LAWS, REGULATIONS AND POLICIES OF THE PRC

This section outlines certain aspects of laws, regulations and policies of the PRC pertaining to the Company's business operations.

REGULATIONS AND POLICIES ON THE PRINTED CIRCUIT BOARD (PCB) INDUSTRY

Pursuant to the "Specifications for the Printed Circuit Board Industry" (《印製電路板行業規範條件》) ("**Specifications**") and the "Interim Measures for the Administration of Public Announcements on the Specifications for the Printed Circuit Board Industry" (《印製電路板行業規範公告管理暫行辦法》), which were promulgated by the Ministry of Industry and Information Technology of the People's Republic of China ("**MIIT**") on 28 December 2018 and took effect on 1 February 2019, a quantitative standard system has been established for printed circuit board enterprises and projects from multiple dimensions, including capacity layout and project construction, production scale and process technology, intelligent manufacturing, green manufacturing, work safety, social responsibility.

The "Catalogue of Encouraged Industries for Foreign Investment (2025 Edition)" (《鼓勵外商投資產業目錄(2025年版)》), which was promulgated by NDRC and the Ministry of Commerce of the People's Republic of China ("**MOFCOM**") on 15 December 2025 and took effect on 1 February 2026, explicitly includes "chip components, sensitive components and sensors, frequency control and selection components, hybrid integrated circuits, power electronic devices, optoelectronic devices, new electromechanical components, polymer solid capacitors, supercapacitors, passive integrated components, high-density interconnect build-up boards, single-layer, double-layer and multi-layer flexible boards, rigid-flex printed circuit boards, high-density and fine-line flexible circuit boards (with line width/line spacing ≤ 0.05mm), and IC packaging substrates" in the scope of encouraged industries for foreign investment.

The "Guidance Catalogue for Industrial Structure Adjustment" (2024 Edition) (《產業結構調整指導目錄(2024年本)》) was promulgated by NDRC on 27 December 2023 and took effect on 1 February 2024. The "Catalog" consists of three categories: encouraged, restricted, and eliminated. The encouraged category mainly includes technologies, equipment, and products that significantly promote economic and social development. High-density interconnect build-up boards, single-layer, double-layer and multi-layer flexible boards, rigid-flex PCBs and integrated circuit substrates, high-density and fine-line flexible circuit boards (with line width/line spacing ≤ 0.05mm), high-frequency microwave PCBs, high-speed communication circuit boards, and flexible circuit boards belong to the information industry and are classified as encouraged. The printed circuit boards produced by the Company fall under the category of encouraged industries.

REGULATIONS ON COMPANIES AND FOREIGN INVESTMENT

Under the "Company Law of the People's Republic of China" (《公司法》) ("**Company Law**"), which was promulgated by the Standing Committee of the National People's Congress on 29 December 1993, implemented on 1 July 1994, and latest amended on 29 December 2023 and took effect on 1 July 2024, companies are generally classified into two types: limited liability companies and joint stock limited companies. Both types of companies have legal person status, and the liability of shareholders of a limited liability company or joint stock limited company is limited to their respective capital contributions to the registered capital. The "Company Law" also applies to foreign-invested enterprises, unless otherwise provided by laws and regulations specifically governing foreign investment.

On 1 January 2020, 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**") and the "Implementation 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》) came into effect, replacing the three primary laws governing foreign investment in the PRC, namely the "Law of the People's Republic of China on Sino-foreign Equity Joint Ventures" (《中華人民共和國中外合資經營企業法》), the "Law of the People's Republic of China on Sino-foreign Cooperative Joint Ventures" (《中華人民共和國中外合作經營企業法》), the "Law of the People's Republic of China on Wholly Foreign-Owned Enterprises"(《中華人民共和國外資企業法》), and their implementation rules and supporting regulations. The "Foreign Investment Law" clarifies the definition of foreign investment and establishes a framework for the promotion, protection, and management of foreign investment activities.

On 30 December 2019, MOFCOM and the State Administration for Market Regulation ("**SAMR**") jointly promulgated the "Measures for the Reporting of Foreign Investment Information" (effective on 1 January 2020). Pursuant to these Measures, foreign investors establishing a foreign-invested enterprise or establishing a foreign-invested enterprise by acquiring equity in a non-foreign-invested enterprise, as well as subsequent changes thereto, must submit an initial report or change report to the enterprise registration system.

Pursuant to the "Foreign Investment Law", the PRC adopts a national treatment system with a negative list for foreign investment management. The negative list, which will be promulgated, amended, or published from time to time upon approval by the State Council, lists industries where foreign investment is prohibited and industries where foreign investment is restricted. Foreign investors are prohibited from investing in industries listed as prohibited, while investment in restricted industries must comply with the relevant conditions specified in the negative list. Except the industries listed as prohibited and restricted in the negative list, foreign investment in other industries enjoys the same treatment as domestic investment.

The "Special Administrative Measures (Negative List) for Foreign Investment Access (2024 Edition)" (《外商投資准入特別管理措施(負面清單)(2024年版)》) ("**Negative List**") was promulgated by NDRC and MOFCOM on 6 September 2024 and took effect on 1 November 2024; the "Catalogue of Encouraged Industries for Foreign Investment (2025 Edition)" was promulgated on 15 December 2025 and took effect on 1 February 2026. The aforementioned documents specify the specific categories of encouraged, restricted, and prohibited industries, and industries not listed in the Negative List are managed in accordance with the principle of treating domestic and foreign investment equally. As of the latest practicable date, our business is not listed in the Negative List and is not subject to relevant special administrative measures.

REGULATIONS ON OVERSEAS INVESTMENT

On 6 September 2014, MOFCOM promulgated the "Measures for the Administration of Overseas Investment" (《境外投資管理辦法》), which came into effect on 6 October 2014. On 26 December 2017, NDRC promulgated the "Measures for the Administration of Overseas Investment of Enterprises" (《企業境外投資管理辦法》), which came into effect on 1 March 2018. On 31 January 2018, the NDRC promulgated the "List of Sensitive Sectors for Outbound Investment (2018 Edition)", which came into force on 1 March 2018 and details the current sensitive industries.

According to the above regulations, overseas investment refers to the investment of a domestic enterprise to, directly or through the overseas enterprise under its control, acquire overseas ownership, control, business management rights and other related rights and interests by means such as investing assets or equity or providing financing or guarantee The scope of administration covers sensitive projects operated by investors directly or through the overseas enterprise under its control. Overseas investment involving sensitive countries and regions or sensitive industries shall be approved by NDRC. Other overseas investments by enterprises shall be managed by means of filing. MOFCOM and provincial-level commerce authorities are responsible for the management and supervision of enterprises' overseas investment through the "Overseas Investment Management System", and shall issue the "Certificate of Enterprise Overseas Investment" to the enterprises that have been approved or filed.

On 13 February 2015, the State Administration of Foreign Exchange ("**SAFE**") issued the "Notice of the State Administration of Foreign Exchange on Further Simplifying and Improving Policies for Foreign Exchange Administration for Direct Investment" (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》), canceling the approval for the registration of foreign exchange under overseas direct investment. Banks directly handle the registration of foreign exchange under overseas direct investment. SAFE and its branches conduct indirect regulation over registration of foreign exchange under direct investment.

REGULATIONS ON FOREIGN EXCHANGE

Pursuant to the "Regulations on Foreign Exchange Administration of the People's Republic of China" (《中華人民共和國外匯管理條例》), which was promulgated by the State Council on 29 January 1996, took effect on 1 April 1996, and latest amended on 5 August 2008 and took effect on the same day, and the "Administrative Regulations on Settlements, Sales and Payments in Foreign Exchange" (《結匯、售匯及付匯管理規定》), which was promulgated by the People's Bank of China on 20 June 1996 and took effect on 1 July 1996, after relevant financial institutions have conducted a reasonable review of the authenticity of transaction documents and their consistency with foreign exchange receipts and payments, there is no restriction on the conversion of RMB for current account transactions such as payment for trade, service-related foreign exchange transactions, and dividend payments. However, conversion of RMB for capital account transactions such as direct investment, loans, or investment in securities outside the PRC requires prior approval from SAFE or its local branches.

Pursuant to the "Notice of the State Administration of Foreign Exchange on Issues Concerning Foreign Exchange Administration for Overseas Listings" (《國家外匯管理局關於境外上市外匯管理有關問題的通知》), which was promulgated by SAFE on 26 December 2014 and took effect on the same day, a domestic company shall, within 15 working days after completion of the overseas listing, register for overseas listing with the foreign exchange authority in the locality where it has been incorporated. A domestic company's funds raised through overseas listing may be repatriated or deposited overseas, provided that the use of funds shall be consistent with this document and the relevant contents set out in its disclosure documents.

Pursuant to the "Notice of the State Administration of Foreign Exchange on Reforming and Regulating Policies for the Administration of Foreign Exchange Settlement Under Capital Accounts" (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》), which was promulgated by SAFE on 9 June 2016 and took effect on the same day, and the "Notice of the State Administration of Foreign Exchange on Further Deepening Reforms and Facilitating Cross-Border Trade and Investment" (《國家外匯管理局關於進一步深化改革促進跨境貿易投資便利化的通知》), which was promulgated by SAFE on 4 December 2023 and took effect on the same day, domestic institutions implement a policy of discretionary settlement of foreign exchange receipts under the capital account. Foreign exchange receipts under the capital account for which discretionary settlement was already permissible pursuant to relevant policies (including foreign exchange registered capital, foreign exchange debt capital and repatriated funds obtained from overseas listings, etc.), may be conducted at banks based on the domestic institution's actual operating needs. The provisional percentage for the discretionary settlement of foreign exchange receipts under the capital account of domestic institutions is 100%, but SAFE may adjust the aforesaid percentage in due time according to the international receipts and payments situation. During the course of implementing the discretionary settlement of foreign exchange receipts under the capital account, domestic institutions can still choose the existing procedures for settlement upon payment for the use of foreign exchange receipts. For each foreign exchange settlement based on the principle of settlement upon payment, the banks shall examine the authenticity and compliance in the use of the funds for the previous transaction of foreign exchange settlement (including discretionary settlement and settlement upon payment). The foreign exchange receipts under capital accounts of domestic institutions and the RMB funds from foreign exchange settlement shall not be used directly or indirectly for purposes beyond the scope of business of the enterprise or prohibited by national laws and regulations. Unless otherwise stipulated by laws and regulations, domestic enterprises shall not directly or indirectly use relevant capital for securities investment or other investment and wealth management products other than bank capital-guaranteed products; relevant capital shall also not be used to issue loans to non-affiliated enterprises (except where explicitly permitted by the scope of business) or for construction or purchase of non-self-use real estate (except for real estate enterprises).

Pursuant to the "Notice of the State Administration of Foreign Exchange on Optimizing Foreign Exchange Administration to Support Foreign-Related Business Growth" (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知), which was promulgated by SAFE on 10 April 2020 and took effect on the same day, while ensuring funds are used for true businesses and in compliance with regulations and the existing management provisions on use of receipts under the capital account, eligible companies will be allowed to use receipts under the capital account such as foreign exchange capital, external debts and funds raised through overseas listing for domestic payments, without submitting authentication materials to banks beforehand on a transaction-by-transaction basis. The local foreign exchange administration shall strengthen monitoring, analysis, and in-process and post-hoc supervision.

LAWS AND REGULATIONS ON CUSTOMS DECLARATION

The "Customs Law of the People's Republic of China" (《中華人民共和國海關法》), which was promulgated by the Standing Committee of the National People's Congress on 22 January 1987, effective on 1 July 1987, and latest amended and took effect on 29 April 2021, stipulates that the Customs of the People's Republic of China is a State organ responsible for supervision and control over all arrivals in and departures from the Customs territory. All inward and outward means of transport, goods and articles shall enter or leave the territory at a place where there is a Customs office. The declaration of import or export goods and the payment of duties may be made by the consignees or consigners themselves, and such formalities may also be completed by their entrusted Customs brokers that have registered with the permission of the Customs, otherwise they may be fined by the Customs.

Pursuant to the "Regulations of the People's Republic of China on the Administration of Customs Declaration Entity Registration" (《中華人民共和國海關報關單位備案管理規定》), which was promulgated by the General Administration of Customs of China ("**GACC**") on 19 November 2021 and took effect on 1 January 2022, consignees and consignors of import and export goods and Customs brokers shall first obtain market entity status when applying for customers registration. Among them, consignees and consignors of import and export goods shall also apply for the registration of foreign trade operators.

In addition, the "Announcement on Including Registration Certificate of Customs Declaration Entity in the Reform of 'Multiple Certificates in One'" (《關於報關單位備案全面納入"多證合一"改革的公告》), jointly promulgated by GACC and SAMR on 20 December 2021 and took effect on 1 January 2022, clearly states that where an applicant needs to apply for Registration Certificate of Customs Declaration Entity when applying for business registration, the applicant shall tick the declarant and fill on record of relevant registration information. The market regulator will complete the registration according to the "Multiple Certificates in One" process. The data are exchanged between SAMR and GACC, and the applicant has no need to separately submit an application for registration of a customs declaration entity to the customs.

Moreover, the decision on amending the "Foreign Trade Law of the People's Republic of China" (《中華人民共和國對外貿易法》), which was promulgated by the Standing Committee of the National People's Congress on 30 December 2022 and took effect on the same day, deleted the requirement that "Any foreign trade business operator that is engaged in the import and export of goods or technology shall be registered for archival purposes with the administrative department of foreign trade of the State Council or the institution entrusted thereby", that is, the registration of foreign trade operators is no longer mandatory.

Furthermore, pursuant to the "Regulations of the People's Republic of China on the Administration of the Import and Export of Goods" (《中華人民共和國貨物進出口管理條例》) ("**Goods Import and Export Administration Regulations**"), which was promulgated by the State Council on 10 December 2001, latest amended on 10 March 2024, and took effect on 1 May 2024, enterprises engaged in trade activities of importing goods into the territory of the People's Republic of China or exporting goods from outside the territory of the People's Republic of China must comply with the "Goods Import and Export Administration Regulations". No goods that are prohibited from importation and exportation may be imported or exported; goods whose importation or exportation is restricted shall be subject to the administration of quotas or licenses; goods subject to free importation and exportation shall not be restricted. The consignee for import goods and the consignor for export goods shall submit the automatic import and export license, import and export license or quota certificate to the customs for customs declaration and inspection procedures.

LAWS AND REGULATIONS ON WORK SAFETY

Pursuant to the "Work Safety Law of the People's Republic of China" (《中華人民共和國安全生產法》) ("**Work Safety Law**"), which was latest amended by the Standing Committee of the National People's Congress on 10 June 2021 and took effect on 1 September 2021, all entities engaged in production and business operations within the territory of the PRC shall comply with the "Work Safety Law" and other relevant laws and regulations on work safety, Production and business operation entities shall strengthen the management of work safety, establish and improve work safety responsibility systems and procedures, improve work safety conditions, strengthen standardization and informatization of work safety, raise work safety level, and ensure work safety. The principal persons in charge of a production and business operation entity shall take full responsibility for the work safety in the entity. Those who violate the "Work Safety Law" shall face penalties such as fines, suspension of production and business, and order to stop production and business; if serious consequences are caused, criminal responsibility shall be pursued in accordance with the law.

Pursuant to the "Measures for the Supervision and Administration of 'Three Simultaneities' of Safety Facilities for Construction Projects" (《建設項目安全設施"三同時"監督管理辦法》), which was amended by the former State Administration of Work Safety on 2 April 2015 and effective on 1 May 2015, the safety facilities of newly-built, renovated and expanded engineering projects must be designed, constructed and put into production and use simultaneously with the main project. Enterprises shall conduct safety pre-evaluation for construction projects, entrust preliminary design units with corresponding qualifications to simultaneously design the safety facilities of the construction project and prepare the safety facilities design, submit an application for review to the relevant work safety supervision and administration department, and apply to the work safety supervision and administration department for acceptance of the safety facilities after the completion of the project.

LAWS AND REGULATIONS ON FIRE SAFETY

The "Fire Protection Law of the People's Republic of China" (《中華人民共和國消防法》) was promulgated by the Standing Committee of the National People's Congress on 29 April 1998, and came into force on 1 September 1998; it was latest amended on 29 April 2021 and took effect on the same day. The "Interim Provisions on the Administration of Fire Protection Design Review and Final Acceptance of Construction Projects" (《建設工程消防設計審查驗收管理暫行規定》) was promulgated for the first time by the Ministry of Housing and Urban-Rural Development of the People's Republic of China ("**MOHURD**") on 1 April 2020, latest amended on 21 August 2023, and took effect on 30 October 2023. According to the above laws and regulations, for construction projects that are required by the competent department of housing and urban-rural development under the State Council to apply for fire protection acceptance, the construction unit shall apply to the competent department of housing and urban-rural development for fire protection acceptance upon completion of the project. For other construction projects not specified in the preceding paragraph, the construction unit shall, after conducting self-organized acceptance, complete the filing procedures with the competent department of housing and urban-rural development. Construction projects that are legally required to undergo fire protection acceptance shall be prohibited from being put into use if they have not undergone fire protection acceptance or have failed the acceptance. For other construction projects, if they fail the random inspection conducted by the competent department of housing and urban-rural development in accordance with the law, their use shall be immediately stopped.

LAWS AND REGULATIONS ON PRODUCT QUALITY

Pursuant to the "Law of the People's Republic of China on Product Quality" (《中華人民共和國產品質量法》), which was promulgated by the Standing Committee of the National People's Congress on 22 February 1993, latest amended on 29 December 2018 and took effect on the same day, producers shall be responsible for the quality of the products they produce. The product quality shall meet the following requirements: (i) No unreasonable danger endangering personal or property safety; where there are national standards or industrial standards guaranteeing human health and personal and property safety, the product shall conform to such standards; (ii) Having the operational performance that the product should have, except where the producer has indicated the existence of defects in the operational performance of the product; (iii) Conforming to the product standard indicated on the product or its package, and conforming to the quality status indicated by way of product description, physical sample, etc.

LAWS AND REGULATIONS ON ENVIRONMENTAL PROTECTION

The "Environmental Protection Law of the People's Republic of China" (《中華人民共和國環境保護法》) was promulgated by the Standing Committee of the National People's Congress on 13 September 1979 and took effect on the same day, and was latest amended on 24 April 2014 and came into force on 1 January 2015.

Pursuant to the "Law of the People's Republic of China on Environmental Impact Assessment" (《中華人民共和國環境影響評價法》), which was latest amended by the Standing Committee of the National People's Congress on 29 December 2018 and took effect on the same day, the "Regulations on the Administration of Construction Project Environmental Protection" (《建設項目環境保護管理條例》), which was latest amended by the State Council on 16 July 2017 and came into force on 1 October 2017, and the "Interim Measures for Environmental Protection Acceptance of Completed Construction Project" (《建設項目竣工環境保護驗收暫行辦法》), which was promulgated by the former Ministry of Environmental Protection on 20 November 2017 and took effect on the same day, the PRC implements the environmental impact assessment system for construction projects. The construction unit shall, prior to the commencement of construction, submit the environmental impact report statement or environmental impact report form for approval before the commencement of the construction project, or submit the environmental impact registration form for record in accordance with the provisions of the competent department of environmental protection administration under the State Council. In addition, upon the completion of a construction project for which an environmental impact report statement or environmental impact report form has been prepared, the construction unit shall, in accordance with the standards and procedures prescribed by the competent department of environmental protection administration under the State Council, conduct acceptance inspection of the supporting environmental protection facilities and prepare an acceptance report. For construction projects that are built in phases, or that commence production or are delivered for use in phases, approval inspections at their environmental protection facilities should be conducted in phases. Construction projects may only formally commence production or be delivered for use when the environmental protection facilities required for the construction project have been constructed and have passed approval inspection. Those fail to pass approval inspection may not commence production or be delivered for use.

LAWS AND REGULATIONS ON AIR POLLUTION

Pursuant to the "Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution" (《中華人民共和國大氣污染防治法》), which was latest amended by the Standing Committee of the National People's Congress on 26 October 2018 and took effect on the same day, enterprises, public institutions and other producers and business operators should monitor their emission of industrial exhaust and toxic or harmful atmospheric pollutants listed in the catalog of Article 78 of this Law in accordance with relevant State regulations and monitoring standards and keep the original monitoring records. License for emission should be acquired by enterprises and public institutions emitting industrial exhaust or toxic and harmful atmospheric pollutants listed in the catalog, and by other units under the permit system for pollutant discharge. In addition, enterprises, public institutions and other producers and business operators when undertaking projects with impact on the atmospheric environment, shall assess the environmental impact in accordance with the law and disclose the environmental impact statement; and should, if atmospheric pollutants are discharged during the project, abide by the standards of the discharge of atmospheric pollutants and the total emission control policy on key atmospheric pollutants.

LAWS AND REGULATIONS ON SOLID WASTE

According to the "Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes" (《中華人民共和國固體廢物污染環境防治法》), which was latest amended on 29 April 2020 by the Standing Committee of the National People's Congress and came into effect on 1 September 2020, any entity or individual that generates, collects, stores, transports, utilizes or disposes of solid waste shall take measures to prevent or reduce the pollution of solid waste to the environment, and shall be responsible for the environmental pollution caused in accordance with the law. Where hazardous waste exists in solid waste, it shall be managed in accordance with the measures for the management of hazardous waste.

LAWS AND REGULATIONS ON WATER POLLUTION

Pursuant to the "Law of the People's Republic of China on the Prevention and Control of Water Pollution" (《中華人民共和國水污染防治法》), which was latest amended on 27 June 2017 by the Standing Committee of the National People's Congress and came into effect on 1 January 2018, enterprises, public institutions and other producers and business operators that directly or indirectly discharge industrial waste water or medical sewage to water bodies or which are required to obtain the pollutant discharge license before discharging waste water and sewage water must obtain the pollutant discharge license.

LAWS AND REGULATIONS ON POLLUTANT DISCHARGE

Pursuant to the provisions of the "Regulations on the Administration of Pollutant Discharge Permits" (《排污許可管理條例》), which was promulgated by the State Council on 24 January 2021 and took effect on 1 March 2021, and the "Classification Administration List of Pollutant Discharge Permitting for Fixed Pollution Sources (2019 Edition)" (《固定污染源排污許可分類管理名錄》), which was promulgated by the Ministry of Ecology and Environment on 20 December 2019 and took effect on the same day, enterprises, public institutions and other producers and business operators shall apply for pollutant discharge licenses in accordance with the provisions of these regulations; those that have not obtained pollutant discharge licenses shall not discharge pollutants. Pollutant discharge units generating and discharging pollutants with relatively greater impact to the environment shall be subject to focused administration of pollution discharge permits; Pollutant discharge units generating and discharging pollutants with relatively lesser impact to the environment shall be subject to the simplified administration of pollution discharge permits. Pollutant discharge units generating and discharging pollutants with minor impact to the environment shall be subject to the registration administration of pollution discharge.

LAWS AND REGULATIONS ON CLEANER PRODUCTION

The "Cleaner Production Promotion Law of the People's Republic of China" (《中華人民共和國清潔生產促進法》), which was latest amended by the Standing Committee of the National People's Congress on 29 February 2012 and took effect on 1 July 2012, stipulates that new construction, construction renovation and expansion projects shall conduct environmental impact assessments with respect to analysis and assessment of use of raw materials, resource consumption, comprehensive utilization of resources, as well as generation of pollutants and their treatment; shall accord priority to adopting cleaner production technologies, processes and equipment, which maximize the resource utilization rate and generate few pollutants.

LAWS AND REGULATIONS ON REAL ESTATE

The "Civil Code of the People's Republic of China" (《中華人民共和國民法典》) ("**Civil Code**") was promulgated by the National People's Congress of the People's Republic of China on 28 May 2020, and took effect on 1 January 2021. Under the "Civil Code", the creation, alteration, alienation, or extinguishment of a real right in immovable property shall become effective upon registration in accordance with law, and shall not take effect without registration, unless otherwise provided by law. The registration of immovable property shall be handled by the registration authority at the place where the immovable property is located.

The "Interim Regulations on Real Estate Registration" (《不動產登記暫行條例》) latest amended by the State Council on 10 March 2024 and took effect on 1 May 2024 and the "Implementation Rules for the Interim Regulations on Real Estate Registration" (《不動產登記暫行條例實施細則》) latest amended by the Ministry of Natural Resources on 9 May 2024and took effect on the same day stipulate, inter alia, that the state implements a unified registration system for real estate. Real estate registration follows the principle of strict management, stability and continuity, and convenience for the masses.

The "Interim Regulations of the People's Republic of China Concerning the Assignment and Transfer of the Right to the Use of the State-owned Land in the Urban Areas" (《中華人民共和國城鎮國有土地使用權出讓和轉讓暫行條例》) was promulgated by the State Council for the first time on 19 May 1990, latest amended on 29 November 2020, and took effect on the same day. Pursuant to these Regulations, the assignment of the right to the use of the land refers to the act of the State as the owner of the land who, within the term of a certain number of years, assigns the right to the use of the land to land users, who shall in turn pay fees for the assignment thereof to the State. An assignment contract shall be signed for assigning the right to the use of the land. The land user shall, in conformity with the stipulations of the contract for the assignment of the right to the use of laud and the requirements of city planning, develop, utilize and manage the land. Should any land user fail to develop and utilize the land in accordance with the period of time specified in the contract, the land administration department under the people's government at the municipal or county level shall make corrections and, in light of the seriousness of the case, give such penalties as a warning, a fine or, in an extreme case, withdrawing the right to the use of the land without compensation. If the land user needs to alter the purposes of land use as stipulated in the contract for assigning the right to the use of land, he shall obtain the consent of the assigning party and the approval of the land administration department and the urban planning department and shall sign a new contract for assigning the right to the use of the land, readjust the amount of the assignment fee thereof, and undertake registration anew.

The "Construction Law of the People's Republic of China" (《中華人民共和國建築法》) ("**Construction Law**") was promulgated for the first time by the Standing Committee of the National People's Congress on 1 November 1997, and latest amended on 23 April 2019, and took effect on the same day. Pursuant to the "Construction Law", before the start of construction projects, construction units shall, in accordance with the relevant provisions of the State, apply to the competent construction administrative departments under the prefecture-county governments or above for construction licenses, except for small projects below the threshold value set by the competent construction administrative department under the State Council. Construction projects which have obtained approval of commencement reports in accordance with the power limits and procedure stipulated by the State Council are no longer required to apply for construction licenses. Units in charge of construction shall start to build the projects within three months since obtaining construction licenses. If work cannot start on schedule, applications should be filed to the license issuing agencies for delay, which shall only be permitted twice in maximum for each case, each permission of delay covering a maximum period of three months. In cases of those projects that neither start on schedule nor apply for delay or exceed the period of permitted delay, the validity of the working licenses automatically expires.

The "Measures for the Administration of Construction Permits for Construction Projects" (《建築工程施工許可管理辦法》) was promulgated for the first time by the former Ministry of Construction of the People's Republic of China in 1999, and latest amended by the Ministry of Housing and Urban-Rural Development on 30 March 2021, and took effect on the same day. Pursuant to these Measures, for construction of various types of housing buildings and their auxiliary facilities, decoration and fitting-out works, installation of supporting lines, pipelines and equipment, as well as construction of urban municipal infrastructure projects within the territory of the People's Republic of China, the construction unity shall, before commencement of the project, apply for a construction permit from the competent department of housing and urban-rural development of the local people's government at or above the county level where the project is located in accordance with the provisions of these Measures. Construction projects with an investment amount of less than RMB300,000 or a floor area of less than 300m2 are exempt from the requirement to apply for a construction permit. The competent departments of housing and urban-rural development of the people's governments of provinces, autonomous regions and municipalities directly under the Central Government may adjust the aforementioned limits in light of local actual conditions, and submit the adjustments to MOHURD for record. Construction projects which have obtained approval of commencement reports in accordance with the power limits and procedure stipulated by the State Council are no longer required to apply for construction licenses.

The "Measures for the Administration of the Filing of Completion Acceptance of Housing 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》) were promulgated by MOHURD on 19 October 2009, and took effect on the same day. Pursuant to these Measures, the construction unity shall, within 15 days after the completion acceptance of the project, file the record with the competent construction department of the local people's government at or above the county level where the project is located (hereinafter referred to as the filing organ). Upon receiving the completion acceptance filing documents submitted by the construction unity and verifying that all documents are complete, the filing organ shall sign on the Completion Acceptance Filing Form of the project to confirm the receipt of the documents.

The "Provisions on the Completion Acceptance of Housing Construction and Municipal Infrastructure Projects" (《房屋建築和市政基礎設施工程竣工驗收規定》) were promulgated by MOHURD on 2 December 2013, and took effect on the same day. Pursuant to these Provisions, the construction unity shall be responsible for organizing and implementing the completion acceptance of the project.

LAWS AND REGULATIONS ON HOUSING LEASE MANAGEMENT

Pursuant to (i) the "Urban Real Estate Administration Law of the People's Republic of China" (《中華人民共和國城市房地產管理法》), which was promulgated by the Standing Committee of the National People's Congress on 5 July 1994, latest amended on 26 August 2019, and took effect on 1 January 2020; and (ii) the "Measures for the Administration of Commodity Housing Leases" (《商品房屋租賃管理辦法》), which was promulgated by MOHURD on 1 December 2010, and took effect on 1 February 2011, property leasing requires the lessor and the lessee to enter into a written lease contract, which shall specify the lease term, the intended use of the property, responsibilities for leasing and maintenance, and other rights and obligations of both parties. Both the lessor and the lessee shall, within 30 days from the date of signing the property lease contract, go through the formalities for property lease registration and filing with the real estate administrative department at the place where the leased property is located. If the lessor and the lessee fail to handle the registration and filing formalities, both the lessor and the lessee shall be imposed a fine.

LAWS AND REGULATIONS PERTAINING TO INTELLECTUAL PROPERTY RIGHTS OF THE PRC

Patents

The "Patent Law of the People's Republic of China" (《中華人民共和國專利法》) was promulgated by the Standing Committee of the National People's Congress on 12 March 1984, latest amended on 17 October 2020, and took effect on 1 June 2021. The "Rules for the Implementation 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》) was promulgated by the State Council on 15 June 2001, took effect on 1 July 2001, latest amended on 11 December 2023, and took effect on 20 January 2024. According to the aforementioned laws and regulations and the implementation rules, patents in the PRC are classified into three types: invention patents, utility model patents, and design patents. The term of patent right for inventions shall be twenty years, the term of patent right for utility models shall be ten years, and the term of patent right for designs shall be fifteen years, all commencing from the filing date. Any unit or individual that intends to exploit the patent of another unit or individual shall conclude a contract with the patentee for permitted exploitation and pay the royalties. The permittee shall not have the right to exploit the said patent.

Trademarks

The "Trademark Law of the People's Republic of China" (《中華人民共和國商標法》) was promulgated by the Standing Committee of the National People's Congress on 23 August 1982, took effect on 1 March 1983, latest amended on 23 April 2019, and took effect on 1 November 2019; the "Regulations for the Implementation 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》) were promulgated by the State Council on 3 August 2002, took effect on 15 September 2002, latest amended on 29 April 2014, and took effect on 1 May 2014. According to the aforementioned laws and regulations, the period of validity of a registered trademark shall be 10 years, counted from the day the registration is approved. Where a trademark registrant intends to continue using the registered trademark upon expiry of the validity period of registration, the trademark registrant shall go through the renewal procedure within 12 months prior to the expiry date. Where the registrant fails to do so during the said time limit, an extension of 6 months may be granted. Each renewal of registration shall be valid for 10 years calculating from the date immediately following the expiry date of the last validity period of the trademark. The registrant of a trademark may, by concluding a trademark licensing contract, authorize another person to use the registered trademark.

Domain Names

The "Measures for the Administration of Internet Domain Names" (《互聯網域名管理辦法》) was promulgated by the Ministry of Industry and Information Technology on 24 August 2017, and took effect on 1 November 2017. According to the regulations, the Ministry of Industry and Information Technology is the primary regulatory authority responsible for the administration of internet domain names in the PRC. Domain name registration is administered by domain name root servers and root server operational institutions, domain name registries, and domain name registrars established in accordance with relevant regulations.

LAWS AND REGULATIONS ON EMPLOYMENT AND SOCIAL WELFARE

Employment

The primary laws and regulations governing labor relations are the "Labor Law of the People's Republic of China" (《中華人民共和國勞動法》), the "Labor Contract Law of the People's Republic of China" (《中華人民共和國勞動合同法》), and their implementation regulations, which impose strict requirements on employers regarding the conclusion of fixed-term labor contracts, hiring temporary workers, and termination of employment.

The "Labor Law of the People's Republic of China" was promulgated by the Standing Committee of the National People's Congress on 5 July 1994, took effect on 1 January 1995, and latest amended on 29 December 2018, and took effect on the same date. The "Labor Law of the People's Republic of China" stipulates matters related to employment promotion, labor contracts, working hours, rest and leave, wages, labor safety and hygiene, special protections for female employees and underage workers, vocational training, social insurance and benefits, labor disputes, supervision and inspection, and legal liabilities.

The "Labor Contract Law of the People's Republic of China" was promulgated by the Standing Committee of the National People's Congress on 29 June 2007, took effect on 1 January 2008, latest amended on 28 December 2012, and took effect on 1 July 2013. The "Implementation Regulations of the Labor Contract Law of the People's Republic of China" was promulgated by the State Council on 18 September 2008, and took effect on the same date. Pursuant to the above laws and regulations, the establishment of an employment relationship shall be subject to the conclusion of a written labor contract. Employers shall not force employees to work overtime; if overtime work is arranged, employers shall pay overtime wages to employees in accordance with relevant state regulations. Wages shall not be lower than the local minimum wage standard and must be paid to employees in a timely manner.

Pursuant to the "Interim Provisions on Labor Dispatch" (《勞務派遣暫行規定》), which was promulgated by the Ministry of Human Resources and Social Security on 24 January 2014, and took effect on 1 March 2014, the number of the dispatched workers of an employer shall not exceed 10% of its total workforce. If an employer employs dispatched workers in excess of 10% of its total workforce and fails to rectify the situation within a certain time limit, it will be fined at a rate of not less than RMB5,000 but not more than RMB10,000 per person dispatched.

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**"), which was latest amended by the Standing Committee of the National People's Congress on 29 December 2018 and took effect on the same date, has established social insurance systems of basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance and maternity insurance and has elaborated in detail the legal obligations and liabilities of employers who fail to comply with relevant laws and regulations on social insurance. Pursuant 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》), which was promulgated by the State Council on 22 January 1999 and latest amended on 24 March 2019 and took effect on the same date, the employer must apply for social insurance registration at the local social insurance agency and withhold and remit social insurance contributions for its employees. Where an employer fails to make social insurance contributions, it shall be ordered to make the required contributions within a prescribed time limit and be subject to a late fee. If the employer still fails to rectify the failure to make the relevant contributions within the prescribed time, it may be subject to a fine ranging from one to three times the amount overdue.

Housing Provident Funds

Pursuant to the "Regulations on the Administration of Housing Provident Funds" (《住房公積金管理條例》), which was promulgated by the State Council on 3 April 1999, and latest amended on 24 March 2019, a unit incorporated in the territory of the PRC must pay housing provident fund for its employees. Where a unit fails to pay or pays not in full amount the housing provident fund by the expiration of the time limit, the managing center of housing provident fund shall order it to be paid and deposited within a specified time limit. Where it is not paid and deposited yet by the expiration of the specified time limit, compulsory enforcement by the people's court may be applied.

REGULATIONS ON TAXATION

Enterprise Income Tax

Pursuant to 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》, "Enterprise Income Tax Law"), which was promulgated by the Standing Committee of the National People's Congress, latest amended on 29 December 2018, and took effect on the same day, a uniform income tax rate of 25% shall apply to either a foreign-invested enterprise or a domestic enterprise that has establishment or premise in China. Pursuant to the "Enterprise Income Tax Law", an enterprise established in a foreign country but with effective management located in the PRC is regarded as a resident enterprise, which generally shall pay enterprise income tax on income sourced from both inside and outside the PRC at the uniform rate of 25%.

Enterprises accredited as high-tech enterprises in accordance with the "Measures for the Administration of High-tech Enterprise Accreditation" (《高新技術企業認定管理辦法》), which was promulgated by the Ministry of Science and Technology, the Ministry of Finance and the State Taxation Administration on 29 January 2016 and took effect on 1 January 2016, are entitled to a preferential tax rate of 15%. The validity of the certificate issued to an accredited high-tech enterprise shall be three years from the date of issuance. Enterprises may re-apply for accreditation as high-tech enterprises before or after the expiration of the previous certificate.

Value-Added Tax (VAT)

Pursuant to the "Value-Added Tax Law of the People's Republic of China" (《中華人民共和國增值稅法》), which was promulgated by the Standing Committee of the National People's Congress on 25 December 2024 and took effect on 1 January 2026, and the "Rules for the Implementation of the Provisional Regulations on Value-added Tax of the People's Republic of China" (《中華人民共和國增值稅暫行條例實施細則》), which was promulgated by the Ministry of Finance, latest amended on 28 October 2011, and took effect on 1 November 1 2011, entities and individuals engaging, within the territory of the PRC, in the sale of goods, supply of labor services in processing, repairing and maintenance, and the importation of goods shall be subject to VAT. Unless otherwise stipulated in the aforesaid regulations, VAT rate is set at 17% for the sale of goods or importation of goods by taxpayers.

Pursuant to the "Circular of the Ministry of Finance and the State Taxation Administration on Adjustment of VAT Rate" (《財政部、國家稅務總局關於調整增值稅稅率的通知》) (CS [2018] No. 32), which was promulgated by the Ministry of Finance and the State Taxation Administration on 4 April 2018 and took effect on 1 May 2018, for taxpayers engaging in taxable sales or importation of goods with original tax rate of 17% and 11%, the rate shall be adjusted to 16% and 10% respectively.

Pursuant to the "Announcement on Related Policies for Deepening VAT Reform" (《關於深化增值稅改革有關政策的公告》) (CS [2019] No. 39), which was promulgated by the Ministry of Finance, the State Taxation Administration and the General Administration of Customs on 20 March 2019 and took effect on 1 April 2019, for taxpayers engaged in taxable sales or importation of goods with original tax rate of 16% and 10%, the rate shall be adjusted to 13% and 9% respectively.

DIVIDEND TAXATION

In respect of individual investors

Pursuant to the "Individual Income Tax Law of the People's Republic of China" (《中華人民共和國個人所得稅法》) (the "**Individual Income Tax Law**"), which was latest amended by the Standing Committee of the National People's Congress on 31 August 2018 and took effect on 1 January 2019, and the "Implementation Regulations for the Individual Income Tax Law of the People's Republic of China" (《中華人民共和國個人所得稅法實施條例》), which was latest amended by the State Council on 18 December 2018 and took effect on 1 January 2019, dividends paid by the PRC companies to individual investors are generally subject to a withholding tax at a flat rate of 20%. Meanwhile, pursuant to the "Notice on Issues Concerning Differentiated Individual Income Tax Policies for Dividends and Bonuses of Listed Companies" (《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》), which was promulgated by the Ministry of Finance, the State Taxation Administration and the China Securities Regulatory Commission on 7 September 2015 and took effect on 8 September 2015, where an individual acquires stocks of a listed company from public offering of the company or from the stock transfer market and holds the stocks for more than one year, the income from dividends is exempted from individual income tax. If the individual holds the stocks for one month or less (one month inclusive), the income from dividends is fully taxable; if the individual holds the stocks for one month to one year (one year inclusive), 50% of the income from dividends is taxable; The aforesaid income is subject to an individual income tax at a flat rate of 20%.

Pursuant to the "Arrangement between the Mainland of China and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion" (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), which took effect on 21 August 2006, the PRC government may impose tax on dividends paid by a PRC company to a Hong Kong resident (including natural person and legal entity), but such tax will not exceed 10% of the total amount of the dividends payable. If a Hong Kong resident directly holds 25% or more of the equity interest in a PRC company, and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, such tax will not exceed 5% of the total dividends payable by the PRC company. The Fifth Protocol of the "Arrangement between the Mainland of China and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion" issued by the State Administration of Taxation (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷稅漏稅的安排》) ("**Fifth Protocol**") effective on 19 July 2019 stipulates that the arrangements or transactions made for the primary purpose of obtaining the above-mentioned tax benefits are not subject to the above-mentioned provisions.

In respect of corporate investors

Pursuant to the "Enterprise Income Tax Law" (《企業所得稅法》) and the "Implementation Rules for 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》) which was latest amended on 6 December 2024 and took effect on 20 January 2025, a non-resident enterprise is subject to a 10% enterprise income tax on PRC-sourced income (including dividends received from a PRC resident enterprise that issues shares in Hong Kong) if such non-resident enterprise does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but the PRC-sourced income is not connected to such establishment or premise in the PRC. Such withholding tax payable by non-resident enterprises are deducted at source, where the payer of the income is required to withhold the enterprise income tax from the amount to be paid to the non-resident enterprise when such payment is made or due. The aforesaid enterprise income tax may be reduced pursuant to applicable treaties to avoid double taxation.

The "Circular of the State Administration of Taxation on Issues Relating to the Withholding of Enterprise Income Tax on Dividends Paid by Chinese Resident Enterprises to H-Share Shareholders of Overseas Non-Resident Enterprise" (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) which was issued by the State Administration of Taxation on 6 November 2008, further clarified that a PRC-resident enterprise must withhold enterprise income tax at a rate of 10% on dividends paid to H-share shareholders of overseas non-resident enterprise (sourced from profits for 2008 and subsequent years). The "Response to Issues on Levying Enterprise Income Tax on Dividends Received by Non-resident Enterprise from Holding Stock such as B-shares" (《關於非居民企業取得B股等股票股息徵收企業所得稅問題的批復製》) which was issued by the State Administration of Taxation on 24 July 2009 and took effect on the same day, further provides that any PRC-resident enterprise that is listed on overseas stock exchanges (including H-shares, B-shares and overseas shares) must withhold enterprise income tax at a rate of 10% on dividends of 2008 and onwards that it distributes to non-resident enterprises. Such tax rates may be further modified pursuant to the tax treaty or agreement that the PRC has concluded with a relevant jurisdiction, where applicable.

Pursuant to the "Arrangement between the Mainland of China and the Hong Kong Special Administrative Region on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion" (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), the PRC Government may levy taxes on the dividends paid by a PRC company to Hong Kong residents (including natural persons and legal entities) in an amount not exceeding 10% of total dividends payable by the PRC company. If a Hong Kong resident directly holds 25% or more of the equity interest in a PRC company, and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, such tax will not exceed 5% of the total dividends payable by the PRC company. The "Fifth Protocol" stipulates that such provisions shall not apply to the arrangements or transactions made for the primary purpose of obtaining tax benefits.

TAXATION ON SHARE TRANSFER

In respect of individual investors

According to the "Individual Income Tax Law" and its implementation regulations, individuals shall pay the individual income tax at the rate of 20% on their income from the sale of equity in PRC resident enterprises. In accordance with the "Circular of the Declaring that Individual Income Tax Continues to Be Exempted over Income of Individuals from Transfer of Shares" (《關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》) that was promulgated by the Ministry of Finance and the State Administration of Taxation on 20 March 1998, and took effect on the same day, from 1 January 1997, income of individuals from the transfer of shares of listed companies remain exempted from individual income tax. The State Taxation Administration has not clearly stipulated in the newly revised "Individual Income Tax Law" and the "Implementation Regulations of the Individual Income Tax Law" whether to continue exempting individual income tax on the income from the transfer of listed company stocks by individuals.

In respect of corporate investors

Pursuant to the "Enterprise Income Tax Law" and its implementation regulations, a non-resident enterprise is subject to a 10% enterprise income tax on PRC-sourced income (including gains from the disposal of shares of resident enterprises) if such non-resident enterprise does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but the PRC-sourced income is not connected to such establishment or premise in the PRC. Such withholding tax for non-resident enterprises are deducted at source. The payer of the income is the withholding obligator. The payer is required to withhold the enterprise income tax from the amount to be paid when such payment is made or due. The aforesaid enterprise income tax may be reduced or exempted pursuant to applicable treaties or arrangements.

Stamp Tax

Pursuant to the "Stamp Tax Law of the People's Republic of China" (《中華人民共和國印花稅法》), which was promulgated by the Standing Committee of the National People's Congress on 10 June 2021 and took effect on 1 July 2022, the entities and individuals that conclude taxable certificates, or conduct securities transactions within the territory of the PRC shall be taxpayers of stamp tax, and shall pay stamp tax. Where entities or individuals, outside the territory of the PRC, conclude taxable certificates that are used within the territory of the PRC, they shall also pay stamp tax. The regulations of "Stamp Tax Law of the People's Republic of China" do not apply to acquisitions or dispositions of H-shares outside the PRC.

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》) (the "**Securities Law**"), which was promulgated on 29 December 1998, latest amended on 28 December 2019, and took effect on 1 March 2020, comprehensively regulates trading activities in PRC securities market, including the issuance and trading of securities, takeover of listed companies, stock exchanges and securities companies, and the duties of securities regulatory authorities, etc. The "Securities Law" further regulates the direct or indirect offering of securities and listing on an overseas securities exchange by domestic enterprises in the PRC. Such activities shall comply with the relevant regulations of the State Council, and trading of shares by PRC domestic companies in foreign currencies shall be separately prescribed by the State Council. The China Securities Regulatory Commission (CSRC) is a securities regulatory institution established by the State Council. It oversees and administers the securities market in accordance with the law, maintains market order, and ensures the operation of the market in a legal manner. At present, H-shares are mainly regulated by laws, regulations and rules promulgated by the State Council and CSRC.

Overseas Listing

On 17 February 2023, 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》) (the "**Trial Measures**") and 5 supporting guidelines, which came into effect on 31 March 2023. According to the "Trial Measures", a PRC domestic company that seeks to offer and list securities in overseas markets ("**overseas offering and listing**"), either directly or indirectly, shall fulfill the filing procedure with CSRC, submit relevant materials that contain a filing report and a legal opinion. Under specific circumstances, the "Trial Measures" require, among others, that: (i) Where an issuer makes an application for initial public offering and listing in an overseas market, the filing entity shall submit to CSRC filing documents within 3 working days after such application is submitted; (ii) Where an issuer makes overseas securities offering after having been listed in an overseas market, the filing entity shall submit to CSRC filing documents within 3 working days after the offering is completed; (iii) Where an issuer, after having been listed overseas, makes subsequent offerings or listings, the filing entity shall submit to CSRC filing documents within 3 working days after such application is submitted. Where a PRC company fails to complete the filing procedures, or there is false record, misleading representation or major omission in the filling documents, it shall be ordered to take corrective measures, given a warning and imposed a fine, and the person-in-charge directly responsible and other persons directly responsible may also be imposed a fine.

The "Trial Measures" also specifies the reporting obligations of issuers when material events ("**Material Events**") occur after overseas offering and listing. Upon the occurrence of any of the Material Events specified below after an issuer has offered and listed securities in an overseas market, the issuer shall submit a report thereof to CSRC within 3 working days after the occurrence and public disclosure of the event: (i) change of control; (ii) investigations or sanctions imposed by overseas securities regulatory agencies or other relevant competent authorities; (iii) change of listing status or transfer of listing segment; (iv) voluntary or mandatory delisting. Additionally, where an issuer's main business undergoes material changes after overseas offering and listing, and is therefore beyond the scope of business stated in the filing documents, such issuer shall submit to CSRC an ad hoc report and a relevant legal opinion issued by a domestic law firm within 3 working days after the occurrence of the changes. According to the "Trial Measures", overseas offering and listing by PRC domestic companies shall abide by laws, administrative regulations and relevant state rules concerning foreign investment in the PRC, state-owned asset administration, industry regulation and outbound investment. Such overseas offering and listing shall not disrupt domestic market order, harm state or public interest or undermine the lawful rights and interests of domestic investors. A PRC domestic company that seeks to offer and list securities in overseas markets shall: (i) abide by applicable laws, including the Company Law of the PRC and the Accounting Law of the PRC, administrative regulations and relevant state rules, and formulate articles of association, improve internal control system, enhance corporate governance, and promote compliance in corporate finance and accounting practices; and (ii) abide by national secrecy laws and relevant provisions and take necessary measures to fulfill confidentiality obligations. Divulgence of state secrets or working secrets of government agencies is strictly prohibited. Provision of personal information, important data and etc. to overseas parties in relation to overseas offering and listing shall be in compliance with applicable laws, administrative regulations and relevant state rules.

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

Pursuant to the "Provisions on Strengthening Confidentiality and Archives Management of Overseas Securities Offering and Listing by Domestic Enterprises" (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》), which was promulgated by CSRC in collaboration with the Ministry of Finance, the National Administration of State Secrets Protection, and the State Archives Administration of the People's Republic of China on 24 February 2023 and took effect on 31 March 2023, a domestic company that seeks to offer and list its securities in an overseas market, and the securities companies and securities service providers that undertake relevant securities business, shall strictly abide by applicable laws and regulations of the PRC and these Provisions, enhance legal awareness of keeping state secrets and strengthening archives administration, institute a sound confidentiality and archives administration system, and take necessary measures to fulfill confidentiality and archives administration obligations. They shall not divulge any state secret or harm national security and public interest. A domestic company that plans to, either directly or through its overseas listed entity, publicly disclose or provide to relevant individuals or entities including securities companies, securities service providers and overseas regulators, any documents and materials that contain state secrets or working secrets of government agencies, shall first obtain approval from competent authorities according to law, and file with the secrecy administrative department at the same level.