REGULATIONS ON FOREIGN INVESTMENT

The establishment, operation and management of companies in China are governed by the PRC Company Law (《中華人民共和國公司法》), which was promulgated on December 29, 1993, latest amended on December 29, 2023, and came into effect on July 1, 2024.

On March 15, 2019, the National People's Congress (the "**NPC**") approved the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》), and on December 26, 2019, the State Council promulgated the Implementing Rules of the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》), or the Implementing Rules, to further clarify and elaborate the relevant provisions of the Foreign Investment Law. The Foreign Investment Law and the Implementing Rules both took effect on January 1, 2020. Pursuant to the Foreign Investment Law, "foreign investments" refer to investment activities conducted by foreign investors (including foreign natural persons, foreign enterprises or other foreign organizations) directly or indirectly in the PRC, which include any of the following circumstances: (i) foreign investors setting up foreign-invested enterprises in the PRC solely or jointly with other investors; (ii) foreign investors obtaining shares, equity interests, property portions or other similar rights and interests of enterprises within the PRC; (iii) foreign investors investing in new projects in the PRC solely or jointly with other investors; and (iv) investment by other methods as specified in laws, administrative regulations, or as stipulated by the State Council. The Implementing Rules introduce a see-through principle and further provide that foreign-invested enterprises that invest in the PRC shall also be governed by the Foreign Investment Law and the Implementing Rules.

On December 30, 2019, the Ministry of Commerce of the PRC (the "**MOFCOM**") and the State Administration for Market Regulation (the "**SAMR**") promulgated the Measures for the Reporting of Foreign Investment Information (《外商投資信息報告辦法》) which came into effect on January 1, 2020. Foreign investors or foreign-invested enterprises shall submit investment information to the competent department for commerce concerned through the enterprise registration system and the enterprise credit information publicity system.

Investment activities in the PRC by foreign investors are principally governed by the Special Administrative Measures (Negative List) for Access of Foreign Investment (2024 version) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the "**Negative List**") promulgated by the MOFCOM and the National Development and Reform Commission (the "**NDRC**") on September 6, 2024, and the Catalogue of Industries for Encouraging Foreign Investment (2025 version) (《鼓勵外商投資產業目錄(2025年版)》) (the "**Encouraging List**") promulgated by the MOFCOM and the NDRC in December 15, 2025. The Negative List sets out special administrative measures (restricted or prohibited) in respect of the access of foreign investments in some industries, and the Encouraging List sets out the encouraged industries for foreign investment. Unless otherwise stipulated by PRC laws, regulations, or rules, any field not falling in the Negative Lists shall be administered under the principle of equal treatment for domestic and foreign investment.

REGULATIONS ON CONSUMER PROTECTION

On May 28, 2020, the Civil Code of the PRC (《中華人民共和國民法典》) (the "**Civil Code**") was adopted by the NPC, which became effective on January 1, 2021, according to which, a manufacturer or a commercial seller is subject to liability for harm to persons or property caused by the product defects. The infringed party may seek compensation from the manufacturer or the commercial seller. Where the product defect is caused by the manufacturer and the infringed party seeks compensation from the commercial seller, the commercial seller shall have the right to pursue a claim against the manufacturer for compensation.

The Law of the PRC on the Protection of the Rights and Interests of Consumers (《中華人民共和國消費者權益保護法》), promulgated on October 31, 1993 and latest amended on October 25, 2013, aims to safeguard consumers' rights in the purchase and use of goods and in the receipt of services. All business operators must adhere to this law when manufacturing or selling goods or providing services to consumers."

REGULATIONS ON INTERNET OF VEHICLES SERVICES

The Guideline for Developing National Internet of Vehicles Industry Standard System (Electronic Products and Services) (《國家車聯網產業標準體系建設指南(電子產品和服務)》), issued by the MIIT and the National Standardization Administration (the "**NSA**") on June 8, 2018, focuses on the standardization of automotive electronic products, in-vehicle information systems, and information services and platforms that support the IoV industry chain. It sets out the development direction for the standardization of IoV-related electronics and services.

In the realm of vehicle software upgrade, the General Technical Requirements for Automotive Software Upgrades (《汽車軟件升級通用技術要求》), as mandatory national standards, were officially released on August 23, 2024. These standards clarify core aspects related to automotive software upgrades, including management systems, vehicle requirements, testing methods, and rules for determining the same type. Vehicle manufacturers are required to establish a management system covering software identification code management, upgrade process control, documentation, and security assurance. Vehicles should protect the authenticity and integrity of upgrade packages, update and read software identification codes, and meet user notification, prerequisite checks, and power supply assurance requirements for online upgrades.

In the field of human-computer interaction (HCI), the national recommended standard Road Vehicles—Performance Requirements and Test Methods for Hands-Free Communication and Voice Interaction (《道路車輛免提通話和語音交互性能要求及試驗方法》, GB/T 45314-2025) was promulgated by the National Technical Committee on Automobile Standardization on February 28, 2025. This standard focuses on performance requirements and testing methods for vehicles equipped with hands-free calling systems, emergency communication terminals, and voice interaction interfaces using in-vehicle speakers. Additionally, the standard On-Board Wireless Communication Terminal (《車載無線通訊終端》, GB/T 43187-2023) outlines the technical specifications, testing procedures, and inspection rules for these terminals, covering areas such as communication performance, electromagnetic compatibility (EMC), environmental adaptability, and durability.

In the domain of functional safety, the revised national recommended standard Road Vehicles—Functional Safety (《道路車輛功能安全》, GB/T 34590-2022) supersedes parts of the previous 2017 version and was issued by the SAMR and the NSA. Complementing it, the standard Road Vehicles—Functional Safety Audit and Assessment Method (《道路車輛功能安全審核及評估方法》, GB/T 43253-2023) sets out the procedures for auditing and assessing compliance with functional safety requirements throughout the design, development, and production of electrical and electronic (E/E) vehicle systems.

REGULATIONS ON VALUE-ADDED TELECOMMUNICATIONS SERVICES

Value-Added Telecommunications Services

The Telecommunications Regulations of the PRC (《中華人民共和國電信條例》), or the Telecommunications Regulations, promulgated by the State Council on September 25, 2000 and last amended in February 2016, serve as the primary legal framework governing telecommunications services in China. Under these regulations, telecommunications service providers must obtain the appropriate operating licenses from the MIIT or its provincial counterparts before commencing operations. Failure to do so may result in administrative penalties, including rectification orders, warnings, fines, and the confiscation of illegal gains. In cases of serious non-compliance, authorities may order the closure of the operator's websites.

The Telecommunications Regulations classify telecommunications services into two categories: basic telecommunications services and value-added telecommunications services. Value-added telecommunications services refer to telecommunications and information services delivered via public network infrastructure. The Administrative Measures for Telecommunications Business Operating Licenses (《電信業務經營許可管理辦法》), issued by the MIIT in July 2017, provide detailed rules on the types of licenses required for operating value-added services, the eligibility criteria and application procedures, as well as the ongoing administration and supervision of such licenses.

Internet Information Service

Internet information service is classified as a type of value-added telecommunications service under the Catalog of Telecommunications Business (《電信業務分類目錄》), which forms an annex to the Telecommunications Regulations and was most recently updated by the MIIT on June 6, 2019. According to the Administrative Measures on Internet Information Services (《互聯網信息服務管理辦法》), promulgated by the State Council on September 25, 2000 and latest amended on December 6, 2024, "internet information services" refer to the provision of information to users via the internet. These services are categorized into two types: commercial and non-commercial. Operators engaging in commercial internet information services must obtain a value-added telecommunications services license specifically for internet information services—commonly known as an ICP License—from the relevant authorities before commencing operations. Non-commercial internet information services do not require such a license. Under the Administrative Measures for Telecommunications Business Operating Licenses, an ICP License is valid for five years and may be renewed within 90 days prior to its expiration.

Furthermore, commercial internet information services provided through mobile applications are regulated under the Administrative Provisions on Information Services of Mobile Internet Applications (《移動互聯網應用程序信息服務管理規定》), issued by the State Internet Information Office on June 28, 2016 and most recently amended on June 14, 2022. These provisions require mobile application service providers to obtain the necessary qualifications as prescribed by law and to implement robust information security measures.

Foreign Investment Restriction on Value-Added Telecommunications Services

According to the Negative List and the currently effective Administrative Regulations on Foreign-Invested Telecommunications Enterprises (《外商投資電信企業管理規定》), which were most recently amended by the State Council and took effect from March 29, 2022, as for the value-added telecommunications business types which fall within China's commitment to the WTO, the ultimate capital contribution percentage by foreign investor(s) in a foreign-invested value-added telecommunications enterprise shall not exceed 50%, except as otherwise stipulated by the State.

In 2006, the predecessor to the MIIT issued the Circular of the Ministry of Information Industry on Strengthening the Administration of Foreign Investment in Value-added Telecommunications Business (《信息產業部關於加強外商投資經營增值電信業務管理的通知》), according to which a foreign investor in the telecommunications service industry of China must establish a foreign-invested enterprise and apply for a telecommunications businesses operation license. This circular further requires that: (i) PRC domestic telecommunications business enterprises must not lease, transfer or sell a telecommunications businesses operation license to a foreign investor through any form of transaction or provide resources, offices and working places, facilities or other assistance to support the illegal telecommunications services operations of a foreign investor; (ii) value-added telecommunications enterprises or their shareholders must directly own the domain names and trademarks used by such enterprises in their daily operations; (iii) each value-added telecommunications enterprise must have the necessary facilities for its approved business operations and maintain such facilities in the regions covered by its license; and (iv) all providers of value-added telecommunications services are required to maintain network and internet security in accordance with the standards set forth in relevant PRC regulations. If a license holder fails to comply with the requirements in the circular and cure such noncompliance, the MIIT or its local counterparts have the discretion to take measures against such license holder, including revoking its license for value-added telecommunications business.

On April 8, 2024, the MIIT promulgated the Notice on the Pilot Program for Expanding the Opening up of Value-added Telecommunications Services (《工業和信息化部關於開展增值電信業務擴大對外開放試點工作的通告》). The pilot program will be first carried out in the designated districts in Beijing, Shanghai, Hainan and Shenzhen. In regions approved to carry out the pilot program, restrictions on foreign equity ratios will be removed for internet data centers (IDC), content delivery networks (CDN), internet service providers (ISP), online data processing and transaction processing, information releasing platforms and delivery services included in information services (excluding the operation of internet news information, online publishing, online audio and video, and internet culture), as well as information protection and processing services. The relevant local telecommunication authorities have subsequently published the guidance to implement the aforementioned notice.

As advised by our PRC Legal Adviser, we had obtained all licenses that are material to our operations throughout the Track Record Period and up to the Latest Practicable Date.

REGULATIONS ON INTERNET INFORMATION SECURITY, PRIVACY PROTECTION AND AUTOMOTIVE DATE SECURITY

Internet Information Security

The Cybersecurity Law of the PRC (《中華人民共和國網絡安全法》, the "**Cybersecurity Law**"), which was promulgated by the Standing Committee of the NPC (the ″SCNPC″) on November 7, 2016 and most recently amended on October 28, 2025 and came into effect on January 1, 2026, applies to the construction, operation, maintenance and use of networks as well as the supervision and administration of cybersecurity in the PRC. "Network operators" are subject to various security protection-related obligations, including: (i) fulfill graded protection obligations by establishing internal rules, designating cybersecurity personnel, and adopting technical measures against cyber threats; (ii) develop emergency response plans, address security risks promptly, and report incidents to authorities; and (iii) follow legal and necessary principles in information collection — disclosing rules, specifying purposes and scope, and obtaining consent.

According to the Measures for the Administration of Information Security Level Protection (《信息安全等級保護管理辦法》) promulgated by the Ministry of Public Security of the PRC (the "**MPS**"), the National Administration of State Secrets Protection, the State Cryptography Administration Office of Security Commercial Code Administration, and the Informatization Work Office of the State Council on June 22, 2007, and became effective on the same day, the entities that operate or use information systems are responsible for implementing multi-level protection measures. For information systems classified at Level Two or above that are already in operation, the operator or user must file the system with the public security authority at or above the municipal level within 30 days of determining its security protection level. For newly launched information systems at Level Two or above, the filing must be completed within 30 days of the system becoming operational.

The Data Security Law of the PRC (《中華人民共和國數據安全法》), which was promulgated by the SCNPC on June 10, 2021, and took effect on September 1, 2021, requires entities and individuals engaged in data activities to establish systems for data classification and hierarchical protection, as well as to formulate catalogs of important data to strengthen the protection of such data. Processors of important data must designate responsible personnel and establish dedicated management bodies to ensure the fulfillment of data security obligations. Relevant authorities will develop specific measures for the cross-border transfer of important data.

On December 28, 2021, the Cyberspace Administration of China (the "**CAC**") promulgated the Measures for Cybersecurity Review (《網絡安全審查辦法》) (the "**Cybersecurity Review Measures**"), which came into effect on February 15, 2022. According to the Cybersecurity Review Measures, there are two mechanisms to trigger cybersecurity review: (a) review of voluntary declaration by enterprises: applicable to (i) critical information infrastructure operators that intend to purchase network products and services; (ii) a network platform operator that processes the personal information of more than one million people intends to be listed overseas; and (b) initiation of review by regulatory authorities: for any member of the cybersecurity review working mechanism believes that any network product or service or data processing activity affects or is likely to affect national security.

On September 24, 2024, the State Council promulgated the Regulation on the Administration of Cyber Data Security (《網絡數據安全管理條例》) (the "**Cyber Data Security Regulation**"), which came into effect on January 1, 2025. The Cyber Data Security Regulation provides detailed guidance on current regulatory requirements for various aspects of data processing, including the disclosure of data processing rules by processors, the obtaining of general and separate consents, the protection and security of important data, cross-border data transfers, and additional obligations imposed on platform operators.

Privacy Protection

Pursuant to the PRC Civil Code (《中華人民共和國民法典》), the personal information of a natural person shall be protected by the law. An information processor shall not disclose or tamper with any personal information collected or stored thereby, and without the consent of the natural person, no personal information shall be disclosed to any other person.

Personal Information Protection of the People's Republic of China (《中華人民共和國個人信息保護法》) (the "**Personal Information Protection Law**"), which was promulgated by the SCNPC on August 20, 2021 and became effective on November 1, 2021, consolidates separate provisions on personal information rights and privacy protection. Personal information, as defined in the Personal Information Protection Law, refers to all kinds of information related to an identified or identifiable natural person recorded electronically or by other means, excluding anonymized information. The Personal Information Protection Law sets out a number of specific rules on the obligations of processors of personal information, such as informing individuals of the purpose and method of processing, and specifying the obligations of third parties who obtain personal information through co-processing or entrustment.

Automotive Data Security

On August 16, 2021, the CAC, together with the NDRC, the MPS, the MIIT, and the Ministry of Transport (the "**MOT**"), jointly issued the Certain Provisions on the Management of Automotive Data Security (for Trial Implementation) (汽車數據安全管理若干規定(試行)》) (the "**Automotive Data Security Provisions**"), which came into effect on October 1, 2021. These Provisions are intended to regulate the collection, storage, use, processing, transmission, provision, and disclosure of personal information and critical data generated by automobile designers, manufacturers, and service providers throughout the vehicle lifecycle. Automotive data processors—including vehicle manufacturers, parts and software providers, dealers, repair service providers, and mobility service companies—must handle personal information and critical data in compliance with applicable laws during the design, manufacturing, sale, operation, maintenance, and management of vehicles. The processing of personal information must be based on the consent of the individual or other lawful grounds provided by relevant laws and regulations. The State encourages the lawful, reasonable, and effective use of automotive data and promotes adherence to the following guiding principles: (i) the principle of in-vehicle processing, avoiding providing automotive data outside the vehicle unless necessary; (ii) the principle of non-collection by default, where non-collection is set each time unless the driver initiates otherwise; (iii) the principle of applying the range of accuracy, and determine the coverage and resolution of cameras, radar, etc., based on the requirements of the provided functional service for data accuracy; (iv) the principle of desensitized processing, and anonymize and de-identify the information whenever possible. Under the Provisions, personal information and critical data relating to automobiles must, in principle, be stored within China. If such data needs to be transferred overseas, the competent national internet information department will conduct a cross-border data security assessment in coordination with the relevant departments of the State Council. In addition, when processing critical data, automotive data processors are required to conduct risk assessments in accordance with applicable regulations and submit risk assessment reports to the relevant provincial authorities.

On September 15, 2021, the MIIT issued the Notice on Strengthening Network Security and Data Security of Telematics (《工業和信息化部關於加強車聯網網絡安全和數據安全工作的通知》). Pursuant to this notice, all operators of telematics service platforms are required to establish robust network security and data security management systems. They must enhance security protections, monitor and mitigate network security risks and threats, improve the resilience of telematics network infrastructure and systems, safeguard communication security, implement real-time monitoring and early warning mechanisms, strengthen emergency response capabilities, and advance the grading and filing of telematics network security protections.

On October 8, 2021, the National Information Security Standardization Technical Committee issued the Security Guidelines for Processing Vehicle Collected Data (《汽車採集數據處理安全指南》), which set forth security requirements applicable to the transmission, storage, and cross-border transfer of data collected by vehicles.

On February 25, 2022, the MIIT promulgated the Guidelines for the Construction of the Network Security and Data Security Standard System for Telematics (《車聯網網絡安全和數據安全標準體系建設指南》), which set out clearly defined security standards and requirements. These guidelines cover the full spectrum of telematics security domains, including terminal and facility network security, network communication security, data security, application service security, and the supporting security assurance framework.

On December 8, 2022, the MIIT issued the Notice on the Promulgation of the Administrative Measures on Data Security in the Field of Industry and Information Technology (for Trial Implementation) (《工業和信息化部關於印發<工業和信息化領域數據安全管理辦法(試行)>的通知》). Under these Measures, data processors operating within the industrial and information technology sectors are required to regularly classify and inventory their data, identify important data and core data in accordance with applicable standards and specifications, and compile entity-specific data catalogs.

REGULATIONS ON AI LARGE MODELS AND ALGORITHM

The CAC and other relevant departments jointly promulgated the Interim Measures for the Management of Generative Artificial Intelligence Services (《生成式人工智能服務管理暫行辦法》). Effective from August 15, 2023, these measures stipulate compliance requirements for providers of generative artificial intelligence services. Pursuant to these measures, individuals or organizations using generative AI technology to provide services generating text, images, audio, video, or other content shall assume the responsibility as network information content producers, fulfill obligations related to network information security, and assume the responsibility as personal information processors to protect the involved personal information. Certain providers of generative artificial intelligence services are additionally required to conduct security assessments and complete regulatory filings. Non-compliance may subject providers to penalties such as warnings, public censure, orders for rectification, and suspension of related services.

The CAC and other relevant departments jointly promulgated the Regulations on the Management of Algorithmic Recommendations in Internet Information Services (《互聯網信息服務算法推薦管理規定》). Effective from March 1, 2022, these regulations require that providers of algorithm-based recommendation services shall be responsible for algorithm security and must establish management systems including measures such as audits, ethical reviews, fraud prevention, security assessments, and data security emergency response plans. They must also designate dedicated personnel in charge and implement corresponding technical measures. Service providers are required to regularly review, assess, and verify their algorithm mechanisms, models, data, and application results. They must notify users when providing algorithmic recommendation services, offer options to disable such services, and provide effective channels for complaints and reporting.

The CAC and other relevant departments jointly promulgated the Regulations on the Management of Deep Synthesis in Internet Information Services (《互聯網信息服務深度合成管理規定》). Effective from January 10, 2023, these regulations specify management requirements for deep synthesis services, including scope of application, departmental responsibilities, primary responsibilities of service providers, data and technical management requirements, content labeling obligations, supervision and inspection provisions, and legal liabilities. The aim is to regulate the application of deep synthesis technology and safeguard network information security.

In compliance with the measures above, we have completed the filing for our Yan AI in accordance with the Interim Measures for the Management of Generative Artificial Intelligence Services on June 9, 2025. We have implemented the compliance requirements as outlined in the filing materials for the operation of the large model. The aforementioned compliance requirements are as follows: (i) Training data sources must be compliant and must not infringe on third-party intellectual property rights or trade secrets: The Group conducts special sampling and assessment of corpus content to ensure that the sources of training corpus are compliant. (ii) Formulate operable data annotation rules: The Group has formulated the Corpus Annotation Rules, which specify the format, methods, and acceptance criteria for corpus annotation. (iii) Ensure that generated content is compliant, prohibiting discrimination and illegal content: The Group has established an Interception Keyword List and generated content assessment test questions to ensure the accuracy and reliability of generated content and to avoid illegal or discriminatory terms. (iv) Formulate a service agreement, disclose the applicable users, occasions, and purposes of the service: The Group has formulated the Model Service Agreement.The Model Service Agreement and the corresponding privacy policy constitute the agreement between users and the Group for the use of the Yan AI large model services. They specify account management, service content (vehicle control, vehicle usage, entertainment, etc.), intellectual property rights, and liability limitations.

Regarding personal information protection, it is agreed that the Group follows the principles of legality, legitimacy, and necessity, collecting necessary personal information after obtaining user consent via pop-up windows, for purposes such as providing basic functions, optimizing the model, and security risk control. Users have the rights to access, correct, and delete their personal information. Through the aforementioned measures, the Group has implemented, in the process of providing AI services, comprehensive arrangements for personnel allocation, system establishment, documentation, and risk control across training data collection, corpus annotation, content generation, user notification, and interaction. Supported by these mechanisms, the Group is able to ensure compliance with the specific provisions of the Measures.

Apart from the Yan AI, we do not possess any other large models that require filing or registration for generative artificial intelligence services under the Interim Measures for the Management of Generative Artificial Intelligence Services.

During the Track Record Period, the PRC data compliance adviser and we are of the view, and the Joint Sponsors concur, that we have complied with all applicable AI-related laws and regulations in all material respects.

REGULATIONS ON INTELLECTUAL PROPERTY RIGHTS

Trademark Law

Pursuant to the Trademark Law of the PRC (《中華人民共和國商標法》), which was promulgated on August 23, 1982, last amended on April 23, 2019, and effective as of November 1, 2019, and the Implementation Regulations of the Trademark Law of the PRC (《中華人民共和國商標法實施條例》), which were issued on August 3, 2002 and last amended on April 29, 2014, the China National Intellectual Property Administration (the "**CNIPA**"), through its Trademark Office, is responsible for handling trademark registration matters. Under the Trademark Law, a registered trademark is granted a validity period of ten years, which may be renewed for successive ten-year periods upon request by the trademark owner. The PRC trademark regime follows a "first-to-file" principle. Accordingly, if an application is filed for a trademark that is identical with or similar to a previously registered trademark, or one under preliminary examination and approval for use on the same or similar goods or services, the application may be rejected. Applicants must not infringe upon existing rights of others, and no person may preemptively register a trademark that is already in use by another and has acquired a "sufficient degree of reputation" through such use. A registered trademark may be licensed to another party by entering into a trademark license agreement. The licensor is required to file the license for recordation with the Trademark Office, which will then publish the record. A license that has not been recorded may not be asserted against a bona fide third party.

Patent Law

The Patent Law of the PRC (《中華人民共和國專利法》) promulgated by the SCNPC on March 12, 1984, most recently amended on October 17, 2020, and effective from June 1, 2021, and the Implementing Rules of the Patent Law (《中華人民共和國專利法實施細則》), which were promulgated on January 19, 1985, most recently amended by the State Council on December 11, 2023 and effective from January 20, 2024, provide for three types of patents: "invention," "utility model" and "design." "Invention" refers to any new technical solution in relation to a product, or a process or improvement thereof; "utility model" refers to any new technical solution relating to the shape, structure, or their combination, of a product, which is suitable for practical use; "design" refers to a new design that is aesthetic and suitable for industrial application for the overall or partial shape, pattern or its combination of products, as well as the combination of color, shape and pattern. The validity period of patent for an "invention" is 20 years, while the validity period of patent for a "utility model" is 10 years and that of a "design" is 15 years, from the date of application.

Copyright Law and Software Registration

Pursuant 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 SCNPC on September 7, 1990, most recently amended on November 11, 2020, and effective from June 1, 2021, Chinese citizens, legal persons or unincorporated organizations shall, whether published or not, enjoy copyright in their works in accordance with the law. Unless otherwise provided in the Copyright Law of the People's Republic of China and other related systems, laws and regulations, reproducing, distributing, performing, projecting, broadcasting or compiling a work or communicating the same to the public via an information network without permission from the owner of the copyright therein shall constitute infringements of copyrights. The infringer shall, according to the circumstances of the case, undertake to cease the infringement, eliminate impact, and offer an apology, pay damages and other civil liabilities. In exercising the rights, copyright owners and copyright-related rights holders shall not be in violation of the Constitution and laws nor prejudice to public interests. According to the Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》) issued on April 6, 1992, most recently 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, most recently amended on January 30, 2013, and effective from

March 1, 2013, the State Copyright Administration shall be responsible for the administration of software copyright registration nationwide, and the China Copyright Protection Center is recognized as the software registration authority. Applicants for computer software copyright satisfying the requirements of the Measures for the Registration of Computer Software Copyright and the Regulations on Protection of Computer Software will be issued a registration certificate by the China Copyright Protection Center.

Domain Names

Pursuant to the Measures for the Administration of Internet Domain Names (《互聯網域名管理辦法》) promulgated by the MIIT on August 24, 2017 and effective from November 1, 2017, the MIIT supervises and administers domain services nationwide. The principle of "first come, first served" is followed for the domain name registration service. Applicants of domain name registration shall provide the domain name registration authority with true, accurate and complete information about the identity of the domain name holder for registration purpose, and sign a registration agreement with it. After completing the domain name registration, the applicant becomes the holder of the domain name registered by him/her/it.

REGULATIONS ON EMPLOYMENT AND SOCIAL WELFARE

The PRC Labor Law (《中華人民共和國勞動法》), which was promulgated by the NPC in 1994, and last amended in 2018, provides that employees are entitled to equal opportunities in employment, selection of occupations, receiving labor remuneration, rest days and holidays, protection of occupational safety and healthcare, social insurance and welfare. Employers must establish and improve the system for occupational safety and healthcare, provide training on occupational safety and healthcare to employees, comply with national and local regulations on occupational safety and healthcare, and provide necessary labor protective supplies to employees.

The PRC Labor Contract Law (《中華人民共和國勞動合同法》), which was promulgated by the NPC in 2007, amended in 2012 and came into effect in 2013, and the Implementation Regulations on Labor Contract Law (《中華人民共和國勞動合同法實施條例》) which was promulgated by the State Council and came into effect in 2008, stipulate the relations of employer and the employee, and contain specific provisions including but not limited to the probationary period and liquidated damages to protect the rights and interests of the employees. The PRC Social Insurance Law (《中華人民共和國社會保險法》) issued by the NPC in 2010, effective in 2011 and last amended in 2018, provides that an employee shall participate in five types of social insurance funds, including pension insurance, medical insurance, unemployment insurance, maternity insurance and occupational injury insurance. The premiums for maternity insurance and occupational injury insurance are paid by the employer, while the premiums for pension insurance, medical insurance and unemployment insurance are paid by both the employer and the employee. If the employer fails to fully contribute to social insurance funds on time, the collection agency for such social insurance may demand the employer to make full payment or to pay the shortfall within a set period and collect a late charge. If the employer fails to pay after the due date, the relevant government administrative body may impose a fine on the employer.

The Regulation on the Administration of Housing Provident Funds (《住房公積金管理條例》) issued by the State Council in 1999 and last revised in 2019 provides that enterprises must register with the competent managing center for housing funds and shall contribute to the Housing Provident Fund for any employee on its payroll. Where an employer fails to pay up housing provident funds within the prescribed time limit, the employer may be fined and ordered to make payment within a certain period. Where the contribution has not been made after the expiration of the time limit, the enterprises may be subject to compulsory enforcement by the People's Court.

On July 31, 2025, the Supreme People's Court of the PRC has issued the Interpretation II of the Supreme People's Court of Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》), which took effect from September 1, 2025. Pursuant to the Interpretation II, any arrangement not to participate in social insurance through unilateral undertaking by employees or mutual agreement between the employers and the employees, is invalid. If the employee terminates the labor contract on the grounds that the employer fails to make social insurance contributions in accordance with PRC laws and regulations, and claims economic compensation from the employer, the courts shall uphold the claims.

REGULATIONS ON TAX IN THE PRC

Income Tax Law

According to the PRC Enterprise Income Tax Law (《中華人民共和國企業所得稅法》) promulgated by the NPC on March 16, 2007, and most recently amended on December 29, 2018 and effective from the same date and the Enterprise Income Tax Implementation Regulations of the PRC (《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, enterprises are divided into resident enterprises and non-resident enterprises. A unified enterprise income tax rate of 25% is applied equally to both domestic enterprises and foreign invested enterprises excluding non-resident enterprises, except where tax incentives are granted to special industries and projects.

Value-Added Tax

On December 25, 2024, the SCNPC promulgated the Value-added Tax Law of the PRC (《中華人民共和國增值稅法》), or the Value-added Tax law, which took effect on January 1, 2026 and replaced the Provisional Regulations on Value-Added Tax of the PRC (《中華人民共和國增值稅暫行條例》). Pursuant to the Value-added Tax Law, entities engaged in the sale of goods, services, intangible assets and immovables and importation of goods within the territory of the PRC are value-added tax ("VAT") payers and shall pay VAT. Taxpayers that sell goods are subject to a tax rate of 13% and taxpayers that sell services or intangible assets are subject to a tax rate of 6%. Unless otherwise specified in the Value-added Tax Law, taxpayers making taxable transactions shall calculate and pay VAT by offsetting input tax against output tax according to the general tax calculation method and calculate the VAT payable.

REGULATIONS ON OVERSEAS LISTING

On February 17, 2023, with the approval of the State Council, 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》) and relevant five guidelines, which came into force on March 31, 2023.

According to the Trial Administrative Measures, (i) PRC domestic companies that seek to offer or list securities overseas, both directly and indirectly, should fulfill the filing procedure and submit relevant information to the CSRC; if a domestic company fails to complete the filing procedure or conceals any material fact or falsifies any major content in its filing documents, such domestic company may be subject to administrative penalties, such as an order to rectify, warnings, fines, and its controlling shareholders, actual controllers, the person directly in charge and other directly liable persons may also be subject to administrative penalties, such as warnings and fines; (ii) domestic companies that seek to offer or list securities overseas directly are limited by shares offer or list securities in overseas securities markets; and (iii) any PRC company limited by shares is required to file with the CSRC within three business days after its application for overseas listing is submitted. Failure to complete the filing under the Trial Administrative Measures may subject a PRC domestic company to rectification ordered by the CSRC, a warning and a fine of RMB1 million to RMB10 million.

Besides, PRC domestic companies seeking to overseas offering and listing shall strictly comply with the laws, administrative regulations and relevant provisions of the PRC government on foreign investment, state-owned assets, industry regulation, overseas investment, etc., shall not disrupt domestic market order, and shall not harm national interests, public interest and the legitimate rights and interests of domestic investors. PRC domestic companies that conduct overseas offering and listing shall (i) formulate their articles of association, improve their internal control system and standardize their corporate governance, financial affairs and accounting activities in accordance with the PRC Company Law, the PRC Accounting Law and other PRC laws, administrative regulations and applicable provisions; (ii) abide by the legal system of the PRC on confidentiality and take necessary measures to implement the confidentiality responsibility, not divulge any state secret or the work secrets of state authorities, and also comply with laws, administrative regulations and the relevant provisions of the PRC where involved in the overseas provision of personal information and important data. In addition, the Trial Administrative Measures also provide the circumstances where the overseas offering and listing is explicitly prohibited, including: (i) such securities offering and listing are explicitly prohibited by specific PRC laws and regulations; (ii) such securities offering and listing constitute a threat to or endanger national security; (iii) the PRC domestic company, or its controlling shareholder(s) and the actual controller, have committed relevant crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) the PRC domestic company is currently under investigations for suspicion of criminal offenses or major violations of laws and regulations, and no conclusion has yet been made thereof; or (v) there are material ownership disputes over equity held by the controlling shareholder(s) or by other shareholder(s) that are controlled by the controlling shareholder(s) and/or the actual controller.

On February 24, 2023, the CSRC and other relevant government authorities promulgated the Provisions on Strengthening the Confidentiality and Archives Administration of Overseas Securities Issuance and Listing by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the "**Provision on Confidentiality**"), which took effect on March 31, 2023. Pursuant to the Provision on Confidentiality, where a domestic enterprise provides or publicly discloses to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, or provides or publicly discloses through its overseas listing subjects, documents and materials involving state secrets and working secrets of state organs, it shall report the same to the competent department with the examination and approval authority for approval in accordance with the law, and submit the same to the secrecy administration department of the same level for filing. Domestic enterprises providing accounting archives or copies thereof to entities and individuals concerned such as securities companies, securities service institutions and overseas regulatory authorities shall perform the corresponding procedures pursuant to the relevant provisions of the State.

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

March 31, 2023, for a domestic company directly offering and listing overseas, shareholders of its domestic unlisted shares applying to convert such shares into shares listed and traded on an overseas trading venue shall conform to relevant regulations promulgated by the CSRC. Additionally, they are required to authorize the domestic company to submit the conversion application to the CSRC on their behalf.

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

REGULATIONS ON FOREIGN EXCHANGE

The principal regulations governing foreign currency exchange in China are the Foreign Exchange Administration Regulations of the PRC (《中華人民共和國外匯管理條例》), which was promulgated by the State Council on January 29, 1996 and was latest amended on August 5, 2008. Pursuant to these regulations and other PRC rules and regulations on currency conversion, Renminbi is freely convertible for payments of current account items, such as trade- and service-related foreign exchange transactions and dividend payments, but not freely convertible for capital account items, such as direct investment, loan or investment in securities outside China unless prior approval of the State Administration of Foreign Exchange ("**SAFE**") or its local counterpart is obtained.

In February 2012, SAFE promulgated the Circular on Foreign Exchange Administration for PRC Residents Participating in Share Incentive Plans of Offshore Listed Companies (Huifa [2012] No. 7) (《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》(匯發[2012]7號)) (the "**SAFE Circular 7**"). According to the SAFE Circular 7 and other relevant rules and regulations, a domestic director, supervisor or senior management or employees who has employment or labor relationship with a company listed overseas, and participates in a share incentive plan of the company shall be subject to the foreign exchange registration procedure as required in the SAFE Circular 7. However, H-share direct listings by domestic companies do not fall under the category of 'overseas listed companies' as defined in SAFE Circular 7.

According to the "Guidelines for Foreign Exchange Business under Capital Accounts (2024 Edition)" (《資本項目外匯業務指引》(2024年版)) issued by the SAFE on April 3, 2024, in principle, the funds raised by overseas listings of domestic companies should be repatriated to China in a timely manner, and can be repatriated in RMB or foreign currency. The use of funds shall be consistent with the relevant contents listed in the document or corporate bond offering documents, shareholder circulars, resolutions of the board of directors or shareholders' meeting and other publicly disclosed documents. Domestic companies using the funds raised from overseas listings to carry out overseas direct investment, overseas securities investment, overseas lending and other businesses shall comply with the relevant foreign exchange management regulations.

On December 24, 2025, the PBOC and the SAFE jointly promulgated the Circular on Issues Concerning the Administration of Funds for Overseas Listing of Domestic Enterprises (《關於境內企業境外上市資金管理有關問題的通知》), which will become effective on April 1, 2026. Pursuant to this circular, a domestic enterprise shall complete the registration with the competent banks within 30 business days after the date of its initial overseas listing or the completion of the over-allotment. The proceeds raised may be remitted to the PRC or deposited overseas, provided that the use of funds shall be consistent with the relevant disclosure documents. Domestic shareholders increasing or decreasing their overseas shareholdings are also required to comply with the relevant registration and account management requirements.