This section sets forth a summary of the most significant PRC laws, rules and regulations that affect our current business activities in the PRC. This summary does not purport to be a complete description of all the PRC laws, rules and regulations which are applicable to our business and operations in the PRC. Should note that the following summary is based on relevant laws and regulations in force as of the date of the Document, which may be subject to changes in line with the amendments to such laws and regulations.

REGULATIONS ON FOREIGN INVESTMENT

The Company Law of the PRC (《中華人民共和國公司法》), promulgated by the Standing Committee of the National People's Congress (the "**SCNPC**") on December 29, 1993, which was last amended on December 29, 2023 and came into effect on July 1, 2024, provides that companies established in China may take the form of a limited liability company or a joint stock company with limited liability. The Company Law of the PRC applies to foreign-invested companies unless relevant laws provide otherwise.

According to the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》), promulgated by the National People's Congress (the "**NPC**") on March 15, 2019, and the Implementing Rules of the PRC Foreign Investment Law (《中華人民共和國外商投資法實施條例》), promulgated by the State Council on December 26, 2019, all of which came into effect on January 1, 2020, the PRC government implements the pre-entry national treatment and the Negative List management system for foreign investments. The pre-entry national treatment refers to granting to foreign investors and their investments, in the stage of investment access, the treatment no less favorable than that granted to domestic investors and their investments except for the foreign investments in the "restricted" or "prohibited" fields or industries; the Negative List refers to the special administrative measures for foreign investment's access to the foregoing "restricted" or "prohibited" fields or industries, which will be proposed by the competent investment department of the State Council in conjunction with the competent commerce department of the State Council and other relevant State Council departments, and be submitted to the State Council for promulgation, or be promulgated by the competent investment department or competent commerce department of the State Council after being submitted to the State Council for approval. The State will give national treatment to foreign investments outside the Negative List. Foreign Investors shall not invest in any field prohibited by the Negative List and shall meet the investment conditions stipulated for any field restricted by the Negative List, while foreign investments outside the Negative List shall be administered under the principle of equal treatment to domestic and foreign investment. The State establishes a foreign investment information reporting system. In the meantime, relevant competent government departments shall formulate a catalogue of industries for which foreign investments are encouraged according to the needs for national economic and social development, to list the specific industries, fields and regions in which foreign investors are encouraged and guided to invest.

According to Regulations on Foreign Investment Guidelines (《指導外商投資方向規定》) (No. 346 Order of the State Council), which were promulgated by the State Council on February 11, 2002 and came into effect on April 1, 2002, foreign investment projects shall be classified into four categories: encouraged, permitted, restricted and prohibited. Currently, foreign investment projects of the encouraged are listed in the Catalogue of Encouraged Industries for Foreign Investment (Edition 2025) (《鼓勵外商投資產業目錄(2025年版)》) (the "**Encouraged Catalogue**"), and foreign investment projects of the restricted and prohibited categories are listed in the Special Administrative Measures for the Access of Foreign Investment (Negative List) (Edition 2024) (《外商投資准入特別管理措施(負面清

單)(2024年版)》) (the "**Negative List**"). Unless otherwise prescribed by the PRC laws, any industries not falling into any of the encouraged, restricted or prohibited industries set out in the Encouraged Catalogue and the Negative List are generally deemed as permitted for foreign investment. Our business does not fall under such categories where foreign investment is restricted or prohibited.

According to the Measures on Reporting of Foreign Investment Information (《外商投資信息報告辦法》), which were promulgated by the Ministry of Commerce of the PRC (the "**MOFCOM**") and the State Administration for Market Regulation on December 30, 2019, and came into effect on January 1, 2020, foreign investors or foreign-invested enterprises shall submit investment information in a timely manner, follow the principles of truthfulness, accuracy and completeness, and shall not make false or misleading reports or material omissions. Where a foreign-invested enterprise invests (including multi-level investment) to establish an enterprise in the PRC, the relevant information shall be forwarded by the market supervision department to the competent department in charge of commerce after the registration and filing with the market supervision department and the submission of the annual report information.

INDUSTRIAL POLICES

On March 12, 2021, the NPC approved the Outline of the 14th Five-Year Plan (2021–2025) for National Economic and Social Development and Long-Range Objectives for 2035 (《中華人民共和國國民經濟和社會發展第十四個五年規劃和2035年遠景目標綱要》), proposing to foster advanced manufacturing clusters and promote the innovation and development of industries such as integrated circuits, aerospace equipment, high-tech ships and ocean engineering equipment, robots, advanced railway equipment, advanced power equipment, engineering machinery, high-end CNC machine tools, medicine and medical equipment.

According to the Guiding Opinions on Accelerating the Cultivation and Development of High-quality Manufacturing Enterprises (《關於加快培育發展製造業優質企業的指導意見》) which was promulgated by the Ministry of Industry and Information Technology of the PRC (the "**MIIT**"), the Ministry of Science and Technology of the PRC, the Ministry of Finance of the PRC (the "**MOF**"), the MOFCOM, the State-owned Asset Supervision and Administration Commission and the China Securities Regulatory Commission (the "**CSRC**") and came into effect on June 1, 2021, the state put forward 10 guiding opinions, including relying on high-quality enterprises to set up innovation consortiums or strategic alliances for technological innovation to carry out collaborative innovation, and to increase the research and demonstration application of key core technologies, products, and equipment in the fields of basic components, basic electronics components, basic software, basic materials, basic processes, high-end instrumentation, integrated circuits, network security and other areas of key core technologies, products, equipment research and demonstration applications. Promote the opening up of national major scientific research infrastructure and large-scale scientific research instruments to high-quality enterprises and build production and application demonstration platforms and public service platforms for industrial technology foundation.

Pursuant to the 14th Five-Year Plan for National Informatization (《"十四五"國家信息化規劃》) issued by the Office of the Central Committee Cyberspace Affairs Commission and came into effect on December 27, 2021, China's major tasks and key projects include "Building Innovative Development Systems to Liberate Digital Productive Forces", which involves: accelerate tackling of key problems in critical integrated circuit technology; promote innovation in computing chips, storage chips, etc.;

accelerate research and development of critical materials such as integrated circuit design tools, prioritized equipment and high-purity targets, promote breakthroughs in specialized crafts such as insulated gate bipolar transistors (IGBTs), Micro-Electro-Mechanical Systems (MEMSs), etc.

According to the Notice by the State Council on Promulgation of Issuing the Several Policies for Promoting the High-Quality Development of the Integrated Circuit Industry and the Software Industry in the New Era (《國務院關於印發<新時期促進集成電路產業和軟件產業高質量發展若干政策>的通知》) which was promulgated by the State Council on July 27, 2020, the state point out that the integrated circuit industry and the software industry are the core of the information industry, and they are the key forces leading the new round of scientific and technological revolution and industrial change. The State Council puts forward 37 policies and measures to support the development of integrated circuit industry and software industry in eight aspects, such as fiscal and tax incentives, support for investment and financing, and protection of intellectual property rights.

REGULATIONS RELATING TO IMPORT AND EXPORT OF GOODS

The Foreign Trade Law of the PRC (《中華人民共和國對外貿易法》) was promulgated by the SCNPC on May 12, 1994, which was most recently amended on December 27, 2025 and came into effect on March 1, 2026, stipulated that the import and export of goods and technologies to and from the PRC are free, unless otherwise in relevant laws or administrative regulations, and all entities engaging in the business of importation and exportation of goods shall comply with applicable laws and regulations. The amended law grants the PRC government the authority to allow the free import and export of commodities and technologies, except where specified otherwise by other laws and administrative regulations.

According to the Customs Law of the PRC (《中華人民共和國海關法》) promulgated by the SCNPC on January 22, 1987 and last amended on April 29, 2021, and the last amendment of which became effective on the same date, the General Administration of Customs of the PRC (the "**GACC**") is the state's entry and exit customs supervision and administration authority. According to the Customs Law of the PRC and other relevant laws and administrative regulations, the Customs of PRC supervises the transport, goods, luggage, postal items and other articles entering and leaving Chinese territory, levies Customs duties and other taxes and fees, investigates and counters smuggling, compiles Customs statistics and handles other Customs affairs. The consignee or the consignor of imports or exports may complete the declaration formalities for inspection on its own or by entrusting a declaration agency enterprise to complete the declaration formalities for inspection and complete the filing formalities with the immigration inspection and quarantine authorities in accordance with relevant laws and regulations.

According to the Administrative Provisions of the Customs of the PRC on Record-filing of Customs Declaration Entities (《中華人民共和國海關報關單位備案管理規定》) promulgated by the GACC on November 19, 2021and came into effect on January 1, 2022, customs declaration entities mean consignees or consignors of imports and exports and customs declaration enterprises which have filed for record with the Customs pursuant to these Provisions. Consignees or consignors of imported and exported goods and customs declaration enterprises applying for filing shall obtain market entity qualification; in the case of consignees or consignors of imports and exports applying for filing, they shall also complete filing formalities for foreign trade business operators. According to the Notice by the Department of Enterprise Management and Audit-Based Control of Matters Concerning the Recordation of the Consignees and Consignors of Imported and Exported Goods (《企業管理和稽查司關於進出口貨物收發貨人備案有關事宜的通知》), promulgated by the GACC on January 3, 2023 and took effect on the same day, a consignee or consignor of imported or exported goods who applies for recordation shall be qualified as a market entity and is not required to complete such filing formalities for foreign trade business operators.

REGULATIONS ON PRODUCT QUALITY

According to the Product Quality Law of the PRC (《中華人民共和國產品質量法》) promulgated by the SCNPC on February 22, 1993, which took effect on September 1, 1993 and was last amended on December 29, 2018 with effect on the same day, industrial products which may be hazardous to health, personal safety or the safety of property for sale must satisfy relevant safety standards and sellers shall adopt measures to maintain the quality of products for sale. Sellers shall not mix impurities or imitations into products, or pass counterfeit goods off as genuine ones, or defective products as good ones or substandard products as standard ones. For sellers, any violation of state or industrial standards for health and safety or other requirements may result in civil liabilities and administrative penalties, such as compensation for damages, fines, confiscation of products illegally manufactured or sold and the proceeds from the sales of such products illegally manufactured or sold, and even revoking business licenses; in addition, severe violations may subject the responsible individual or enterprise to criminal liabilities. Victims who suffer physical injuries or property (other than the defective product) losses due to product defects may demand compensation from either the producer or the seller. Where the liability lies with the producer, the seller shall, after settling the claim, have the right to recover such claim from the producer, and vice versa.

REGULATIONS ON PRODUCTION SAFETY

According to the Work Safety Law of the PRC (《中華人民共和國安全生產法》) promulgated by the SCNPC on June 29, 2002, last amended on June 10, 2021 with effect on September 1, 2021, business entities shall strengthen their work safety management, enhance work safety conditions, promote work safety standardization and improve work safety levels. Entities which cannot meet the safety conditions prescribed by laws, regulations and national or industry standards shall not engage in production or other business activities. To ensure work safety rules are observed in the production process, business entities shall establish and improve their work safety responsibility systems and work safety policies which specify responsible person(s) at each position, the scope of duties and evaluation criteria. Business entities shall provide their employees with labor protection equipment and work safety training. Where the primary person-in-charge of a business entity fails to perform his or her duties in respect of work safety, he or she would be subject to legal liabilities, depending on the seriousness of the relevant work safety accidents.

REGULATIONS ON FIRE PREVENTION

The Fire Prevention Law of the PRC (《中華人民共和國消防法》) (the "**Fire Prevention Law**") was issued by the SCNPC on April 29, 1998, became effective on September 1, 1998 and was last amended and implemented on April 29, 2021. According to the Fire Prevention Law, for special construction projects stipulated by the housing and urban-rural development authority of the State Council, the developer shall submit the fire safety design documents to the housing and urban-rural development authority for examination, while for construction projects other than those stipulated as special development projects, the developer shall, at the time of applying for the construction permit or approval for work commencement report, provide the fire safety design drawings and technical materials which satisfy the construction needs. Pursuant to the Fire Prevention Law, the construction project that fails to complete as-built acceptance check on fire prevention shall be ordered by the competent government authorities to close and shall be fined not less than RMB30,000 but not more than RMB300,000.

According to Interim Regulations on Administration of Examination and Acceptance of Fire Prevention Design of Construction Projects (《建設工程消防設計審查驗收管理暫行規定》) issued by the Ministry of Housing and Urban-Rural Development of the PRC on April 1, 2020, last amended on August 21, 2023 and effective on October 30, 2023, an examination system for fire prevention design and acceptance only applies to special construction projects, and for other projects, a record-filing and spot check system would be applied.

REGULATIONS RELATING TO LAND, PLANNING AND CONSTRUCTION PERMITS

Land Use Rights

According to the Land Administration Law of the PRC (《中華人民共和國土地管理法》) promulgated by the SCNPC on June 25, 1986, last amended on August 26, 2019 with effect from January 1, 2020, the State-owned lands use rights might be transferred or allotted to construction entities or individuals in accordance with the law. According to the Interim Regulations on Real Estate Registration (《不動產登記暫行條例》), promulgated by the State Council on November 24, 2014, last amended on March 10, 2024 and brought into effect on May 1, 2024, the real estate registration shall be conducted by the real estate registration authorities of the people's government at or above the county level.

According to the Civil Code of the PRC (《中華人民共和國民法典》) promulgated by the NPC on May 28, 2020 and implemented on January 1, 2021 (the "**Civil Code**"), the creation, alteration, alienation, or extinguishment of a real right of the immovable property that is required by law to be registered becomes effective at the time when it is recorded in the register of immovable property. The real right certificate for immovable property is the proof of a right holder's entitlement to the real right in the immovable property.

The Interim Regulations on Real Estate Registration and the Detailed Rules for the Implementation of the Interim Regulations on Real Estate Registration (《不動產登記暫行條例實施細則》) promulgated on January 1, 2016 and last amended by the Ministry of Nature Resources of the PRC and brought into effect on May 9, 2024, provide that, among others, the State implements a uniform real estate registration system and the registration of real estate shall be strictly administered and carried out in a stable and continuous manner that provides convenience for people.

Construction Land Planning Permit

According to the Urban and Rural Planning Law of the PRC (《中華人民共和國城鄉規劃法》) promulgated by the SCNPC on October 28, 2007, implemented on January 1, 2008, amended and brought into effect on April 24, 2015 and April 23, 2019 respectively, a Construction Land Planning Permit is required for the right to use the State-owned land acquired by transfer and allocation.

If a construction entity which is authorized to use the land fails to obtain a Construction Land Planning Permit, the people's government at or above the county level shall revoke any relevant approval document. If the land has already been occupied, it shall be returned promptly. Furthermore, the construction entity shall be obliged to compensate for any damage caused to any other relevant parties according to laws.

REGULATIONS RELATING TO LEASING

According to the Urban Real Estate Administration Law of the PRC (《中華人民共和國城市房地產管理法》) promulgated by the SCNPC on July 5, 1994, which last amended on August 26, 2019 and became effective on January 1, 2020, when leasing a house, the lessor and lessee shall sign a written lease contract, prescribing such provisions as the leasing term, use of the house, rental and repair liabilities, and other rights and obligations of both parties; and go through registration procedures for record with the real estate administration department.

Pursuant to the Civil Code, a lessee may, upon the lessor's consent, sublease the leased object to a third person. The lease contract between the lessee and the lessor shall continue to be valid despite the sublease by the lessee, and if the third person causes loss to the leased object, the lessee shall bear the liability for compensation. Where a lessee subleases the leased object without the consent of the lessor, the lessor may rescind the contract. Where a lessee, upon consent of the lessor, subleases the leased object to a third person, if the term of the sublease exceeds the remaining term of the lessee, the sublease in the period in excess of the original term shall not be legally binding on the lessor unless otherwise agreed by the lessor and the lessee.

According to the Administrative Measures for Commodity House Leasing (《商品房屋租賃管理辦法》), which was promulgated by the Ministry of Housing and Urban-Rural Development on December 1, 2010 and became effective on February 1, 2011, the parties to the house leasing shall enter into a lease contract according to laws, and the lease contract shall be registered with the relevant construction or real estate authorities at the city or county level within 30 days from execution of the lease contract. If the contents of the house lease registration and filing are changed, the lease is renewed or the lease is terminated, the parties concerned shall complete formalities for the modification, renewal or cancelation of the house lease registration and filing with the original leasing registration and filing authorities within 30 days. A house falling within any of the following circumstances may not be leased: (i) it is an illegally built house; (ii) it fails to conform to the mandatory standards for project construction with respect to safety and disaster prevention; (iii) the original use of the house has been changed in violation of the relevant provisions; or (iv) it falls within any other circumstance under which it is prohibited by any law or regulation from being leased. If the parties involved in the house leasing fail to go through the registration and filing procedures or violate the above regulations, the parties involved in the house leasing will be ordered to make corrections, and if they fail to make corrections within the time limit, they will be fined.

REGULATIONS RELATING TO ENVIRONMENTAL PROTECTION

Environmental Protection

Pursuant to the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》) which was promulgated by the SCNPC on December 26, 1989 and was last amended on April 24, 2014 and brought into effect on January 1, 2015, the environmental protection administrative department of the State Council is responsible for the overall supervision and administration of the environment across the country and for setting the national environmental quality standards, pollutant discharge standards and a system for the supervision of the environment in China. Provincial governments may formulate local environment quality standards if no provisions have been made in the national standards with respect to pollutant discharge. A provincial government may formulate any local environmental quality standards stricter than the national standards in respect of any environmental items and such local environmental quality standards shall be filed with the environmental protection administrative department of the State Council for record.

Pursuant to the Environmental Impact Assessment Law of the PRC (《中華人民共和國環境影響評價法》) (the "**Environmental Impact Assessment Law**") promulgated by the SCNPC on October 28, 2002 and last amended and brought into effect on December 29, 2018, and the Administrative Regulations on Environment Protection for Construction Project (《建設項目環境保護管理條例》) which was promulgated by the State Council and became effective on November 29, 1998 and was last amended on July 16, 2017 and brought into effect on October 1, 2017, the State implements classified administration over the assessment of the environmental impacts of construction projects according to the estimated level of such impact on the environment. Prior to the commencement of construction, environmental impact assessment documents of the construction project shall be reviewed and approved or recorded by the competent administrative authority of environmental protection in accordance with the following rules:

For projects with potentially serious environmental impact, an environmental impact report shall be prepared to provide a comprehensive assessment of their environmental impacts;

For projects with potentially mild environmental impact, an environmental impact statement shall be prepared to provide an analysis or specialized assessment of their environmental impacts; and

For projects with very small environmental impact so that an environmental impact assessment is not required while an environmental impact registration form shall be filled out.

A construction entity shall be punished in accordance with the Environmental Impact Assessment Law if it: (i) commences construction before submitting the environmental impact report or environmental impact statement of the construction project for approval or re-examination in accordance with the law; (ii) commences construction without authorization before the environmental impact report or environmental impact statement of the construction projects is approved or approved after re-examination; or (iii) fails to file the environmental impact registration form of the construction project for record in accordance with the law.

Solid Waste

According to the Law of the PRC on the Prevention and Control of Environmental Pollution Caused by Solid Wastes (《中華人民共和國固體廢物污染環境防治法》) promulgated by the SCNPC on October 30, 1995, last amended on April 29, 2020 and implemented on September 1, 2020, the construction of projects involving generation, storage, utilization and disposal of solid wastes shall be subject to an environmental impact assessment. The necessary supporting facilities for the prevention and control of environmental pollution caused by solid wastes as specified in the environmental impact assessment document of a construction project are required to be designed, constructed and put into use simultaneously with the main part of the construction project.

Regulations Relating to Pollutant Discharge Permits

Pursuant to the Administrative Measures for Pollutant Discharge Licensing (《排污許可管理辦法》) promulgated by the Ministry of Ecology and Environment of the PRC on April 1, 2024 and became effective on July 1, 2024 and Regulations on the Administration of Pollutant Discharge Licensing (《排污許可管理條例》) promulgated by the State Council on January 24, 2021 and became effective on March 1, 2021, the MEE shall formulate and release a category-based administration catalogue of pollutant discharge licensing for stationary pollution sources, specifying the scope subject to the administration of pollutant discharge licensing and the time limit to apply for a pollutant discharge permit. Enterprises, public institutions and other producers and business operators that are included in the category-based administration catalogue are required to apply for and obtain a pollutant discharge permit within the prescribed time limit. According to the Guidelines for Registration of Stationary Pollution Sources (for Trial Implementation) (《固定污染源排污登記工作指南(試行)》) promulgated by the General Office of the MEE and implemented on January 6, 2020, where the amount of pollutants produced, discharged and the impact on the environment is slight, such enterprises do not need to apply for the pollutant discharge permit, but are required to register for the discharge of pollution of stationary sources.

REGULATIONS RELATING TO DATA, CYBER AND INFORMATION SECURITY

According to the Civil Code, natural person's personal information shall be protected by law, and the processing of personal information shall be subject to the principle of legitimacy, rightfulness and necessity, with no excessive processing.

Pursuant to 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 SCNPC on November 7, 2016, became effective on June 1, 2017, amended on October 28, 2025, and took effect on January 1, 2026, network operators must comply with applicable laws and regulations and fulfill their obligations to safeguard cybersecurity in conducting business and providing services. For the construction and operation of the network or the provision of services through the network, technical and other necessary measures shall be taken as required by law and the compulsory requirements of national standards to ensure the safe and stable operation of the network, respond to cybersecurity incidents effectively, prevent illegal and criminal activities, and maintain the integrity, confidentiality and usability of network data. Network operators shall not collect personal information irrelevant to their services. In the event of any disclosure, damage or loss of or possible disclosure, damage or loss of collected personal information, network operators shall take immediate remedial measures, notify the users and report the incidents to the relevant authorities in a timely manner.

The Data Security Law of the PRC (《中華人民共和國數據安全法》) (the "**PRC Data Security Law**") was released by the SCNPC on June 10, 2021 and became effective on September 1, 2021. The PRC Data Security Law stipulates the measures to support and promote data security and development, to establish and optimize the national data security management system, and to clarify organizations and individuals' responsibilities in data security. The PRC Data Security Law introduces a data classification and hierarchical protection system based on the materiality of data in economic and social development, as well as the degree of harm it will cause to national security, public interests, or legitimate rights and interests of individuals or entities when such data is tampered with, destroyed, divulged, or illegally acquired or used. It also provides a security review procedure for the data processing activities which may affect national security.

On December 28, 2021, the Cyberspace Administration of China (the "**CAC**") and certain other PRC regulatory authorities published the Cybersecurity Review Measures (2021) (《網絡安全審查辦法(2021)》), which became effective on February 15, 2022. Pursuant to the measures, critical information infrastructure operators (the "**CIIO**") that purchase network products and services and network platform operators engaging in data processing activities that affect or may affect national security must be subject to the Cybersecurity Review. However, the Cybersecurity Review Measures (2021) (《網絡安全審查辦法(2021)》) does not define what constitutes "affect or may affect national security," and the PRC government would have broad discretion over the interpretation of this term.

The Regulation on Network Data Security Management (《網絡數據安全管理條例》), which was promulgated by the State Council on September 24, 2024 and became effective on January 1, 2025, aims to regulate network data processing activities, ensure the security of network data, promote the reasonable and effective use of network data in accordance with the law, protect the legitimate rights and interests of individuals and organizations, and safeguard national security and public interests. This regulation puts forward general requirements and provisions for network data security, further specifies rules concerning personal information protection, and fine-tunes mechanisms for the management of important data.

The Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》) (the "**PIPL**") was promulgated by the SCNPC on August 20, 2021 and became effective on November 1, 2021. The PIPL stipulates the definition and type of personal information and the ways of processing personal information, establishes rules for processing personal information and for providing personal information to overseas recipients, and clarifies the individual's rights and the processor's obligations in the process of personal information processing. Personal information, as defined in PIPL, refers to information related to identified or identifiable natural persons and recorded by electronic or other means, but excluding anonymized information. The PIPL applies to (i) the processing within the territory of the PRC of natural persons' personal information; or (ii) the processing outside the territory of the PRC over personal information of natural persons within the PRC, provided that such information is processed (a) for the purpose of providing products or services to domestic natural persons, (b) to analyze or assess the conduct of domestic natural persons, or (c) under any other circumstances as prescribed by laws and administrative regulations.

On July 7, 2022, the CAC promulgated the Security Assessment Measures for Data Provision Abroad (《數據出境安全評估辦法》) (the "**Security Assessment Measures**"), which came into effect on September 1, 2022. The Security Assessment Measures specifies the circumstances where a cross-border data transfer is subject to security assessment. Specifically, according to Article 4 of the Security Assessment Measures, a data processor needs to apply for a security assessment of its cross-border data transfer activities in any of the following situations if one of the following thresholds is triggered: (i) it provides important data to a recipient outside of the PRC; (ii) it is a critical information infrastructure operator or it processes the personal information of more than one million individuals and provides personal information to a recipient outside of the PRC; (iii) it has exported the personal information of more than 100,000 individuals in aggregate or the sensitive personal information of more than 10,000 individuals in aggregate since January 1 of the previous year; or (iv) other circumstances subject to a security assessment as required by the CAC. The Security Assessment Measures also provides specific procedures for a security assessment, as well as important factors to be considered in conducting security assessments.

The Measures on the Standard Contract for Outbound Transfer of Personal Information (《個人信息出境標準合同辦法》) which was issued by the CAC on February 22, 2023 and took effect on June 1, 2023 specifies the detailed requirements for concluding and filing the standard contract of outbound transfer of personal information, which is one of the compliance mechanism for personal information export.

On December 8, 2022, the MIIT promulgated the Administrative Measures on Data Security in the Field of Industry and Information Technology (for Trial Implementation) (《工業和信息化領域數據安全管理辦法(試行)》), which became effect on January 1, 2023. The Measures applies to the data processing activities in the field of industry and information technology carried out within the territory of China, and sets out a series of data security protection obligations for data processors in such field, such as establishing a full life-cycle data security management system, appointing data security management personnel, and conducting filings for the important data and core data processed by the data processors.

According to the Regulations on Promoting and Regulating Cross-Border Data Transfer (《促進和規範數據跨境流動規定》) (Decree No. 16 of the Cyberspace Administration of China) issued by the CAC and effective on March 22, 2024, data processors other than operators of critical information infrastructure who provide important data overseas or to who have provided personal information (excluding sensitive personal information) of more than one million people or sensitive personal information of more than 10,000 people cumulatively since January 1 of that year should declare security assessment for cross-border data transfers, except for those specified in Articles 3, 4, 5, and 6 of the regulations. According to the relevant provisions of Articles 2 and 3 of the regulations, data collected and generated in activities such as international trade and provided overseas, excluding personal information or important data, are exempt from the requirement of declaring security assessment for cross-border data transfers, establishing the standard contract for cross-border transfer of personal information, and obtaining personal information protection certification. Additionally, if such data has not been notified or publicly disclosed by relevant departments or regions as important data, data processors do not need to declare security assessment for cross-border data transfers. According to Articles 4, 5, and 6 of the regulations, the following are the main exemptions from the requirement to declare security assessment for cross-border data transfers, establish the standard contract for cross-border transfer of personal information, and obtain personal information protection certification: (i) providing personal information collected and generated overseas by data processors overseas after being processed in China without involving domestic personal information or important data; (ii) providing personal information overseas is necessary for entering into or performing contracts in which individuals are parties, such as cross-border shopping, cross-border mailing, cross-border remittances, cross-border payments, cross-border account opening, air ticket and hotel reservations, visa processing, exam services, etc.; (iii) providing employee personal information overseas is necessary for implementation of cross-border human resources management in accordance with legally formulated labor rules and regulations and legally signed collective contracts; (iv) providing personal information overseas is necessary to protect the life, health, and property safety of natural persons in emergency situations; (v) data processors other than operators of critical information infrastructure have provided personal information (excluding sensitive personal information) overseas of less than 100,000 people cumulatively since January 1 of that year; (vi) data processors in pilot free trade zones provide data overseas outside the Negative List formulated, approved, and filed by the pilot free trade zone in accordance with the law. In case of any inconsistency between the Regulations and other regulations such as the Security Assessment Measures for Cross-border Data Transfers (《數據出境安全評估辦法》) (Decree No. 11 of the Cyberspace Administration of China) issued on July 7, 2022 and the Measures on the Standard Contract for Cross-border Transfer of Personal Information (《個人信息出境標準合同辦法》) (Decree No. 13 of the Cyberspace Administration of China) issued on February 22, 2023, the Regulations shall prevail.

REGULATIONS RELATING TO INTELLECTUAL PROPERTY

Patent

Patents in the PRC are principally protected under the Patent Law of the PRC (《中華人民共和國專利法》), which was promulgated by the SCNPC on March 12, 1984, came into effect on April 1, 1985, and was last amended on October 17, 2020 with effect from June 1, 2021, as well as the Implementation Rules for the Patent Law of the PRC (《中華人民共和國專利法實施細則》) promulgated by the State Council on June 15, 2001, came into effect on July 1, 2001,and was last amended on December 11, 2023 with effect from January 20, 2024. According to the PRC Patent Law and its implementation rules, the duration of a patent right for inventions, utility models and designs shall be 20 years, 10 years and 15 years, respectively, all commencing from the application date.

Copyright

The Copyright Law of the PRC (《中華人民共和國著作權法》), promulgated by the SCNPC on September 7, 1990 and last amended on November 11, 2020 and brought into effect on June 1, 2021, specifies that works of Chinese citizens, legal persons or other organizations, namely ingenious intellectual achievements in the fields of literature, art and science that can be presented in a certain form, whether published or not, shall enjoy the copyright. The copyright holder can enjoy multiple rights, including the right of publication, the right of authorship, and the right of reproduction.

The Computer Software Copyright Registration Measures (《計算機軟件著作權登記辦法》) (the "**Software Copyright Measures**"), promulgated by the National Copyright Administration and brought into effect on February 20, 2002, and amended on June 18, 2004 and implemented on July 1, 2004 regulates the registration of software copyright, exclusive licensing contracts for software copyright and transfer contracts. The National Copyright Administration shall be the competent governmental authority for the national administration of software copyright registration and the Copyright Protection Center of China (the "**CPCC**") is designated as the software registration authority. The CPCC shall grant registration certificates to the Computer Software Copyrights applicants pursuant to the provisions of both the Software Copyright Measures and the Computer Software Protection Regulations (《計算機軟件保護條例》).

Trademark

According to the Trademark Law of the PRC (《中華人民共和國商標法》), which was promulgated by the SCNPC on August 23, 1982, came into effect on March 1, 1983, and last amended on April 23, 2019 with effect from November 1, 2019, as well as the Implementation Regulation of the PRC Trademark Law (《中華人民共和國商標法實施條例》) adopted by the State Council on August 3, 2002, came into effect on September 15, 2002, and was revised on April 29, 2014 with effect from May 1, 2014, registered trademarks are trademarks approved and registered by the Trademark Office of China National Intellectual Property Administration, including commodity trademarks, service trademarks, collective trademarks, and certification marks. A trademark registrant enjoys exclusive rights to use a registered trademark, which is protected by the law. The Trademark Law and its implementation regulations set forth an application for trademark registration, which shall be filled in based on the published classification of commodities and services. The description of commodities or services shall be filled in based on the class number and description in the classification of commodities and services; where the commodities or services are not listed in the classification of commodities and services, a statement on the commodities or services shall be attached.

REGULATIONS RELATING TO EMPLOYMENT, SOCIAL INSURANCE AND HOUSING PROVIDENT FUNDS

Pursuant to the Labor Law of the PRC (《中華人民共和國勞動法》) (the "**Labor Law**"), which was promulgated by the SCNPC on July 5, 1994 and last amended and came into effect on December 29, 2018, the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) (the "**Labor Contract Law**"), which was promulgated by the SCNPC on June 29, 2007 and amended on December 28, 2012, and came into effect on July 1, 2013 and the Implementation Regulations for the Labor Contract Law of the PRC (《中華人民共和國勞動合同法實施條例》), which was issued by the State Council on September 18, 2008 and came into effect on the same day, employers must execute written labor contracts with full-time employees. All employers must comply with local minimum wage standards. Employers must establish a system for labor safety and sanitation that strictly abides by state standards and provides relevant education to their employees. Violations of the Labor Contract Law and the Labor Law may result in the imposition of fines and other administrative and criminal liability in the case of serious violations.

According to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), which was promulgated by the SCNPC on October 28, 2010 and last amended and came into effect on December 29, 2018, an employer is required to make contributions to social insurance schemes for its employees, including basic pension insurance, basic medical insurance, unemployment insurance, maternity insurance and work-related injury insurance. If the employer fails to make social insurance contributions in full and on time, the social insurance authorities may demand the employer make payments or supplementary payments for the unpaid social insurance premium within a prescribed time limit together with a 0.05% surcharge of the unpaid social insurance premium from the due date. If the payment is not made within such time limit, the relevant administrative authorities will impose a fine ranging from one to three times the total outstanding amount.

According to the Reform Plan of the State Tax and Local Tax Collection Administration System (《國稅地稅徵管體制改革方案》), which was promulgated by the General Office of the Central Committee of the CPC and the General Office of the State Council on July 20, 2018, commencing from January 1, 2019, all the social insurance premiums, including the premiums of basic pension insurance, unemployment insurance, maternity insurance, work injury insurance and basic medical insurance, shall be collected by the tax authorities. According to the Notice on Conducting the Relevant Work Concerning the Administration of Collection of Social Insurance Premiums in a Steady, Orderly and Effective Manner (《關於穩妥有序做好社會保險費徵管有關工作的通知》) promulgated by the General Office of the State Taxation Administration (the "**STA**") and implemented on September 13, 2018, all the local authorities responsible for the collection of social insurance are strictly forbidden from conducting self-collection of historical unpaid social insurance contributions from enterprises. The Notice on Implementing the Several Measures to Further Support and Serve the Development of Private Economy (《關於實施進一步支持和服務民營經濟發展若干措施的通知》), promulgated by the STA and implemented on November 16, 2018, repeats that tax authorities at all levels may not organize self-collection of arrears of taxpayers including private enterprises from the previous years. The Notice of General Office of the State Council on Promulgation of the Comprehensive Plan for the Reduction of Social Insurance Premium Rate (《國務院辦公廳關於印發降低社會保險費率綜合方案的通知》),

promulgated by the General Office of the State Council on April 1, 2019 and came into effect on the same day, requires steady advancement of the reform of the system of social security fees collection. In principle, the basic pension insurance for enterprise employees and other insurance types for enterprise employees shall be collected temporarily according to the existing collection system to stabilize the payment method. It also emphasizes that the historical unpaid arrears of the enterprise shall be properly treated. In the process of reformation of the collection system, the relevant governmental body is not allowed to conduct self-collection of historical unpaid arrears from enterprises, neither is it allowed to adopt any method of increasing the actual payment burden of small and micro enterprises to avoid causing difficulties in the production and operation of the enterprises.

According to the Administrative Regulations on Housing Provident Fund (《住房公積金管理條例》), which was promulgated by the State Council on April 3, 1999 and last amended and brought into effect on March 24, 2019, employers are required to make contributions to housing provident funds for their employees. Any entity fails to make payment of housing provident fund within the time limit or has shortfall in payment of housing provident fund will be ordered to make the payment or makeup the shortfall within the prescribed time limit, otherwise, the housing provident management center is entitled to apply for compulsory enforcement with the People's Court.

REGULATIONS RELATING TO TAX

Enterprise Income Tax

Under the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》), promulgated by the NPC on March 16, 2007 which became effective on January 1, 2008 and was last amended and came into effect on December 29, 2018, and the Implementation Regulations for the Enterprise Income Tax Law 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 was last amended on December 6, 2024 and became effective on January 20, 2025, enterprises are classified as resident enterprises and non-resident enterprises. Enterprises which are incorporated in the PRC or incorporated pursuant to foreign laws with their "de facto management bodies" located in the PRC are deemed a "resident enterprise" and subject to an enterprise income tax rate of 25% on their global income. Non-resident enterprises are subject to (i) an enterprise income tax rate of 25% on their income generated by their establishments or places of business in the PRC and their income derived outside the PRC which are effectively connected with their establishments or places of business in the PRC; and (ii) an enterprise income tax rate of 10% on their income derived from the PRC but not connected with their establishments or places of business located in the PRC. Non-resident enterprises without establishment or place of business in the PRC are subject to an enterprise income tax of 10% on their income derived from the PRC. High and new technology enterprises that need the support of the country are entitled to enjoy the reduced enterprise income tax rate of 15%.

Value-added Tax ("VAT")

Pursuant to the Value-added Tax Law of the PRC (《中華人民共和國增值稅法》) (the "**Value-added Tax Law**") promulgated by the SCNPC on December 25, 2024 and became effective on January 1, 2026, entities and individuals (including individual businesses) engaged in sale of goods, services, intangible assets and immovables and importation of goods within the territory of the PRC are VAT payers and shall pay VAT in accordance with the Value-added Tax Law. A small-scale taxpayer shall be exempted from VAT if it has a taxable transaction and the sales amount does not reach the threshold for levying VAT; if the sales amount has reached the threshold for levying, VAT shall be computed and paid fully pursuant to the provisions of the Value-added Tax Law. The criteria stipulated shall be stipulated by the State Council and filed with the SCNPC for the record.

REGULATIONS RELATING TO FOREIGN EXCHANGE

According to the Foreign Exchange Administration Regulations of the PRC (《中華人民共和國外匯管理條例》) promulgated by the State Council on January 29, 1996 and last amended on August 5, 2008 with effect on the same day, the RMB is generally freely convertible for current account items, including the distribution of dividends, trade and service related foreign exchange transactions, but not for capital account items, such as direct investment, loan, repatriation of investment and investment in securities outside the PRC, unless the prior approval of the State Administration of Foreign Exchange (the "**SAFE**") or its designated banks is obtained.

According to the Notice of the State Administration of Foreign Exchange on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of 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》) promulgated by the SAFE and became effective on June 9, 2016, amended and implemented on December 4, 2023, the settlement of foreign exchange receipts under the capital account (including but not limited to foreign exchange capital and external debts and funds recovered from overseas listing) may convert from foreign currency into RMB on a self-discretionary basis. The ratio of the discretionary exchange rate of foreign exchange receipts under the domestic capital account is tentatively set at 100%. The SAFE may adjust the above ratio in due course according to the balance of payment status.

According to the Notice of the State Administration of Foreign Exchange on Further Promoting Cross-border Trade and Investment Facilitation (《國家外匯管理局關於進一步促進跨境貿易投資便利化的通知》) which was promulgated by the SAFE and became effective on October 23, 2019, amended and implemented on December 4, 2023, foreign-invested enterprises engaged in non-investment business are permitted to settle foreign exchange capital in RMB and make domestic equity investments with such RMB funds according to the law on the condition that the current Special Administrative Measures for Foreign Investment (Negative List) Access are not violated and the relevant domestic investment projects are genuine and in compliance with laws.

REGULATIONS RELATED TO OUTBOUND INVESTMENTS BY ENTERPRISES

Pursuant to the Administrative Measures on Outbound Investments (《境外投資管理辦法》), which was promulgated by the MOFCOM on March 16, 2009, lastly amended on September 6, 2014 and effective on October 6, 2014, overseas investments of enterprises involving sensitive countries and regions and sensitive industries shall be subject to examination and approval by the competent department of commerce and other overseas investments of enterprises shall be subject to filing. The competent department of commerce shall carry out the administration of overseas investments of enterprises through the overseas investment administration system (境外投資管理系統), and issue to enterprises which have obtained filing or approval a Certificate of Overseas Investments of Enterprises (《企業境外投資證書》). When the domestic institution invests in an overseas enterprise through its overseas subsidiary, it shall report to the competent department of commerce after completing the overseas legal formalities of reinvestment.

Pursuant to the Administrative Measures for the Outbound Investments by Enterprises (《企業境外投資管理辦法》) (the "**Enterprise Outbound Investments Measures**"), which was promulgated by the NDRC on December 26, 2017 and became effective on March 1, 2018, projects subject to approval are sensitive projects to be carried out by investors either directly or through overseas enterprises controlled thereby and the approval authority is NDRC. Projects subject to filing are non-sensitive projects directly carried out by investors.

Pursuant to the Provisions on the Foreign Exchange Administration of the Overseas Direct Investment of Domestic Institutions (《境內機構境外直接投資外匯管理規定》) promulgated by the SAFE on July 13, 2009 and implemented on August 1, 2009 and the Notice on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment (《關於進一步簡化和改進直接投資外匯管理政策的通知》) promulgated by the SAFE on February 13, 2015, implemented on June 1, 2015 and was partially repealed on December 30, 2019, stipulates that, upon obtaining the approval for overseas investment, the overseas direct investment of PRC enterprises shall apply for foreign exchange registration to the banks at their places of registration.

REGULATIONS RELATED TO DIVIDENDS

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 Tax Evasion on Income (《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 "**Arrangement**") entered into on August 21, 2006, the PRC government may levy taxes on the dividends paid by a Chinese company to Hong Kong residents (including natural persons and legal entities) in an amount not exceeding 10% of total dividends payable by the Chinese company. If a Hong Kong resident directly holds 25% or more of the equity interest in a Chinese company, then such tax shall not exceed 5% of the total dividends payable by the Chinese company. The State Taxation Administration on 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 Tax Evasion on Income (《國家稅務總局關於〈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〉第五議定書》) issued by the STA and effective on December 6, 2019 states that treaty benefits will not be granted if, upon careful consideration of all relevant facts and conditions, it is reasonably determined that obtaining these benefits was a primary purpose of the arrangement or transactions, thereby providing direct or indirect benefits under the Arrangement. Exceptions are made when such benefits align with the Arrangement's relevant objectives and goals. The application of the dividend clause of tax agreements must comply with the Notice of the STA on the Issues Concerning the Application of the Dividend Clauses of Tax Agreements (《國家稅務總局關於執行稅收協定股息條款有關問題的通知》) and other Chinese tax laws and regulations.

REGULATIONS RELATING TO OVERSEAS LISTING AND H-SHARE FULL CIRCULATION

Overseas Listing

On February 17, 2023, the CSRC issued 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**") which came into force on March 31, 2023. The Trial Measures regulates overseas securities offering and listing activities by domestic companies in direct or indirect form. The Trial Measures provides that (i) Chinese companies that seek to offer and list securities in overseas markets shall fulfill the filing procedures with the CSRC and report relevant information to the CSRC, and the filing shall be submitted within three working days after the application for an initial public offering is submitted, and (ii) in the event that Chinese companies that have directly or indirectly listed securities in overseas markets intend to conduct follow-on offerings in overseas markets, such companies shall fulfill the filing procedures with and report relevant information to the CSRC, and such filing shall be submitted within three business days after such follow-on offering is completed. Moreover, an overseas offering and listing is prohibited if (i) it is prohibited by provisions in laws, administrative regulations and relevant state rules;(ii) it may endanger national security as reviewed and determined by competent PRC authorities under the State Council in accordance with law; (iii) in recent three years, the domestic operating entities or their controlling shareholders or actual controllers have committed crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy; (iv) domestic companies that are suspected of committing crimes or major violations of laws and regulations are under investigation according to law, and no conclusion has yet been made thereof; or (v) there are material ownership disputes over equity held by the controlling shareholders or by other shareholders that are controlled by the controlling shareholders or actual controllers.

On February 24, 2023, the CSRC, the MOF, the National Administration of State Secrets Protection, and the National Archives Administration of China published the Provisions on Strengthening Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the "**Archives Rules**") which came into force on March 31, 2023. The Archives Rules require that, in relation to the overseas securities offering and listing activities of domestic enterprises, either in direct or indirect form, such domestic enterprises, as well as securities companies and securities service institutions providing relevant securities services, are required to strictly comply with relevant requirements on confidentiality and archives management, establish a sound confidentiality and archives system, and take necessary measures to implement their confidentiality and archives management responsibilities. According to the Archives Rules, during an overseas offering and listing, if a domestic company needs to provide or publicly disclose to securities companies, securities service providers and overseas regulators, any materials that contain relevant state secrets or that have an adverse impact on the national security or public interests, the domestic company should complete the relevant approval/filing and other regulatory procedures.

H-share "Full Circulation"

"Full circulation" means listing and circulating on the Hong Kong 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, the CSRC issued 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》) (the "**Guidelines for the 'Full Circulation'**"), which was partly revised on August 10, 2023 according to the Decision on Revising and Abolishing Part of Securities and Futures Policy Documents by CSRC (《中國證券監督管理委員會關於修改、廢止部分證券期貨制度文件的決定》) and came into effect on the same date.

According to the Guidelines for the "Full Circulation", shareholders of domestic unlisted shares may determine by themselves through consultation the amount and proportion of shares, for which an application will be filed for circulation, provided that the requirements laid down in the relevant laws and regulations and set out in the policies for state-owned asset administration, foreign investment and industry regulation are met, and the corresponding H-share listed company may be entrusted to file the said application for "Full Circulation". To apply for "Full Circulation", an H-share listed company shall file the application with the CSRC according to the administrative filing procedures necessary for the Overseas Listing Trial Measures. After the filing for "Full Circulation" has been completed by the CSRC, the H-share listed company shall submit a report on the relevant situation to the CSRC within 15 days after the registration with China Securities Depository and Clearing Corporation Limited (the "**CSDC**") of the shares related to the application has been completed.

On December 31, 2019, CSDC and the Shenzhen Stock Exchange ("**SZSE**") jointly announced the Measures for Implementation of H-share "Full Circulation" Business (《H股"全流通"業務實施細則》) (the "**Measures for Implementation**"), which came into effect on the same day. The businesses in relation to the H-share "Full Circulation" business, such as cross-border transfer registration, maintenance of deposit and holding details, transaction entrustment and instruction transmission, settlement, management of settlement participants, services of nominal holders, etc. are subject to the Measures for Implementation.

In order to fully promote the reform of H-share "Full Circulation" and clarify the business arrangement and procedures for the relevant shares' registration, custody, settlement and delivery, the Guide to the Program for "Full Circulation" of H-shares of the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited (《中國證券登記結算有限責任公司深圳分公司H股「全流通」業務指南》) was promulgated by the Shenzhen Branch of CSDC on September 20, 2024 and came into effect on September 23, 2024, last amended on June 27, 2025 and effective on June 30, 2025, which specifies the business preparation, cross-border transfer registration, overseas depository of shares and initial maintenance of domestic holding details, etc.