to fines, confiscation of illegal gains, and orders to cease illegal acts by the anti-monopoly law enforcement agencies.

LAWS AND REGULATIONS ON ELECTRIC POWER BUSINESS

Electric Power Business License

According to the *Electric Power Law of the People's Republic of China (《中華人民共和國電力法》)* promulgated by the NPCSC on December 28, 1995 and most recently amended on and effective from December 29, 2018, this law applies to electric power construction, production, supply, and consumption activities within the territory of the PRC.

According to the *Provisions on the Administration of Electric Power Business Licenses (《電力業務許可證管理規定》)* promulgated by the former State Electricity Regulatory Commission ("**SERC**") on October 13, 2005, and most recently amended on January 4, 2024 and effective from March 1, 2024, the NEA is responsible for guiding, supervising, and administering the licensing of electric power businesses, while local dispatch agencies of the NEA are responsible for the issuance and daily supervision and administration of electric power business licenses. The electric power industry in the PRC implements a market access licensing system. An entity or individual engaging in electric power business within the PRC shall obtain an electric power business license in accordance with relevant provisions. Except under special circumstances stipulated by the NEA, no entity or individual may engage in the electric power business without obtaining an electric power business license. Public power plants, grid-connected captive power plants, and other enterprises specified by the SERC engaging in power generation businesses must obtain an electric power business license for power generation.

License for Installation (Repair, Testing) of Electric Power Facilities

According to the *Administrative Measures for Licenses for Installation (Repair, Testing) of Electric Power Facilities (《承裝(修、試)電力設施許可證管理辦法》)* most recently amended by the NDRC on April 11, 2025 and effective from July 1, 2025, those engaging in installation, repair, and testing of electric power facilities within the PRC shall obtain a license for installation (repair, testing) of electric power facilities in accordance with the provisions of these measures. The installation, repair, and testing of electric power facilities specifically refers to the installation, repair, and testing of power transmission (including step-up substations and outgoing lines for power generation projects), power supply, and power consumption facilities. The aforementioned licenses are divided into three categories: installation, repair, and testing.

LAWS AND REGULATIONS ON CONSTRUCTION PROJECTS

Construction Project Planning Permit

According 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 NPCSC on October 28, 2007 and most recently amended on and effective from April 23, 2019, for construction of buildings, structures, roads, pipelines, and other projects within urban and town planning areas, the construction entity or individual shall apply for a construction project planning permit from the urban and rural planning authorities of municipal or county people's governments or the town people's governments designated by the people's governments of provinces, autonomous regions, or municipalities directly under the Central Government. When applying for a construction project planning permit, the applicants shall submit, among other things, documents in relation to land use rights, construction project design schemes. Projects that meet planning and planning conditions will be granted a construction project planning permit.

Construction Work Commencement Permit

According to the *Construction Law of the People's Republic of China (《中華人民共和國建築法》)* promulgated by the NPCSC on November 1, 1997 and most recently amended on and effective from April 23, 2019, prior to the commencement of a construction project, the construction entity shall, in accordance with the relevant provisions of the State, apply to the construction administration department of the people's government at or above the county level where the project is located for a construction work commencement permit; however, small-scale projects below the limit determined by the construction administration department of the State Council are exempted.

According to the *Administrative Measures for Construction Work Commencement Permits of Construction Projects (《建築工程施工許可管理辦法》)* promulgated by the Ministry of Housing and Urban-Rural Development ("**MOHURD**") on October 15, 1999 and most recently amended on and effective from March 30, 2021, construction entities must apply for a construction work commencement permit prior to starting the construction of various housing buildings and their ancillary facilities, their decoration and renovation, the installation of associated lines, pipelines, and equipment, as well as the construction of urban municipal infrastructure projects within the PRC. Construction projects with an investment of less than RMB300,000 or a building area of less than 300 square meters may not need to apply for a construction work commencement permit. The housing and urban-rural development authorities of the people's governments of provinces, autonomous regions, and municipalities directly under the Central Government may adjust the limits based on actual local conditions and file them with the MOHURD of the State Council for the record.

Completion Acceptance

According to the *Regulation on the Quality Management of Construction Projects (《建設工程質量管理條例》)* promulgated by the State Council on January 30, 2000 and amended on and effective from April 23, 2019, and the *Administrative Measures for the Record-filing of Completion Acceptance of Building Construction 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 and effective from October 19, 2009, entities undertaking new construction, expansion, or reconstruction of various housing buildings and municipal infrastructure projects within the PRC shall file for the record with the construction administrative department of the local people's government at or above the county level where the project is located within 15 days from the date the project passes the completion acceptance.

LAWS AND REGULATIONS ON LAND AND REAL ESTATE REGISTRATION

According to the *Civil Code of the People's Republic of China (《中華人民共和國民法典》)* ("**Civil Code**") promulgated by the NPC on May 28, 2020 and effective from January 1, 2021, the creation, alteration, transfer, and extinguishment of real estate rights shall take effect upon legal registration; without registration, they shall not take effect, unless otherwise provided by law. Real estate registration shall be handled by the registration authority where the real estate is located.

According to the *Land Administration Law of the People's Republic of China (《中華人民共和國土地管理法》)* ("**Land Administration Law**") promulgated by the NPCSC on June 25, 1986, amended on August 26, 2019, and effective from January 1, 2020, construction entities that acquire the right to use state-owned land through compensated use (such as land grants) may only use the land after paying land grant fees, other land-use fees, and related expenses in accordance with the standards and measures prescribed by the State Council. Any construction entity using state-owned land shall use the land in accordance with the provisions of the compensated use contract (such as a land grant contract) or the requirements of the approval document for land-use right allocation. If land uses are changed within urban planning areas, prior consent from the relevant urban planning administrative department must be obtained before applying for approval. Land is classified by purpose into agricultural land, construction land, and unutilized land. Construction land can be further divided into state-owned construction land and collective operational construction land, and land users can obtain land use rights for construction land in accordance with the *Land Administration Law*. The registration of land ownership and use rights must be handled in accordance with laws and administrative regulations concerning real estate registration. The planning period for overall land utilization plans is determined by the State Council. Overall land utilization plans are subject to hierarchical examination and approval. Any modification to an approved overall land utilization plan must be approved by the original approval authority; without approval, the land use designated in the overall plan shall not be changed. Anyone who occupies land illegally without approval or by obtaining approval through deceptive means will be ordered by the relevant departments to return the illegally occupied land. For unauthorized conversion of agricultural land into construction land in violation of the overall land utilization plan, the demolition of newly built buildings and other facilities on the illegally occupied land within a time limit will be ordered to restore the land to its original state; if the use conforms to the overall land utilization plan, the newly built buildings and other facilities on the illegally occupied land shall be confiscated, and a fine may be imposed concurrently. The persons directly in charge and other persons directly responsible for the entity illegally occupying the land shall be given disciplinary sanctions according to law; if a crime is constituted, criminal responsibility shall be pursued according to law.

According to the *Interim Regulations on Real Estate Registration (《不動產登記暫行條例》)* promulgated by the State Council on November 24, 2014, most recently amended on March 10, 2024, and effective from May 1, 2024, real estate registration is handled by the real estate registration agencies of the people's governments at or above the county level. Each real estate unit has a unique code. The real estate register shall record the following items: (i) the natural conditions of the real estate, such as location, boundaries, spatial limits, area, and use; (ii) ownership status, such as the subject, type, content, origin, duration, and right changes of real estate rights; (iii) matters concerning restrictions or warnings of real estate rights; and (iv) other relevant matters.

LAWS AND REGULATIONS ON LEASING

According to the *Civil Code*, the owner of real or movable property is legally entitled to possess, use, benefit from, and dispose of it.

According to the *Administrative Measures for Commodity Housing Leasing (《商品房屋租賃管理辦法》)* promulgated by the MOHURD on December 1, 2010 and effective from February 1, 2011, within 30 days after a housing lease contract is concluded, the parties to the housing lease shall go to the construction (real estate) competent department of the municipality directly under the Central Government, city, or county people's government where the leased housing is located to complete the lease registration and record-filing; those violating the aforementioned provisions will be ordered by the construction (real estate) competent department to make corrections within a time limit, and an enterprise failing to make corrections within the time limit will be subject to a fine ranging from RMB1,000 to RMB10,000. In addition, it stipulates that houses whose usage nature has been changed in violation of regulations shall not be rented out; otherwise, the construction (real estate) competent department may order correction within a time limit, and impose a fine of up to RMB5,000 if there are no illegal gains, or a fine of not less than one to three times the illegal gains but not exceeding RMB30,000 if there are illegal gains.

LAWS AND REGULATIONS ON FIRE SAFETY

According to the *Fire Protection Law of the People's Republic of China (《中華人民共和國消防法》)* promulgated by the NPCSC on April 29, 1998 and most recently amended on and effective from April 29, 2021, for special construction projects as specified by the MOHURD of the State Council, the construction entity shall submit the fire protection design documents to the housing and urban-rural development authorities for examination. For other construction projects besides those stipulated in the preceding paragraph, the construction entity shall, when applying for a construction work commencement permit or applying for approval to commence construction, provide fire protection design drawings and technical data sufficient to meet construction needs. The fire protection design and construction of construction projects must comply with the national technical standards for fire protection in engineering construction. Construction projects that are subject to fire protection design examination according to law but have not undergone examination or have failed the examination shall not commence construction. Construction projects subject to fire protection acceptance checks according to law shall be prohibited from being put into use if they have not undergone acceptance checks or have failed them; other construction projects that fail random legal inspections shall be ordered to stop using. According to the *Interim Provisions on the Administration of Fire Protection Design Review and Acceptance of 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, amended on August 21, 2023, and effective from October 30, 2023, the review system for fire protection design and acceptance applies only to special construction projects, while other construction projects are subject to the record-filing and random inspection system.

LAWS AND REGULATIONS ON ENVIRONMENTAL PROTECTION

According to the *Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》)* ("**Environmental Protection Law**") promulgated by the NPCSC on September 13, 1979 and most recently amended on April 24, 2014 and effective from January 1, 2015, enterprises, public institutions, and other producers and operators shall prevent and reduce environmental pollution and ecological destruction, and assume liability for damages caused in accordance with the law. According to the *Environmental Protection Law* and other relevant PRC laws and regulations, the Ministry of Environmental Protection and local environmental protection departments are responsible for the supervision and administration of environmental protection work. Pursuant to the *Environmental Protection Law*, construction projects that have an impact on the environment must undergo an environmental impact assessment.

Environmental Impact Assessment

The *Environmental Impact Assessment Law of the People's Republic of China (《中華人民共和國環境影響評價法》)* ("**Environmental Impact Assessment Law**") was promulgated by the NPCSC on October 28, 2002 and most recently amended on and effective from December 29, 2018. According to the *Environmental Impact Assessment Law*, the State implements classified management of environmental impact assessments for construction projects based on the degree of the project's impact on the environment.

According to the *Interim Measures for the Environmental Protection Acceptance of Construction Projects upon Completion (《建設項目竣工環境保護驗收暫行辦法》)* effective from November 20, 2017 and the *Regulations on the Environmental Protection Management of Construction Projects (《建設項目環境保護管理條例》)* amended on July 16, 2017 and effective from October 1, 2017, after the completion of a construction project requiring the preparation of an environmental impact report or environmental impact statement form, the construction entity shall, in accordance with the standards and procedures prescribed by the environmental protection administrative department of the State Council, conduct an acceptance check of the supporting environmental protection facilities and prepare an acceptance report. For construction projects requiring an environmental impact report or statement form, the supporting environmental protection facilities can only be put into production or use after passing the acceptance check.

According to the *Environmental Impact Assessment Law*, if a construction entity starts construction without submitting the environmental impact report or statement form for approval according to law, or without reapplying for approval or requesting re-examination of the environmental impact report or statement form in accordance with the *Environmental Impact Assessment Law*, the ecological environment competent department at or above the county level shall order it to cease construction and, depending on the circumstances and consequences of the violation, impose a fine ranging from 1% to 5% of the total investment amount of the construction project, and may order it to restore to the original state; administrative sanctions shall be imposed according to law on the responsible persons in charge of the construction project and other directly responsible personnel.

Pollutant Discharge Permit

According to the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》)* promulgated by the NPCSC on October 30, 1995 and most recently amended on April 29, 2020 and effective from September 1, 2020, entities generating hazardous waste must store, utilize, and dispose of hazardous waste in accordance with relevant national requirements and environmental protection standards, and shall not dump or stack hazardous waste without authorization. Furthermore, providing or entrusting hazardous waste to units or other producers or operators without a hazardous waste disposal license to engage in collection, storage, utilization, or disposal activities is prohibited; otherwise, the ecological environment competent department will order correction, impose a fine, confiscate illegal gains, and in serious cases, upon approval by the people's government, order the suspension of business or closure.

According to the *Regulation 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 effective from March 1, 2021, and the *Administrative Measures for Pollutant Discharge Permitting (《排污許可管理辦法》)* promulgated by the Ministry of Ecology and Environment on January 10, 2018 and most recently amended on and effective from July 1, 2024, pollutant discharging entities are subject to either focal management or simplified management depending on factors such as the amount of pollutants generated, the volume of discharge, and the degree of environmental impact. The review, decision, and information disclosure of pollutant discharge permits shall be processed through the national pollutant discharge permit management information platform. The validity period of a pollutant discharge permit is 5 years. Pollutant discharging entities that need to continue discharging pollutants shall apply for an extension 60 days before the expiration of the validity period. For violations of the relevant provisions of the pollutant discharge permit, the competent ecology and environment department has the right to order correction, restrict production, suspend production for rectification, suspend business or close down, and impose a fine. If the act constitutes a crime, criminal responsibility shall be pursued in accordance with the law.

Enterprises, public institutions, and other producers and operators subject to pollutant discharge permit requirement under the law shall apply for a pollutant discharge permit according to the law and discharge pollutants in accordance with the stipulations of the pollutant discharge permit. Those without a pollutant discharge permit shall not discharge pollutants.

The *Regulation on Urban Drainage and Sewage Treatment (《城鎮排水與污水處理條例》)* promulgated by the State Council on October 2, 2013 and effective from January 1, 2014, and the *Administrative Measures for the Permitting of Urban Sewage Discharge into Drainage Pipe Networks (《城鎮污水排入排水管網許可管理辦法》)* promulgated by the MOHURD on January 22, 2015 and most recently amended on December 1, 2022 and effective from February 1, 2023, stipulate that enterprises, public institutions, and individual industrial and commercial households engaging in industrial, construction, catering, medical, and other activities shall apply to the competent urban drainage department for a permit to discharge sewage into the drainage pipe networks (drainage permit) before discharging sewage into urban drainage facilities. If sewage is discharged into urban drainage facilities without obtaining a drainage permit, the relevant competent urban drainage department shall order the cessation of the illegal act, require the adoption of correction measures within a specified period, compel the retrospective application for a drainage permit, and may impose a fine of up to RMB500,000.

LAWS AND REGULATIONS ON PRODUCTION SAFETY

According to the *Production Safety Law of the People's Republic of China (《中華人民共和國安全生產法》)* promulgated by the NPCSC on June 29, 2002 and most recently amended on June 10, 2021 and effective from September 1, 2021, production and business operation entities must strengthen production safety management, establish and improve a complete production safety responsibility system for all employees and production safety rules and regulations, increase the input and guarantee of production safety funds, materials, technology, and personnel, improve production safety conditions, enhance production safety standardization and informatization construction, build a dual prevention mechanism of hierarchical safety risk control and hidden danger investigation and management, improve risk prevention and resolution mechanisms, and raise the level of production safety to ensure production safety.

LAWS AND REGULATIONS ON INTELLECTUAL PROPERTY

Trademarks

According to the *Trademark Law of the People's Republic of China (《中華人民共和國商標法》)* ("**Trademark Law**") promulgated by the NPCSC on August 23, 1982 and most recently amended on April 23, 2019 and effective from 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 and most recently amended on April 29, 2014 and effective from May 1, 2014, registered trademarks in the PRC include commodity trademarks, service trademarks, collective trademarks, and certification trademarks. The Trademark Office of the China National Intellectual Property Administration handles trademark registration and grants a validity period of ten years for registered trademarks, which can be renewed for another ten years upon request at the expiration of the initial or any subsequent ten-year term. The *Trademark Law* adopts the "first-to-file" principle for trademark registration. Acts constituting infringement of the exclusive right to use a registered trademark include, but are not limited to, using a trademark that is identical or similar to a registered trademark on the same or similar goods without the permission of the trademark registrant. For infringement established by the industrial and commercial administration department, the infringer will be ordered to cease the infringement immediately and may be subject to fines. Furthermore, the infringer shall be liable for compensation for the losses suffered by the right holder.

Patents

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 NPCSC on March 12, 1984 and most recently amended on October 17, 2020 and effective from June 1, 2021, and the *Implementing Rules of 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, most recently amended on December 11, 2023, and effective from January 20, 2024, there are three types of patents in the PRC: invention, utility model, and design. The protection period is 20 years for an invention patent, 10 years for a utility model patent, and 15 years for a design patent, all calculated from the date of application. The Chinese patent system implements the "first-to-file" principle, which means that when two or more applicants separately file patent applications for the identical invention-creation, the patent right shall be granted to the person who files first. Implementing a patent without the permission of the patentee constitutes patent infringement, for which compensation liability must be borne toward the patentee, and fines or even criminal prosecution may be incurred.

Copyright

According to the *Copyright Law of the People's Republic of China (《中華人民共和國著作權法》)* promulgated by the NPCSC on September 7, 1990 and most recently amended on November 11, 2020 and effective from June 1, 2021, works created by Chinese citizens, legal entities, or other organizations in fields such as literature, art, and natural sciences, social sciences, engineering technology, and computer software in written, oral, or other forms, whether published or not, enjoy copyright. Copyright holders enjoy a variety of rights, including the right of publication, the right of authorship, and the right of reproduction.

According to the *Regulations on the Protection of Computer Software (《計算器軟件保護條例》)* promulgated by the State Council on June 4, 1991 and most recently amended on January 30, 2013 and effective from March 1, 2013, and the *Measures for the Registration of Computer Software Copyright (《計算器軟件著作權登記辦法》)* promulgated by the National Copyright Administration on April 6, 1992 and most recently amended on June 18, 2004 and effective from July 1, 2004, the National Copyright Administration oversees the administration of software copyright registration nationwide, and designates the Copyright Protection Center of China as the software registration agency. The Copyright Protection Center of China shall issue registration certificates to computer software copyright applicants in accordance with the provisions of the *Measures for the Registration of Computer Software Copyright (《計算器軟件著作權登記辦法》)* and the *Regulations on the Protection of Computer Software (《計算器軟件保護條例》)*.

Domain Names

According to the *Administrative Measures for Internet Domain Names (《互聯網域名管理辦法》)* promulgated by the Ministry of Industry and Information Technology ("**MIIT**") on August 24, 2017 and effective from November 1, 2017, the MIIT is the primary regulatory body for national domain name services. Domain name services adopt a "first-to-file" principle. Applicants for domain name registration shall provide the domain name registration agency with genuine, accurate, and complete identity information of the domain name holder for registration purposes. Upon completion of the domain name registration, the applicant becomes the holder of the domain name.

LAWS AND REGULATIONS ON EQUITY INCENTIVE PLANS

According to the *Notice of the State Administration of Foreign Exchange on Issues Concerning Foreign Exchange Administration for Domestic Individuals Participating in Equity Incentive Plans of Overseas Listed Companies (《國家外匯管理局關於境內個人參與境外上市公司股權激勵計劃外匯管理有關問題的通知》)* promulgated by the SAFE on and effective from February 15, 2012, and other relevant regulations, directors, supervisors, senior management personnel, and other employees who are Chinese citizens or non-Chinese citizens residing continuously in the PRC for not less than one year participating in any equity incentive plan of an overseas listed company must, with few exceptions, handle foreign exchange registration, account opening, and fund transfers and currency exchanges through a domestic agency with the SAFE. In addition, an overseas entrusted institution must be engaged to handle matters relating to individual exercise of rights, purchase and sale of corresponding stocks or equity, and the corresponding transfer of funds.

Foreign exchange income received by Chinese residents from selling shares under an equity incentive plan and dividends distributed by overseas listed companies shall be remitted to bank accounts opened by domestic institutions in the PRC before being distributed to the Chinese residents.

LAWS AND REGULATIONS ON TAXATION

Enterprise Income Tax

According to the *Enterprise Income Tax Law (《企業所得稅法》)* promulgated by the NPCSC on March 16, 2007 and most recently amended on and effective from December 29, 2018, and the *Implementing Regulations of 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實施條例》)* promulgated by the State Council on December 6, 2007 and most recently amended on December 6, 2024 and effective from January 20, 2025, a domestic enterprise established within the PRC in accordance with the law, or established under the laws of a foreign country (region) but whose actual management body is within the PRC, shall be regarded as a resident enterprise. A resident enterprise shall pay a 25% enterprise income tax on its income derived from inside and outside the PRC. Preferential enterprise income tax rates apply to industries and projects supported and encouraged for development by the State. High-tech enterprises that require key state support may enjoy a reduced enterprise income tax rate of 15%.

Value-Added Tax

According to the *Value-Added Tax Law of the People's Republic of China (《中華人民共和國增值稅法》)* ("**Value-Added Tax Law**") promulgated by the NPCSC on December 25, 2024 and effective from January 1, 2026, all units and individuals (including individual industrial and commercial households) selling goods, services, intangible assets, and real estate within the PRC, as well as importing goods, are value-added tax taxpayers and shall pay value-added tax in accordance with the regulations. Unless otherwise stipulated, the tax rate for selling goods, processing, repair and replacement services, tangible movable property leasing services, and importing goods is 13.0%.

LAWS AND REGULATIONS ON EMPLOYMENT AND SOCIAL INSURANCE

Labor Contracts

According to the *Labor Law of the People's Republic of China (《中華人民共和國勞動法》)* promulgated by the NPCSC on July 5, 1994 and most recently amended on and effective from December 29, 2018, the *Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》)* promulgated by the NPCSC on June 29, 2007 and most recently amended on December 28, 2012 and effective from July 1, 2013, and the *Implementing Regulations of the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法實施條例》)* promulgated by the State Council on and effective from September 18, 2008, employers must legally establish and perfect their labor rules and regulations, strictly observe national standards, provide relevant training to laborers, and guarantee laborers' right to enjoy labor rights and perform labor obligations. To establish a labor relationship between an employer and a laborer, a written labor contract must be signed. Labor contracts are divided into fixed-term labor contracts, non-fixed-term labor contracts, and labor contracts that expire upon the completion of a specific task. The wages paid by an employer to laborers shall not be lower than the minimum wage standard at the place where the employer is located. In addition, employers must establish and perfect systems for labor safety and occupational sanitation, strictly execute the national regulations and standards on labor safety and occupational sanitation, and carry out labor safety and occupational sanitation education for laborers to prevent accidents during laboring, and reduce occupational hazards.

Social Insurance

The *Social Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》)* ("**Social Insurance Law**") promulgated by the NPCSC on October 28, 2010 and most recently amended on and effective from December 29, 2018 established a social insurance system that includes basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance, and maternity insurance, and laid out detailed provisions regarding the legal obligations and liabilities of employers who fail to comply with social insurance laws and regulations. According to the *Social Insurance Law* and the *Interim Regulations on the Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》)* promulgated by the State Council on January 22, 1999 and most recently amended on and effective from March 24, 2019, enterprises must handle social insurance registration with local social insurance agencies and pay or withhold relevant social insurance for their employees. Employers that fail to pay social insurance shall be ordered to pay within a specified time limit and subject to a late fee. Employers that still fail to make payments beyond the deadline may be subject to a fine ranging from one to three times the outstanding amount.

Housing Provident Fund

According to the *Regulations on the Administration of Housing Provident Fund (《住房公積金管理條例》)* promulgated by the State Council on April 3, 1999 and most recently amended and effective from March 24, 2019, entities must register the deposit of the housing provident fund with the housing provident fund management center and handle the procedures for opening or transferring housing provident fund accounts for their employees, for the purpose of depositing the employees' housing provident fund. Entities must also deposit housing provident funds in full and on time, and the deposit ratio for both employees and employers shall not be less than 5% of the average monthly salary of the employee in the previous year. In the event of overdue or insufficient deposits by an entity, it will be ordered by the housing provident fund management center to make the deposit within a time limit. If the entity still fails to deposit within the time limit, the center may apply to a people's court for compulsory enforcement.

LAWS AND REGULATIONS ON CYBERSECURITY AND DATA PROTECTION

According to the *Measures for Cybersecurity Review (《網絡安全審查辦法》)* jointly promulgated by the Cyberspace Administration of China ("**CAC**") and 12 other Chinese regulators on December 28, 2021 and effective from February 15, 2022, network platform operators holding personal information of more than 1 million users who intend to list abroad must apply to the Cybersecurity Review Office for a cybersecurity review.

According to the *Measures for the Security Assessment of Outbound Data Transfers (《數據出境安全評估辦法》)* promulgated by the CAC on July 7, 2022 and effective from September 1, 2022, when a data processor provides data abroad and any of the following circumstances applies, it must apply to the CAC via CAC's provincial branch where it is located for a security assessment of the outbound data transfer: (i) the data processor provides important data abroad; (ii) a critical information infrastructure operator or a data processor processing personal information of more than 1 million people provides personal information abroad; (iii) a data processor that has cumulatively provided personal information of 100,000 individuals or sensitive personal information of 10,000 individuals abroad since January 1 of the previous year provides personal information abroad; or (iv) other circumstances prescribed by the national cyberspace administration that require a security assessment for outbound data transfer.

According to the *Regulations on Network Data Security Administration (《網絡數據安全管理條例》)* promulgated by the State Council on September 24, 2024 and effective from January 1, 2025, network data processors engaged in network data processing activities that affect or may affect national security shall undergo a national security review in accordance with relevant national provisions. Network data processors handling the personal information of more than 10 million individuals shall also comply with the regulations imposed on network data processors processing important data.

LAWS AND REGULATIONS ON SECURITIES AND OVERSEAS LISTING

Securities Laws and Regulations

The *Securities Law of the People's Republic of China (《中華人民共和國證券法》)* was promulgated by the NPCSC on December 29, 1998, most recently amended on December 28, 2019, and effective from March 1, 2020. It comprehensively regulates activities in the Chinese securities market, including the offering and trading of securities, acquisitions of listed companies, and the responsibilities of stock exchanges, securities companies, and securities regulatory agencies. The Securities Law further provides that where a domestic enterprise issues securities directly or indirectly overseas or lists its securities for trading overseas, it shall comply with the relevant provisions of the State Council. Specific measures for subscribing to and trading shares of domestic companies in foreign currencies shall be separately formulated by the State Council. The China Securities Regulatory Commission ("**CSRC**") is the securities regulatory agency established by the State Council, responsible for supervising and administering the securities market, maintaining market order, and ensuring the legal operation of the market. Currently, the issuance and [**REDACTED**] of H shares are primarily governed by the rules and regulations promulgated by the State Council and the CSRC.

Overseas Listing

The CSRC promulgated the *Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》)* ("**Trial Measures for Overseas Listing**") and five supporting guidelines on February 17, 2023, which were effective from March 31, 2023. The *Trial Measures for Overseas Listing (《境外上市試行辦法》)* introduces a new record-filing system. According to the *Trial Measures for Overseas Listing*, domestic enterprises that directly or indirectly offer securities or list their securities for trading overseas shall file with the CSRC within 3 working days after submitting their application documents for an overseas offering and listing. The *Trial Measures for Overseas Listing* stipulates that under any of the following circumstances, overseas offering and listing are explicitly prohibited: (i) offering and listing are explicitly prohibited by laws, administrative regulations, or relevant state provisions; (ii) the overseas offering and listing may endanger national security as reviewed and determined by competent authorities of the State Council in accordance with the law; (iii) the domestic enterprise, or its controlling shareholder or actual controller, has committed a criminal offense involving corruption, bribery, embezzlement, misappropriation of property, or disruption of the socialist market economic order within the last three years; (iv) the domestic enterprise is currently under investigation according to law for suspected crimes or major violations of laws and regulations, and no clear conclusion has been reached; or (v) there are material ownership disputes over the equity held by the controlling shareholder or the shareholders controlled by the controlling shareholder or actual controller. As advised by our PRC legal advisors, we are not under any of the aforementioned circumstances that would prohibit us from listing overseas.

In addition, according to the *Trial Measures for Overseas Listing*, after an issuer offers securities and lists on an overseas market, it shall submit a report to the CSRC within three working days after the occurrence and public disclosure of the following events: (i) a change of control; (ii) investigations or penalties imposed on the issuer by overseas securities regulatory authorities or relevant competent authorities; (iii) a change of listing status or listing board; and (iv) a voluntary or mandatory delisting. Domestic companies offering and listing overseas shall strictly comply with the provisions of relevant laws, administrative regulations, and national security provisions regarding foreign investment, cybersecurity, and data security, and earnestly fulfill their obligations to safeguard national security.

The CSRC and three other relevant government departments jointly promulgated the *Provisions on Strengthening Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》)* ("**Confidentiality Provisions**") on February 24, 2023, which were effective from March 31, 2023. According to the *Confidentiality Provisions (《保密規定》)*, where domestic enterprises provide or publicly disclose, or provide or publicly disclose through their overseas listing entities, documents or materials involving state secrets or the working secrets of state organs to relevant securities companies, securities service institutions, overseas regulatory authorities, and other entities or individuals, they shall apply for approval from the competent department with approval authority according to law, and file for the record with the administrative department of confidentiality at the same level. Where domestic companies provide accounting archives or copies of accounting archives to securities companies, securities service institutions, overseas regulatory authorities, and other entities or individuals, they shall perform the corresponding procedures in accordance with relevant national regulations. The working papers formed within the PRC by securities companies and securities service institutions providing relevant securities services for the overseas offering and listing of domestic enterprises shall be kept within the PRC. If they need to be transferred overseas, approval procedures shall be handled in accordance with relevant national regulations.